



Dhampur Sugar Mills Limited

Registered office: Dhampur, District Bijnor, U.P - 246761

CIN: L15249UP1933PLC000511, **E-mail:** investordesk@dhampur.com,

Website: www.dhampur.com, Tel: 01344-220006

NOTICE TO EQUITY SHAREHOLDERS

Registered Office	Dhampur, District Bijnor, Uttar Pradesh-246761
Tel No.	013 44 – 220006 /011-30659400
CIN	L15249UP1933PLC000511
Website	www.dhampur.com
E-mail	investordesk@dhampur.com

MEETING OF THE EQUITY SHAREHOLDERS OF THE COMPANY

(to be convened pursuant to order dated 6th December, 2021 passed by the National Company Law Tribunal, Allahabad Bench)

Day	Saturday
Date	29 th January, 2022
Time	11:00 A.M.
Venue	Through Video Conferencing / Other Audio Visual Means. The Registered Office of the Company shall be deemed venue.

E-VOTING

Start Date and Time	Sunday, 23 rd January, 2022 at 9:00 A.M.
End Date and Time	Friday, 28 th January, 2022 at 5:00 P.M.

INDEX

S.No.	Annexure No.	Particulars	Page no.(s)
1.		Notice convening the meeting of the Equity Shareholders of Dhampur Sugar Mills Limited under the provisions of Sections 230 and 232 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.	3-13
2.		Explanatory Statement under Sections 230(3) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.	14-32
3.	1	Scheme of Arrangement between Dhampur Sugar Mills Limited and Dhampur Bio Organics Limited and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder	33-82
4.	2	Abridged Prospectus of the Resulting Company as per the format provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 alongwith Certificate of Adequacy and Accuracy.	83-95
5.	3	Share Entitlement Ratio Report by Independent Valuer dated 7 th June, 2021.	96-106
6.	4	Fairness Opinion dated 7 th June, 2021 issued by Centrum Capital Limited on the Share Entitlement Ratio.	107-114
7.	5	Observation Letter- NOC from BSE Limited ("BSE") in respect of Application filed under Regulation 37 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.	115-117
8.	6	Observation Letter- NOC from National Stock Exchange of India ("NSE") in respect of Application filed under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	118-120
9.	7	Acknowledgement received from the Competition Commission of India dated 23 rd July, 2021.	121
10.	8	Copy of the Complaints Report filed with BSE and National Stock Exchange of India.	122-125
11.	9	Reports of the Board of Directors of the Demerged Company and the Resulting Company pursuant to Section 232(2)(c) of the Companies Act, 2013.	126-132
12.	10	Audited Financial Statement of the Demerged Company and Resulting Company as on 31 st March, 2021.	133-246
13.	11	Unaudited Standalone and Unaudited Consolidated Financial Results of the Demerged Company and Unaudited Financial Statement of Resulting Company as on 30 th September, 2021 alongwith Limited Review Report.	247-284
14.	12	Pre and Post (Expected) Scheme Shareholding Pattern of the Demerged Company and Resulting Company.	285-289
15.	13.	Pre and Post (Expected) Scheme Capital Structure of the Demerged Company and Resulting Company.	290

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT ALLAHABAD
COMPANY APPLICATION NO. CA (CAA) No. 25/ALD/2021
IN THE MATTER OF THE COMPANIES ACT, 2013
AND
IN THE MATTER OF SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013
AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 READ
WITH COMPANIES (COMPROMISES, ARRANGEMENTS
AND AMALGAMATIONS) RULES, 2016
AND
IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN DHAMPUR SUGAR MILLS LIMITED AND
DHAMPUR BIO ORGANICS LIMITED AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

Dhampur Sugar Mills Limited, a public company, limited by shares incorporated under the provisions of the Companies Act, 1913 having its registered office situated at Dhampur, District. Bijnor, Uttar Pradesh-246761

.....**Applicant No. 1 / Demerged Company**

AND

Dhampur Bio Organics Limited, a public company, limited by shares incorporated under the provisions of the Companies Act, 2013 having its registered office situated at Sugar Mill Compound, Village Asmoli Sambhal, Moradabad, Uttar Pradesh – 244304

