



KESAR ENTERPRISES LIMITED

Regd. Off: Oriental House, 7 Jamshedji Tata Road, Churchgate, Mumbai-400 020, India. Website : <http://www.kesarindia.com>
Phone : (+91-22) 22042396 / 22851737 Fax : (+91-22) 22876162 E-mail : headoffice@kesarindia.com
CIN : L24116MH1933PLC001996

05th September, 2023

BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Scrip Code : 507180

Dear Sir,

Sub: Annual Report for the Financial Year 2022-23.

Pursuant to Regulation 34(1) of SEBI (LODR) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the Financial Year 2022-23, containing amongst other things, Notice convening the 88th Annual General Meeting of the Company scheduled to be held on Friday, 29th September, 2023 at 3.00 p.m. (IST) via Video Conferencing (VC) / Other Audio Visual Means (OAVM).

The said Annual Report is also available on the website of the Company at <https://www.kesarindia.com>. and have been dispatched to all those shareholders, whose email addresses are registered with the Company/Depositories Participants, through email, on 05th September, 2023.

The above is for your information and record.

Thanking you,

Yours faithfully,
For Kesar Enterprises Ltd.

Gaurav Sharma
Company Secretary &
Assistant Vice President - Legal

Encl. : As above.



88TH
ANNUAL REPORT
2022 - 23



KESAR ENTERPRISES LIMITED

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(Incorporated under the Indian Companies Act VII of 1913)

CIN: L24116MH1933PLC001996

CORPORATE INFORMATION

Board of Directors

Harsh R Kilachand
(Chairman & Managing Director)

Anilkumar S Ruia
(Independent Director- resigned w.e.f. 05.09.2022)

Mahesh A Kuvadia
(Independent Director)

Ranjana Sinha
(Independent Director)

Dr. Narendra Mairpady
(Independent Director)

Rishabh Shah
(Independent Director)

Devendra J Shah
(Non-Executive Non-Independent Director w.e.f.
12.08.2022)

Chief Financial Officer

Rohit Balu

Company Secretary & Assistant Vice President (Legal)

Gaurav Sharma

Statutory Auditors

V. C. Shah & Co.
Chartered Accountants

Secretarial Auditors

Ragini Chokshi & Co.
Company Secretaries
(Financial Year 2022-23)

Dhrumil M. Shah & Co. LLP
Company Secretaries
(Financial Year 2023-24)

Internal Auditors

Chandabhoy & Jassoobhoy
Chartered Accountants

Bankers

Uttar Pradesh Co-operative Bank Ltd.
UCO Bank

Registered Office

Oriental House, 7 Jamshedji Tata Road,
Churchgate,
Mumbai - 400 020

Plant Location

Baheri, Dist. Bareilly (Uttar Pradesh)

Registrar & Transfer Agent

Link Intime India Private Limited
C 101, Embassy 247, L. B. S. Marg,
Vikhroli (West), Mumbai - 400 083

Email ID for Communication by shareholders

headoffice@kesarindia.com

Audit Committee

Mahesh A Kuvadia	-	Chairperson
* Anilkumar S Ruia	-	Member
Harsh R Kilachand	-	Member
Dr. Narendra Mairpady	-	Member
Ranjana Sinha	-	Member

Stakeholders' Relationship Committee

Mahesh A Kuvadia	-	Chairperson
* Anilkumar S Ruia	-	Member
Harsh R Kilachand	-	Member
** Devendra J Shah	-	Member

Nomination and Remuneration Committee

Mahesh A Kuvadia	-	Chairperson
* Anilkumar S Ruia	-	Member
Ranjana Sinha	-	Member
Harsh R Kilachand	-	Member
Dr. Narendra Mairpady	-	Member

Corporate Social Responsibility Committee

Mahesh A Kuvadia	-	Chairperson
* Anilkumar S Ruia	-	Member
Harsh R Kilachand	-	Member

* ceased to be a member of Committees of Board w.e.f.
05.09.2022

** appointed as a member w.e.f. 12.08.2022

**88th Annual General Meeting scheduled on
Friday, 29th September 2023 at 3.00 p.m.
through Video Conferencing (VC) / Other
Audio-Visual Means (OAVM)**

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Notice of 88th Annual General Meeting

NOTICE is hereby given that the 88th Annual General Meeting of the Members of **KESAR ENTERPRISES LIMITED (CIN: L24116MH1933PLC001996)** will be held on **Friday, 29th September 2023 at 3.00 p.m.** through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2023 and Statement of Profit & Loss for the period ended on that date together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Devendra J Shah (DIN: 03095028), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Revision in Fee of Statutory Auditors

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 142 and other applicable provisions, if any, of the Companies Act, 2013 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on the recommendation of the Audit Committee and the Board of Directors of the Company, audit fee of M/s. V.C. Shah & Co., Chartered Accountants (Firm Registration No. 109818W), who were appointed as Statutory Auditors of the Company at 85th Annual General Meeting (AGM) of the Company held on 11.09.2020 to hold office for a term of five (5) consecutive years, from the conclusion of the 85th AGM till the conclusion of the 90th AGM of the Company to be held in the calendar year 2025, at a fee of ₹ 8,50,000 (Rupees Eight Lakhs Fifty Thousand only) per annum (excluding statutory levies and out-of-pocket expenses, if any), which was last revised to ₹ 12,50,000 (Rupees Twelve Lakhs Fifty Thousand only) per annum from Financial Year 2022-23 onwards by the Shareholders at 87th AGM, be and is hereby further revised to ₹ 14,00,000 (Rupees Fourteen Lakhs only) per annum (excluding statutory levies and out-of-pocket expenses, if any) effective from Financial Year 2023-24 onwards.”

“RESOLVED FURTHER THAT Shri Gaurav Sharma, Company Secretary & Assistant Vice President (Legal) and Shri Rohit Balu, Chief Financial Officer be and are hereby severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to the above resolution.”

4. Ratification of Remuneration to Cost Auditor for Financial Year 2023-24

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as recommended by the Audit Committee and approved by the Board of Directors, the payment of remuneration of ₹ 1,20,000/- (Rupees One Lakh Twenty Thousand Only) plus GST as applicable and reimbursement of actual travel and out of pocket expenses to Shri Rishi Mohan Bansal, Cost Accountant, Kanpur (Registration No.000022), to conduct the audit of the Cost Records of the Company relating to Sugar, Industrial Alcohol and Electricity divisions for the year ending 31st March, 2024, be and is hereby ratified.”

“RESOLVED FURTHER THAT Shri Gaurav Sharma, Company Secretary & Assistant Vice President (Legal) and Shri Rohit Balu, Chief Financial Officer be and are hereby severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to the above resolution.”

Registered Office:

Oriental House,
7 Jamshedji Tata Road, Churchgate,
Mumbai 400 020
Tel. No.: 022-22042396
E-mail: headoffice@kesarindia.com
Website: www.kesarindia.com

By Order of the Board of Directors

Gaurav Sharma
Company Secretary &
Assistant Vice President (Legal)
Membership No. ACS 19509

10th August, 2023

Notes

1. The Ministry of Corporate Affairs (“MCA”) has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19”, circular no. 20/2020 dated May 5, 2020 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 in relation to “Clarification on holding of annual general meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)”, (**collectively referred to as “MCA Circulars”**) permitted the holding of the Annual General Meeting (“AGM”) through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. In compliance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by Securities Exchange Board of India (**collectively referred to as “SEBI Circulars”**), the Notice of the AGM along with Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company’s website www.kesarindia.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of Link Intime India Private Limited (*Agency appointed by the Company for the purpose of remote e-voting, e-voting at AGM and VC/OAVM facility for AGM*) i.e. <https://instavote.linkintime.co.in>. A member, who wishes to obtain hard copy of the Annual Report, may send a request in this regard, to the Company at headoffice@kesarindia.com or to the Company’s Registrar and Transfer Agent at rnt.helpdesk@linkintime.co.in
3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Item No. 2 and the Special Business to be transacted at AGM is annexed to this Notice as **Annexure ‘A’**.
4. Relevant details, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / re-appointment at this AGM are also annexed to this Notice as **Annexure ‘B’**.
5. Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
7. Register of Members and Share Transfer Books of the Company shall remain closed from **Friday, September 22, 2023 to Friday, September 29, 2023** (both days inclusive) for the purpose of AGM.
8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:
 - (a) **For shares held in dematerialized form:** to their Depository Participants (DPs);
 - (b) **For shares held in physical form:** to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to **SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37** dated March 16, 2023. The folios wherein any one of the cited document/details referred to in para 4 of the said circular are not available on or after October 01, 2023, shall be frozen by the RTA. Copy of the said circular is available on the Company’s website i.e. <https://kesarindia.com/>.
9. As per the provisions of Section 72 of the Companies Act, 2013, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company’s website i.e. <https://kesarindia.com/>. Members are requested to submit the said

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details to their DP in case the shares are held by them in dematerialized form and to Registrar and Transfer Agent in case the shares are held in physical form.

10. SEBI vide its Circular No. **SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8** dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website i.e. <https://kesarindia.com/> and also on the website of Registrar and Transfer Agent i.e. <https://linkintime.co.in/>. Members may note that any such service request can be processed only after the folio is KYC Compliant in terms of SEBI Circular referred to in Note No. 8.
11. Regulation 40(1) of SEBI Listing Regulations as amended from time to time including amendment made vide notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of this requirement and also in order to eliminate risks associated with holding shares in physical form, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or Company's Registrar and Transfer Agent, for assistance in this regard.
12. The Unclaimed Dividend up to the Financial Year 2010-11 has been transferred to the Investor Education and Protection Fund set up by the Central Government pursuant to Section 125 of the Companies Act, 2013. The Company has not declared any dividend after the Financial Year 2010-11.
13. In case of joint holders, only such joint holder whose name appears as the first holder in the order of names as per the Register of Members will be entitled to vote at AGM.
14. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
15. Any person, whose name appears in the Register of Member/ list of Beneficial Owners as on Cut-off date specified in this Notice, shall be entitled to vote by way of voting through remote e-voting or e-voting system at AGM on the items/ Resolutions set forth in this Notice. Process for e-voting is provided in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

The members, who have cast their vote(s) by remote e-voting, may also attend the AGM but shall not be entitled to cast their vote again during the AGM.

The voting rights of the members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date.
16. Any person including non-individual shareholders holding shares in physical form, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as of the Cut-off date may obtain the login ID and password by following the instructions provided under Note No. 21.
17. Shri Dhruvil M. Shah (FCS No. 8021) from M/s. Dhruvil M. Shah & Co. LLP, Practising Company Secretaries, has been appointed by the Board of Directors as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
18. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, within two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The result shall be announced/declared within the time specified under the applicable laws.
19. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.kesarindia.com and on the website of Link Intime India Private Limited i.e. <https://instavote.linkintime.co.in> immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.
20. Members seeking any information/desirous of asking any questions at the AGM with regard to the accounts or any matter to be placed at the Meeting may send email to the Company at headoffice@kesarindia.com at least 7 working days before the Meeting. The same will be replied by the Company suitably.

21. INSTRUCTIONS FOR E-VOTING AND ATTENDING THE AGM THROUGH VC/OAVM

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the provisions of Regulation 44 of the SEBI Listing Regulations and in terms of SEBI Circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020, Members are provided with the facility to cast their vote on all items/resolutions set forth in this Notice, through remote e-voting (i.e. facility of casting votes by using an electronic voting system from a place other than the venue of AGM) or e-voting during the AGM, at Link Intime India Private Limited's e-voting platform. Members are provided with facility to attend the AGM through VC/OAVM facility provided by Link Intime India Private Limited.

The remote e-voting period will begin on **Tuesday, 26th September, 2023 (09.00 a.m. IST)** and end on **Thursday, 28th September, 2023 (05.00 p.m. IST)**. During this period, the Shareholders of the Company, holding shares either in physical form or in dematerialized form, **as on Friday, 22nd September, 2023 (the cut-off date)**, may cast their vote electronically. The e-Voting module shall be disabled by Link Intime India Private Limited (LINKINTIME / LIPL) for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the AGM.

Detailed Instructions for casting votes through e-voting system and attending the AGM through VC/OAVM are as follows:

I. REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:

As per SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, individual shareholders holding securities in dematerialized mode can register directly with the depository or will have the option of accessing various e-voting service providers' (ESPs) portals directly from their demat accounts.

A. Login method for Individual Shareholders holding securities in Dematerialized Mode:

1. Individual Shareholders holding securities in dematerialized mode with NSDL:

- a. Existing IDeAS user can visit the e-Services website of NSDL viz. <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. **LINKINTIME** and you will be re-directed to "**InstaVote**" website for casting your vote during the remote e-Voting period.
- b. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>.
- c. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under '**Shareholder/Member**' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. **LINKINTIME** and you will be redirected to "**InstaVote**" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in dematerialized mode with CDSL:

- a. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
- b. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. **LINKINTIME** for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

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- c. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
- d. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

3. **Individual Shareholders (holding securities in demat mode) login through their depository participants:**

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. **LinkIntime** and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

B. **Login method for Individual shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:**

Individual Shareholders of the company holding shares in physical form/ Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on **“Sign Up”** under **‘SHARE HOLDER’** tab and register with your following details: -
 - A. **User ID:** Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
 - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.)
 - C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
 - D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.

**Shareholders/ members holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

**Shareholders holding shares in NSDL form, shall provide ‘D’ above.*

 - Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
 - Click “confirm” (Your password is now generated).
3. Click on **‘Login’** under **‘SHARE HOLDER’** tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **‘Submit’**.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select **‘View’** icon.
2. E-voting page will appear.
3. Refer to the Resolution description and cast your vote by selecting your desired option **‘Favour / Against’** (If you wish to view the entire Resolution details, click on the **‘View Resolution’** file link).

4. After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of Link Intime at <https://instavote.linkintime.co.in> and register themselves as ‘Custodian / Mutual Fund / Corporate Body’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000 / 810 811 6767.

Helpdesk for Individual Shareholders holding securities in dematerialized mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in> .

- o Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

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II. PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET & VOTING DURING MEETING:

Instructions for Attending Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on “Login”.
 - Select the “Company” and ‘Event Date’ and register with your following details: -
 - A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **physical form shall provide Folio Number registered with the Company**
 - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).
 - C. **Mobile No.:** Enter your mobile number.
 - D. **Email ID:** Enter your email id, as recorded with your DP/Company.
 - Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register themselves as Speaker by sending the request from their registered email id to headoffice@kesarindia.com on or before **Monday, 25th September, 2023**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholders may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.

6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

For a smooth experience of viewing the AGM proceedings at InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance. Detailed instructions in this regard can be accessed on the company's website viz. <https://www.kesarindia.com/communications.html>

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ANNEXURE 'A'

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 and additional information as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and Circulars issued thereunder:

Item No. 2 – Appointment of Shri Devendra J Shah as Director, who retires by rotation at this 88th Annual General Meeting (AGM)

Pursuant to Section 152 of the Companies Act, 2013, Shri Devendra Shah, Non-Executive Non-Independent Director, shall retire by rotation at this AGM and he being eligible, has offered himself for re-appointment.

Details of Shri Devendra J. Shah required in terms of Regulation 36 of SEBI Listing Regulations and Secretarial Standard 2 issued by Institute of Company Secretaries of India are provided in **Annexure 'B'** to this Notice.

Shri Devendra J. Shah is interested in the resolution set out at Item No. 2 of the Notice with regard to his appointment. The relatives of Devendra J. Shah may be deemed to be interested in the resolution set out at Item No. 2 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution set out at Item No.2 of the Notice for approval by members.

Item No. 3 –Revision in Fee of Statutory Auditors

Members may kindly recall that based on recommendation of Audit Committee and the Board of Directors, M/s. V. C. Shah & Co., Chartered Accountants were appointed as Statutory Auditors of the Company by the Members at 85th Annual General Meeting (AGM) held on 11th September, 2020 to hold office for a term of five (5) consecutive years, from the conclusion of 85th AGM till the conclusion of the 90th AGM to be held in the calendar year 2025, at a fee of ₹ 8,50,000/- per annum (excluding statutory levies and out-of-pocket expenses, if any). The said fee was revised to ₹ 10,00,000/- from Financial Year 2021-22 onwards by members at 86th Annual General Meeting held in the year 2021 and to ₹ 12,50,000/- from Financial Year 2022-23 onwards by members at 87th Annual General Meeting held in the year 2022.

In view of enhanced reporting requirements by Statutory Auditors, the Audit committee, at its meeting held on 30th May, 2023, considered further revision in the fee of statutory Auditors. The Audit Committee, after due consideration, recommended to the Board of Directors, revision in fee of Statutory Auditors from existing fee of ₹ 12,50,000/- per annum to ₹ 14,00,000/- per annum (excluding statutory levies and out- of-pocket expenses, if any) effective from Financial Year 2023-24 onwards.

Based on the recommendation of the Audit Committee, the Board of Directors have approved the proposal to revise fee of Statutory Auditors to ₹ 14,00,000/- per annum (excluding statutory levies and out-of-pocket expenses, if any) effective from Financial Year 2023-24 onwards, subject to approval by Members at this 88th Annual General Meeting by way of an ordinary resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the Ordinary Resolution set out at Item No.3 of the Notice for approval by members.

Item No. 4 – Ratification of Remuneration to Cost Auditor for Financial Year 2023-24

The Board of Directors, on the recommendation of the Audit Committee, have approved the appointment and payment of remuneration of ₹ 1,20,000/- (1,05,000/- for previous year) to Shri Rishi Mohan Bansal, Cost Accountant, Kanpur (Registration. No.000022), for conducting audit of the cost records of the Company relating to Sugar, Industrial Alcohol and Electricity divisions for the financial year ending 31st March, 2024.

Pursuant to Section 148(3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Shri Rishi Mohan Bansal, Cost Auditor, as recommended by the Audit Committee and approved by

KESAR ENTERPRISES LIMITED

the Board of Directors, is required to be ratified by members of the Company at this AGM by way of an ordinary resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the Ordinary Resolution as set out at Item No.4 of the Notice for approval by members.

Registered Office:

Oriental House,
7 Jamshedji Tata Road, Churchgate,
Mumbai 400 020
Tel. No.: 022-22042396
E-mail: headoffice@kesarindia.com
Website: www.kesarindia.com

By Order of the Board of Directors

Gaurav Sharma
Company Secretary &
Assistant Vice President (Legal)
Membership No. ACS 19509

10th August, 2023

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ANNEXURE 'B'

Details of Directors retiring by rotation / seeking appointment / re-appointment at the Meeting:

Shri Devendra J Shah	
Date of Birth (Age)	12 th July, 1955 (68 years)
Nationality	Indian
Qualification	B.Com., Fellow Company Secretary (FCS), Diploma in Financial Management (DFM)
Experience (including expertise in specific functional area) / Brief Resume	Shri Devendra J Shah had joined the Company on 23 rd December, 1993. He retired from the Company as Sr. Vice President (Legal) and Company Secretary on 13 th November, 2020. He has overall 40+ years of experience including vast experience in Secretarial, Legal, Administration & Personnel functions.
Terms and Conditions of appointment	As per the resolution set out at Item No.2 of this Notice, Shri Shah will retire by rotation at this Annual General Meeting and being eligible, he has offered himself for re-appointment.
Remuneration last drawn (FY 2022-23)	Shri Shah has been paid sitting fees amounting to ₹ 2.00 Lakhs for attending meetings of Board and Committees in which he is a member.
Remuneration proposed to be paid	Shri Shah is entitled to receive sitting fee for attending meetings of the Board and Committee (s) thereof, of which he may be appointed as member by the Board or for any other purpose, as approved by the Board of Directors from time to time.
Date of first appointment on the Board	Shri Shah was appointed by the Board as a Whole Time Director designated as "Director & Company Secretary" for a period of 3 years w.e.f. 27 th January, 2015 and continued as Whole Time Director till 30 th April, 2018. *Shri Shah was appointed as Non-Executive Non-Independent Director w.e.f. 12 th August, 2022.
Shareholding in the Company as on 31st March, 2023	500 Equity Shares
Relationship with other Director (s) and Key Managerial Personnel	Nil
Number of Meetings of the Board attended during the financial year 2022-23	3 out of 5 Board Meetings held
Directorships of Other Boards as on 31st March, 2023	Nil
Membership/ Chairmanship of Committees of other Boards as on 31st March, 2023	Nil
Listed entities from which the Director has resigned in the past three years (as on 31st March, 2023)	Nil

Registered Office:
 Oriental House,
 7 Jamshedji Tata Road, Churchgate,
 Mumbai 400 020
 Tel. No.: 022-22042396
 E-mail: headoffice@kesarindia.com
 Website: www.kesarindia.com

By Order of the Board of Directors

Gaurav Sharma
Company Secretary &
Assistant Vice President (Legal)
Membership No. ACS 19509

10th August, 2023

Directors' Report

To

The Members,

Your Directors present the Annual Report of Kesar Enterprises Limited (**the Company**) along with the audited financial statements for the financial year ended March 31, 2023.

1. Financial Highlights

(₹ In Lakhs)

Particulars	Financial Year 2022-23	Financial Year 2021-22
Profit / (Loss) before interest, depreciation & taxation	225.01	1,536.87
Less: Finance Cost	2731.72	2,571.58
Profit / (Loss) before Depreciation & Taxation	(2506.71)	(1,034.71)
Less: Depreciation and Amortisation Expense	1898.87	1837.48
Less: Taxation / Deferred Tax	-	16.94
Profit / (Loss) for the year	(4405.58)	(2,889.13)
Other Comprehensive Income		
Items that will not be reclassified to profit or loss:		
(i) Actual loss on defined benefit obligation	(70.91)	(5.65)
(ii) Effect of measuring investment at fair value	(7.70)	(22.36)
Net Profit or (Loss) for the year	(4484.19)	(2,917.14)

For the Financial Year 2022-23, there is a loss of ₹ 4,405.58 lakhs as against a loss of ₹ 2,889.13 lakhs in the previous year. After taking into account the effect of other Comprehensive Income based on Ind-AS norms, there is a loss of ₹ 4,484.19 lakhs for the Financial Year 2022-23 as against a loss of ₹ 2,917.14 lakhs in the previous year.

Over the last few years, the Sugar Industry has faced severe difficulties on account of high sugar cane prices set by the State Government, lower sugar prices and consequential inadequate recovery of cost of production. These factors have adversely affected the Company's operations and financial performance.

2. Company's Operational Performance (Financial Year 2022-23)

Sugar Division

The crushing for the Season 2022-23 started on 31-10-2022 i.e. 9 days earlier, after considering the cane maturity factor etc., as compared to 08-11-2021 in the previous season, and ended on 26-04-2023 i.e. 15 days earlier, as against 11-05-2022 in the previous season.

During the season, the plant has crushed 115.99 lakh quintals of sugarcane in 177 days as against 115.39 lakh quintals in 185 days in the previous season. The crushing was higher by 0.60 lakh quintals during the season, which was second highest crushing in the history of the Company, since its inception. Though, this year the total cane area was higher at 30,983 hectare as compared to 28,430 hectares in previous season, the cane yield per hectare was slightly lower at 551 quintals per hectare as compared to 597 quintals per hectare in the previous season. The overall sugar recovery was 10.49%, which is same to that of previous season. During the season, the sugar production was 12.16 lakh quintals, as against 12.10 lakh quintals in the previous season.

For the sugar season 2022-23, the Central Government had announced a Fair & Remunerative Price [FRP] of sugarcane at ₹ 305/- a quintal at a base recovery of 10.25%, with a premium of ₹ 3.05 per quintal for every 0.1% increase above 10.25% in the final recovery achieved by respective sugar factory. However, the Government of Uttar Pradesh has not increased their State Advised Price (SAP) of Sugarcane this season and has retained the same at ₹ 340/- a quintal for

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normal variety. On the basis of FRP and our recovery of 10.49%, the cane price works out to be ₹ 312.32 per quintal, as against which, the Company has to pay ₹ 350 per quintal for early variety of cane based on SAP.

During the last few years, the cost of production in the State of Uttar Pradesh (UP) was the highest in the country, which rendered the UP Sugar Industry unviable, cash-starved and uncompetitive. There is an urgent need to rationalize the cane pricing policy in the State of UP and adopt a 'linkage formula' as recommended by the Rangarajan Committee linking sugar cane price to sugar realisation. This is the only long-term solution for stability & viability of the Sugar industry. Indian Sugar Mills Association (ISMA) and UP Sugar Mills Association (UPSMA) have been in discussion on this issue with Central Government. However, the said issue is yet to be decided.

During the Season 2022-23, Molasses produced was 5.28 lakh quintals as against 5.07 lakh quintals in the previous season. The UP Government had announced the Molasses Policy for 2022-23 (November-October), wherein the molasses reservation ratio for the country liquor manufacturers had been retained at 20.00%, which is the same as that for the previous season.

During the year under review, there is a moderate increase in sugar selling price, as compared to the previous year. However, the increase in the sugar realisation is much lower than the impact of increase in the cane price. Although the Government had approved an increase in Minimum Selling Price (MSP) for sugar 4 years ago, it did not introduce it, resulting into lower realization.

Power Division

During the Sugar Season 2022-23, the Plant started on 20-10-2022 as against 05-11-2021 in the previous season and operated till 30-04-2023, as against 15-05-2022 in previous season. Like previous season, this season also, the Company planned to stop the power plant immediately after the closure of sugar plant operations and not to run the power plant during off-season on account of reduced, unviable power tariff.

The Plant consumed 2.82 lakh MT of bagasse and 0.39 lakh MT of alternate fuel to generate 1.39 MW power as against 2.97 lakh MT of bagasse and 0.28 lakh MT of alternate fuel to generate 1.33 lakh MW power in the previous Season. The total power exported to Uttar Pradesh Power Corporation Limited (UPPCL) was 0.94 lakh MW amounting to ₹ 30.70 Crores as against 0.86 lakh MW amounting to ₹ 31.66 Crores in the previous Season.