.....**Applicant No. 2 / Resulting Company**

**NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS
OF DHAMPUR SUGAR MILLS LIMITED**

To,

The Equity Shareholders of **DHAMPUR SUGAR MILLS LIMITED**

NOTICE is hereby given that by an order made on the 6th December, 2021 in the above-mentioned Company Application ("**Order**"), the Hon'ble National Company Law Tribunal, Allahabad Bench at Allahabad ("**NCLT**") has directed, *inter-alia*, to convene a meeting of the equity shareholders of Dhampur Sugar Mills Limited ("**Meeting**"), being the Applicant No. 1 above named (hereinafter referred to as the "**Company**" or "**Demerged Company**") on Saturday 29th January, 2022 at 11:00 A.M. through two way Video Conferencing ("**VC**")/Other Audio Visual Means ("**OAVM**") for the purpose of considering, and if thought fit, approving, with or without modification, the arrangement proposed to be made between the Demerged Company and Dhampur Bio Organics Limited, being the Applicant No. 2 above named (hereinafter referred to as the "**Resulting Company**") and their respective shareholders and creditors ("**Scheme**").

In view of the ongoing COVID-19 pandemic and related social distancing norms and in pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of the equity shareholders of the Demerged Company will be held virtually through two way VC or OAVM on 29th January, 2022 at 11:00 A.M., following the operating procedures (with requisite modifications as required) referred to in Circular No. 10/2021 dated 23rd June, 2021 read with Circular Nos., 39/2020 dated 31st December 2020, 33/2020 dated 28th September 2020, 22/2020

dated 15th June 2020, 17/2020 dated 13th April, 2020 and 14/2020 dated 8th April 2020 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as **"MCA Circulars"**), and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India (SEBI) to consider, and if thought fit, to pass the following resolutions for approval of the Scheme by requisite majority as prescribed under Section 230(1) read with Section 232(1) of the Companies Act, 2013 (**"Act"**).

"RESOLVED THAT pursuant to Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, Section 2(19AA) of the Income-tax Act, 1961, SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020 (**"SEBI Master Circular"**) consolidating SEBI Circulars dated 10th March, 2017, 23rd March 2017, 26th May 2017, 21st September 2017, 3rd January, 2018, 12th September, 2019 and 3rd November, 2020 (collectively, the **"SEBI Circulars"**) on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, the observation letters received from BSE Limited and National Stock Exchange of India Limited and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the National Company Law Tribunal, Allahabad Bench (**"NCLT"**) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **"Board"**, which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), consent of the members be and is hereby accorded to the transfer by way of demerger of all the undertakings, properties, activities, operations, investments, assets and liabilities and businesses, on a going concern basis, of the manufacturing units of sugar, chemicals and co-generation of power of the Company situated at Asmoli, district Sambhal, Mansurpur, district Muzaffarnagar and Meerganj, district Bareilly, all in the State of Uttar Pradesh (collectively referred to as **"Demerged Undertaking"**) of the Company, into Dhampur Bio Organics Limited (a wholly owned subsidiary of the Company) (**"Resulting Company"**), with effect from the Appointed Date (as defined in the Scheme), and issuance of the New Equity Shares (as defined in the Scheme) to all the shareholders of the Company as set out in the Scheme and cancellation of the existing share capital of the Resulting Company, in terms of the Scheme of Arrangement between the Company and Resulting Company and their respective shareholders and creditors (**"Scheme"**) as placed before this meeting.

RESOLVED FURTHER THAT the Scheme of Arrangement between Dhampur Sugar Mills Limited (Demerged Company) and Dhampur Bio Organics Limited (Resulting Company) and their respective shareholders and creditors which was circulated and placed before this meeting and all matters consequential, supplemental and/or otherwise integrally connected therewith as per the terms and conditions mentioned in the Scheme, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/ or imposed by the NCLT and/ or any other authority(ies) while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."