The Uttar Pradesh Electricity Regulatory Commission vide notification dated 25.07.2019 reduced the power purchase rates of bagasse-based power plants with effect from 01.04.2019 from ₹ 5.86 per unit to ₹ 3.76 per unit. As per this notification, power purchase rate with effect from 01.04.2022 has become ₹ 3.33 per unit. The sugar industry has filed a writ petition to challenge such reduction in power rates before the Hon'ble High Court, which has been admitted, as at present rates running of power plant is almost an unviable proposition.

Spirits Division

During the year, Distillery plant was operated at its full capacity of 45 KLPD, as per the guidelines of Pollution Control Board (PCB).

Below given are the comparative figures of two seasons:

Product	UoM	Season (November to October)	
		2022-23 (Upto 30 May 2023)	2021-22
Molasses Consumed	Lakh Qtl	3.59	2.57
Rectified Spirit (RS)	Lakh BL	83.02	57.34
Ethanol	Lakh BL	0.00	6.73
DS / SDS	Lakh BL	81.16	43.07

With a view to capitalise change in the market scenario, the Company has not offered any quantity of Ethanol to Oil Marketing Companies (OMCs) and has decided to supply RS / SDS directly in the open market. Till 30.05.2023, the Company has supplied 81.00 Lakh BL of RS / SDS as against 42.84 Lakh BL of RS / SDS BL supplied during the whole of year (November 2021 to October 2022). The current year's average realisation of RS / DS / SDS is around Rs 52.90 per BL as compared to the landed rate of Rs 49.41 / BL offered by OMCs for Ethanol produced from C Final molasses.

3. Expectations from Financial Year 2023-24

Sugar Division

The crushing for Season 2023-24 is expected to start in the last week of October 2023 / 1st week of November 2023 depending upon the cane maturity status and other relevant factors.

During the Financial Year 2023-24, the sugar price is expected to be steady due to expected low level of opening stock of sugar. This may result into the Company generating better operational margins gradually. The industry outlook is positive in the short term and long term with sugar prices expected to be stable as there is lot of focus on reducing / curtailing sugar production, and to manufacture Ethanol directly from sugar syrup, besides diverting from C Heavy to B Heavy molasses, in addition to the focus on Exports.

Spirits Division

With the completion of installation of incineration boiler during the Financial Year 2021-22, the focus will now be on Distillery expansion project of installing a new 80 KLPD MPR plant. Although the original plan was to complete this 80 KLPD plant by September 2022, it got deferred due to certain factors, but it is expected to be executed very soon.

Once, 80 KLPD plant gets commissioned, the Company will start running the Distillery at its new capacity of 80 KLPD, which can go upto 96 KLPD with B Heavy molasses. With the higher sales revenue /margin from B Hy molasses, the Company is hopeful of a better performance of its Spirit division, with commissioning of the 80 KLPD plant during next season. Till such time, the Company will continue to run its Distillery at 45 KLPD capacity.

Power Division

The Cogen Power Plant will start in the last week of October 2023 and will be operated till the end of sugar crushing season 2023-24.

4. Dividend

Considering the financial position of the Company, your directors have not recommended any dividend for the financial year 2022-23.

5. Transfer to Reserves

No amount is proposed to be transferred to reserves during the year under review.

6. Share Capital

As on March 31, 2023, the Paid-up Share Capital of the Company was ₹ 1007.97 lakhs. During the year under review, the Company has not issued any shares. The Company has no Employee Stock Option Scheme in existence.

7. Directors' Responsibility Statement

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013 (**the Act**), the Board of Directors to the best of their knowledge hereby state that:

- i) in preparation of the annual accounts for the financial year ended on March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss for that period;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors had prepared the Annual Accounts for the financial year ended on March 31, 2023 on a going concern basis;
- v) the Directors had laid down proper internal financial controls in place and that such internal financial controls were adequate and were operating effectively;

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- vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. Number of Meetings of the Board

Five (5) meetings of the Board of Directors were held during the year under review. For details of meetings of the Board of Directors, Members may kindly refer to the Corporate Governance Report, which is a part of this report.

9. Audit Committee

As on March 31, 2023, the Audit Committee comprised of Four (4) members, including Three (3) Independent Directors and One (1) Executive Director. Further details of the Audit Committee are provided in the Corporate Governance Report, which forms part of this report.

During the year under review, there were no instances where recommendations of the Audit Committee were not accepted by the Board.

10. Directors & Key Managerial Personnel

As on March 31, 2023, 66.67% of the Board comprised of Independent Directors. List of Directors as on 31st March 2023 is provided in Corporate Governance Report, forming part of this Report.

During the year under review, Shri Devendra J Shah (DIN: 03095028) was appointed as an Additional Director in the category of Non-Executive Non- Independent Director, by the Board of Directors at their meeting held on 11.08.2022 w.e.f. 12.08.2022 on the basis of recommendation of the Nomination & Remuneration Committee, in terms of provisions of Section 161 of the Companies Act, 2013, to hold office up to the date of ensuing 87th Annual General Meeting (AGM). At the 87th AGM held on 20.09.2022, appointment of Shri Shah as Non-Executive Non- Independent Director was approved by the Members.

Further, Shri Harsh R Kilachand (DIN: 00294835) was re-appointed as Whole Time Director (designated as Chairman and Managing Director) for a period of three years from 14.08.2022 to 13.08.2025, by the Board of Directors at their meeting held on 25.07.2022, which was approved by the Members at 87th AGM held on 20.09.2022. During the year under review, Shri Anilkumar S Ruia (DIN: 00296622), Independent Director of the Company resigned from the position of Independent Director of the Company with effective from 5.09.2022, citing health issues.

Pursuant to Section 152 of the Act, Shri Devendra J Shah (DIN: 03095028) shall retire by rotation at the 88th AGM and he being eligible offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment along with other necessary details forms part of Notice of 88th AGM.

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of Independence as laid down under Section 149(6) of the Act along with the rules framed thereunder and Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**the Listing Regulations**). There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Independent Directors have confirmed compliance with the Code for Independent Directors prescribed in Schedule IV to the Act and also, with the Code of Conduct for Directors and Members of Senior Management formulated by the Company.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any, except in case of Shri Devendra J. Shah who continues to work as Consultant in professional capacity, in compliance with law.

During the year under review, Shri Sharat Mishra, who was working at a designation of President, was appointed as Chief Operating Officer (designated as Key Managerial Personnel under the Act). Pursuant to the provisions of Section 203 of the Act, Shri Harsh R Kilachand (Chairman & Managing Director), Shri Sharat Mishra (Chief Operating Officer), Shri Rohit Balu (Chief Financial Officer) and Shri Gaurav Sharma (Company Secretary & Assistant Vice President -Legal) are the Key Managerial Personnel of the Company as on 31st March 2023.

The Directors and Key Managerial Personnel have confirmed that during the year under review, none of them have entered into any agreement for himself / herself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the shares of the Company.

11. Details of Familiarisation Programmes

Pursuant to the provisions of Regulation 25 of the Listing Regulations, the Company familiarises the Independent Directors through various programmes, from time to time, with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The details of Familiarization Programmes imparted to Independent Directors are placed on the Company's website on <https://www.kesarindia.com/pdf/Policies/Details%20of%20Familiarisation%20Programme.pdf>

12. Board Evaluation

The Board of Directors have carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as composition and structure of the Board, effectiveness of the Board processes, information and functioning etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings etc.

The performance of individual directors was evaluated by the Board on the basis of criteria such as the contribution of each director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

In a separate meeting of independent directors, performance of the Board as a whole, Board Committees and Chairman & Managing Director of the Company was evaluated.

Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

13. Policy on directors' appointment and remuneration and other details

The Company's policy on appointment of directors, key managerial personnel and senior management and their remuneration is available on the Company's website on https://www.kesarindia.com/corporate_governance.html

The policy on remuneration has also been disclosed in the Corporate Governance Report, which is a part of this report as an annexure.

14. Corporate Social Responsibility (CSR)

Although, the provisions of Section 135 of the Act are not applicable to the Company at present, the Company has a Corporate Social Responsibility Committee. The Composition of the committee is provided in Corporate Governance Report, forming part of this report.

In view of losses incurred by the Company for past many years, while the Company was not required to spend any amount during the financial year 2022-23 in terms of provisions of Section 135, the Company carried out various CSR activities during the year under review, including the following:

- Imparting training to Girls from rural areas for sewing Cloths
- Distribution of Blankets/Quilts during winter season, among needy people
- Organizing Eye Testing, Blood Donation and Blood testing Camps

15. Internal Financial Control Systems and their Adequacy

The Company has adequate Internal Financial Control Systems in place. The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis Report, which is a part of this report.

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16. Risk Management

Your Company has formulated a risk management policy to identify, evaluate and mitigate various kinds of risks. The Audit Committee has oversight in the area of financial risks and controls. A detailed statement indicating the development and implementation of the risk management policy for the Company, including identification of various elements of risk, is part of the Management Discussion and Analysis Report, forming part of this report.

17. Statutory Auditors & Secretarial Auditors

At the 85th Annual General Meeting of the Company held on 11 September 2020, M/s. V. C. Shah & Co., Chartered Accountants were appointed as statutory auditors of the Company to hold office for a term of 5 (Five) years from the conclusion of the 85th Annual General Meeting till the conclusion of 90th Annual General Meeting of the Company to be held in year 2025.

The Board of Directors had, at its meeting held on 14th February 2023, appointed M/s. Ragini Chokshi & Co., Practicing Company Secretaries as secretarial auditors of the Company to undertake the secretarial audit for the financial year 2022-23, in terms of the provisions of Section 204 of the Act.

18. Statutory Auditors' Report and Secretarial Auditors' Report

The Statutory Auditors have submitted their Report for the year ended on 31st March 2023, which has been taken on record by the Board of Directors. There is no qualification, reservation or adverse remark in the Statutory Auditors' Report. No frauds have been reported by the Statutory Auditors during the financial year 2022-23. The Statutory Auditors' Report forms part of this annual report.

The Secretarial Auditors have also submitted their Report for the year ended on 31st March 2023. There are two instances of non-compliances highlighted in the Secretarial Audit Report; responses to the same are as follows:

- (a) In respect of non-compliance under Regulation 33 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members may kindly note that the Company was not able to file its audited financial results for the financial year ended on 31st March, 2022 with the Stock Exchange within the period stipulated under Regulation 33 of the said Regulations, in view of enhanced disclosures requirements under amended Schedule III, enhanced reporting requirements as per new Companies (Auditor's Report) Order, 2020 as well as delay in collation of financial data and hence, it could also not hold any Board Meeting during the quarter ended 30th June 2022, in deviation with the requirement under Regulation 17 (2) of the said Regulations. A letter dated 25th May 2022 was also submitted to Stock Exchange (BSE), in compliance of SEBI Circular dated CIR/CFD/CMD-1/142/2018 dated 19th November 2018. The audited financial results for the financial year ended on 31st March 2022 were approved and taken on record at the Board Meeting held on 25th July 2022 and filed with the Stock Exchange on 25th July 2022. The Company has paid the fine which was imposed by BSE in terms of Standard Operating Procedure prescribed in SEBI Circular titled "*Non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Standard Operating Procedure for suspension and revocation of trading of specified securities*" dated 22nd January 2020.
- (b) In respect of non-compliance under Regulation 17(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members may kindly note that due to reasons stated in paragraph (a) above, the Company could not hold any Board Meeting during the quarter ended 30th June 2022, in deviation with the requirement under Regulation 17 (2) of the said Regulations. The Company held the Board Meeting on 25th July 2022. The Company has paid the fine which was imposed by BSE in terms of Standard Operating Procedure prescribed in SEBI Circular titled "*Non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Standard Operating Procedure for suspension and revocation of trading of specified securities*" dated 22nd January 2020.

No frauds have been reported by the Secretarial Auditors during the financial year 2022-23.

The Secretarial Audit Report is annexed to this report as "**Annexure I**".

19. Cost Audit

The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Act and the same have been made and maintained in accordance with the said provision.

Pursuant to Section 148 of the Act, the Board of Directors had appointed Shri Rishi Mohan Bansal, Cost Accountant as Cost Auditor of the Company to conduct the audit of cost records maintained by the Company relating to Sugar, Industrial Alcohol and Electricity Divisions for the year ended on 31st March 2023. The Cost Audit Report when received from the Cost Auditor for year ended on 31st March 2023, shall be considered and examined by the Board and submitted to Central Government within stipulated time.

Based on recommendation of the Audit Committee, the Board of Directors have, at their meeting held on 30th May 2023, appointed Shri Rishi Mohan Bansal, Cost Accountant as Cost Auditor of the Company to conduct the audit of cost records maintained by the Company relating to Sugar, Industrial Alcohol and Electricity Divisions for the year ending on 31st March 2024. In pursuance of Section 148 (3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, a resolution seeking to ratify the payment of remuneration to the Cost Auditor for the financial year ending on 31st March 2024 forms part of Notice of ensuing 88th AGM.

20. Vigil Mechanism

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in accordance with Section 177(9) of the Act and Regulation 22 of the Listing Regulations, to report concerns about any violation of legal or regulatory requirements, misrepresentation of any financial statement and to report actual or suspected fraud or violation of the Code of Conduct of the Company.

The Policy allows the Whistle Blowers to have direct access to the Chairman of the Audit Committee in exceptional circumstances and protects them from any kind of discrimination or harassment. This Policy is available on the Company's website on https://www.kesarindia.com/corporate_governance.html

21. Transactions with Related Parties

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for the financial year 2022-23 and hence, does not form part of this report.

A policy of Related Party Transactions as approved by the Audit Committee and the Board of Directors is placed on the Company's website on https://www.kesarindia.com/corporate_governance.html

22. Particulars of Loans, Guarantees and Investments

The particulars of loans, guarantees and investments as per Section 186 of the Act by the Company, have been disclosed in the financial statements.

23. Deposits from Public

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

24. Credit Facilities

During the year under review, no credit facilities were obtained by the Company from any bank or financial institution.

During the year under review, the Board of Directors have, at their meeting held on 29th March 2023, approved One Time Settlement (OTS) with UCO Bank, with OTS amount to be paid in instalments over a period of time as per terms of sanction issued by the Bank and accepted by the Company. As on date of this report, the Company is in compliance with the OTS terms.

The loan was availed by the Company from UCO Bank for setting up of 44MW bagasse based Co-generation power project adjoining the Company's sugar factory at Baheri. Since, the loan was taken for the new project, no valuation was done by the Bank at the time of sanctioning the loan. Therefore, the difference between the valuations at the time of sanction and at the time of one-time settlement cannot be ascertained. Consequentially, disclosure regarding the details of difference between amount of valuation done at the time of one-time settlement and the valuation done while taking loan, in terms of Rule 8 (5) (xii) of the Companies (Accounts) Rules, 2014, is not applicable.

25. Insurance

The Company has taken adequate insurance for all its properties.

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26. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March 2023 is available on the Company's website on <http://www.kesarindia.com/communications.html>

27. Prevention of Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 on prevention of Insider Trading, your Company has a comprehensive code which lays down guidelines and advises the Directors, Key Managerial Personnel and other designated persons on procedures to be followed and disclosures to be made, while dealing in securities of the Company. The Company's Code of Conduct for the Directors and Members of Senior Management, also makes it a duty on the part of the Directors and Members of Senior Management to comply with the SEBI (Prohibition of Insider Trading) Regulations, 2015, while trading in securities of the Company.

28. Policy for Prevention of Sexual Harassment

The Company has complied with the provisions relating to constitution of an Internal Complaint Committee (ICC) for prevention and redressal of complaints / grievances on the sexual harassment of women at workplaces under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, the Company did not receive any complaint on sexual harassment.

29. Compliance with Secretarial Standards

Your directors state that applicable provisions of Secretarial Standards i.e. SS-1 and SS-2 issued by the Institute of Company Secretaries of India, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively have been duly followed by the Company.

30. Material Changes & Commitments Affecting Financial Position between the end of the financial year & Date of this Report

In the opinion of the Board of Directors, there are no material changes & commitments affecting the financial position of the Company between the end of financial year 2022-23 and date of this report.

31. Significant and Material Orders passed by the Regulators, Courts and Tribunals

There are no significant and material orders passed by any regulator or court or tribunal impacting the going concern status and company's operations in future, as on the date of this report, subject to the following:

- (a) During the financial year 2021-22, UCO Bank had filed application u/s 7 of Insolvency and Bankruptcy Code, 2016 before Honorable National Company Law Tribunal (NCLT), Mumbai Bench, seeking initiation of Corporate Insolvency Resolution Process of the Company. The said application is pending before NCLT as on date of this report. The said application was last listed on 19th May 2023 before NCLT, Mumbai. During the course of hearing, NCLT Bench has directed the bank to file application for withdrawal of application filed by the Bank u/s 7 in view of OTS entered into between the Bank and the Company, which shall be placed before the Bench on 13th June 2023 for orders.
- (b) During the year under review, in respect of land owned by the Company in Village Khurpia, Tehsil Kiccha, District Udham Singh Nagar, Tehsildar, on an application of a third party, passed an order dated 6th February, 2023, deleting the name of the Company as owner and entering the name of a third party as owner, in Khatauni (which is the revenue record of the local district). On the strength of the said order dated 6th February 2023, the third party also filed original suit before Ld. Senior Civil Judge, District Udham Singh Nagar, Uttarakhand, seeking permanent injunction against the Company in respect of the said land. Ld. Senior Civil Judge granted temporary injunction against the Company via order dated 3rd March 2023. These orders have been challenged by the Company at appropriate forums including through writ petition filed by the Company before Hon'ble High Court of Uttarakhand at Nainital, which are pending for adjudication, as on the date of this report.

32. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars with respect to conservation of energy and technology absorption pursuant to Section 134(3)(m) of the Act are provided in "Annexure II" forming part of this Report. During the year under review, there were no Foreign Exchange Earnings and Outgo.

33. Particulars of Employees

Information required pursuant to Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees on the payroll of the Company in India, is provided as “**Annexure III**” to this report.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the said annexure. In terms of Section 136 of the Act, the said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary.

34. Management Discussion & Analysis Report and Corporate Governance Report

Management Discussion & Analysis Report and Corporate Governance Report prepared in accordance with Schedule V of the Listing Regulations form part of this Report as **Annexure IV** and **Annexure V** respectively.

The Company has complied with the requirements as stipulated under Regulation 34 of the Listing Regulations. A Certificate from the Secretarial Auditors regarding the compliance of conditions of corporate governance, is annexed to Corporate Governance Report.

35. Acknowledgements

The Directors thank the Company’s employees, customers, vendors and members for their continuous support. The Directors also thank the Government of India, Government of Maharashtra and Government of Uttar Pradesh and concerned Government departments and agencies for their co-operation.

On behalf of the Board of Directors

30th May 2023

Harsh R Kilachand
Chairman & Managing Director
DIN: 00294835

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ANNEXURE I

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

(For the Financial Year Ended 31st March 2023)

To,

**The Members,
KESAR ENTERPRISES LIMITED**
Oriental House,
7 Jamshedji Tata Road,
Churchgate Mumbai- 400020.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KESAR ENTERPRISES LIMITED (CIN: L24116MH1933PLC001996)** (hereinafter called the "Company") for the financial year ended 31st March 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon;

Based on our Verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering 1st April, 2022 to 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and Compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period **1st April, 2022 to 31st March, 2023** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the Company has not issued any debt securities during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the Company is not Registrar to an Issue and Share Transfer Agent during the financial year)**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;; **(Not Applicable as the Company has not delisted its equity shares from any stock exchange during the Audit Period)**

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not Applicable as the Company has not bought back any of its securities during the Audit Period)**
- (i) Securities and Exchange Board of India (Depositories & Participants) Regulation, 2018 **(To the extent applicable)**
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the management has complied with the following laws specifically applicable to the Company:-

1. Sugarcane (Control) Order, 1966
2. U.P Sugarcane (Regulation of Supply & Purchase) Act, 1953
3. Food Safety and Standards Act, 2006 & rules / regulations made thereunder.
4. Petroleum Act, 1934
5. Water (Prevention and Control of Pollution) Act, 1974
6. Air (Prevention and Control of Pollution) Act, 1981
7. Standard of Weight and Measures Act, 1976
8. Environmental Protection Act, 1986
9. Indian Boilers Act, 1923
10. Electricity Act, 2003
11. Indian Boilers Act, 1923

We have also examined compliance with the applicable provisions and clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulation, 2015 "SEBI (LODR)".

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above except that:

- As per Regulation 33(3) of SEBI (LODR) Regulations, 2015, the Company was required to submit to the Stock Exchange, its financial results for financial year ended 31st March 2022, by 30th May 2022. However, the Company has made delay in submission of the said Financial Results by 55 days.
- As per Regulation 17 (2) of SEBI (LODR) Regulations, 2015, time-gap between two Board Meetings should not be more than 120 days. However, in respect of Board Meeting held on 25th July 2022, there was a time gap which was more than 120 days from immediate previous Board Meeting.

We further report that

- The Board of Directors of the Company is duly constituted and the changes in the composition of the Board of Directors that took place during the period under review were carried out in the compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were with requisite majority.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

The Compliance by the company of applicable Financial Laws like Direct & Indirect Tax Laws, Goods and Service Tax

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has not been reviewed in the audit since the same has been subject to review by the statutory financial audit and other designated professionals.

We further report that during the audit period, the company had specific events or actions which might have a bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. as following:

1. Appointment of Shri Sharat Mishra as Chief Operating Officer (designated as Key Managerial Personnel under the Companies Act, 2013) with effect from 25th July 2022.
2. Shri Devendra J Shah (DIN: 03095028) was appointed as Non-Executive Non-Independent Director w.e.f. 12th August 2022.
3. Shri Harsh R Kilachand (DIN: 00294835) was re-appointed as Whole Time Director designated as "Chairman & Managing Director" of the Company for a period of three years from 14th August 2022 to 13th August 2025.
4. Shri Anilkumar S Ruia (DIN: 00296622), Independent Director of the Company resigned from the position of Independent Director of the Company with effective from 5th September 2022.
5. The Board of Directors of the Company on 29th March 2023, approved and accepted One-Time Settlement (OTS) sanctioned by UCO Bank. Pursuant to sanction of OTS by the Bank and its acceptance by the Board of Directors of the Company, total liability of the Company towards its direct debt liability as well as liability arisen due to invocation of Corporate Guarantee extended by the Company, will get settled. The payments in pursuance of OTS, shall be completed by the Company within the timeframe provided in the sanction letter issued by the Bank.
6. In respect of land owned by the Company in Village Khurpia, Tehsil Kiccha, District Udham Singh Nagar, Tehsildar (Tehsil Kiccha, District Udham Singh Nagar) on an application of a third party, passed an order dated 06.02.2023 deleting the name of the Company as owner and entering the name of third party as owner, in Khatauni. On the strength of the order dated 06.02.2023, the third party also filed original suit before Ld. Senior Civil Judge, District Udham Singh Nagar, Uttarakhand, seeking permanent injunction against the Company in respect of the said land. Ld. Senior Civil Judge granted temporary injunction against the Company via order dated 03.03.2023. These orders have been challenged by the Company at appropriate forums including through writ petition filed by the Company before Hon'ble High Court of Uttarakhand at Nainital, which is currently pending for adjudication.

**FOR RAGINI CHOKSHI & CO.
(COMPANY SECRETARIES)**

**MAKARAND PATWARDHAN
(PARTNER)
CP No: 9031
ACS No:11872
UDIN:A011872E000430114
PR NO.:659/2020**

**Place: Mumbai
Date: 30.05.2023**

Disclosure pursuant to Section 134(3)(m) of the Companies Act, 2013

(1) Conservation of energy:

A. POWER AND FUEL CONSUMPTION			2022-23	2021-22	
1. ELECTRICITY					
a	Purchased				
	Unit	Kwh	Nil	Nil	
	Total Amount	₹	Nil	Nil	
	Rate/Unit	₹	Nil	Nil	
b	Own Generation				
	i)	Through Diesel Generator			
		Unit	Kwh	16,210.00	43,279.00
		Units Per Ltr. Of Diesel Oil	Kwh	2.82	3.15
		Rate / Unit	₹	31.89	27.82
	ii)	Through Steam Turbine			
		Unit	Kwh	15,93,13,408	14,62,12,407
		Units Per M. T. of Steam	Kwh	168.38	169.14
		Rate / Unit	₹	3.86	3.32
2. Coal					
	Quantity	M.T.	-	-	
	Cost	₹	-	-	
	Average Rate	₹	-	-	
3. Bagasse (Own)					
	Quantity	M.T.	3,44,922	3,70,435	
	Cost *	₹	-	-	
	Average Rate *	₹ (M.T.)	-	-	
4. Other Fuel (Outside)					
	Quantity	M.T.	34,727	36,260	
	Cost	₹	8,57,64,859	2,43,27,456	
	Average Rate	₹	2,470	671	
5. Rice Husk					
	Quantity	M.T.	-	-	
	Cost	₹	-	-	
	Average Rate	₹	-	-	
6. H. S. DIESEL					
	Quantity	Ltr.	5,744	13,746	
	Cost	₹	5,16,960	12,03,867	
	Average Rate	₹	90.00	87.58	

* Not applicable as the bagasse is a by-product and is used as fuel.

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Consumption per unit of production

Particulars		2022-23	2021-22
Product (Sugar)			
Electricity	Kwh / M.T.	285.99	279.44
Bagasse / Rice Husk / Cane Trash	M.T. / M.T.	-	-
Diesel Oil	Ltr. / M.T.	-	-
Product (Industrial Alcohol)			
Electricity	Kwh /000' Ltrs	437.11	548.92
Coal	Qtls./000' Ltrs	-	-
Bagasse (Pith)	M.T./000' Ltrs	-	-
Rice Husk	Ltr./000' Ltrs	-	-
Diesel Oil	Ltr. / 000'Ltrs	-	-

(2) Absorption of technology, research and development

a. Research and Development

The Company has not spent any amount on Research & Development.

b. Benefits Derived

Expenditure on R & D		2022-23	2021-22
a)	Capital	-	-
b)	Recurring	-	-

On behalf of the Board of Directors

Harsh R Kilachand
Chairman & Managing Director
DIN: 00294835

30th May 2023

ANNEXURE III

Particulars of Employees' remuneration and other details in terms of Section 134(3)(q) read with Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-2023:

Executive Director	
Shri Harsh R Kilachand	*NIL
Non-Executive Non-Independent Director	
Shri Devendra J Shah (w.e.f. 12.08.2022)	0.51
Non-Executive Independent Director	
Shri Mahesh A Kuvadia	1.34
Shri Anilkumar S Ruia (upto 05.09.2022)	NIL
Mrs. Ranjna Sinha	1.22
Dr. Narendra Mairpady	1.22
Shri Rishabh Pankaj Shah	0.60

2. The percentage increase in remuneration of each Director, CFO, COO, CS in the financial year 2022-23:

Executive Director	
Shri Harsh R Kilachand	*NIL
Non-Executive Non-Independent Director	
Shri Devendra J Shah (w.e.f. 12.08.2022)	^Not Applicable
Non-Executive Director	
Shri Mahesh A Kuvadia	36.36%
Shri Anilkumar S Ruia (upto 05.09.2022)	^^Not Comparable
Mrs. Ranjna Sinha	35.71%
Dr. Narendra Mairpady	171.43%
Shri Rishabh Pankaj Shah	34.29%
Key Managerial Personnel	
Shri Rohit Balu, Chief Financial Officer	6.68%
Shri Gaurav Sharma, Company Secretary & Assistant Vice President (Legal)	21.38%
Shri Sharat Mishra, Chief Operating Officer (w.e.f. 25.07.2022)	^^^ Not Applicable

*Shri Harsh R Kilachand did not draw any remuneration from the Company since March 2014.

^As Shri Devendra J Shah was appointed as Director w.e.f. 12.08.2022, there was no remuneration payable to him as Director during the financial year 2021-22. Therefore, details i.e. percentage increase in remuneration in the financial year 2022-23 are not applicable in case of Shri Shah.

^^As Shri Anilkumar S Ruia resigned as Director w.e.f. 05.09.2022, remuneration paid to Shri Ruia in the financial year 2022-23 is not comparable to remuneration paid to him in the financial year 2021-22.

^^^ As Shri Sharat Mishra was appointed as Chief Operating Officer (designated as KMP under the Companies Act, 2013) w.e.f. 25.07.2022, there was no remuneration payable to him as Chief Operating Officer during the financial year 2021-22. Therefore, details i.e. percentage increase in remuneration in the financial year 2022-23 are not applicable in case of Shri Mishra.

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3. Average percentile increase in the remuneration of employees including key managerial personnel (other than Directors) in the financial year was 12.34%. Since Shri Harsh R Kilachand, the only Whole-Time Director on Board, did not draw any remuneration during the Financial Year 2021-2022 & 2022-2023, comparison between increase in remuneration of employees and increase in managerial remuneration is not possible.
4. The Company had 238 permanent employees as on March 31, 2023.
5. It is affirmed that the remuneration paid is as per the remuneration policy of the Company.

On behalf of the Board of Directors

30th May 2023

Harsh R Kilachand
Chairman & Managing Director
DIN: 00294835

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL SUGAR OVERVIEW 2023/24:

Global sugar production has been forecast upwards by 10.6 million tons to 187.9 million with higher production in Brazil and India expected to more than offset a decline in Russia. Consumption is anticipated to rise to a new record due to growth in markets such as India. Stocks are forecast lower in markets including China, to help meet domestic demand.

Brazil production is forecast up 4.0 million tons to a near-record 42.0 million as favorable weather and increased area are expected to result in additional sugarcane available for crushing. Favorable sugar prices encouraged farmers to use their land for growing sugarcane instead of grains. The sugar/ethanol production mix is expected to favor sugar relative to the previous season going from 45 percent sugar to 48 percent and from 55 percent ethanol to 52 percent. Consumption is flat while stocks and record exports are projected to rise with higher supplies.

India production is estimated up 4.0 million tons to 36.0 million on higher sugarcane area and yields. Consumption is anticipated to be up on increased demand from bulk buyers and processed food manufacturers. Stocks are estimated down as a result of lower beginning stocks and higher consumption.

(Source: <https://apps.fas.usda.gov/psdonline/circulars/sugar.pdf>)

COVID-19 ON THE GLOBAL SUGAR INDUSTRY:

The sugar business, which is a significant contributor to national economies worldwide, has experienced numerous obstacles throughout its history. The most recent threat has been modelled by the increasing pandemic coronavirus (COVID-19), which affected sugar sector stakeholders and their integrated businesses worldwide. The spill over effects harmed the entire value chain of the global sugar sector, including sugarcane, sugar, molasses, ethanol, and their subsequent marketing and export relating to the slow growth of the market in 2020. However, with the normalization of the COVID-19 situation, the slight setbacks of COVID-19 on the sugar business around the world are reversing. Global Sugar Market is expected to expand at a CAGR of 2.1% during 2021-2027.

(Source: <https://www.researchandmarkets.com/reports/5562693/global-sugar-market-size-share-forecast-2022>)

INDIAN SUGAR INDUSTRY (SUGAR SEASON 2022-23):

The sugar production for the country up to 15th April 2023 was around 311 lac tons as against 328.7 lakh tonnes in the same period of the last sugar season. As per Indian Sugar Mills Association, in the current season, which began on October 1 last year, 532 sugar mills started production and 132 of them continued to operate. In the last season 305 mills were operating as of April 15, 2022.

Crushing season in Maharashtra have ended at around 105 lac tons, lower than our earlier estimate, due to unexpectedly lower cane yields owing to higher ratoon crop share and uneven distribution of rainfall. Main season in Karnataka is on the verge of closure and have produced around 55 lac tons so far. However, special season will operate in Karnataka from June / July'2023.

Cane yield in Uttar Pradesh is slightly better than expected and therefore, the state is expected to produce around 105 lac tons of sugar after diversion towards production of ethanol.

Indian Sugar Mills Association (ISMA) has estimated all-India sugar production for 2022-23 SS (after diversion into ethanol) as 328 lac tons, after considering diversion of about 40 lac tons of sugar equivalent into ethanol.

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State-wise estimates from ISMA are as follows:

Sr. No	States	2022-23 (April'2023)		
		Estimated sugar production	Estimated Sugar diversion	Actual sugar production
		BEFORE DIVERSION		AFTER DIVERSION
		Lac tons	Lac tons	Lac tons
1	Uttar Pradesh	119	14	105
2	Maharashtra	118	13	105
3	Karnataka	67	10	57
4	Tamil Nadu	16	3	16
5	Gujarat	10		10
6	Others	38		35
	Total	368	40	328

(Source: <http://www.indiansugar.com/EventDetails.aspx?Nid=10335>)

(Source: <http://www.indiansugar.com/IsmaBulletinDetails.aspx?Nid=1056>)

As per the estimate of Government, the Country is likely to achieve 20% blending of ethanol with petrol by 2025. The blending of ethanol with petrol has increased to 10 per cent in 2021-22 marketing year from just 1.53 per cent in 2013-14 on the back of efforts made by farmers and industry, aided by favourable government policies. Supply of ethanol to oil marketing companies (OMCs) has increased to 408 crore litre in 2021-22 from 38 crore litre in 2013-14.

The target is to reach 12 per cent blending in 2022-23, 15 per cent in 2023-24 and 20 per cent in 2024-25. The requirement of ethanol is estimated at 1,300 crore litre, of which 650 litres should come from sugarcane and the rest from other sources including grains.

Higher blending of ethanol with petrol will be beneficial for farmers, environment and the overall India's economy.

(Source: <http://www.indiansugar.com/NewsDetails.aspx?nid=55796>)

Sugar demand rises as consumption of cold drinks and ice cream climbs in India during the summer months that run roughly from April to June. Demand also gets a boost in summer from the wedding season. Demand has rebounded after being disrupted last year by the COVID-19 pandemic and could rise to a record 28 million tonnes this marketing year.

The government is unlikely to allow additional exports as closing stock for the season could fall to around 5.5 million tonnes, the lowest in six years. India has allowed sugar mills to export only 6.1 million tonnes of the sweetener in the current season, down from the record 11 million tonnes in the previous season.

(Source: <https://www.reuters.com/markets/commodities/indian-sugar-prices-climb-production-drops-amid-record-demand-2023-04-10/>)

MINIMUM SUPPORT PRICE OF SUGAR:

The Indian Sugar Mills Association (ISMA) has urged the government to increase the minimum support price (MSP) of sugar to ₹ 38 per kg from the current level of ₹ 31 per kg in line with fair and remunerative price (FRP) of cane. MSP of sugar was last announced in February 2019. The government had fixed MSP of sugar at ₹ 31 per kg in February 2019 and it had remained unchanged since then. However, the FRP of sugarcane had increased from ₹ 2,550 per tonne in 2017-18 to ₹ 3,050 per tonne for the crushing year 2022-23. As per ISMA, since 85% of the sugar mills' revenue comes from the sales of sugar, it is an important component to pay the cane price to farmers. 85% of the revenue generated by sugar mills comes from the sale of sugar, which presently costs ₹ 38 per kg to produce.

Furthermore, the MSP of ₹ 31 per kg only accounts for the per quintal sugarcane price of ₹ 30.50 based on an average sugar recovery rate of 10% per quintal of sugarcane, while mills bear expenses such as staff salaries, labour wages, transportation costs, plant and machinery maintenance, and other overheads. The ISMA has highlighted to the government, the sharp increase in the cost of sugar production due to rising prices of essential chemicals like sulphur and lime, jute and high-density polyethylene bags for packing sugar, and bank interest on term loans and working capital, as well as increased manpower costs.

(Source: <http://www.indiansugar.com/NewsDetails.aspx?nid=55798>)

OPERATIONAL HIGHLIGHTS (2022-23):

Sugar Division

- During the season 2022-23, the plant has crushed 115.99 lakh quintals of sugarcane as against 115.39 lakh quintals in the previous season.
- The overall sugar recovery was 10.49%, which is same to that in the previous season.
- During the Season 2022-23, Molasses produced was 5.28 lakh quintals as against 5.07 lakh quintals in the previous season.

Power Division

- The Plant consumed 2.82 lakh MT of bagasse and 0.39 lakh MT of alternate fuel to generate 1.39 MW power as against 2.97 lakh MT of bagasse and 0.28 lakh MT of alternate fuel to generate 1.33 lakh MW power in the previous Season.
- The total power exported to Uttar Pradesh Power Corporation Limited (UPPCL) was 0.94 lakh MW amounting to ₹ 30.70 Crores as against 0.86 lakh MW amounting to ₹ 31.66 Crores in the previous Season.

FINANCIAL REVIEW (F.Y. 2022-23):

- After taking into account the effect of other Comprehensive Income based on Ind-AS norms, there is a loss of ₹ 4,484.19 lakhs for the Financial Year 2022-23 as against a loss of ₹ 2,917.14 lakhs in the previous year.
- The Company generated EBIDTA of ₹ 225.01 lakhs as against ₹ 1,536.87 lakhs last year.
- During the Financial year 2022-23, the Company did not raise any funds by issue of equity shares or any debt securities. There was no change in Paid-up Share Capital of the Company during the year.
- During the Financial Year 2022-23, the Company did not borrow any funds from Banks / Financial Institutions.

SEGMENT-WISE FINANCIAL PERFORMANCE:

Segment-wise reporting of performance of the Company's primary business segments (Sugar, Power and Spirits) is provided in Note No. 37 to Financial Statements forming part of this annual report.

OPPORTUNITIES & THREATS:

Sugar

Untimely change in government policy and upward pricing in terms of Fair Remunerative Price (FRP) and State Advised Price (SAP) can prove a threat to the Company. Excess production also can affect the sugar prices to a great extent.

Power

The Company has set up a state of the art cogeneration plant operating at high pressure of 115 kg/cm². Therefore, it is very efficient when compared to majority of the cogeneration plants having power cycle at pressures of 45, 67 and 87 kg/cm². This will, therefore, translate into producing more power from same bagasse.

Spirits

Present State and Central Government policies are quite favourable for the Spirits Division. The Government is promoting Ethanol by giving better rates, allowing to produce from 'B' heavy molasses and cane juice directly. The Company also plans to restart Country Liquor and IMFL contract bottling.

RISKS AND CONCERNS:

Raw Material Risk

Sugarcane is the principal raw material for manufacture of Sugar, Spirits and Power and its shortages could be on account of pest attacks, crop diseases, diversion of land by farmers. Shortage of the basic raw materials would severely impact the working of the divisions of the Company. To mitigate these risks, the Company has adopted sound agronomic practice and improvement in basic infrastructure facilities.

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Price Risk

Sugar price is susceptible to fluctuations on account of international demand and supply, government pricing for cane as well as sugar, variance in production capacities of peers. Any change may affect the margins of the Company.

Regulatory Risk

The policies of the Central and State Governments in terms of Fair Remunerative Price (FRP) and State Advised Price (SAP) for sugarcane have an impact on the operations of the Company.

INTERNAL CONTROL SYSTEM:

The Company's internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies. The Company has a well-defined delegation of power with authority limits for approving contracts as well as expenditure.

The Company has appointed independent internal auditors to oversee and carry out internal audit of its activities on half yearly basis. The audit is based on an internal audit plan, which is reviewed and approved by the audit committee. The audit committee reviews audit reports submitted by internal auditors. The audit committee also discusses with the Company's statutory auditors, their views on the adequacy of internal control systems.

Based on its evaluation (as defined in section 177 of Companies Act 2013 and 18 of SEBI (LODR) Regulations 2015), the audit committee has concluded that, as of 31st March 2023, the company's internal financial controls were adequate and operating effectively.

DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS AS REQUIRED TO BE DISCLOSED UNDER SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	Remarks/Reason for significant change
(i) Trade Receivable Turnover Ratio (times)	Sales	Average Debtors	39.24	17.38	There has been significant improvement in realisation of power dues.
(ii) Inventory Turnover Ratio (times)	Cost of Goods sold	Average Stock	5.21	4.73	-
(iii) Interest Coverage Ratio (times)	Earnings before Interest and Tax	Interest Exp	(0.61)	(0.12)	There has been significant change due to fall in sugar recovery from sugar cane, reduction in sale of Power. During the year OTS sanctioned by UCO Bank resulting into lower interest expense and hence improvement in ratio is expected in future years.
(iv) Current Ratio (times)	Current Assets	Current Liabilities	0.27	0.31	-
(v) Debt Equity Ratio	Borrowings	Equity	2.11	1.48	During current year UCO Bank has Sanctioned OTS and 1st EMI as per sanctioned terms paid by the Company resulting into reduction of borrowings on one side and fall in sugar recovery from sugar cane, reduction in sale of Power resulting into huge losses in the current year.

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	Remarks/Reason for significant change
(vi) Operating Profit Margin (%)	Gross Profit	Sales	(2.45%)	(1.33%)	Due to payment of arrears of wages (arising out of retrospective revision in wage rates) of wage board workers, in the current year
(vii) Net Profit Margin (%)	Net Profit	Sales	(7.97%)	(6.16%)	There has been significant change due to fall in sugar recovery from sugar cane, reduction in sale of Power.
(viii) Return on Equity / Net Worth	Net Profit after Tax	Equity	(73.77%)	(27.57%)	There has been significant change due to fall in sugar recovery from sugar cane, reduction in sale of Power.
ix) Trade payables turnover Ratio (%)	Average Trade payables	Purchases & Other manufacturing expenses	46.31%	49.83%	-
x) Net capital turnover Ratio (%)	Net Sales	Working Capital	(146.25%)	(137.20%)	-
xi) Return on capital (%)	Earnings before Interest and Tax	Capital Employed	(28.03%)	(2.87%)	There has been significant change due to fall in sugar recovery from sugar cane, reduction in sale of Power.
xii) Return on Investment (%)	Dividend & Gain on Investments	Average Investments	9.00%	5.08%	Income on Mutual funds increased during current year.

DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR:

Details of change in return on net worth is already provided in table given above and hence, the same is not being repeated here.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:

The Company considers human capital as a critical asset and success factor for smooth organizational workflow. Efforts are made to improve skills, knowledge and performance of employees by timely training, job satisfaction and enrichment. The Company has added to its fold, experienced manpower in line with future areas of growth. As on 31st March 2023, the Company had 238 employees on its payroll.

CAUTIONARY STATEMENT:

The above Management Discussion and Analysis Report contains “forward looking statements” within the meaning of applicable laws, and regulations and is futuristic in nature. All statements that address expectations or projections about the future, including, but not limited to statements about the Company’s strategy for growth, market position, expenditures and financial results are forward looking statements. The Company’s actual results, performance or achievement could thus differ materially from those projected in any such forward looking statements. Investors are requested to make their own independent judgments before taking any investment decisions and the Company assumes no responsibility.

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on Corporate Governance

Effective corporate governance practices constitute a strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on Corporate Governance aims at attainment of the highest levels of transparency, accountability and equity in the functioning of the Company and in all interactions with employees, shareholders, creditors, customers and regulators. The Company believes that its systems and actions must be endeavored for enhancing corporate performance and maximizing shareholders' value in the long term.

The Company has adopted a Code of Conduct for Directors and Senior Management, which casts several ethical and legal duties on Directors and Members of Core Management Team, thereby enhancing overall governance level in the functioning of the Company.

The Company also have Directors with knowledge and expertise in diversified fields, which allows the Board of Directors to have a meaningful discussion during their meetings on matters concerning the functioning and business of the Company, which ultimately leads to decision-making beneficial for all stakeholders.

2. Board of Directors

As on 31st March 2023, the Composition of the Board of Directors is in conformity with the stipulation laid down in the Code of Corporate Governance prescribed by the Securities and Exchange Board of India (SEBI) (Listing Obligations & Disclosure Requirements) Regulations, 2015 [**'LODR Regulations'**] as amended from time to time.

The Board includes reputed individuals with considerable professional expertise from fields like finance, legal, commercial, business administration and other related fields, who, not only bring a wide range of experience and expertise, but also impart the desired level of independence to the Board.

The Composition and Category of Directors as on 31st March 2023, is as follows:

Name of Director	Category
Shri Harsh R Kilachand (DIN:00294835) *	Chairman & Managing Director
Shri Mahesh A Kuvadia (DIN:07195042)	Independent Director
Mrs. Ranjana Sinha (DIN: 06989942)	Independent Director
Dr. Narendra Mairpady (DIN:00536905)	Independent Director
Shri Rishabh Shah (DIN: 00694160)	Independent Director
Shri Devendra J Shah (DIN: 03095028) **	Non-Executive Non-Independent Director

* *Shri Harsh R Kilachand is the Promoter of the Company.*

** *Shri Devendra J Shah was appointed as Non-Executive Non-Independent Director on the Board of the Company w.e.f. 12.08.2022.*

Note: *Shri Anilkumar S Ruia, who was an Independent Director on the Board, resigned w.e.f. 05.09.2022, citing health issues in resignation letter. In his resignation letter, he also confirmed that there were no other material reasons for resignation other than the one stated in the resignation letter.*

The Independent Directors have submitted declaration that they meet the criteria of independence as provided in Regulation 16 (1) (b) of the LODR Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. In the opinion of the Board, the Independent Directors fulfill the conditions of independence specified in LODR Regulations and are independent of the management.

The following skills/ expertise/ competencies have been identified by the Board for its effective functioning, and are currently available with the Board, along with names of directors who have such skills / expertise / competence:

Industry knowledge/ experience	Knowledge of Sugar, Spirits and Power Manufacturing Industry	Shri Harsh R Kilachand
	Understanding of laws, rules, regulations and policies applicable to Sugar, Spirits and Power Manufacturing Industry and General Laws	Shri Harsh R Kilachand Shri Mahesh A Kuvadia Mrs. Ranjana Sinha Shri Rishabh Shah Shri Devendra J Shah
Technical skills/experience	General business management	Shri Harsh R Kilachand Shri Mahesh A Kuvadia Dr. Narendra Mairpady Shri Devendra J Shah
	Accounting and finance	Shri Mahesh A Kuvadia Dr. Narendra Mairpady
	Strategic planning/ business development	Shri Harsh R Kilachand
	Information Technology	Shri Harsh R Kilachand Shri Rishabh Shah
Behavioural Competencies	Integrity and ethical standards	Shri Harsh R Kilachand Shri Mahesh A Kuvadia Mrs. Ranjana Sinha Dr. Narendra Mairpady Shri Rishabh Shah Shri Devendra J Shah
	Decision making	Shri Harsh R Kilachand Shri Mahesh A Kuvadia Mrs. Ranjana Sinha Dr. Narendra Mairpady Shri Rishabh Shah Shri Devendra J Shah
	Problem solving skills	Shri Harsh R Kilachand Shri Mahesh A Kuvadia Mrs. Ranjana Sinha Dr. Narendra Mairpady Shri Rishabh Shah Shri Devendra J Shah

Details of Board Meetings held:

During the year, five (5) Board Meetings were held on 25th July 2022, 11th August 2022, 09th November 2022, 14th February 2023 and 29th March 2023. The gap between any two consecutive meetings of the Board of Directors was not more than 120 days except in one instance where Board Meeting held on 25th July 2022 was after a gap of 120 days from immediate previous Board Meeting held on 9th February 2022.

Directors' Attendance and Directorships Held:

Attendance of each Director at the Board Meetings held during Financial Year 2022-23 and at the last Annual General Meeting held on 20th September 2022 and the Number of other Directorships & Chairmanship/ Membership of Committees of each Director in various Companies as on March 31, 2023, are as under:

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Name of the Director	Number of Board Meetings attended during the FY 2022-2023	Whether attended last AGM held on 20.09.2022	Number of Directorships in other Public Companies	Number of Committee positions held in other Public Companies §		Directorship in other listed entity (Category of Directorship)
				Chairman	Member*	
Shri Harsh R Kilachand (DIN:00294835)	5	Yes	2	0	3	Kesar Terminals & Infrastructure Limited (Whole-time Director)
Shri Anilkumar S Ruia (DIN:00296622)	0	-	-	-	-	-
Shri Mahesh A Kuvadia (DIN:07195042)	5	Yes	2	0	2	Aishwarya Technologies and Telecom Limited (Independent Director)
Mrs. Ranjana Sinha (DIN: 06989942)	5	Yes	0	0	0	None
Dr. Narendra Mairpady (DIN: 00536905)	5	Yes	10**	3	6	a) Adani Enterprises Limited (Independent Director) b) Man Industries (India) Limited (Independent Director) c) Equipp Social Impact Technologies Limited (Independent Director) d) IPCA Laboratories Limited (Independent Director)
Shri Rishabh Shah (DIN: 00694160)	4	Yes	6	1	4	Arshiya Limited (Independent Director)
Shri Devendra J Shah (DIN:03095028)	3	Yes	0	0	0	None

§ Only Audit Committee and Stakeholders Relationship Committee have been considered as per Regulation 26 of the LODR Regulations, 2015.

* Membership includes Chairmanship

**This includes 1 (one) Not-for-Profit License Company

None of the Directors hold the office of Director / Independent Director in more than the permissible number of Companies under the Companies Act, 2013 and Regulation 17A of the LODR Regulations. The Directors duly comply with Regulation 26 in respect of Memberships / Chairmanships of the Committees held by them.

Details of equity shares* of the Company held by the Directors as on 31st March 2023:

Name of the Director	No. of Shares held
Shri Harsh R Kilachand (DIN:00294835)	573976
Shri Mahesh A Kuvadia (DIN:07195042)	NIL
Mrs. Ranjana Sinha (DIN: 06989942)	NIL
Shri Narendra Mairpady (DIN: 00536905)	NIL
Shri Rishabh Shah (DIN: 00694160)	NIL
Shri Devendra J Shah (DIN:03095028) (Non-Executive Non-Independent Director w.e.f. 12.08.2022)	500

*There are no convertible instruments held by any of the Directors.

Relationship between the Directors inter-se: Nil

The details of Familiarization Programmes imparted to Independent Directors are disclosed on the website of the Company viz. <https://www.kesarindia.com/pdf/Policies/Details%20of%20Familiarisation%20Programme.pdf>.

The details of the Committees constituted by the Board per relevant provisions of law are provided herein below:

3. Audit Committee

The Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013 & Regulation 18 of the LODR Regulations.

(a) Terms of Reference:

Terms of Reference of the Committee comprise of the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment to statutory Auditors for any other services rendered by them;
4. Reviewing, with the Management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by the Management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft Audit Report, if any;
5. Reviewing, with the Management, the Quarterly Financial Statements before submission to the Board for approval;
6. Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the Management, the performance of statutory and internal Auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal Auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

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16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the Whistle Blower Mechanism;
19. Approval of appointment of Chief Financial Officer (CFO) (i.e. Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing the utilization of loans and/ or advances from/investment by the company in its subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower.
21. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
22. Reviewing the information listed in Para B of Part C of Schedule II of the LODR Regulations
23. Reviewing/Considering any other item which is specified in Section 177 (4) of the Companies Act, 2013 and which is not specified above.
24. Carrying out any other function as may be specifically assigned to the Committee under the Companies Act, 2013, LODR Regulations or any other applicable law, rules or regulations, from time to time.