TAKE FURTHER NOTICE that the shareholders shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes through e-voting system available at the meeting held virtually on 29th January, 2022, at 11:00 A.M. or by remote electronic voting (**"remote e-voting"**) during the period as stated below:

REMOTE E-VOTING:

Commencing on Sunday, 23rd January, 2022 at 9:00 A.M.

Ending on Friday, 28th January, 2022 at 5:00 P.M.

The Hon'ble Tribunal has appointed Mr. Rahul Agarwal, Advocate and failing him, Mr. Aman Kr. Dwivedi, Advocate, to be the Chairperson of the said Meeting of the equity shareholders of the Demerged Company and CS Saket Sharma, Practising Company Secretary, to be the Scrutinizer for the said meeting.

The resolution for approval of the Scheme, if passed by a majority in number representing three-fourths in value of all equity shareholders of the Demerged Company casting their votes, as aforesaid, shall be deemed to have been duly passed on 29th January, 2022, i.e. the date of the meeting of the equity shareholders of the Demerged Company under Sections 230 to 232 of the Act. In terms of the SEBI Master Circular No. SEBI/HO/CD/DIL1/CIR/P/2020/249 dated 22nd December, 2020, ("**SEBI Master Circular**") consolidating SEBI Circulars dated 10th March, 2017, 23rd March 2017, 26th May 2017, 21st September 2017, 3rd January, 2018, 12th September, 2019 and 3rd November, 2020 (collectively, the "**SEBI Circulars**"), as amended from time to time, the Scheme shall be acted upon only if the votes cast by public shareholders in favour of the resolution set out above are more than the number of votes cast by the public shareholders against the resolution.

A copy of this Notice along with the Explanatory Statement including *inter alia* the said Scheme and other annexures as stated in the index are enclosed herewith under Section 230 and 232 read with Section 102 and other applicable provisions of the Act read with Rule 6 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**CAA Rules**") and accompanying documents can be accessed or downloaded from the website of the Company at www.dhampur.com and on the website of the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively. If so desired, persons may obtain a printed copy of the Scheme, statement under Section 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules, etc., free of charge. A written request in this regard, may be addressed to the Company Secretary of the Company at investordesk@dhampur.com. Copies of the said Scheme, and of the statement under section 230 can be obtained free of charge at the registered office of the Company or at the office of its Advocate, Mr. Suyash Agarwal at 21, Kamla Nehru Road, Prayagraj-211002.

The above mentioned Scheme of Arrangement, if approved at the aforesaid meeting, will be subject to the subsequent sanction of the Hon'ble Tribunal.

For Dhampur Sugar Mills Limited
Sd/-

Mr. Rahul Agarwal
Chairperson appointed for the Meeting

Dated this 10th December, 2021
Place : Prayagraj

NOTES:

I. GENERAL INFORMATION:

1. Pursuant to the directions of the Hon'ble National Company Law Tribunal, Allahabad Bench at Allahabad vide its Order dated 6th December 2021, the Meeting of the equity shareholders of the Company is being conducted through VC/OAVM facility to transact the business set out in the Notice convening this Meeting.
2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 10/2021 dated 23rd June, 2021 read with other MCA Circulars, shareholders' meeting may be held through VC/OAVM. Hence, members entitled to attend and vote at the meeting may vote through remote e-voting to cast their respective votes prior to the date of the meeting or may attend the meeting through VC/OAVM and vote through e-voting during the meeting.
3. In compliance with the Order, the Explanatory Statement pursuant to Section 102(1) of the Act read with Section 230(3) of Act and Rule 6 of the CAA Rules in respect of special business as set out above to be transacted at the meeting is annexed hereto and forms part of this Notice.
4. Since this Meeting is being held through VC/OAVM, physical attendance of equity shareholders has been dispensed with. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this Shareholder's Meeting and hence the proxy form and attendance slip are not annexed with the notice. However, the body corporates are entitled to appoint authorised representatives to attend the meeting through VC/OAVM and participate thereat and cast their votes through e-voting.
5. Since the Meeting will be held through VC / OAVM, the Route Map is not annexed in this Notice.
6. Members attending the Shareholder's Meeting through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