(b) Composition:

The Audit Committee consists of the following Directors:

Name	Category
Shri Mahesh A Kuvadiah (Independent Director)	Chairman
Shri Anilkumar S Ruia (Independent Director)	Member (upto 05.09.2022)
Mrs. Ranjana Sinha (Independent Director)	Member
Shri Harsh R Kilachand (Chairman & Managing Director)	Member
Dr. Narendra Mairpady (Independent Director)	Member

(c) Meetings & Attendance:

Details of meeting (s) held during the year along with the attendance of the members of the Committee at the meeting (s) are as follows:

Date of Meeting	Attendance at Meetings				
	Shri Anilkumar S Ruia	Shri Mahesh A Kuvadiah	Mrs. Ranjana Sinha	Shri Harsh R Kilachand	Dr. Narendra Mairpady
25.07.2022	Leave of Absence	✓	✓	✓	✓
11.08.2022	Leave of Absence	✓	✓	✓	✓
09.11.2022	N.A.	✓	✓	✓	✓
14.02.2023	N.A.	✓	✓	✓	✓
Total	0 out of 4	4 out of 4	4 out of 4	4 out of 4	4 out of 4

(d) Other Details:

- During the year under review, the gap between two meetings of the Committee did not exceed one hundred and twenty days except in one instance where Committee Meeting held on 25th July 2022 was after a gap of 120 days from immediate previous Committee Meeting held on 9th February 2022.
- Committee invites such of the executives of the Company it considers appropriate, representatives of the statutory auditors and internal auditors, to be present at its meetings.
- The Company Secretary acts as the Secretary of the Audit Committee.
- The Company Secretary is the Compliance Officer to ensure compliance and effective implementation of the Code of Insider Trading formulated by the Company.
- Committee is apprised on matters relating to the Code for prevention of Insider Trading at regular intervals.
- Reports of Internal Auditors are placed before the Audit Committee along with the comments of the Management on the action (s) taken to remedy issues/discrepancies observed in such reports.
- Shri Mahesh A Kuvadia, Chairman of Audit Committee, attended the previous AGM of the Company, which was held on 20th September 2022.

4. Nomination & Remuneration Committee

The Committee has been constituted in line with the provisions of Section 178 of the Companies Act, 2013 & Regulation 19 of the LODR Regulations.

(a) Terms of Reference:

Terms of Reference of the Committee comprise of the following:

1. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
2. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
3. Formulating the criteria and manner for effective evaluation of individual Directors including Independent Directors, the Committees and the Board.
4. Evaluating the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
5. Recommending to the Board, Remuneration payable to the Directors, Key Managerial Personnel and Senior Management including remuneration linked to their performance relating to the Company's operations.
6. Devising a policy on diversity of the Board of Directors

(b) Composition:

The Nomination & Remuneration Committee consists of the following Directors:

Name	Category
Shri Mahesh A Kuvadia <i>(Independent Director)</i>	Chairman
Shri Anilkumar S Ruia <i>(Independent Director)</i>	Member (up to 05.09.2022)
Mrs. Ranjana Sinha <i>(Independent Director)</i>	Member
Shri Harsh R Kilachand <i>(Chairman & Managing Director)</i>	Member
Dr. Narendra Mairpady <i>(Independent Director)</i>	Member

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(c) **Meetings & Attendance:**

Details of meeting (s) held during the year along with the attendance of the members of the Committee at the meeting (s) are as follows:

Date of Meeting	Attendance at Meetings				
	Shri Mahesh A Kuvadia	Shri Anilkumar S Ruia	Mrs. Ranjana Sinha	Shri Harsh R Kilachand	Dr. Narendra Mairpady
25.07.2022	✓	✗	✓	✓	✓
Total	1 out of 1	0 out of 1	1 out of 1	1 out of 1	1 out of 1

(d) **Performance evaluation criteria for Independent Directors:**

Performance of Independent Directors is evaluated in accordance with evaluation criteria formulated by Nomination and Remuneration Committee. Criteria on the basis of which evaluation is done includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgement.

(e) **Other Details:**

- The Company Secretary acts as the Secretary of the Nomination and Remuneration Committee.
- Shri Mahesh A. Kuvadia, Chairman of Nomination and Remuneration Committee, attended the previous AGM of the Company, which was held on 20th September 2022.
- The Company does not have any Employee Stock Option Scheme.

5. Stakeholders' Relationship Committee

The Committee has been constituted in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the LODR Regulations.

(a) **Terms of Reference:**

Terms of Reference of the Committee comprise of the following:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Reviewing measures taken for effective exercise of voting rights by shareholders.
3. Reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Reviewing the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

(b) **Composition:**

The Committee consists of the following Directors:

Name	Category
Shri Mahesh A Kuvadia (Independent Director)	Chairman
Shri Anilkumar S Ruia (Independent Director)	Member (upto 05.09.2022)
Shri Harsh R Kilachand (Chairman & Managing Director)	Member
Shri Devendra J Shah (Non-Executive Non-Independent Director)	Member (w.e.f. 12.08.2022)

(c) Meetings & Attendance:

Details of meeting (s) held during the year along with the attendance of the members of the Committee at the meeting (s) are as follows:

Date of Meeting	Attendance at Meetings			
	Shri Mahesh A Kuvadia	Shri Anilkumar S Ruia	Shri Harsh R Kilachand	Shri Devendra J Shah
14.02.2023	✓	N.A.	✓	✓
Total	1 out of 1	N.A.	1 out of 1	1 out of 1

(d) Other Details:

- The Company Secretary acts as the Secretary of the Committee.
- Shri Gaurav Sharma designated as Company Secretary and Assistant Vice President - Legal acts as Compliance Officer.
- The details of investor complaint(s) during the financial year 2022-23 are as follows:

Investor complaints at the beginning of the year	Investor complaints received during the year	Investor complaints disposed-off during the year	Investor complaints pending at the end of the year
NIL	NIL	NIL	NIL

- Shri Mahesh A Kuvadia, Chairman of Stakeholders' Relationship Committee attended the previous AGM of the Company, which was held on 20th September 2022.

6. Share Transfer Committee

The authority to consider and approve the Share Transfer related matters / issue of duplicate Share Certificates etc. has been delegated to Shri Harsh R Kilachand, Chairman & Managing Director and Shri Gaurav Sharma, Company Secretary & Assistant Vice President - Legal.

There were no pending requests for share transfers as on 31st March, 2023.

7. Corporate Social Responsibility Committee

Although the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company, the Company has a Corporate Social Responsibility Committee constituted.

(a) Terms of Reference:

Terms of Reference of the Committee comprise of the following:

1. Formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Companies Act, 2013.
2. Recommending the amount of expenditure to be incurred on the activities mentioned in the CSR Policy.
3. Monitoring the CSR Policy.

(b) Composition:

The Committee consists of the following directors:

Name	Category
Shri Mahesh A Kuvadia <i>(Independent Director)</i>	Chairman
Shri Anilkumar S Ruia <i>(Independent Director)</i>	Member (upto 05.09.2022)
Shri Harsh R Kilachand <i>(Chairman & Managing Director)</i>	Member

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8. Remuneration Policy for Directors

a) Remuneration to Executive Chairman / Director / Whole-time Director / Managing Director, KMP and Senior Management Personnel:

The Remuneration/ Compensation / Commission / Incentive etc. to be paid to Executive Chairman / Director / Whole-time Director / Managing Director, KMP and Senior Management Personnel is governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

b) Remuneration to Non- Executive / Independent Director:

The Non-Executive / Independent Director may receive compensation / commission as per the provisions of the Companies Act, 2013. The amount of sitting fees shall be subject to ceiling / limits as provided under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

c) Details of Remuneration of Executive and Non-Executive Directors:

Shri Harsh R Kilachand stopped drawing remuneration from the Company voluntarily from March, 2014 onwards, in view of the heavy losses suffered by the Company for the last few years. His employment with the Company is terminable in accordance with the General Rules of the Company applicable to employees. There is no severance fee payable to him. No stock options have been issued to him.

The details of remuneration* paid to the Non-Executive Directors for attending meetings of Board of Directors and various committees thereof including separate meeting of Independent Directors, during the financial year ended on 31st March 2023, are as under:

Name	Sitting Fees (₹)
Shri Mahesh A Kuvadua	5,25,000
Mrs. Ranjana Sinha	4,75,000
Dr. Narendra Mairpady	4,75,000
Shri Rishabh Shah	2,35,000
Shri Devendra Shah	2,00,000

* No remuneration except the sitting fees as mentioned above were paid to Non-Executive Directors during the year. No stock options have been issued to them.

9. General Body Meetings

(a) Location and time where the last Annual General Meetings were held:

Financial Year ended	Date of Annual General Meeting	Location	Time
31.03.2022	20.09.2022	Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)	3:00 p.m
31.03.2021	26.08.2021	Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)	3:00 p.m
31.03.2020	11.09.2020	Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)	3:30 p.m

(b) The following Special Resolutions were passed in the Annual General Meeting:

Date of Annual General Meeting	Particulars of Special Resolution passed thereat
20.09.2022	Appointment of Shri Devendra J Shah as Non-Executive Non-Independent Director w.e.f.12.08.2022
26.08.2021	Resolution under Section 149, 152 read with Schedule IV of the Companies Act, 2013 relating to appointment of Shri Mahesh Kuvadia (DIN: 07195042), as an Independent Director for the 2nd term of 5 years.
11.09.2020	Resolution under Section 149, 152 read with Schedule IV of the Companies Act, 2013 relating to appointment of Mrs. Ranjana Sinha (DIN: 06989942), as an Independent Director for the 1 st term of 5 years.

- (c) No Resolution was passed during the Financial Year 2022-2023 through postal ballot.
- (d) None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

10. Disclosures

- a. All transactions entered into during the Financial Year 2022-23 with Related Parties as defined under the Companies Act, 2013 or under LODR Regulations were in the ordinary course of business and on an arms' length basis. There was no Material Related Party transaction. The Company has given in the notes to accounts forming part of Financial Statements, a list of related parties as per relevant Accounting Standard and the transactions entered into with them.
- b. The Company has been generally in compliance with all relevant provisions of laws applicable to the Company and there have been no instances of non-compliance by the Company on any matter related to capital markets during the last three years except:
- (i) In Financial Year 2020-2021, there was delay by 7 days in submission of Financial Results for the year ended 31.03.2020 due to on-going COVID-19 pandemic and lockdown imposed by the Government in view of the pandemic. BSE sent the Company, notice and imposed fine against the Company for the delayed submission of results. The Company made a representation/request to BSE, seeking waiver of fine. BSE considered our representation/request and vide, email dated January 08, 2021, informed us that our request for waiver of fine has been approved.
 - (ii) In Financial Year 2020-2021, as the Company fell within top 2000 listed entities as on March 31, 2020, the Company was required to have at least 6 directors with effect from April 01, 2020, in view of Regulation 17 of the SEBI (LODR) Regulations, 2015. However, the Company was not able to comply with the said requirement due to lockdown imposed by the Central Government and then, by the State Government from time to time due to COVID-19 Pandemic and also then prevailing pandemic situation. The Board of Directors of the Company, at their meeting held on November 13, 2020, appointed two additional directors, thereby making the total number of directors to six. However, for the non-compliance, BSE sent the Company, notice and imposed fine. The Company made representation to BSE for waiver of fine. Thereupon, BSE has waived fine for June, 2020 & September, 2020 quarters and request for waiver of fine for December, 2020 quarter was rejected by BSE. The Company paid fine for December, 2020 quarter.
 - (iii) In Financial Year 2022-23, the Company was not able to file its audited financial results for the financial year ended on 31st March, 2022 with the Stock Exchange within the period stipulated under Regulation 33 of the said Regulations, in view of enhanced disclosures requirements under amended Schedule III, enhanced reporting requirements as per new Companies (Auditor's Report) Order, 2020 as well as delay in collation of financial data and hence, it could also not hold any Board Meeting during the quarter ended 30th June 2022, in deviation with the requirement under Regulation 17 (2) of the said Regulations. A letter dated 25th May 2022 was also submitted to Stock Exchange (BSE), in compliance of SEBI Circular dated CIR/CFD/CMD-1/142/2018 dated 19th November 2018. The audited financial results for the financial year ended on 31st March 2022 were approved and taken on record at the Board Meeting held on 25th July 2022 and filed

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with the Stock Exchange on 25th July 2022. The Company has paid the fine which was imposed by BSE in terms of Standard Operating Procedure prescribed in SEBI Circular titled “Non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Standard Operating Procedure for suspension and revocation of trading of specified securities” dated 22nd January 2020.

- (iv) Due to reasons stated in paragraph (iii) above, the Company could not hold any Board Meeting during the quarter ended 30th June 2022, in deviation with the requirement under Regulation 17 (2) of the said Regulations. The Company held the Board Meeting on 25th July 2022. The Company has paid the fine which was imposed by BSE in terms of Standard Operating Procedure prescribed in SEBI Circular titled “Non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Standard Operating Procedure for suspension and revocation of trading of specified securities” dated 22nd January 2020.
- c. The Company has laid down procedures to inform Board members about risk assessment and minimization. These procedures are periodically reviewed to ensure control of risk through a properly defined framework.
- d. **Whistle Blower Policy / Vigil Mechanism:**

In staying true to our values of Strength, Performance and Passion, the Company is committed to the highest standards of Corporate Governance and Stakeholder responsibility. The Company has a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. We confirm that during the Financial Year 2022-23, no Employee of the Company was denied access to the Audit Committee. The Whistle Blower Policy is available on the website of the Company, <https://www.kesarindia.com/pdf/Policies/Whistle%20Blower%20Policy.pdf>
- e. A Certificate from the Chairman & Managing Director and Chief Financial Officer (CFO), as required under Regulation 17(8) of the LODR Regulations was placed before the Board of Directors of the Company and the same is annexed to this report as **Annexure `A`**.
- f. Management Discussion & Analysis Report is a part of the Annual Report.
- g. The Company has complied with all applicable mandatory requirements of the LODR Regulations except for those mentioned in this report.
- h. A certificate from M/s. Ragini Chokshi & Co, Practicing Company Secretaries, in relation to compliance with the conditions of Corporate Governance is annexed to this Report as **Annexure `B`**.
- i. A certificate from M/s. Ragini Chokshi & Co, Practicing Company Secretaries confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority is annexed to this Report as **Annexure `C`**.
- j. Declaration by the Chairman and Managing Director stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of the Board of Directors and Senior Management, is annexed to this Report as **Annexure `D`**.
- k. During the Financial Year 2022-23, there was no instance recorded where the board had not accepted any recommendation of/ submission by any committee of the Board, which was mandatorily required for the approval of the Board of Directors.
- l. During the year, the Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI (LODR) Regulations, 2015.
- m. The Company does not have commodity price activities and commodity hedging activities.

- n. The details of total fee paid/payable by the Company to the Statutory Auditors and all entities in the network firm / network entity of which the statutory auditor is a part, for Financial Year 2022-23, are as follows:

Type of Service	Fee paid (₹ In Lakhs)
Audit Fee	12.50
Certifications Services	-
Out of Pocket Expenses	1.56
Total	14.06

- o. **Policy on Materiality of and dealing with Related Party Transactions:**

Pursuant to Regulation 23 of LODR Regulations, the Company has formulated a 'Policy on Materiality of and dealing with Related Party Transactions', which is hosted on the Company's website viz. <https://www.kesarindia.com/pdf/Policies/Policy%20for%20Related%20Party%20Transactions.pdf>

- p. There were no complaints received by the Company during the year, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No complaint was pending both at the beginning and end of the year.
- q. During the year, the Company has complied with all mandatory requirements specified in Regulation 17 to 27 and clause (b) to (i) of Regulation 46(2) of the LODR Regulations except as disclosed in this report.
- r. In compliance of the discretionary requirements as specified in Part E of Schedule II of LODR Regulations, the Internal Auditors of the Company report to the Audit Committee of the Board of Directors.
- s. As on 31st March 2023, the Company has not issued any debt instrument or fixed deposit programme, hence, there is no requirement of obtaining credit rating in this regard.
- t. There was no loan in the nature of 'Loans and Advances' given by the Company to firms / companies in which directors are interested, during the year.

11. Means of communication

The Board takes on record, the Unaudited Quarterly Financial Results and the Audited Financial Results in the prescribed format and thereafter, the results are submitted electronically through online portal to BSE Ltd., where the shares of the Company are listed. The financial results of the Company are published in the "Free Press Journal" an English Newspaper and "Nav Shakti" a Marathi Newspaper within 48 hours of the conclusion of the meeting of the Board in which they are approved. Statutory Notices are published in "Free Press Journal" and "Nav Shakti".

The results and all other official news releases are displayed on the website of the Stock Exchange, viz. <https://www.bseindia.com/> and also on the website of the Company, viz. www.kesarindia.com

There were no presentations / calls made to the analysts or institutional investors during the year.

12. General Shareholders information

A	Registered Office	Kesar Enterprises Limited Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai-400020.
B	Plant Locations	Sugar Factory, Power Plant, Distillery at Baheri, Dist. Bareilly, U. P.
C	Annual General Meeting	
	Date	Friday, 29th September, 2023
	Time	3.00 pm
	Venue	The Company is conducting meeting through VC/OAVM and as such there is no requirement to have a venue for the AGM.
D	Financial Year	2022-23

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E	Next Financial Year ending	31 st March, 2024
F	Next Annual General Meeting	By 30 th September, 2024
G	Financial Reporting for the year 2023-24	
	For 1 st quarter ended 30 th June, 2023	By 14 th August, 2023
	For 2 nd quarter ending 30 th September, 2023	By 14 th November, 2023
	For 3 rd quarter ending 31 st December, 2023	By 14 th February, 2024
	For 4 th quarter ending 31 st March, 2024	By 30 th May, 2024
H	Date of Book Closure	From Friday, September 22, 2023 to Friday, September 29, 2023 (both days inclusive)
I	Listing on Stock Exchange	BSE Ltd., The Company has paid annual listing fee for the year 2022-23.
J	Stock Exchange Code Number	BSE Scrip Code: 507180
K	Demat ISIN number in NSDL & CDSL	INE133B01019
L	Address for correspondence by the Shareholders of the Company	
	Registrar & Share Transfer Agent: Link Intime India Pvt. Ltd, C 101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai - 400083. Tel. No.: 810 811 6767 Fax : +91 22 49186060 Email: : rnt.helpdesk@linkintime.co.in Website : www.linkintime.co.in	Kesar Enterprises Limited CIN: L24116MH1933PLC001996 Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai-400020. Tel No.: +91 22 22042396 / 22851738 Email: gauravsharma@kesarindia.com Website : www.kesarindia.com

13. Share Transfer System

SEBI vide its notification dated January 24, 2022 via amendment made in Regulation 40 of the LODR Regulations, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of this requirement and also in order to eliminate risks associated with holding shares in physical form, Members are advised to dematerialize the shares held by them in physical form. Chairman & Managing Director and Company Secretary are jointly authorised by the Board to approve transfers, which are noted at subsequent Board Meetings.

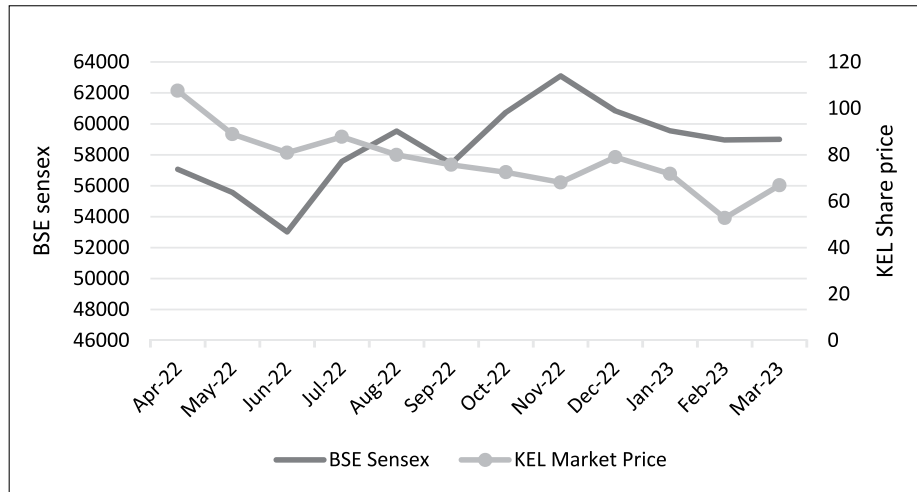
14. Stock Market Data

The monthly high/low quotation of shares traded on BSE is as follows:

Month	BSE	
	High Price	Low Price
April 2022	122.35	95.40
May 2022	117.00	80.95
June 2022	97.00	76.70
July 2022	98.80	78.35
August 2022	92.00	78.75
September 2022	83.00	73.25
October 2022	82.80	65.30
November 2022	78.00	66.05
December 2022	86.80	64.15
January 2023	82.00	69.10
February 2023	72.65	50.00

March 2023	69.48	50.25
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Performance of the share price of the Company (KEL) in comparison to the BSE Sensex:



15. Distribution of shareholding as on 31st March 2023

Shareholding in Nominal Value of	Shareholders		Share Amount	
	Holder	% of Holder	In ₹	% to Total
Upto - 5,000	4414	89.479	4716910	4.680
5,001 -10,000	257	5.210	2005800	1.990
10,001 - 20,000	129	2.615	1895760	1.881
20,001 - 30,000	41	0.831	1004830	0.997
30,001 - 40,000	24	0.487	871400	0.865
40,001 - 50,000	12	0.243	551210	0.547
50,001 - 1,00,000	22	0.446	1651650	1.639
1,00,001 - and above	34	0.689	88099260	87.403
Total	4933	100.000	100796820	100.000

16. Categories of Shareholders as on 31st March 2023

As on 31st March 2023, about 98.53% of the total shareholding in the Company representing 99,31,235 shares stood converted into dematerialized form.

Sr. No.	Category	No. of Shares Held	No. of Shares in Dematerialised Form	% of Shareholding
A.	PROMOTERS & PROMOTER GROUP			
	Indian Promoters	71,54,112	71,45,029	70.98
	Foreign Promoters	-	-	-
	Sub Total:	71,54,112	71,45,029	70.98
B.	NON-PROMOTERS			
1	INSTITUTIONAL			
	a. Mutual Funds	1200	-	0.01
	b. Banks, Financial Institutions, Insurance Companies	1,75,445	1,74,850	1.74

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Sr. No.	Category	No. of Shares Held	No. of Shares in Dematerialised Form	% of Shareholding
	c. FII's	-	-	-
	Sub Total:	1,76,645	1,74,850	1.75
2	OTHERS:			
	a. Bodies Corporate	6,53,907	6,53,737	6.49
	b. Indian Public (Individuals/HUF)	19,78,067	18,40,668	19.63
	c. NRI's/ OCB's	25,313	25,313	0.25
	d. Clearing Members	2807	2807	0.03
	e. NBFCs	-	-	-
	f. IEPF	88,831	88831	0.88
	Sub Total:	27,48,925	26,11,356	27.27
	GRAND TOTAL:	1,00,79,682	99,31,235	100.00

Note: There are no outstanding ADR's / GDR's or any Convertible Instruments as on date.

17. Guidance to Shareholders

a) As per the provisions of Section 72 of the Companies Act, 2013 and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to the Company's Registrar and Transfer Agent in case the shares are held in physical form.

b) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

For shares held in dematerialized form: to their Depository Participants (DPs);

For shares held in physical form: to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to **SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37** dated March 16, 2023. The folios wherein any one of the cited document/details referred to in para 4 of the said circular are not available on or after October 01, 2023, shall be frozen by the RTA. Copy of the said circular is available on the Company's website i.e. <https://kesarindia.com/>.

c) SEBI vide its **Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8** dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website i.e. <https://kesarindia.com/> and also on the website of Registrar and Transfer Agent i.e. <https://linkintime.co.in/>. Members may note that any such service request can be processed only after the folio is KYC Compliant.

d) The details of the last dividend transferred to “Investor Education and Protection Fund” (IEPF) in terms of Section 125 of the Companies Act, 2013 [erstwhile Section 205C of the Companies Act, 1956] are as under:

Date of declaration	For the Year	Rate of Dividend	Due date of transfer to IEPF
17.11.2011	2010-2011	@ 10%	14.01.2019

In terms of provisions of Section 124 (6) of the Companies Act, 2013, the Company has transferred 88,831 shares in the name of Investor Education and Protection Fund Authority.

Annexure A to Corporate Governance Report

CERTIFICATION

Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors

Kesar Enterprises Limited

Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that:

1. We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31st March 2023 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, there are no transactions entered into by the Company during the financial year 2022-23, which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit committee that:
 - (i) there have been no significant changes in internal control over financial reporting during the year;
 - (ii) there have been no significant changes in Accounting Policies during the year; and
 - (iii) there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over Financial Reporting.

Rohit Balu
Chief Financial Officer

Harsh R Kilachand
Chairman & Managing Director
DIN: 00294835

Mumbai,
30th May 2023

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Annexure B to Corporate Governance Report CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members
KESAR ENTERPRISES LIMITED
Oriental House,
7 Jamshedji Tata Road,
Churchgate Mumbai- 400020.

We have examined the compliance of the conditions of Corporate Governance by **KESAR ENTERPRISES LIMITED** ('the Company') for the financial year ended 31st March, 2023, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended 31st March, 2023 except the following:

- As per Regulation 17(2) of SEBI (LODR) Regulation, 2015 The Company could not comply with the requirement of holding board meeting during the quarter ended June 30, 2022 with the time gap between two board meetings exceeded 120 days.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR RAGINI CHOKSHI & CO.
(COMPANY SECRETARIES)

RAGINI CHOKSHI
(PARTNER)

C. P. No. 1436

FCS NO. : 2390

PR NO: 659/2020

UDIN: F002390E000386631

Date: 26.05.2023

Place: Mumbai

Annexure C to Corporate Governance Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

**The Members,
KESAR ENTERPRISES LIMITED**
Oriental house 7 J Tata road
Churchgate Mumbai 400020

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **KESAR ENTERPRISES LIMITED** having **CIN: L24116MH1933PLC001996** and having registered office at Oriental House 7 Jamshedji Tata Road Churchgate Mumbai 400020, (hereinafter referred to as 'the Company') produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment
1	HARSH RAJNIKANT KILACHAND	00294835	14/08/2010
2.	NARENDRA MAIRPADY	00536905	13/11/2020
3.	RISHABH PANKAJ SHAH	00694160	13/11/2020
4	DEVENDRA JITENDRA SHAH	03095028	12/08/2022
5.	RANJANA ASHOK SINHA	06989942	20/09/2019
6.	MAHESH AMBALAL KUVADIA	07195042	11/07/2016

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

**FOR RAGINI CHOKSHI & CO.
(COMPANY SECRETARIES)**

**RAGINI CHOKSHI
PARTNER
FCS 2390**

CP No.: 1436

PR No.: 659/2020

UDIN:F002390E000386477

**Place: Mumbai
Date: 26.05.2023**

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Annexure D to Corporate Governance Report

DECLARATION

I hereby confirm that the Company has obtained from all the Members of the Board and Management Personnel, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Management Personnel during the Financial Year 2022-23.

Mumbai
30th May, 2023

Harsh R Kilachand
Chairman & Managing Director
DIN: 00294835

INDEPENDENT AUDITOR'S REPORT

To the Members of Kesar Enterprises Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying financial statements of **KESAR ENTERPRISES LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 45 in the Ind AS financial statements, for the reason stated in the said note, the management has a reasonable expectation that the Company has adequate resources to continue its operational existence for the foreseeable future, the Ind AS financial statements has been prepared on going concern basis, despite accumulated losses resulting in erosion of its net worth.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern as above, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
<p><u>Valuation of Inventory:</u></p> <p>As on March 31, 2023, the Company has inventory of sugar with the carrying value Rs. 8,153.01 Lakhs. The inventory of sugar is valued at the lower of cost and net realizable value.</p> <p>We considered the inventory valuation of sugar as a key audit matter given the relative size of the balance in the financial statements and significant judgment involved in the consideration of factors such as minimum sale price, monthly quota, fluctuation in selling prices and the related</p>	<p><u>Principle Audit Procedures</u></p> <p>We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory of sugar.</p> <p>Assessing the appropriateness of Company's accounting policy for valuation of finished goods and compliance of the policy with the requirements of the prevailing accounting standards.</p>

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Key Audit Matter	How our audit addressed the key audit matter
<p>notifications of the Government in determination of net realizable value.</p> <p><i>(Refer Note 8 to the financial Statements)</i></p>	<p>We considered various factors including the actual selling price prevailing around and subsequent to the year-end, minimum selling price, monthly quota and other notifications of the Government of India, initiatives taken by the Government with respect to sugar industries.</p> <p>Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at net realizable value where the cost was higher than the net realizable value.</p> <p>Based on the above procedures performed, the management's determination of the net realizable value of the inventory of sugar as at the year end and comparison with cost for valuation of inventory, is considered to be reasonable</p>

Key Audit Matter	How our audit addressed the key audit matter
<p>Regulations – Litigations and claims</p> <p>The Company is exposed to various laws and regulations. In this regulatory environment, there is an inherent risk of litigations and claims. Consequently, provisions and contingent liabilities disclosures may arise from direct and indirect tax proceedings, legal proceedings, including regulatory and other government / department proceedings, as well as investigations by authorities.</p> <p>As at March 31, 2023, the Company's has ascertained contingent liabilities of ₹ 6,059.64 Lakhs.</p> <p>Management applies significant judgement in estimating the likelihood of the future outcome in each case when considering whether, and how much, to provide or in determining the required disclosure for the potential exposure of each matter. This is due to the highly complex nature and magnitude of the legal matters involved along with the fact that resolution of tax and legal proceedings may span over multiple years and may involve protracted negotiation or litigation. These estimates could change substantially over time as new facts emerge and each legal case progress.</p> <p>We determined this matter to be a key audit matter due to the inherent complexity and magnitude of potential exposures across the Company and the judgment necessary to estimate the amount of provisions required or determine the required disclosure.</p> <p><i>(Refer Note 32 to the financial Statements)</i></p>	<ul style="list-style-type: none"> • Our Audit approach in relation to the matter involved the following: • Review the outstanding litigations against the Company for consistency with the previous years. Enquire and obtain explanations for movement during the year. • Reading the latest correspondence between the Company and the various tax/legal authorities for significant matters. • Examined selectively the Company's legal expenses and read fully the minutes of the board meetings, in order to ascertain all cases have been identified. • With respect to tax matters, involving our tax specialists, and discussing with the Company's personnel dealing with tax matters, their views and strategies on significant cases, as well as the related technical grounds relating to their conclusions based on applicable tax laws and precedence. • Assessing the decisions and rationale for provisions held or for decisions not to record provisions or make disclosures. • For those matters where management concluded that no provisions should be recognised, by considering the adequacy and completeness of the Company's disclosures. • For complex regulatory litigations, reviewing the relevant correspondence by the company, by studying the matters in the light of past precedence and views of company's legal advisor as made available by the company.

Emphasis of Matter

We draw attention to,

- a) Note 44 (a) to the accompanying Ind AS financial statements, For the reason stated in the said note, the Company has received the sanction letter from UCO bank for One Time Settlement (OTS) and based on the said letter, the Company has agreed to make the payment based on the payment schedule and accordingly the Company has made the provision of interest on accrual basis in the financial statement. Effects arising out of completion of the OTS will be given on receipt of "No Dues Certificate" from UCO Bank.

- b) Note 44 (b) to the accompanying Ind AS financial statements, according to which the Company has not revalued the Property Plant and Equipment which is required to be carried out as per Ind AS 16 at the regular interval as per the management which was adopted as a policy at the time of Ind AS adoption. The impact of the same is not reflected in the financial statement.

Our opinion is not modified in respect of these matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our

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opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provided for any managerial remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable to the Company.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 32 on Contingent Liabilities to the Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has neither paid nor declared any dividend during the year. So, the compliance with respect to section 123 of the Act is not applicable.

For V. C. Shah & Co.

Chartered Accountants

ICAI Firm Registration No.109818W

Viral J. Shah

Partner

Membership No.: 110120

UDIN: 23110120BGXNJC2898

Place: Mumbai

Date: May 30, 2023

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ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of KESAR ENTERPRISES LIMITED on the Ind AS financial statements for the year ended March 31, 2023)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and to the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. (a) (A) The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, plant and equipment.
(B) The company is maintaining proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed during such verification.
- (c) The title deeds of the immovable property disclosed in the financial statements are held in the name of the company except in respect of freehold land, which was owned by the Company in Village Khurpia, Tehsil Kiccha, District Udham Singh Nagar, Tehsildar (Tehsil Kiccha, District Udham Singh Nagar) is now been reflected in the name of the third party as owner, in Khatauni as on 31st March, 2023.
- (d) The company has not revalued it's property, plant and equipment (including right of use assets) and intangible assets, during the year. Hence, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable.
- (e) As represented by the Management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Hence, reporting under clause (i)(e) of paragraph 3 of the Order is not applicable.
- ii. (a) According to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records as at the year-end were not material and have been properly dealt with in the books of account wherever necessary.
- (b) The Company has not been sanctioned working capital limits in excess of 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause (ii)(b) of paragraph 3 of the Order is not applicable.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
 - (a) During the year, the Company has not provided loans or advances in the nature of loans or stood guarantees or provided security to any other entity. Hence, reporting under clause (iii)(a) of paragraph 3 of the Order is not applicable.
 - (b) In our opinion, the investments made, loans and advances in nature of loans during the year are, prima facie, not prejudicial to the Company's interest. The company has not provided any guarantees to any parties.
 - (c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not granted loans and advances in the nature of loans. Hence, reporting under clause (iii)(c), (d), (e) and (f) of paragraph 3 of the Order is not applicable.
- iv. The company has not granted any loans to any parties as specified under section 185 of the Act. Further the Company has complied with section 186 of Act for all the investment made. The Company has not given any guarantee of security to anybody during the year.
- v. According to the information given to us and based on the audit procedures performed by us, the Company has not accepted any deposit or amounts which are deemed to be deposits, as per the directives issued by Reserve Bank of India and the provisions of the section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder. Hence, reporting under clause (v) of paragraph 3 of the Order is not applicable.

vi. The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and rules thereunder. We have broadly reviewed such records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023, for a period of more than six months from the date they became payable.

(b) There are no dues with respect to income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty which have not been deposited on account of any dispute, except for details given below:

Sr. No.	Name of the statute	Nature of dues	As on 31.03.2023 (in Lakhs)	Period to which the amount relates	Forum where dispute is pending
1	Central Sales Tax Act, 1956	Central Sales Tax	48.84	2002-03, 2003-04 and 1989-90	High Court, Allahabad
2	U.P. Tax on Entry of Goods into Local Area Act ,2007	Entry Tax	806.68	2000-01 to 2006-07	D.C. (A) – Bareilly
3	U.P. Tax on Entry of Goods into Local Area Act ,2007	Entry Tax	83.10	2008-09, 2009-10	Joint Commissioner (Corporate Circle), Commercial Tax, Bareilly
4	U.P. Tax on Entry of Goods into Local Area Act ,2007	Entry Tax	28.38	2010-11	High Court, Allahabad
5	U.P. Tax on Entry of Goods into Local Area Act ,2007	Entry Tax	1.66	2010-11	Joint Commissioner (Appeal), Bareilly
6	U.P. Tax on Entry of Goods into Local Area Act ,2007	Entry Tax	10.25	2017-18	Additional Commissioner (Appeal)
7	U.P. Tax on Entry of Goods into Local Area Act ,2007	Entry Tax	4.30	2015-16	Member Tribunal, Bareilly
8	U.P. Trade Tax Act, 1948	Trade Tax	6.57	1987-88 to 1989-90 and 1991-92 to 1993-94, 1997-98	High Court, Allahabad
9	Central Excise Act, 1944	Cenvat Credit of Steel Materials	1.44	2012-2013	Supreme Court
10	Central Excise Act, 1944	Cenvat Credit on Sale of Bagasse	2.79	2015-16	Ac AEX Bareilly
11	Central Excise Act, 1944	Cenvat Credit on Molasses Received	3,286.21	2012-2013	Commissioner CEX Noida/ Meerut
12	Central Excise Act, 1944	Wrong Reversal of CENVAT Credit	53.40	2007-08, 2008-09, 2010-11, 2011-12, 2012-2013	Supreme Court
13	Central Excise Act, 1944	Wrong Reversal of CENVAT Credit	185.23	2014-15, 2015-16	Commissioner CEX (Appeal) Noida

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Sr. No.	Name of the statute	Nature of dues	As on 31.03.2023 (in Lakhs)	Period to which the amount relates	Forum where dispute is pending
14	Central Excise Act, 1944	Wrong Reversal of CENVAT Credit	1.67	2016-2017	Asst. Comm. Bareilly
15	Central Excise Act, 1944	Cenvat Credit on Steel Materials	3.35	2014-15	Supreme Court
16	Central Excise Act, 1944	Cenvat Credit on Steel Materials	6.67	2011-12	Supreme Court
17	Central Excise Act, 1944	Cenvat Credit on Steel Materials	10.46	2012-2013	Supreme Court
18	Central Excise Act, 1944	Cenvat Credit on Steel Materials	5.13	2012-2013	Supreme Court
19	Central Excise Act, 1944	CENVAT Credit availed on Molasses	634.45	2012-2013	High Court
20	Central Excise Act, 1944	Demand of reversal of Cenvat Credit Steel materials	3.48	2008-2009	Supreme Court
21	Central Excise Act, 1944	Demand on Service Tax on Commission	148.15	2014-15	Commissioner CEX Meerut
22	Central Excise Act, 1944	Denial of Cenvat on Molasses	273.85	2015-2016	Commissioner CEX Noida
23	Central Excise Act, 1944	Excise Duty on Sale of Bagasse & Press Mud	17.04	2007-08	Supreme Court
24	Central Excise Act, 1944	Excise on Shortage of Sugar/Molasses /Scrap	308.62	2011-12 & 2012-13	Jt. Commissioner CEX Noida
25	Central Excise Act, 1944	Arrears of Overtime of Excise Personnel	1.08	2006-07, 2007-08 & 2008-09	High Court, Allahabad
26	Central Excise Act, 1944	License Fee Payable	0.48	2007-08	A.E.C. (U.P.)
27	Central Excise Act, 1944 & Central Excise Rules, 2002	Demand of reversal of Cenvat Credit on Steel / Welding Electrode	19.94	2005-2006 to 2008-2009 and 2011-2012	Cestat, Allahabad.

viii. As represented by the Management, there were no transactions which were previously not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) In our opinion and according to the information and explanation given to us, and based on the audit procedures performed by us, the company has defaulted in the repayment of loans or borrowings to banks and lenders. Details of which are as follows. -

Nature of borrowing including debt securities	Name of lender*	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any	Paid on	Due date
Term Loan	UCO Bank	1,611.00	Principal	Unpaid	Default of installments starting from 30-9-2016 till 31-12-2021		
Term Loan	UCO Bank	937.65	Principal	Unpaid	Default of installments starting from 30-9-2016 till 31-12-2021		
Term Loan	UCO Bank	7,241.94	Interest	Unpaid	Default of interest starting from 31-01-2016 till 31-03-2023		
Term Loan	Govt of India (Ministry of Consumer Affairs, Food and Public Distribution)	2,862.93	Principal	Unpaid	Default of principal from 31-3-2015 to 30-09-2019		
Term Loan	Govt of India (Ministry of Consumer Affairs, Food and Public Distribution)	3,284.63	Interest	Unpaid	Default of interest from 31-3-2015 to 31-3-2023		
Term Loan	Govt of India (Ministry of Consumer Affairs, Food and Public Distribution)	453.89	Principal	Unpaid	Default of principal from 03-08-2018 to 03-08-2022		
Term Loan	Govt of India (Ministry of Consumer Affairs, Food and Public Distribution)	300.20	Interest	Unpaid	Default of interest from 03-8-2015 to 03-08-2022		
Term Loan	Uttar Pradesh Co-operative Bank Ltd	386.12	Principal	Unpaid			31-08-2021
Term Loan	Uttar Pradesh Co-operative Bank Ltd	787.00	Principal	Unpaid			28-02-2022
Term Loan	Uttar Pradesh Co-operative Bank Ltd	944.50	Principal	Unpaid			31-08-2022
Term Loan	Uttar Pradesh Co-operative Bank Ltd	944.50	Principal	Unpaid			28-02-2023
Term Loan	Uttar Pradesh Co-operative Bank Ltd	88.10	Interest	Unpaid			31-08-2022
Term Loan	Uttar Pradesh Co-operative Bank Ltd	176.99	Interest	Unpaid			28-02-2023
Term Loan	UCO Bank	2,760.50	Principal	Unpaid	Default of interest from 28-07-2014 to 11-09-2014		
Term Loan	UCO Bank	2,062.67	Interest	Unpaid	Default of interest from 01-10-2015 to 31-03-2023		
Term Loan	Uttar Pradesh Co-operative Bank Ltd	200.00	Principal	345		11-08-2022	31-08-2021

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Nature of borrowing including debt securities	Name of lender*	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any	Paid on	Due date
Term Loan	Uttar Pradesh Co-operative Bank Ltd	100.00	Principal	384		19-09-2022	31-08-2021
Term Loan	Uttar Pradesh Co-operative Bank Ltd	100.00	Principal	535		17-02-2023	31-08-2021
Term Loan	Uttar Pradesh Co-operative Bank Ltd	200.00	Interest	78		17-05-2022	28-02-2022
Term Loan	Uttar Pradesh Co-operative Bank Ltd	11.60	Interest	336		30-01-2023	28-02-2022
Term Loan	Uttar Pradesh Co-operative Bank Ltd	88.40	Interest	152		30-01-2023	31-08-2022
Term Loan	UCO Bank	2,500.00	Principal	-	Paid under OTS	-	-

- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or any lender.
- (c) According to the information and explanations given to us and based on the audit procedures performed by us, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and based on the audit procedures performed by us, there is no fund which is raised on short term basis during the year. Hence, the reporting under clause (ix) (d) of paragraph 3 of the Order will not be applicable.
- (e) The Company does not have any subsidiary, joint venture or associates. Hence, reporting under clause (ix) (e) and (f) of paragraph 3 of the Order is not applicable.
- x. (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable.
- xi. (a) To the best of our knowledge and according to the information and explanations provided to us, no material fraud by the Company or on the Company has been noticed or reported during the year. Hence, reporting under clause (xi)(a) of paragraph 3 of the Order is not applicable.
- (b) No report under sub-section (12) of section 143 of the Companies Act is required to be filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented by the management, there are no whistleblower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Hence, reporting under clause (xii)(a), (b) and (c) of paragraph 3 of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the period under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors as per the provisions of section 192 of the Companies Act, 2013. Hence, reporting under clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- xvi. (a) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act. Further, the Company has not conducted any Non-Banking Financial or Housing Finance Activities. Hence, the reporting under clause (xvi) (a), (b) and (c) of paragraph 3 of the order is not applicable.
- (c) As informed to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause (xvi)(d) of paragraph 3 of the Order is not applicable.
- xvii. The Company has incurred cash losses of Rs. 2,519.34 Lakhs during the current financial year and Rs. 1,083.78 lakhs during the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditor during the year. Hence, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.
- xix. On the basis of the financial ratios Refer Note no. 49, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. Provisions of section 135 of Companies Act, 2013 related to Corporate Social Responsibility is not applicable to the company since the Company is in loss, Hence, reporting under clause (xx)(a) and (b) of paragraph 3 of the Order is not applicable to the company.

For V. C. Shah & Co.

Chartered Accountants

ICAI Firm Registration No.109818W

Viral J. Shah

Partner

Membership No.: 110120

UDIN: 23110120BGXNJC2898

Place: Mumbai

Date: May 30, 2023

Annual Report 2022-2023

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the Members of KESAR ENTERPRISES LIMITED on the Ind AS financial statements for the year ended March 31, 2023)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub- section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls over financial reporting of **KESAR ENTERPRISES LIMITED** (the “Company”) as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Management’s Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation

of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For V. C. Shah & Co.

Chartered Accountants

ICAI Firm Registration No.109818W

Viral J. Shah

Partner

Membership No.: 110120

UDIN: 23110120BGXNJC2898

Place: Mumbai

Date: May 30, 2023

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BALANCE SHEET AS AT 31ST MARCH, 2023

Particulars	Note No.	(₹ In Lakhs)	
		As at 31 st March, 2023	As at 31 st March, 2022
I. ASSETS			
1 Non - Current Assets			
(a) Property, Plant & Equipments	2	43,853.32	45,593.41
(b) Capital Work - in - Progress	2	155.74	80.99
(c) Right - of- use asset	2	70.50	80.44
(d) Intangible Assets	2	7.75	7.48
(e) Financial Assets			
(i) Investments	3	322.86	330.06
(ii) Loans	4	2.00	2.00
(iii) Others	5	72.81	60.17
(f) Other Non-Current Assets	6	512.81	512.48
2 Current assets			
(a) Inventories	7	10,423.50	10,104.90
(b) Financial Assets			
(i) Investments	8	133.79	650.21
(ii) Trade Receivables	9	907.33	1,910.00
(iii) Cash and Cash Equivalents	10	749.89	2,632.04
(iv) Bank Balance other than Cash and Cash Equivalents	11	123.15	28.53
(v) Loans	12	4.61	4.03
(c) Other - Current Assets	13	1,468.53	356.45
TOTAL		58,808.59	62,353.19
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	14	1,007.97	1,007.97
(b) Other Equity	15	4,964.22	9,472.23
2 Liabilities			
A Non - Current Liabilities			
(a) Financial Liabilities			
Lease Liability	16	79.59	82.28
(b) Provisions	17	1,060.28	964.48
(c) Other Non - Current Liabilities	18	90.74	55.00
B Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	2,800.50	2,800.50
(ii) Lease Liabilities	20	0.93	7.43
(iii) Trade payables	21		
- Total outstanding dues of micro enterprises and small enterprises		116.59	73.66
- Total outstanding dues of creditors other than micro enterprises and small enterprises		23,791.36	20,512.07
(iv) Others	22	23,819.72	24,410.95
(b) Other Current Liabilities	23	914.83	2,816.04
(c) Provisions	24	161.86	150.58
TOTAL		58,808.59	62,353.19
Significant Accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

For V. C. Shah & Co.
Chartered Accountants
ICAI Firm Registration No.109818W

H R KILACHAND
Chairman & Managing Director
DIN:00294835

MAHESH A KUVADIA
Independent Director
DIN: 07195042

Viral J. Shah
Partner
Membership No. 110120

ROHIT BALU
Chief Financial Officer

GAURAV SHARMA
Company Secretary & AVP (Legal)

Place: Mumbai
Date: 30th May, 2023

Place: Mumbai
Date: 30th May, 2023

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2023

	Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(₹ In Lakhs)			
Particulars			
I Revenue from Operations	25	55,276.04	46,917.19
II Other Income	26	164.91	270.12
III Total Income (I + II)		55,440.95	47,187.31
IV EXPENSES			
Cost of Materials Consumed	27	47,052.94	39,337.18
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	28	(354.01)	(894.42)
Employee Benefits Expense	29	3,833.83	3,187.74
Finance Costs	30	2,731.72	2,571.58
Depreciation and Amortization Expense	2	1,898.87	1,837.48
Other Expenses	31	4,683.18	4,019.94
Total Expenses		59,846.53	50,059.50
V Net Profit / (Loss) Before Tax (III-IV)		(4,405.58)	(2,872.19)
VI Tax Expense:			
(a) Current tax		0.00	0.00
(b) Deferred Tax		0.00	16.94
VII Profit for the Year (V-VI)		(4,405.58)	(2,889.13)
VIII Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss.			
(i) Actuarial loss on defined benefit obligation		(70.91)	(5.65)
(ii) Effect of measuring investment at fair value		(7.70)	(22.36)
(iii) Income tax relating to above items		0.00	0.00
(b) Items that will be reclassified to profit or loss.			
(i) Actuarial loss on defined benefit obligation		0.00	0.00
(ii) Effect of measuring investment at fair value		0.00	0.00
(iii) Income tax relating to above items		0.00	0.00
IX Total Comprehensive Income for the Year (VII+VIII)		(4,484.19)	(2,917.14)
Earnings Per Equity Share:			
Basic (in ₹)	42	(43.71)	(28.66)
Diluted (in ₹)		(43.71)	(28.66)
[Nominal Value of Equity Share ₹ 10/- (P.Y. ₹ 10/-)]			
Significant Accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

For V. C. Shah & Co.
Chartered Accountants
ICAI Firm Registration No.109818W

H R KILACHAND
Chairman & Managing Director
DIN:00294835

MAHESH A KUVADIA
Independent Director
DIN: 07195042

Viral J. Shah
Partner
Membership No. 110120

ROHIT BALU
Chief Financial Officer

GAURAV SHARMA
Company Secretary & AVP (Legal)

Place: Mumbai
Date: 30th May, 2023

Place: Mumbai
Date: 30th May, 2023

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CASH FLOW STATEMENT

FOR THE YEAR ENDED ON 31ST MARCH, 2023

Particulars	(₹ In Lakhs)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
A CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAX	(4,405.58)	(2,872.19)
Non cash/ Ind-As/ other adjustments to reconcile profit before tax to net cash flows:		
Depreciation and Amortization Expense	1,898.87	1,837.48
Dividend Income	0.00	(15.60)
Interest Income	(28.81)	(94.03)
Interest and Finance Charges	2,731.72	2,571.58
Loss / (Profit) on sale of Property, Plant & Equipment (net)	36.63	(1.11)
Profit on sale of Investments (net)	(76.51)	(60.19)
Fair Value (gain)/ loss on Investments	4.18	(1.79)
Credit Balances Written Back	0.00	(19.42)
Allowance for Bad and doubtful Debts	25.72	42.31
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	186.22	1,387.04
Movements in working Capital		
(Increase) / Decrease in Inventories	(318.59)	(988.12)
(Increase) / Decrease in Trade Receivables	976.95	1,537.11
(Increase) / Decrease in Financial Assets	(95.19)	(9.72)
(Increase) / Decrease in Other Non-current Assets	(2.32)	467.36
(Increase) / Decrease in Other Current Assets	(1,112.08)	(64.06)
Increase / (Decrease) in Trade Payables	1,483.41	2,802.77
Increase / (Decrease) in Current Liabilities & Provisions	131.54	21.51
CASH GENERATED FROM OPERATIONS	1,249.94	5,153.89
Taxes (Paid)/ Refunds	(36.15)	6.64
NET CASH GENERATED FROM OPERATING ACTIVITIES	1,213.79	5,160.53
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property, Plant & Equipment & CWIP	(318.00)	(2,951.73)
Sale of Property, Plant & Equipment	0.71	3.00
Sale/ (Purchase) of Investments	511.74	192.57
Profit / (Loss) on sale of Investments	76.51	60.19
Proceeds from Fixed Deposits with Bank (net)	(5.86)	195.62
Interest Received	22.03	98.16
Dividend Received	0.00	15.60
NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES	287.13	(2,386.59)

KESAR ENTERPRISES LIMITED

Particulars	(₹ In Lakhs)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Repayment of Borrowings	(2,900.00)	(1,664.17)
Payment of Lease Liabilities	(13.30)	(24.46)
Finance Cost	(469.77)	(987.54)
NET CASH USED IN FINANCING ACTIVITIES	<u>(3,383.07)</u>	<u>(2,676.17)</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(1,882.15)	97.77
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2,632.04	2,534.27
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>749.89</u>	<u>2,632.04</u>
COMPONENT CASH AND CASH EQUIVALENTS		
Cash on Hand	4.72	50.44
Balance with Bank on Current Account	473.72	2,171.60
Balance with Bank on Fixed Deposits Accounts with original maturity of less than 3 months	271.45	410.00
TOTAL CASH AND CASH EQUIVALENTS	<u>749.89</u>	<u>2,632.04</u>

The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind-AS 7) - Statement of Cash Flow.

Reconciliation of Opening and Closing of Financing Activities of Cash Flow Statements

(₹ in Lakhs)

Particulars	As At 31st March, 2022	Net Cash Flow	Non Cash Changes		As at March 31, 2023
			Fair Value Changes	Current/ Non Current Classification	
Other Financial Liabilities	11,827.59	(2,900.00)	0.00	0.00	8,927.59
Borrowings current	2,800.50	0.00	0.00	0.00	2,800.50

Note : Figures in brackets are outflows.

The accompanying notes are an integral part of the financial statements

Significant Accounting policies

1

As per our report of even date

For V. C. Shah & Co.
Chartered Accountants
ICAI Firm Registration No.109818W

Viral J. Shah
Partner
Membership No. 110120

Place: Mumbai
Date: 30th May, 2023

For and on behalf of the Board of Directors

H R KILACHAND
Chairman & Managing Director
DIN:00294835

ROHIT BALU
Chief Financial Officer

Place: Mumbai
Date: 30th May, 2023

MAHESH A KUVADIA
Independent Director
DIN: 07195042

GAURAV SHARMA
Company Secretary & AVP (Legal)

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The Company was incorporated on 01/08/1933. The Company deals in the production of Sugar, Spirit, Ethanol, Bagasse based Power. The Plants are located at Baheri, Uttar Pradesh.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and presentation requirements of Division II of Schedule III to the Act (Ind AS compliant Schedule III)..

The accounting policies are applied consistently to all the periods presented in the financial statements.

Ministry of Corporate affairs issued notification on March 31, 2023, and have made changes in the Indian Accounting Standards (Ind AS) namely Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115, Ind AS 1, Ind AS 8, Ind AS 12 and Ind AS 34. These amendments shall be applicable for annual reporting periods beginning on or after April 01, 2023.

(b) Basis of Measurement

The financial statements have been prepared on historical cost basis except the following:

- Certain financial assets and liabilities are measured at fair value.
- Defined benefit plans- plan assets measured at fair value.
- Land, Building and Plant & Equipments are carried at the revalued amount.

(c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period or the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(d) The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupees and all values are rounded to the nearest Lakhs, except when otherwise stated.

(e) Use of Estimates

The preparation of financial statements are in conformity with recognition and measurement principles of Ind-AS and requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of the revenue and expenses during the reporting period and disclosures of contingent liabilities as of the date of the financial statements. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialize.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in notes to the financial statements.

Key accounting estimates

i) Income taxes:

The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

ii) Defined Benefit Obligation:

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

iii) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

iv) Property, plant and equipment and intangible assets:

The useful life and residual value of plant, property equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

v) Provision for litigations and contingencies:

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events, the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount.

vi) Provision for expected credit losses of trade receivables:

The Company uses a simplified approach to determine impairment loss allowance on the portfolio of trade receivables. This is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate. The amount of expected credit loss is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may not be representative of customer's actual default in the future.

(f) Revenue Recognition

The Company derives revenue primarily from sale of manufactured goods.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products.

The Company does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

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The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Group performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance obligation is satisfied.

For performance obligation where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from sale of products and services is recognised at a time on which the performance obligation is satisfied.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income is recognized using the effective interest rate (EIR) method.

Insurance Claims are accounted when the right to receive payment is established.

(g) **Property Plant and Equipment**

Property, plant and equipment are stated at cost including amounts added on revaluation for Land, Building & Plant & Equipment, less accumulated depreciation and impairment loss, if any. The cost of property, plant and equipment comprises its purchase price, non-refundable duties and taxes and any cost directly attributable to bringing the asset to its location and condition necessary for it to be capable of operating in the manner intended by management.

The Company is following revaluation model for Land, Building & Plant & Equipments. The assets are stated at fair market value less accumulated depreciation recognized after the date of the revaluation. Revaluation Reserve to the extent of amount in excess of written down value is shown as 'Revaluation Reserve' under the head 'Other Equity'. The revaluation shall be carried out every five years.

Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

(h) **Depreciation** is provided in following manner:

- (i) Premium on Leasehold Land is amortised over the period of lease.
- (ii) Depreciation on the Bio-Gas Plant, Power Generation Plant, Plant & Machinery installed for Expansion and Modernisation (Sugar & Spirit Division) has been provided on a Straight Line Method based on remaining useful life of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.
- (iii) Depreciation on Assets taken on lease has been provided on a Straight Line Method based on remaining useful life of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.
- (iv) For all other assets, depreciation is provided on a Written Down Value Method based on remaining useful life of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.

- (v) The estimated useful life of the property, plant and equipments are as given below :

Description of Asset	Useful Life
Buildings	30-60 years
Road	10 years
Plant & Equipments	25 years
Electrical Installation	10 years
Office Equipments	5 years
Vehicles	8 years
Furniture & Fixtures	10 years
Computer	3 years
Computer Software	6 years

- (vi) Depreciation on Assets, whose actual cost does not exceed 0.05 Lakh for each asset is provided at the rate of hundred percent.
- (vii) Depreciation on revalued portion is provided for the balance estimated useful life of the respective assets.
- (viii) For property, plant and equipments added / disposed off during the year, depreciation has been provided on a pro-rata basis with reference to the period, at the applicable rates.
- (i) **Capital Work-in-Progress**
Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress..
- (j) **Borrowing Costs**
Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statements of Profit and Loss.
- (k) **Leases**

The Company as a Lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The

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lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

(l) Impairment of Non-Financial Assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. An impairment loss is recognized in the Statements of Profit and Loss. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. A reversal of an impairment loss is recognised immediately in the Statements of Profit and Loss.

(m) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial Instruments are further divided in two parts viz. Financial Assets and Financial Liabilities.

Part I - Financial Assets

i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through a statements of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contains a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in the following categories:

- Financial Asset at amortised cost:

A Financial Asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income and the losses arising from impairment are recognised in the Statements of Profit and Loss.

- **Financial Asset at FVTOCI (Fair Value through Other Comprehensive Income)**

A Financial Asset is classified as at the FVTOCI if following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows (i.e. SPPI) and selling the financial assets

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statements of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statements of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- **Financial Assets at FVTPL (Fair Value through Statements of Profit and Loss)**

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statements of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value except unquoted Equity Shares. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statements of Profit and Loss.

iii) **De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured

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on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

iv) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Trade receivables or any contractual right to receive cash or another financial asset
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statements of profit and loss.

Part II - Financial Liabilities

i) Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statements of Profit and Loss, loans and borrowings, payables, are also classified as above.

ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through Statement of Profit and Loss

Financial liabilities at fair value through Statements of Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Statements of Profit and Loss. Gains or losses on liabilities held for trading are recognised in the Statements of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through the Statements of Profit and Loss is designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value, gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains / losses are not subsequently transferred to statements of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statements of profit and loss. The Company has not designated any financial liability as at fair value through the Statements of Profit and Loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statements of Profit and Loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statements of profit and loss. This category generally applies to borrowings.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities under borrowings. The dividends on these preference shares, if any are recognised in the Statements of Profit and Loss as finance cost.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

iii) De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statements of Profit and Loss.

iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(n) Inventories

- (i) Raw Materials and Stores and Spares are valued at cost arrived on weighted average method.
- (ii) Work in Progress and Finished Goods are valued at lower of cost and Net Realisable Value. Cost includes direct material, direct labour and attributable overheads.
- (iii) By-Products and Scrap Materials are valued at estimated net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(o) Foreign Currency Transactions

Transactions in foreign currencies are accounted at the initially recorded exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated at the year-end rates. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the statements of profit and loss. In case of forward contracts (non speculative), the premium or discount being the differences between the forward

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exchange rate and the exchange rate at the inception of the contract is recognized as expense or income over the life of the contract. The exchange difference either on settlement or translation is recognized in the statements of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are reported using the exchange rate prevalent at the date of transaction.

(p) Intangible assets - Research & Development Expenditure

Expenditure during Research phase is charged off to the statements of Profit and Loss in the year in which it is incurred and expenditure during Development phase is recognised as intangible assets , if it is materialized, else it is charged off to the statements of Profit and Loss in the year where it is not materialized.

(q) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss after tax for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(r) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(s) Tax Expense

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statements of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity. In which case, the tax is also recognised in other comprehensive income or directly in equity respectively.

- Current tax

Current tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and tax laws that are applicable to the Company.

- Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred tax relating to items recognized outside the Statements of Profit and Loss are recognized outside the Statements of Profit and Loss, either in other comprehensive income or directly in equity.

- Minimum Alternate Tax (MAT)

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by ICAI, the said asset is created by way of a credit to the Statements of Profit and Loss and is shown as MAT credit entitlement. The Company review the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period

(t) Segment Reporting

The segments are in line with the reporting done to the Chief Operating Decision maker which is the Board of Directors. Inter segment transactions have been accounted for based on the price which has been arrived at considering cost plus appropriate margins. Revenue and expenses that are directly identifiable with or allocable to segments are considered for determining the segment results. Segment assets and liabilities include those directly identifiable with the respective segments. Business segments are identified on the basis of the nature of products, the risk/return profile of the individual business, the organizational structure and the internal reporting system of the Company.

(u) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statements of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective IT authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

(v) Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation arising from past events that is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

Contingent assets are neither recognized nor disclosed, in the financial statements except there is a virtual certainty to receive the same.

(w) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value.

(x) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

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When the grant or subsidy relates to revenue, it is netted off with the related costs, which they are intended to compensate. Where the grant relates to property, plant and equipments, it is netted off with the specified property, plant and equipments if grants related to specific property, plant and equipments otherwise netted off on pro rata basis to all eligible property, plant and equipments.

The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Other Equity							Total Equity
	Equity Share Capital	Reserves and Surplus					Total Other Equity	
	Capital Reserve	Securities Premium Reserve	Revaluation Reserves	Storage and Effluent Disposal Reserves:	General Reserve	Retained Earning	Other Comprehensive Income	
As at April 1, 2021	1,007.97	801.05	23,608.04	91.44	6,749.51	(19,291.63)	354.24	12,380.55
Profit/ (Loss) for the Year						(2,889.12)		(2,889.12)
Addition during the Year				8.81			(28.01)	(19.20)
Transfer to General Reserve			(624.90)					(624.90)
As at March 31, 2022	1,007.97	801.05	22,983.14	100.25	7,374.41	(22,180.75)	326.23	9,472.23
Profit/ (Loss) for the Year						(4,405.58)		(4,405.58)
Addition during the Year			0.00	8.33				8.33
Transfer to General Reserve			(617.73)					(617.73)
Deduction during the year			(32.16)				(78.60)	(110.76)
Transfer From Revaluation Reserve					617.73			617.73
As at March 31, 2023	1,007.97	801.05	22,333.25	108.58	7,992.14	(26,586.33)	247.63	4,964.22

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

Viral J. Shah
Partner
Membership No. 110120
Place: Mumbai
Date: 30th May, 2023

H R KILACHAND
Chartered & Managing Director
DIN:00294835

MAHESH A KUVADIA
Independent Director
DIN: 07195042

Viral J. Shah
Partner
Membership No. 110120
Place: Mumbai
Date: 30th May, 2023

ROHIT BALU
Chief Financial Officer
Place: Mumbai
Date: 30th May, 2023

GAURAV SHARMA
Company Secretary & AVP (Legal)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

2. PROPERTY, PLANT AND EQUIPMENTS, CAPITAL WORK IN PROGRESS AND INTANGIBLE ASSETS (Owned, Unless stated otherwise)

Particulars / Assets	Free hold Land (#)	Lease hold Land Premium	Lease hold Land	Buildings	Plant & Equipments	Office Equipments	Vehicles	Furniture & Fixtures	Total	Intangible Assets Computer Software	Right - of use Assets	(₹ in Lakhs)
Gross Carrying amount												
Balance as at March 31, 2021	9,545.16	0.06	6,748.57	9,593.36	39,352.23	325.27	246.37	455.94	66,266.96	133.47	106.23	
Additions			53.87		4,033.73	57.62	104.66	2.38	4,252.26			
Deductions/Disposals				0.10		76.34	19.56	1.23	97.23			
Balance as at March 31, 2022	9,545.16	0.06	6,748.57	9,647.23	43,385.86	306.55	331.47	457.09	70,421.99	133.47	106.23	
Additions	155.52			28.10	36.73	9.00	7.41	3.26	240.02	0.38		
Deductions/Disposals				170.34		2.98	10.32	1.23	184.87			
Balance as at March 31, 2023	9,700.68	0.06	6,748.57	9,675.33	43,252.25	312.57	328.56	459.12	70,477.14	133.85	83.36	
Accumulated Depreciation / Amortisation												
As at April 1, 2021		0.04	515.08	5,889.24	15,751.17	288.87	228.23	419.31	23,091.94	125.99	17.20	
Depreciation charge for the year			55.78	349.41	1,389.03	22.79	2.75	9.13	1,828.89		8.59	
Deductions/Disposals					0.10	72.78	18.59	0.78	92.25		0.00	
Balance as at March 31, 2022	0.04	0.04	570.86	6,238.65	17,140.10	238.88	212.39	427.66	24,828.58	125.99	25.79	
Depreciation charge for the year			53.56	339.12	1,431.06	28.43	36.36	7.02	1,895.55	0.11	3.21	
Deductions/Disposals					87.11	2.66	9.80	0.74	100.31		16.15	
Balance as at March 31, 2023	0.04	0.04	624.42	6,577.77	18,484.05	264.65	238.95	433.94	26,623.82	126.10	12.86	
Net Carrying amount												
As at March 31, 2023	9,700.68	0.02	6,124.15	3,097.56	24,768.20	47.92	89.61	25.18	43,853.32	7.75	70.50	
As at March 31, 2022	9,545.16	0.02	6,177.71	3,408.58	26,245.76	67.67	119.08	29.43	45,593.41	7.48	80.44	
Capital Work in Progress												
As at March 31, 2023												155.74
As at March 31, 2022												80.99

Note 1: The management is required to perform the valuation of the property, plant and equipment as per the accounting policy of the revaluation of the Asset. The UCO Bank has filed various proceedings against the Company under the SARFAESI Act, 2002, the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 as well as under Section 7 of the Insolvency and Bankruptcy Code (IBC), 2016 and also issued possession Notice for taking possession of the immovable properties of the Company. Accordingly, the required valuation of the assets have not been carried out in current year. The Management will evaluate the revaluation in subsequent years.

(#) Note 2: In respect of land (out of the above Freehold Land) owned by the Company in Village Khurpia, Tehsil Kiccha, District Udhham Singh Nagar, Tehsildar (Tehsil Kiccha, District Udhham Singh Nagar) on an application of a third party, passed an order dated 06.02.2023 deleting the name of the Company as owner and entering the name of third party as owner, in Khatauni (a revenue record of the Local District). On the strength of the order dated 06.02.2023, the third party also filed original suit before Ld. Senior Civil Judge, District Udhham Singh Nagar, Uttarakhnad, seeking permanent injunction against the Company in respect of the said land. Ld. Senior Civil Judge granted temporary injunction against the Company via order dated 03.03.2023. These orders have been challenged by the Company at appropriate forums including through writ petition filed by the Company before Hon'ble High Court of Uttarakhnad at Nainital, which is currently pending for adjudication.

Capital work in progress (CWIP)

a) CWIP ageing schedule

For the year ended 31.03.2023

(₹ in Lakhs)

Particulars	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
B Heavy Molasses Transfer Arrangement	9.37	47.63			56.99
Sewage Treatment Plant -250klpd	48.76				48.76
80 Kpd Project	1.40	25.45			26.85
Roads	4.51				4.51
Ash Silo Road (Incineration Boiler)	10.72				10.72
Building				7.91	7.91
Total	74.76	73.08		7.91	155.74

For the year ended 31.03.2022

Particulars	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
B Heavy Molasses Transfer Arrangement	47.63				47.63
80 Kpd Project	25.45				25.45
Building				7.91	7.91
Total	73.08			7.91	80.99

b) There is no capital work in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

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NON CURRENT FINANCIAL ASSETS

3. INVESTMENTS

(₹ in Lakhs)

PARTICULARS

As at
31st March, 2023 As at
31st March, 2022

Investments in Equity Instruments

(a) In fully paid Equity Shares (Unquoted)

(i) 300 Shares of ₹ 100/- each (P.Y.: 300 Shares of ₹ 100/- each) of U.P. Seeds & Tarai Development Corporation Ltd.	0.30	0.30
(ii) 10 Shares of ₹ 1000/- each (P.Y.: 10 Shares of ₹ 1000/- each) of Antophill Warehousing Company Ltd.	0.10	0.10
(iii) 5 Shares of ₹ 10/- each (P.Y.: 5 Shares of ₹ 10/- each) of Baheri Co-operative Cane Development Union Ltd.	0.00	0.00
(iv) 17 Shares of ₹ 20/- each (P.Y.: 17 Shares of ₹ 20/- each) of Sahakari Ganna Vikas Samiti Ltd.	0.00	0.00
(v) 1 Share of ₹ 100/- (P.Y.: 1 Share of ₹ 100/-) of Ganna Beej Nigam, Bareilly	0.00	0.00
(vi) 1 Share of ₹ 20/- (P.Y.: 1 Share of ₹ 20/-) of Bhojeepera Co-operative Cane Development Union Ltd.	0.00	0.00

(Amount is less than ₹1,000/-)

Total

0.40

0.40

(b) In fully paid Equity Shares Through FVTOCI (Quoted)

10,40,000 Shares of ₹ 5/- each (P.Y.: 10,40,000 Shares of ₹ 5/- each) of Kesar Terminals and Infrastructure Limited.	320.94	328.64
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(c) Investment in Government Security (At amortised Cost)

National Savings Certificates (Lodged as security deposit)	1.52	1.02
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Total

322.46

329.66

Total (a+b+c)

322.86

330.06

Aggregate amount of Unquoted Investment Carried at Cost

1.92

1.42

Aggregate amount of Quoted Investment at Market Value

320.94

328.64

Total

322.86

330.06

4. LOANS

Other Loans and Advances

Unsecured, considered good	2.00	2.00
----------------------------	------	------

Doubtful	4.00	4.00
----------	------	------

6.00

6.00

Less: Allowance for bad and doubtful loans and advances

4.00

4.00

2.00

2.00

Total

2.00

2.00

5. OTHERS

(a) Fixed Deposits with Bank (for original maturity more than twelve months) (Under lien for issuing various Bank Guarantees in favour of Government authorities)	39.32	33.47
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(b) Interest Accrued on Bank Fixed Deposits	33.17	26.42
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(c) Interest Accrued on Investments	0.32	0.28
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Total

72.81

60.17

KESAR ENTERPRISES LIMITED

6. OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
(a) Capital Advance	255.30	255.30
(b) Balance with Government Authorities	257.51	257.18
Total	512.81	512.48

7. INVENTORIES

(a) Raw Materials and components		
Malt Spirit	8.33	8.33
	8.33	8.33
(b) Work-in-progress		
(i) Sugar	425.60	442.29
(ii) Molasses	61.49	45.76
	487.09	488.05
(c) Finished goods		
(i) Sugar	7,727.41	8,194.95
(ii) Spirit	498.91	171.39
(iii) Banked Power	8.55	4.99
	8,234.87	8,371.33
(d) By - Products		
(i) Molasses	768.96	364.17
(ii) Bagasses	289.11	202.46
	1,058.07	566.63
(e) Stores and spares	635.14	670.56
Total	10,423.50	10,104.90

8. CURRENT INVESTMENTS

Investment in Mutual Funds (Unquoted)		
4,86,640 Units (P.Y. 24,79,912 units) in HDFC Short Term Debt Fund Direct Plan Growth Option	133.79	650.21
Total	133.79	650.21
Aggregate amount of Unquoted Investment at Market Value	133.79	650.21
Aggregate Cost of Unquoted Investment	133.79	647.39

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9. TRADE RECEIVABLES

(₹ in Lakhs)

PARTICULARS	As at	
	31st March, 2023	31st March, 2022
(a) Trade Receivables - considered good	930.44	1,958.84
(b) Trade Receivables - credit impaired	194.10	194.10
	<u>1,124.54</u>	<u>2,152.94</u>
Less: Allowance for bad and doubtful debts	217.21	242.94
	<u>907.33</u>	<u>1,910.00</u>
Total	<u>907.33</u>	<u>1,910.00</u>

Trade receivables Ageing Schedule

For the year ended 31.03.2023

PARTICULARS	Outstanding for following periods from date of the Bill					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	888.68	0.17	21.82		19.77	930.44
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						
(iii) Undisputed Trade Receivables – credit impaired					194.10	194.10
(iv) Disputed Trade Receivables–considered good						
(v) Disputed Trade Receivables – which have significant increase in credit risk						
(vi) Disputed Trade Receivables – credit impaired						
Total	<u>888.68</u>	<u>0.17</u>	<u>21.82</u>	<u>0.00</u>	<u>213.87</u>	<u>1,124.54</u>

Trade receivables Ageing Schedule

For the year ended 31.03.2022

PARTICULARS	Outstanding for following periods from date of the Bill					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,916.95	0.05	21.99	0.08	19.77	1,958.84
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						
(iii) Undisputed Trade Receivables – credit impaired					194.10	194.10
(iv) Disputed Trade Receivables–considered good						
(v) Disputed Trade Receivables – which have significant increase in credit risk						
(vi) Disputed Trade Receivables – credit impaired						
Total	<u>1,916.95</u>	<u>0.05</u>	<u>21.99</u>	<u>0.08</u>	<u>213.87</u>	<u>2,152.94</u>

10. CASH AND CASH EQUIVALENTS

Cash & Cash Equivalent

(a) (i) Balance with Bank - on Current Account	473.72	2,171.60
(ii) On Fixed Deposits Accounts with original maturity of less than 3 months*	271.45	410.00
(b) Cash on hand	4.72	50.44
Total	<u>749.89</u>	<u>2,632.04</u>

* This includes Fixed Deposit of ₹ 0.80 Lakhs drawn in the name of Employees of the Company and placed with Government Authorities for Company's Business purpose.

KESAR ENTERPRISES LIMITED

11. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS (₹ in Lakhs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Bank Balance Other than Cash & Cash Equivalents		
(a) Fixed deposit with Bank (More than 3 months & less than 12 months)*	123.15	28.53
(b) Interest Accrued on Bank Fixed Deposits		
Total	123.15	28.53

* This Fixed Deposits are kept as margin money with respective banks for Bank Guarantee issued to various Government Authorities.

12. LOANS

(Unsecured, Considered good)

Advances to Employees	4.61	4.03
Total	4.61	4.03

13. OTHER - CURRENT ASSETS

(a) Security Deposits	1,160.15	16.28
(b) Advance payment of income tax (Net of provision of ₹ 131.47 Lakhs (P.Y ₹ 131.47 Lakhs)	54.88	18.73
(c) Others (advance GST, advance to supplier & Others)	253.50	321.44
Total	1,468.53	356.45

14. EQUITY SHARE CAPITAL (₹ in Lakhs)

	As at 31st March, 2023		As at 31st March, 2022	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of ₹ 10/- each	1,20,00,000	1,200.00	1,20,00,000	1,200.00
Preference Shares of ₹ 10/- each	1,00,00,000	1,000.00	1,00,00,000	1,000.00
Issued, Subscribed & Paid up				
Equity Shares of ₹ 10/- each	1,00,79,682	1,007.97	1,00,79,682	1,007.97
Total	1,00,79,682	1,007.97	1,00,79,682	1,007.97

(a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity Shares Outstanding	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1,00,79,682	1,007.97	1,00,79,682	1,007.97
Shares Issued during the year	0.00	0.00	0.00	0.00
Shares bought back during the year	0.00	0.00	0.00	0.00
Shares outstanding at the end of the year	1,00,79,682	1,007.97	1,00,79,682	1,007.97

(b) The Company has only one class of Equity Shares having a par value of ₹ 10 /- per Share. Each Holder of Equity Shares is entitled to one vote per Share. The Company declares and pays Dividends in Indian Rupees. The Dividend, if proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting except for interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their holdings.

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(c) Details of Shareholders holding more than 5% Shares in the Company

Equity Shareholder

Name of Shareholder	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kesar Corporation Pvt. Ltd.	24,72,155	24.53	24,72,155	24.53
Seel Investments Pvt. Ltd.	32,25,699	32.00	32,25,699	32.00
H.R. Kilachand	5,73,976	5.69	5,73,976	5.69

As at 31st March, 2023

Shares held by promoters at the end of the year

S. No.	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	RAMILA RAJNIKANT KILACHAND	10	0.00	
2	AMRISH RAJNIKANT KILACHAND	50	0.00	
3	SHREEMATI AMBALAL KILACHAND	8,676	0.09	
4	RAJNIKANT A KILACHAND HUF	13,788	0.14	
5	HARSH RAJNIKANT KILACHAND HUF	27,425	0.27	
6	NATASHA HARSH KILACHAND	41,237	0.41	
7	ROHAN HARSH KILACHAND	1,31,921	1.31	
8	HARSH FAMILY TRUST :TRUSTEES ARE -1.VINAYAK VASUDEO SAHASRABUDHE 2.RAJESH SHIVANNA CHADAGA 3.SATYEN MADHUSUDAN MEHTA	2,08,372	2.07	
9	ROHITA HARSH KILACHAND	2,08,387	2.07	
10	HARSH RAJNIKANT KILACHAND	5,73,976	5.69	
11	INDIA CARAT PVT LTD	10,152	0.10	
12	INDIAN COMMERCIAL COMPANY PVT LTD	2,32,264	2.30	
13	KESAR CORPORATION PVT LTD	24,72,155	24.53	
14	SEEL INVESTMENT PVT LTD	32,25,699	32.00	
	Total	71,54,112	70.98	

As at 31st March, 2022

Shares held by promoters at the end of the year

S. No.	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	RAMILA RAJNIKANT KILACHAND	10	0.00	
2	AMRISH RAJNIKANT KILACHAND	50	0.00	
3	SHREEMATI AMBALAL KILACHAND	8,676	0.09	
4	RAJNIKANT A KILACHAND HUF	13,788	0.14	
5	HARSH RAJNIKANT KILACHAND HUF	27,425	0.27	
6	NATASHA HARSH KILACHAND	41,237	0.41	100%
7	ROHAN HARSH KILACHAND	1,31,921	1.31	
8	HARSH FAMILY TRUST :TRUSTEES ARE -1.VINAYAK VASUDEO SAHASRABUDHE 2.RAJESH SHIVANNA CHADAGA 3.SATYEN MADHUSUDAN MEHTA	2,08,372	2.07	
9	ROHITA HARSH KILACHAND	2,08,387	2.07	
10	HARSH RAJNIKANT KILACHAND	5,73,976	5.69	
11	INDIA CARAT PVT LTD	10,152	0.10	
12	INDIAN COMMERCIAL COMPANY PVT LTD	2,32,264	2.30	
13	KESAR CORPORATION PVT LTD	24,72,155	24.53	
14	SEEL INVESTMENT PVT LTD	32,25,699	32.00	
	Total	71,54,112	70.98	

15. OTHER EQUITY

(₹ in Lakhs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
(a) Capital Reserves	67.90	67.90
(b) Securities Premium	801.05	801.05
<i>(Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013)</i>		
(c) Revaluation Reserves		
<i>(Revaluation Reserve is created on revaluation of class of assets comprise of difference between book value and revalued value. The reserve is utilised in accordance with the provision of the Companies Act, 2013.)</i>		
Opening Balance	22,983.14	23,608.04
Less: Transfer to General Reserve	617.73	624.90
Less: Deduction during the year	32.16	0.00
Add: Addition during the year	-	-
Closing Balance	22,333.25	22,983.14
(d) Storage and Effluent Disposal Reserves: (Refer Note No 34)		
<i>(This Reserves has been created for provision and maintenance of adequate storage facility as required under Uttar Pradesh Sheera Niyantaran (Sansodhan) Adesh, 1974.)</i>		
(i) Storage Reserves for Alcohol:		
Opening Balance	6.18	5.82
Add: Current Period Transfer	0.50	0.36
Closing Balance	6.68	6.18
(ii) Storage Reserves for Molasses:		
Opening Balance	87.49	79.42
Add: Current Period Transfer	7.28	8.07
Closing Balance	94.77	87.49
(iii) Effluent Disposal Reserves		
Opening Balance	6.58	6.20
Add: Current Period Transfer	0.55	0.38
Closing Balance	7.13	6.58
(e) General Reserve		
<i>(This represents appropriation of profit after tax by the company)</i>		
Opening Balance	7,374.41	6,749.51
Add: Transfer from Revaluation Reserve	617.73	624.90
Closing Balance	7,992.14	7,374.41
(f) Retained Earning		
<i>(This comprise company's Loss after taxes)</i>		
Opening Balance	(22,180.75)	(19,291.63)
Less: Net Profit for the Year	(4,405.58)	(2,889.12)
Closing Balance	(26,586.33)	(22,180.75)
(g) Other Comprehensive Income (OCI)		
Opening Balance	326.23	354.24
Other Comprehensive Income	(78.60)	(28.01)
Closing Balance	247.63	326.23
Total	4,964.22	9,472.23

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NON CURRENT LIABILITIES

FINANCIAL LIABILITIES

16. LEASE LIABILITY

(₹ in Lakhs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Lease Liability	79.59	82.28
Total	79.59	82.28

17. PROVISIONS

Provision for Employees Benefits		
(a) Leave Encashment (Non funded)	118.16	114.49
(b) Gratuity (Funded)	942.12	849.99
Total	1,060.28	964.48

18. OTHER NON CURRENT LIABILITIES

Deposits from Dealers & Customers	90.74	55.00
(Repayable on cancellation of distributionship and Interest at Rate of 9% p.a.)		
Total	90.74	55.00

19. BORROWINGS

(a) Unsecured short term loans from Banks		
From UCO Bank	2,760.50	2,760.50
(b) Unsecured Loans from Related Parties	40.00	40.00
(Refer Note No.38)		
Total	2,800.50	2,800.50

Details of Default in repayment of Principal Instalment

PARTICULARS	As at 31st March, 2023 Banks	As at 31st March, 2022 Banks
0-90 Days	0.00	0.00
90-180 Days	0.00	0.00
More Than 180 Days	2,760.50	2,760.50
Total	2,760.50	2,760.50

CURRENT FINANCIAL LIABILITIES

20. LEASE LIABILITY (CURRENT)

Lease Liability	0.93	7.43
Total	0.93	7.43

KESAR ENTERPRISES LIMITED

21. TRADE PAYABLES

(₹ in Lakhs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
For goods and services received		
(a) Total outstanding dues of micro enterprises and small enterprises (Refer note no. 35)	116.59	73.66
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	23,791.36	20,512.07
Total	23,907.95	20,585.73

Trade Payables ageing schedule

As at 31st March, 2023

PARTICULARS	Outstanding for following periods from date of Bill				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	116.59				116.59
(ii) Others	23,653.35	34.92	38.43	64.66	23,791.36
(iii) Disputed dues - MSME					
(iv) Disputed dues - Others					
Total	23,769.94	34.92	38.43	64.66	23,907.95

As at 31st March, 2022

PARTICULARS	Outstanding for following periods from date of Bill				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	73.66				73.66
(ii) Others	20,406.42	23.49	21.41	60.75	20,512.07
(iii) Disputed dues - MSME					
(iv) Disputed dues - Others					
Total	20,480.08	23.49	21.41	60.75	20,585.73

CURRENT FINANCIAL LIABILITIES

22. OTHERS

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
(a) Current maturities of Long Term Debts		
Current maturities of Long Term Debts - Secured Borrowings (As appearing in the books) (Refer Note No. 1, 2 & 3 below)	6,378.94	6,778.94
(b) Recalled Long Term Borrowings including Interest (Secured) (As appearing in the books) (Refer Note No 4 below)	9,790.60	10,897.51
(c) Interest accrued and due on Borrowings	5,995.52	5,140.09
(d) Derecognised Interest Payable to U.P. Co Op Bank on Working Capital Term Loan ##	888.86	888.86
(e) Payables for Capital Goods	34.21	25.00
(f) Payables for Other Contractual Obligations	662.03	376.77
(g) Payable to Related Party (Refer Note No 38)	69.56	303.78
Total	23,819.72	24,410.95

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(1) Sugar Development Fund (Co-Gen Term Loan)

Security: Secured by way of first pari passu charge on Properties of the Sugar Factory at Baheri both present and future

Terms of Repayments:

Tranche I: Repayable in 10 half yearly installments of ₹ 159.77 Lakhs each, starting from July 4, 2014 to January 4, 2019.

Tranche II: Repayable in 10 half yearly installments of ₹ 158.47 Lakhs each, starting from March 2015 to September 2019.

Rate of Interest: Ranging from 4% to 7.5%.

(2) Sugar Development Fund (Modernisation Term Loan)

Security: Secured by way of first pari passu charge on Properties of the Sugar Factory at Baheri both present and future.

Terms of Repayments:

Tranche I: Repayable in 5 annual installments of ₹ 44.05 Lakhs each, starting from August 3, 2018 to August 3, 2022.

Tranche II: Repayable in 5 annual installments of ₹ 46.72 Lakhs each, starting from August 15, 2018 to August 15, 2022.

Rate of Interest: 4%.

(3) U P Co Operative Bank Ltd. (Working Capital Term Loan)

Security: Secured by first pari passu charge on fixed assets of the Sugar Factory.

Terms of Repayments: Repayable in 8 half yearly installments from August 2019 to Feb 2023

Rate of Interest: 9.50%.

Previous year grouped under "Other Long term Liabilities"

(4) UCO Bank (Cogen Term Loan) (Refer Note No: 44(a))

Primary Security: Secured by way of first pari passu charge on all Fixed Assets of Sugar, Spirit and Cogen Division at Baheri both present and future, and 1st pari passu charge on the Current Assets of Cogen Division both present and future.

Collateral Security: Secured by way of 2nd pari passu charge on the Current Assets of Sugar and Spirit Division at Baheri (except Sugar Stocks pledged) both present and future

Personal Guarantee: Personal Guarantee of Shri H R Kilachand

Terms of Repayments: Repayable in 24 quarterly instalments of ₹171.29 Lakhs & ₹ 42.17 Lakhs each, starting from quarter ending September 2016 to June 2022 as per bilateral debt restructuring plan.

Rate of Interest: 12.70%.

Details of Default in repayment of Principal Instalment & Interest

(₹ in Lakhs)

PARTICULARS	As at 31st March, 2023		
	Banks	Others	Total
0-90 days	1,635.81	153.87	1,789.68
90-180 days	470.34	250.28	720.62
More than 180 days	13,157.26	6,497.50	19,654.76
Total	15,263.41	6,901.65	22,165.06

KESAR ENTERPRISES LIMITED

Details of Default in repayment of Principal Instalment & Interest

(₹ in Lakhs)

PARTICULARS	As at 31st March, 2022		
	Banks	Others	Total
0-90 days	1,402.52	-	1,402.52
90-180 days	402.26	152.74	555.00
More than 180 days	12,645.62	6,143.48	18,789.10
Total	14,450.40	6,296.22	20,746.62

23. OTHER CURRENT LIABILITIES

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
(a) Advance received from Customers	828.88	2,744.60
(b) Statutory Dues	85.95	71.44
Total	914.83	2,816.04

24. PROVISIONS

Provision for Employees Benefits

(a) Gratuity (Funded)	117.38	110.21
(b) Leave Encashment (Unfunded)	44.48	40.37
Total	161.86	150.58

25. REVENUE FROM OPERATIONS

PARTICULARS	For the year ended on 31st March, 2023	For the year ended on 31st March, 2022
(a) Sale of Products		
Manufactured Goods		
(i) Sugar	45,413.69	38,073.30
(ii) Power	3,327.01	3,548.48
(iii) Spirit	4,481.12	2,745.15
(iv) By - Products	282.55	1,133.80
Total (a)	53,504.37	45,500.73
(b) Other Operating Revenue		
(a) Sale of Exports Quota	639.83	0.00
(b) Scrap Sale	72.80	47.62
(c) Sale of Renewable Energy Certificate (REC)	142.28	725.01
(d) Sale of Pesticide	856.60	636.01
(e) Sundry Income	60.16	7.82
Total (b)	1,771.67	1,416.46
Total (a+b)	55,276.04	46,917.19

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26. OTHER INCOME

(₹ in Lakhs)

PARTICULARS	For the year ended on 31st March, 2023	For the year ended on 31st March, 2022
(a) Dividend Income	0.00	15.60
(b) Interest Income		
(i) On Fixed Deposits	21.01	23.54
(ii) Others	7.80	70.48
(c) Rent	38.04	38.46
(d) Credit Balance Written Back	0.00	19.42
(e) Net Gain realised on sale of Financial Asset	76.51	60.19
(f) Net Gain / (Loss) arising on Financial Asset measured at FVTPL	(4.17)	1.79
(g) Allowance for bad and doubtful debts	25.72	40.64
Total	164.91	270.12

27. COST OF MATERIAL CONSUMED

(i) Raw Materials Consumed

(a) Sugar Cane

Opening Stock	0.00	0.00
Add: Purchases	45,686.90	38,586.05
Less: Closing Stock	0.00	0.00
Consumption	<u>45,686.90</u>	<u>38,586.05</u>

(b) Molasses & Spirit

Opening Stock	8.33	8.33
Add: Purchases	0.00	0.00
Less: Closing Stock	8.33	8.33
Consumption	<u>0.00</u>	<u>0.00</u>

(c) Raw Materials Consumed for Power

	931.91	322.21
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(ii) Packing Material Consumed

	434.13	428.92
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Total	47,052.94	39,337.18
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28. CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS

(a) Opening Stock

Finished Goods	8,371.33	7,380.06
Work- in - Progress	488.06	415.43
By Products	566.64	736.12

Total	9,426.03	8,531.61
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(b) Closing Stock

Finished Goods	8,234.87	8,371.33
Work- in - Progress	487.10	488.06
By Products	1,058.07	566.64

Total	9,780.04	9,426.03
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Net	(354.01)	(894.42)
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KESAR ENTERPRISES LIMITED

29. EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

PARTICULARS	For the year ended on 31st March, 2023	For the year ended on 31st March, 2022
(a) Salaries and Wages	3,488.27	2,847.93
(b) Gratuity expenses	103.33	100.94
(c) Contribution to Provident fund	191.77	184.28
(d) Contribution to Superannuation scheme	11.71	11.41
(e) Staff Welfare	38.75	43.18
Total	3,833.83	3,187.74

30. FINANCE COSTS

(a) Interest Expense		
(i) On Term Loan	2,024.21	2,096.35
(ii) On Cash Credit	378.94	163.71
(iii) On Short Term Borrowings	295.37	282.53
(b) Others Financial charges	33.20	28.99
Total	2,731.72	2,571.58

31. OTHER EXPENSES

(a) Stores and Spares	576.88	497.70
(b) Purchase of Pesticides	843.58	621.92
(c) Power and Fuel	192.66	150.86
(d) Repairs		
(i) Plant and Equipments	1,345.94	1,248.03
(ii) Building	160.82	155.23
(iii) Others	158.40	152.81
(e) Rent	4.29	4.16
(f) Insurance	78.91	76.11
(g) Rates and Taxes	146.44	104.12
(h) Commission and Brokerage	95.31	67.57
(i) Legal & Professional Charges	202.14	143.36
(j) Loading and Unloading Charges	253.65	264.08
(k) Travelling Expenses	91.76	58.35
(l) Transportation and Freight & Forwarding	4.66	5.46
(m) Security and Other Labour Charges	122.27	108.45
(n) Storage and Effluent Disposal Reserves	8.34	8.81
(o) Directors Sitting Fees	19.10	14.70
(p) Auditors Remuneration		
(i) Audit Fees	12.50	10.00
(ii) Out of Pocket Expenses	1.56	1.12
(q) Bad Debts /Advances written off	0.00	1.67
(r) Loss on Sale / Discarded of Fixed Assets	36.63	(1.11)
(s) Miscellaneous Expenses	327.34	326.54
Total	4,683.18	4,019.94

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32. CONTINGENT LIABILITIES

(₹ in Lakhs)

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
(i) Claims against the company not acknowledged as debts in respect of criminal and civil cases	4.75	4.75
(ii) Disputed sales tax, entry tax, trade tax and excise duty cases under appeal:		
Central Sales Tax	62.00	62.00
Entry Tax (U.P.)	982.60	983.20
Trade Tax (U.P.)	17.21	17.21
Excise Duty	4,992.59	4,992.59
Others	0.49	0.49
Total	6,059.64	6,060.24

33. CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed not provided for

- Towards Property Plant and Equipment	2,997.37	2,997.37
- Towards Operating Expenditure	0.00	191.58

34. Alcohol and Molasses Storage Reserves and Effluent Disposal Reserves amounting to ₹ 108.59 Lakhs (P.Y. ₹ 100.25 Lakhs) are not deposited with a Scheduled Bank since it is reserved by the Company for utilization for provision and maintenance of adequate storage facilities as required under Uttar Pradesh Sheera Niyamtran (Sansodhan) Adesh, 1974.

35. Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2023 is given below: -

The principal amount and the interest due thereon remaining unpaid to any supplier	84.91	40.00
The amount of Principal and interest paid beyond the appointed day	183.14	63.73
The amount of interest due and payable on delayed payments	2.14	0.74
The amount of interest accrued and remaining unpaid	2.14	0.74
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	0.00	0.00

This disclosure is on the basis of information available with the Company regarding the status of Suppliers as defined under the "The Micro, Small & Medium Enterprises Development Act, 2006."

36. EMPLOYEE BENEFIT

Defined Contribution Plans

The Company has recognised the following amounts in statements of Profit and Loss

(₹ in Lakhs)

PARTICULARS	For the year ended on 31st March, 2023	For the year ended on 31st March, 2022
Employer's Contribution to Provident Fund	191.77	184.28
Employer's Contribution to Super Annuation Fund	11.71	11.41

Defined Benefit Plan

- (i) Gratuity (Funded)
- (ii) Leave Encashment (Non-funded)

(i) Gratuity (Funded)

In accordance with Indian Accounting Standard 19 "Employee Benefits" (actuarial valuation was performed by independent actuaries in respect of the aforesaid defined benefit plan.

(a) The amounts recognized in the balance sheet are as follows:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March, 2023	For the year ended on 31st March, 2022
Present Value of funded obligations	(1,082.44)	(979.98)
Fair Value of plan assets	22.94	19.78
Net liability (Amount shown in Balance Sheet as Liabilities)	<u>(1,059.50)</u>	<u>(960.20)</u>

(b) The amounts recognized in the statements of profit and loss are as follows:

Current service cost	40.43	41.76
Interest on obligation	62.90	59.18
Total included in employee benefit expense	<u>103.33</u>	<u>100.94</u>

(c) Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Opening defined benefit obligation	979.98	949.66
Service costs	40.43	41.77
Interest costs	64.28	60.11
Benefit Directly paid by Employer	(73.20)	(41.33)
Benefits paid	0.00	(37.62)
Actuarial (Gain)/Losses on Obligation – Due to Change in Demographic Assumptions	4.21	(0.08)
Actuarial (Gain)/Losses on Obligation – Due to Change in Financial Assumptions	(18.48)	(29.21)
Actuarial (Gain)/Losses on Obligation – Due to Experience	85.22	36.68
Closing defined benefit obligation	<u>1082.44</u>	<u>979.98</u>

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- (d) Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

(₹ in Lakhs)

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March, 2023	For the year ended on 31st March, 2022
Opening fair value of plan assets	19.78	14.72
Expected return on plan assets	1.37	0.93
Contributions	1.74	40.02
Benefits paid	0.00	(37.62)
Return on Plan Assets	0.05	1.73
Closing defined benefit obligation	22.94	19.78

The Company has invested in LIC Group Gratuity Scheme and hence the investment pattern is defined by LIC as per the Scheme.

- (e) The amount recognized in the other comprehensive Income (OCI) is as follows:

Actual (Gains) / Losses on Obligation	70.96	7.38
Return Plan Assets	(0.05)	(1.73)
Net actuarial losses / (gains) recognized in OCI	70.91	5.65

- (f) The Reconciliation of Balance Sheet in the statement are as follows:

Opening net Liability	960.20	934.95
Expenses recognized in Statements of Profit and Loss	103.33	100.94
Expenses recognized in OCI	70.91	5.65
Benefit Directly Paid by Employer	(73.20)	(41.32)
Employers Contribution	(1.74)	(40.02)
Net Liability/(Assets) Recognised in the Balance Sheet	1,059.50	960.20

- (g) The amount recognized Interest Cost in the statement are as follows:

Interest Cost	64.28	60.11
Interest Income	(1.38)	(0.93)
Net Interest cost for Current Period	62.90	59.18

- (h) The amount Expenses recognized for in the statements of Profit and Loss for next year are as follows:

Current Service Cost	41.80	40.43
Interest Cost	72.27	62.90
Expenses Recognised	114.07	103.33

- (i) Principal actuarial assumptions at the balance sheet date (expressed as weighted average

Expected return on plan assets	7.41%	6.96%
Rate of Discounting	7.41%	6.96%
Salary escalation rate	6.00%	6.00%
Rate of Employees Turnover	4.00%	2.00%

(j) Amounts for the current and previous four years are as follows:

(₹ in Lakhs)

PARTICULARS	Defined Benefit (Gratuity) Plan				
	For the year ended on 31st March, 2023	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020	For the year ended on 31st March, 2019
	Defined benefit obligation	1082.44	979.98	949.66	887.02
Plan assets	22.94	19.78	14.72	34.57	28.34
Surplus/ (deficit)	(1059.50)	(960.20)	(934.94)	(852.45)	(759.91)

(k) Experience Adjustment:

PARTICULARS	Defined Benefit (Gratuity) Plan				
	For the year ended on 31st March, 2023	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020	For the year ended on 31st March, 2019
	On plan Liability (Gains)/ Losses	85.22	36.68	22.11	14.98
On plan Assets Gains/ (Losses)	0.05	1.73	0.38	(1.68)	(1.61)

(l) Maturity Analysis of the Benefit Payments: From the Fun

PARTICULARS	Projected Benefits Payable in Future Years from the Date of Reporting	
	For the year ended on 31st March, 2023	For the year ended on 31st March, 2022
1st Following Year	245.97	179.90
2nd Following Year	82.46	60.41
3rd Following Year	152.75	100.62
4th Following Year	159.82	129.58
5th Following Year	182.34	134.69
Sum of Years 6 to10	414.25	490.05
Sum of Years 11 and above	218.00	351.00

(ii) Other Employee Benefit

The liability for leave entitlement as at March 31, 2023 is ₹ 162.64 Lakhs (P.Y. Rs. 154.86 Lakhs) disclosed under Long Term Provision (Refer Note No. 17) and Short-Term Provision (Refer Note No. 24)

(iii) Sensitivity Analysis

The below sensitivity analysis is based on the change in an assumption while holding all other assumptions constant. In practice this unlikely to occur and change in some of the assumptions may be correlated. When calculation the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The method and types of assumptions used in reporting the sensitivity analysis did not change compared to the prior period.

Gratuity

A quantitative sensitivity analysis for significant assumed as at March 31, 2023 and March 31, 2022 are as shown below.

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(₹ in Lakhs)

PARTICULARS	For the year ended on 31st March, 2023	For the year ended on 31st March, 2022
Projected Benefit Obligation on Current Assumptions	1082.44	979.98
Delta Effect of +1% Change in Rate of Discounting	(38.61)	(42.89)
Delta Effect of -1% Change in Rate of Discounting	42.07	47.23
Delta Effect of +1% Change in Rate of Salary Increase	40.54	45.10
Delta Effect of -1% Change in Rate of Salary Increase	(38.18)	(43.00)
Delta Effect of +1% Change in Rate of Employee Turnover	2.65	1.96
Delta Effect of -1% Change in Rate of Employee Turnover	(2.89)	(2.17)

1) The Company has a defined benefit gratuity plan in India (Funded). The company's defined benefit gratuity plan is a final salary plan for employees. Gratuity is paid from company as and when it becomes due and is paid as per company's scheme for Gratuity.

2) Gratuity is a defined benefit plan and company is exposed to the following risks:

Interest Risk	Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability
Investment Risk	The present value of defined benefit plan liability calculated using a discount rate which is determined by reference to marker yields as at the end of the reporting period on government bonds. If the return on plant assets is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Assets Liability Matching Risk	The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules,1962, this generally reduces ALM risk.
Mortality Risk	Since the benefits under the plan is not payable for lifetime and payable till retirement age only, plan does not have any longevity risk.
Concentration Risk	Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

(iv) Leave Encashment (Non-funded)

The Company has recognised ₹ 55.25 Lakhs (P.Y. ₹ 19.24 Lakhs) in statements of Profit and Loss based on actuarial valuation.

37. SEGMENTAL REPORTING DISCLOSURES UNDER IND-AS 108

Business Segments:

Based on the guiding principles given in Ind-AS 108 "Operating Segments" the Company's primary business segments are

- a. Sugar
- b. Power
- c. Spirits

Financial Information about the primary business segment:

Figures for the year ended 31st March, 2023 indicated in bold. Previous Year figures indicated in the row below:

	(₹ in Lakhs)			
PARTICULARS	Sugar	Power	Spirits	Total
(a) Revenue from Operations				
Sales (Including Inter Division/ Segment Revenue and Net of Intra Division Revenue)	56,553.86	10,617.89	4,570.39	71,742.14
	47,442.04	10,425.66	2,745.48	60,613.18
Other Income	39.93	6.17	7.74	53.84
	116.63	6.08	16.41	139.12
Less: Inter Segment Revenue	9,285.57	7,091.53	89.00	16,466.10
	7,543.82	6,152.17	0.00	13,695.99
Add: Unallocable Income				111.07
				131.00
Total Revenue				55,440.95
				47,187.31
(b) Segmental Results				
Segmental Result before Interest, Exceptional Items & Tax	(3,673.59)	1,555.91	1,041.07	(1,076.61)
	(2,594.75)	2,504.96	187.34	97.55
Less: Finance Cost				2,731.72
				2,571.58
Less: Unallocable Expenses Net of Unallocable Income				597.25
				398.16
Profit/(Loss) Before Tax	(4,406.79)	(413.60)	1,041.04	(4,405.58)
	(3,351.71)	711.22	187.14	(2,872.19)
Less: Current Tax				0.00
				0.00
Less: Deferred Tax				0.00
				16.94
Profit / (Loss) after Tax				(4,405.58)
				(2,889.13)
Other Comprehensive Income				(78.61)
				(28.01)

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				(₹ in Lakhs)
PARTICULARS	Sugar	Power	Spirits	Total
Profit / (Loss) after Other Comprehensive Income				(4,484.19)
				(2,917.14)
(c) Segmental Assets and Liabilities				
(i) Segmental Assets	25,083.77	17,726.65	11,424.91	54,235.33
	27,007.71	18,481.11	11,632.29	57,121.11
Unallocable Assets/ Investments				4,573.26
				5,232.08
Total Assets				58,808.59
				62,353.19
(ii) Segmental Liabilities	34,710.58	16,465.02	147.45	51,323.05
	33,115.47	16,839.09	263.96	50,218.52
Share Capital & Other Equity				5,972.21
				10,480.20
Unallocable Liabilities				1,513.33
				1,654.47
Total Liabilities				58,808.59
				62,353.19
(d) Capital Expenditure and Depreciation				
(i) Capital Expenditure including Capital Work in Progress	329.21	8.45	52.16	389.82
	227.36	170.26	3,816.63	4,214.25
Unallocable				6.32
				8.00
Total				396.14
				4,222.25
(ii) Depreciation/ Amortization	657.54	744.41	422.41	1,824.36
	678.49	744.50	367.47	1,790.46
Unallocable Depreciation				74.51
				47.02
Total Depreciation/ Amortization				1,898.87
				1,837.48
(iii) Significant non-cash expenditure other than Depreciation/ Amortization				0.00
				0.00

Segment Revenue from Operations, Results, Assets and Liabilities and Depreciation include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

38. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD 24

Names of related parties and nature of related party relationships:

i) Parties where control exists

a) Key Management Personnel:

Mr. H R Kilachand Chairman & Managing Director

b) Enterprises / Entities with Joint Control or Significant Influence over Entity:

Kesar Terminals & Infrastructure Limited

Kesar Multimodal Logistics Limited

Kesar Corporation Pvt. Ltd.

Seel Investments Pvt. Ltd.

Kilachand Devchand & Co. Pvt. Ltd.

Indian Commercial Co. Pvt. Ltd.

India Carat Pvt. Ltd.

Harsh R Kilachand (HUF)

Harsh Family Trust

Rajnikant Kilachand (HUF)

ii) Parties with whom the transactions were carried out during the Year

(a) Key Managerial Personnel under Companies Act, 2013:

Mr Sharat Mishra Chief Operating officer (COO) w.e.f. 25/07/2022

Mr. Rohit Balu Chief Financial Officer (CFO)

Mr. Gaurav Sharma Company Secretary & AVP(Legal)

(b) Non-Executive / Independent Directors:

Mr. M A Kuvadia Independent Director

Dr. Narendra Mairpady Independent Director

Mr. Rishabh Shah Independent Director

Mrs. Ranjana Sinha Independent Director

Mr. A S Ruia Independent Director upto 05/09/2022

Mr. Devendra J Shah Non-Executive Non-Independent Director w.e.f. 12/08/2022

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Disclosure of transactions between the Company and related parties and the status of outstanding balance as on 31st March, 2023 indicated in bold. Previous Year figures indicated in the row there below in brackets:

Nature of Transaction	(₹ in Lakhs)						
	Kesar Terminals & Infrastructure Ltd	Kesar Multimodal Logistics Ltd	Kilachand Devchand & Co. Pvt. Ltd.	Seel Investment Pvt. Ltd.	Kesar Corporation Pvt. Ltd	Indian Commercial Co. Pvt. Ltd	KMP
Expenses payable	0.07 (0.00)	0.13 (0.00)	10.26 (8.14)				
Expenses Receivable	7.54 (8.81)	1.04 (1.32)				2.86 (3.80)	
Loan Repaid				0.00 (90.00)			
Cost sharing Expenses	0.00 (17.70)					8.61 (1.16)	
Deposit Placed			350.00 (0.00)				
Dividend Received	(0.00) (15.60)						
Rent Paid/Provided			17.38 (17.38)				
Sitting Fees (Refer note below)							19.10 (14.70)
Remunerations (Refer note below)							118.21 (68.19)
Consulting Fees (w.e.f. 12/08/2023)							12.46 (0.00)
Closing Balance							
Payables	0.00 (6.85)		68.15 (303.78)			1.41 (0.00)	11.50 (3.21)
Receivables			250.00 (0.00)				
Investments	320.94 (328.64)						
Loans					40.00 (40.00)		

Note:

Sitting Fees

Name of the Directors	(₹ in Lakhs)	
	For the year ended on 31st March, 2023	For the year ended on 31st March, 2022
Mr. M A Kuvadia	5.25	3.85
Mr. D J Shah (w.e.f. 12/08/2022)	2.00	0
Mrs. Ranjana Sinha	4.75	3.50
Dr. Narendra Mairpady	4.75	1.75
Mr. Rishabh Shah	2.35	1.75
Mr. A S Ruia (upto 05/09/2022)	0	3.85
Total	19.10	14.70

Remuneration paid to Key Management Personnel (KMP)

(₹ in Lakhs)

Name of the Persons	For the year ended on 31st March, 2023	For the year ended on 31st March, 2022
Mr. Gaurav Sharma	25.56	23.37
Mr. Rohit Balu	46.01	44.82
Mr. Sharat Mishra (w.e.f.25.7.2022)	46.64	0.00
Total	118.21	68.19

39. FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities, comprises borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations directly or indirectly. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Company is exposed to credit risk and liquidity risk. Market risk is applicable for equity shares and variable borrowing. Foreign exchange risk is not applicable since the company does not have long term imports. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk Management	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis	Diversification of bank deposits
Liquidity Risk	Borrowings and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk – Equity	Change in Equity Prices	Profit / Loss volatility	Strategic decision
Market Risk- Interest	Variable Rate Borrowing	Interest rate sensitivity	Mix of fixed versus floating rate

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade receivables

Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

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(a) Ageing

(₹ in Lakhs)

PARTICULARS	For the year ended on 31 st March, 2023		For the year ended on 31 st March, March 2022	
	Undisputed Trade receivables – considered good	Undisputed Trade Receivables – credit impaired	Undisputed Trade receivables – considered good	Undisputed Trade Receivables – credit impaired
Less than 6 months	888.68	0.00	1,916.95	0.00
6 months -1 year	0.17	0.00	0.05	0.00
1-2 years	21.82	0.00	21.99	0.00
2-3 years	0.00	0.00	0.08	0.00
More than 3 years	19.77	194.10	19.77	194.10
Total	930.44	194.10	1,958.84	194.10

(b) Movement in expected credit loss allowance on trade receivables

PARTICULARS	For the year ended on 31 st March, 2023	For the year ended on 31 st March, 2022
Balance at the beginning of the year	242.94	283.58
Add: - Additional provision made	0.00	0.00
Less: - Provision reversed	(25.73)	(40.64)
Balance at the end of the year	217.21	242.94

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department.

Equity price risk

The Company's equity securities are held at Fair Value through Other Comprehensive Income and depending on the market opportunity, the company shall sell such investments.

Equity Price sensitivity

	Impact on profit before tax	
	Current Year	Previous Year
Equity Prices (quoted) – increase by 10%	32.09	32.86
Equity Prices (quoted) – decrease by 10%	(32.09)	(32.86)

Interest rate risk

The Company has MCLR based borrowing and depending on the interest rate scenario, the company decides on the mix of fixed rate versus variable rate borrowing.

Interest rate sensitivity

Variable interest rate loans are exposed to interest rate risk, the impact on profit or loss before tax may be as follows:

PARTICULARS	Impact on profit before tax	
	This Year	Previous Year
Interest rate – increase by 100 basis points (100 bps)	(83.71)	(112.71)
Interest rate – decrease by 100 basis points (100 bps)	83.71	112.71

Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, preference shares and unsecured loans.

KESAR ENTERPRISES LIMITED

The table below provides details regarding the maturities of significant financial liabilities as of March 31, 2023 and March 31, 2022

(₹ in Lakhs)

PARTICULARS	Less than 1 year	1 to 5 years	> 5 years	Total
Year ended March 31, 2023				
Borrowing (Refer Note No. 19)	2,800.50	0.00	0.00	2,800.50
Trade Payables (Refer Note No. 21)	23,769.94	138.01	0.00	23,907.95
Other Financial Liabilities (Refer Note No. 22)	23,819.72	0.00	0.00	23,819.72

PARTICULARS	Less than 1 year	1 to 5 years	> 5 years	Total
Year ended March 31, 2022				
Borrowing (Refer Note No. 19)	2,800.50	0.00	0.00	2,800.50
Trade Payables (Refer Note No. 21)	20,480.08	105.65	0.00	20,585.73
Other Financial Liabilities (Refer Note No. 22)	23,522.09	888.86	0.00	24,410.95

Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings.

PARTICULARS	As at March 31, 2023	As at March 31, 2022
Net Debt		
Borrowing	12,616.95	15,516.95
Equity		
Equity share capital	1,007.97	1,007.97
Other Equity	4,964.23	9,472.23
Debt /Equity Ratio	2.11	1.48

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40. FINANCIAL INSTRUMENTS BY CATEGORY

The criteria for recognition of financial instruments is explained in significant accounting policies.

(₹ in Lakhs)

PARTICULARS	March 31, 2023			March 31, 2022		
	Amortised cost	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL
Financial Assets						
Non-Current Investments						
-Equity instruments	1.92	320.94		1.42	328.64	
-Loans	2.00			2.00		
-Other Financial Assets	72.81			60.17		
-Current Investments			133.79			650.21
-Trade Receivable	907.33			1,910.00		
-Cash and Cash equivalent	749.89			2,632.04		
-Bank Balance	123.15			28.53		
-Loans	4.61			4.03		
-Other Current Asset	1,468.53			356.45		
Total financial Asset	3,330.24	320.94	133.79	4,994.64	328.64	650.21
Financial Liabilities						
-Long Term Borrowings	0.00			0.00		
-Non-Current Lease Liability	79.59			82.28		
-Other Non-Current Liabilities	0.00			0.00		
- Current Lease Liability	0.93			7.43		
-Other Non-current liabilities	90.74			55.00		
-Short Term Borrowings	2,800.50			2,800.50		
-Trade payable	23,907.95			20,585.73		
-Other Financial Liabilities	23,819.72			24,410.95		
-Other Current Liabilities	914.83			2,816.04		
Total financial liabilities	51,614.26			50,757.93		

41. FAIR VALUE HIERARCHY

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table presents fair value hierarchy of financial assets and financial liabilities measured at fair value on a recurring basis:

PARTICULARS	As at March 31, 2023	As at March 31, 2022
Financial assets: Investments in equity shares (Quoted) at FVTOCI	320.94	328.64
Financial assets: Investments in Mutual Fund (Unquoted) at FVTPL	133.79	650.21

42. DISCLOSURE IN RESPECT OF EARNINGS PER SHARE IN ACCORDANCE WITH IND-AS 33

PARTICULARS	For the year ended on 31st March, 2023	For the year ended on 31st March, 2022
Profit/(Loss) after tax (₹ in Lakhs)	(4,405.58)	(2,889.13)
Nominal value of equity shares (₹)	10	10
Weighted average no. of equity shares (Basic)	1,00,79,682	1,00,79,682
Earnings per equity share (Basic) (₹)	(43.71)	(28.66)
Weighted average no. of equity shares (Dilutive)	1,00,79,682	1,00,79,682
Earnings per equity share (Dilutive) (₹)	(43.71)	(28.66)

43. This note provides the information for lease and right of use assets where the company is a lessee.

Following are the changes in the carrying value of right of use assets:

PARTICULARS	Lease Asset 2022-23	Lease Asset 2021-22
(₹ in Lakhs)		
Gross carrying amount		
Opening gross carrying amount	106.23	106.23
Additions	0.00	0.00
Disposals and transfers	(22.88)	0.00
Closing gross carrying amount	83.35	106.23
Accumulated depreciation		
Opening accumulated depreciation	25.79	17.20
Depreciation charged	3.20	8.59
Disposals and transfers	(16.14)	0.00
Closing accumulated depreciation	12.85	25.79
Net carrying amount as at March 31,	70.50	80.44

The aggregate depreciation expense on ROU assets is included under depreciation and amortization in the statements of profit and loss.

The weighted average lessee's incremental borrowing rate applied to the lease liabilities is 11.02%

The following are the changes in the carrying value of Lease Liability

PARTICULARS	As at March 31, 2023	As at March 31, 2022
Balance as at beginning	89.71	96.22
Additions	0.00	0.00
Finance cost accrued during the period	8.92	10.28
Deletions	(8.37)	(0.00)
Less: Payment of lease liabilities	(9.75)	(16.79)
Balance as at end	80.51	89.71

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

PARTICULARS	As at March 31, 2023	As at March 31, 2022
Less than one year	0.93	7.43
One to five years	4.91	7.60
More than five years	74.67	74.68
Balance as at end	80.51	89.71

Rental expense recorded for short-term leases (less than one year) was Rs. 4.29 lakhs and Rs 4.24 lakhs for the year ended March 31, 2023 and March 31, 2022 respectively.

44. (a) UCO Bank has filed proceedings against the Company under the SARFAESI Act, 2002, The Recovery of Debts Due to Banks and Financial Institutions Act, 1993 as well as under Section 7 of the Insolvency and Bankruptcy Code (IBC), 2016. The said proceedings are presently pending and are being contested by the Company. Meanwhile,

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UCO Bank has sanctioned a compromise proposal of one-time settlement (OTS) against their entire dues. The Company has provided interest on accrual basis in the current year. The accounting effect due to OTS will be accounted for on completion of payment of all installments as per OTS terms and receipt of 'No Dues Certificate' from the UCO Bank.

(b) The management is required to perform the valuation of the property, plant and equipment as per the accounting policy of the revaluation of the Asset. During the current year, UCO Bank as mentioned in clause (a) above has filed various proceedings and also issued possession Notice for taking possession of the immovable properties of the Company. Accordingly, the required valuation of the assets have not been carried out in current year. The Management will evaluate the revaluation in subsequent years.

45. The Company has incurred substantial losses in the earlier years, mainly attributable to high sugarcane prices and relatively lower and unviable Sugar prices. The Company is hopeful for the revival of the Sugar Industry in Uttar Pradesh in view of various steps taken by Uttar Pradesh State Government and Central Government. Also, One Time Settlement (OTS) has been arrived at with Indian Bank (erstwhile Allahabad bank) in financial year 2020-21 and with UCO bank in the current financial year by virtue of which the company expects substantial reduction in finance costs in subsequent financial years with resultant improvement in profitability and the net worth. Hence these Ind AS financial statements have been prepared on a "going concern" basis, despite accumulated losses resulting in erosion of its entire net worth.

46. INCOME TAX

a) Reconciliation of Tax Expenses and the Accounting Profit:

PARTICULARS	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit before tax as per books	(4,405.58)	(2,872.19)
Tax effect @ 31.20%	(1,374.54)	(896.12)
Tax Difference on account of		
Ind-As impact of interest on Related party, MSME Party, Interest & Depreciation on lease assets, Gratuity Provision	(22.90)	(5.58)
Depreciation as per books & as per Income Tax Act.	62.27	68.47
Loss/ (Profit) on sale of Assets	0.00	(0.35)
Expenditure claimed U/S 43B on the basis of payments	707.94	817.91
Rent Expenditure claimed as per Income Tax Act.	(3.04)	(5.24)
Tax Saving on carried forward Business Loss of the Current Year	630.27	39.69
Set off of Unabsorbed Depreciation of the Earlier Years against current year Capital Gains	0.00	(18.78)
Net Total Tax	0.00	0.00

b) The Company has evaluated the Deferred Tax Asset and Deferred Tax Liability on the eligible components as required under Ind AS 12 – Taxes on income. The net outcome is coming to Deferred Tax Asset. Currently the Company has huge unabsorbed depreciation and carry forward losses under the Income tax laws. The Company has assessed the future position and is convinced of having a reasonable certainty of realizing the accumulated losses in future. However, the Company decided that it would be prudent that the net Deferred Tax Asset should not be recognized in the current year in the books of accounts.

47. The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

48. Balances in ledgers of Sundry Receivables (Debtors), Sundry Payables (Creditors), Loans & Advances/ Security Deposits accepted and given, few Non-operative Bank Accounts are subject to confirmation and reconciliation.

49. RATIOS:

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	Remarks/Reason for significant change
(i) Trade Receivable Turnover Ratio (times)	Sales	Average Debtors	39.24	17.38	There has been significant improvement in realisation of power dues.
(ii) Inventory Turnover Ratio (times)	Cost of Goods sold	Average Stock	5.21	4.73	
(iii) Interest Coverage Ratio (times)	Earnings before Interest and Tax	Interest Exp	(0.61)	(0.12)	There has been significant change due to fall in sugar recovery from sugar cane, reduction in sale of Power. During the year OTS sanctioned by UCO Bank resulting into lower interest expense and hence improvement in ratio is expected in future years.
(iv) Current Ratio (times)	Current Assets	Current Liabilities	0.27	0.31	
(v) Debt Equity Ratio	Borrowings	Equity	2.11	1.48	During current year UCO Bank has Sanctioned OTS and 1 st EMI as per sanctioned terms paid by the Company resulting into reduction of borrowings on one side and fall in sugar recovery from sugar cane, reduction in sale of Power resulting into huge losses in the current year.
(vi) Net Profit Margin (%)	Net Profit	Sales	(7.97%)	(6.16%)	There has been significant change due to fall in sugar recovery from sugar cane, reduction in sale of Power inspite of increase in Sales.
(vii) Return on Equity	Net Profit after Tax	Equity	(73.77%)	(27.57%)	There has been significant change due to fall in sugar recovery from sugar cane, reduction in sale of Power
viii) Trade payables turnover Ratio (%)	Average Trade payables	Purchases & Other manufacturing expenses	46.31%	49.83%	
ix) Net capital turnover Ratio (%)	Net Sales	Working Capital	(146.25%)	(137.20%)	
x) Return on capital (%)	Earnings before Interest and Tax	Capital Employed	(28.03%)	(2.87%)	There has been significant change due to fall in sugar recovery from sugar cane, reduction in sale of Power.
xi) Return on Investment (%)	Dividend & Gain on Investments	Average Investments	9.00%	5.08%	Income on Mutual funds increased during current year.

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50. ADDITIONAL REGULATORY INFORMATION:

a) Loans and advances to promoters, Directors, Key Managerial Personnel and Related Parties

The Company has not given any loans and advances to promoters, Directors, Key Managerial Personnel and Related Parties except as mentioned in note number 38 - Related Party Disclosures as per Indian Accounting Standard 24

b) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2023 and March 31, 2022.

c) Undisclosed Income

There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

d) Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial year ended March 31, 2023 and March 31, 2022.

e) Wilful Defaulter

Based on the available information's available with the management, the Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

f) Fraud Reporting

The company has not reported any fraud during the year ended March 31, 2023, and March 31, 2022.

g) Relationship with Struck off companies

The Company is under the process of identifying the transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

h) Details of Benami Property held

No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

i) Title deed of immovable properties

All the title deeds of immovable properties are held in the name of the Company.

j) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.

51. The previous year figures have been regrouped and reclassified wherever necessary to correspond with the current year classification / disclosure.

As per our report of even date

For and on behalf of the Board of Directors

For V. C. Shah & Co.
Chartered Accountants
ICAI Firm Registration No.109818W

H R KILACHAND
Chairman & Managing Director
DIN:00294835

MAHESH A KUVADIA
Independent Director
DIN: 07195042

Viral J. Shah
Partner
Membership No. 110120

ROHIT BALU
Chief Financial Officer

GAURAV SHARMA
Company Secretary & AVP (Legal)

Place: Mumbai
Date: 30th May, 2023

Place: Mumbai
Date: 30th May, 2023

STATEMENT SHOWING PRODUCTION AND YIELD IN SUGAR

SEASON	DURATION DAYS	CANE CRUSHED M. TONS	SUGAR PRODUCED M. TONS ¹	RECOVERY % OF CANE CRUSHED
2012-2013	136	858,008.00	78,105.00	9.14
2013-2014	98	588,836.00	51,632.60	8.77
2014-2015 (upto December 2014)	30	187,040.00	17,960.40	9.60
2014-2015 (Jan 2015 to Mar 2015)	77	430,691.00	42,197.00	9.80
2015-2016	89	444,713.62	45,725.00	10.28
2016-2017	117	650,899.84	70,482.00	10.83
2017-2018	149	912,500.00	96,345.60	10.56
2017-2018	30	147,434.00	16,293.00	11.05
2018-2019	150	909,880.00	98,604.80	10.84
2018-2019	30	188,762.80	22,853.00	11.24
2019-2020	148	939,360.00	108,092.08	11.61
2019-2020	49	304,739.40	34,635.50	11.35
2020-2021	153	990,280.00	107,041.00	10.93
2020-2021	28	168,761.10	19,295.00	11.43
2021-2022	144	902,720.00	95,131.10	10.54
2021-2022	41	251,224.54	25,470.90	10.30
2022-2023	152	1,001,670.00	104,012.60	10.38

STATEMENT SHOWING PRODUCTION AND YIELD IN DISTILLERY

YEAR	Production (Litres)	Yield per Quintal of Molasses (Litres)
2012-13	8,506,467	22.41
2013-14	11,575,401	22.76
2014-15 (upto December 2014)	1,238,192	22.24
2014-15 (Jan 15 to Mar 15)	238,074	23.55
2015-16	736,798	22.49
2016-17	0	0
2017-18	0	0
2018-19	0	0
2019-20	4,699,896	23.31
2020-21	5,855,431	23.08
2021-22	6,246,238	22.62
2022-23	9,470,081	22.80

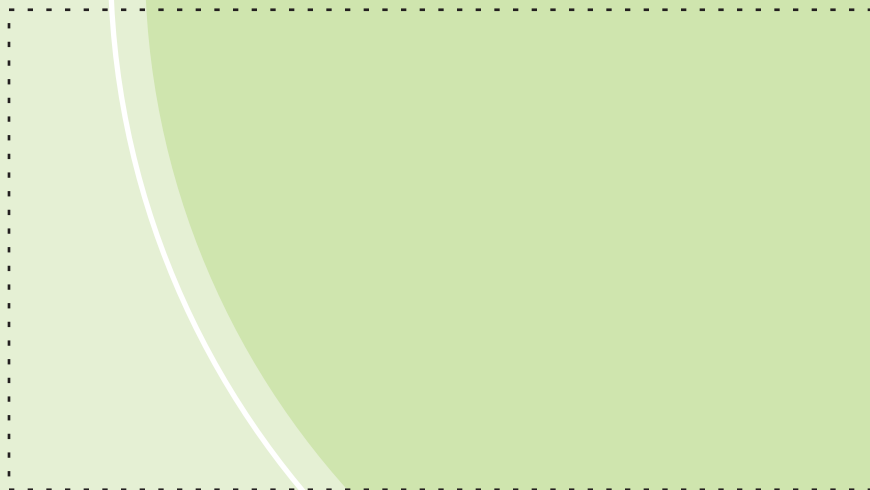
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FINANCIAL STATISTICS FROM 2012-13 TO 2022-23

(₹ In Lakhs)

Period/ Year end position	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016 (15 Months)	2013-2014 (18 Months)	2012-2013
Period	1.4.22-31.3.23	1.4.21-31.3.22	1.4.20-31.3.21	1.4.19-31.3.20	1.4.18-31.3.19	1.4.17-31.3.18	1.4.16-31.3.17	1.1.15-31.3.16	1.7.13-31.12.14	1.7.12-30.6.13
Share Capital	1,007.97	1,007.97	1,007.97	1,007.97	1,007.97	1,007.97	1,007.97	1,007.97	999.92	862.02
Other Equity	* 4,964.22	9,472.23	12,380.55	4,322.02	4,603.86	9,337.10	14,694.45	4,084.82	9,392.57	*22,176.28
Deferred Tax Liability/ Assets						-		-	(378.84)	(378.84)
Borrowings	11,728.09	15,516.95	17,181.12	25,188.13	28,748.67	30,119.89	30,819.79	31,422.45	33,832.45	43,090.64
Working Capital	(26,709.89)	(20,095.23)	(14,732.86)	(16,413.08)	(12,803.73)	(7,617.87)	(4,068.12)	(6,133.26)	(1,278.73)	17,132.52
Total Capital Employed	58,808.59	62,353.19	62,857.52	63,095.64	65,181.36	60,010.36	59,940.05	55,229.54	58,283.08	80,206.81
Gross Block	* 70,694.35	70,661.70	66,506.66	66,506.66	*67,894.67	*66,210.43	*66,027.66	*58,763.41	*58,652.13	*59,336.79
Net Block	* 43,931.57	45,681.34	43,271.53	46,263.02	*46,507.74	*46,731.33	*47,100.91	*42,586.13	*44,997.85	*48,551.27
Investments	322.86	330.06	352.80	187.98	656.49	60,010.36	2,037.23	54.46	54.95	54.95
Equity Shares										
Book Value (₹)	* 59.25	103.97	132.83	52.88	55.67	*102.63	*155.78	* 50.53	* 104.10	* 267.26
Face Value (₹)	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
For the Year										
Sales	55,276.04	46,917.19	54,745.92	51,792.49	40,311.20	31,370.74	38,978.81	37,734.84	74,954.17	47,254.60
Depreciation	1,898.87	1,837.48	1,931.15	1,826.47	1,913.45	1,819.14	1,897.64	2,582.51	2,354.74	1,461.63
Profit/(Loss) Before Tax	(4,405.58)	(2,872.19)	8,983.05	(290.53)	(4,737.16)	(5,359.71)	794.56	(4,905.21)	(12,001.95)	(1,668.20)
Profit/(Loss) After Tax	(4,405.58)	(2,889.13)	8,983.05	(290.53)	(4,737.16)	(5,359.71)	794.56	(5,322.23)	(12,001.95)	(1,668.20)

* Including Revaluation Reserve.



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KESAR ENTERPRISES LIMITED

Oriental House,
7, Jamshedji Tata Road,
Churchgate, Mumbai 400 020.