7. The quorum of the said meeting shall be 30 (thirty) members present via 'VC/OAVM'.
8. The Demerged Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating remote e-voting and e-voting during the said Meeting to be held through VC/OAVM on 29th January, 2022 at 11:00 A.M. The equity shareholders are requested to follow the instructions mentioned in the Notes below.
9. In terms of the Order, the Notice convening the Meeting will be published through advertisement once each in 'Business Standard' Delhi Edition in English and 'Amar Ujala' Meerut Edition in Hindi indicating the day, date and time of the Meeting and stating that the copies of the Scheme and the explanatory statement required to be furnished pursuant to Sections 230 - 232 of the Act are being sent with the Notice.
10. The Notice of the Meeting and the accompanying documents mentioned in the Index are being sent through electronic mode to the equity shareholders at their respective last known e-mail addresses, as per the records of the Demerged Company / Depositories. For those shareholders whose e-mail addresses are not available with the Demerged Company, the Notice and the accompanying documents mentioned in the Index are being sent through registered post or speed post. Members may also note that the Notice along with Explanatory Statement and other required documents will be available on the Demerged Company's website at www.dhampur.com, websites of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively and website of NSDL at www.evoting.nsdl.com.

If so desired, members may obtain a printed copy of the Scheme, statement under Section 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules, etc., free of charge from the registered office of the Demerged Company at Dhampur, District. Bijnor, Uttar Pradesh, 246761, India. A written request in this regard, may be addressed to the Company Secretary of the Company at investordesk@dhampur.com.

11. Members holding shares in physical mode and who have not updated their email addresses with the Demerged Company are requested to update their email addresses by writing to Registrar and Transfer Agent of the Demerged Company at rta@alankit.com, or to the Demerged Company at: investordesk@dhampur.com, along with the copy of the signed request letter mentioning the name, folio no., address of the Member, self-attested copy of the PAN Card and self-attested scanned copy of any document (such as Driving License, Election Identity Card, Passport, etc.) as proof of address of the Member. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant. The Notice of the Meeting and the accompanying documents mentioned in the Index are being sent through electronic mode to the shareholders at their respective last known e-mail addresses. In case any member whose email addresses are not registered with the Demerged Company, wish to receive a soft copy of the Notice, they are requested to send an e-mail to investordesk@dhampur.com, along with scanned copy of the request letter duly signed providing the email address, mobile number & self-attested PAN copy for sending the Notice of Meeting and the e-voting instructions by 24th January, 2022 and a soft copy of this Notice will be provided to such member. Members may also note that the Notice along with Explanatory Statement and other required documents will be available on the Demerged Company's website at www.dhampur.com, websites of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively and website of NSDL at www.evoting.nsdl.com.
12. NCLT has appointed Mr. Rahul Agarwal, Advocate or failing him Mr. Aman Kr. Dwivedi, Advocate to be the Chairperson of the said meeting, including for any adjournment or adjournments thereof.
13. The results declared along with the Scrutinizer's Report shall be hosted on the website of the Demerged Company i.e. www.dhampur.com and on the website of NSDL i.e. www.evoting.nsdl.com within 48 hours after the conclusion of the Shareholders' meeting and will be communicated to the Stock Exchanges where the Demerged Company's shares are listed.

II. PROCEDURE FOR INSPECTION OF DOCUMENTS:

1. Members seeking any information with regard to the following documents are requested to write to the Demerged Company on or before Monday, 24th January, 2022 through e-mail on investordesk@dhampur.com. The same will be replied by the Demerged Company suitably. The relevant documents referred to in the Notice will be available electronically for inspection by the members during the SHAREHOLDER'S MEETING.
 - i. Copy of the order passed by NCLT in Company Application No. CA(CAA)No.25/ALD/2021 dated 6th December, 2021;
 - ii. Copy of the Company Application No. CA(CAA)No.25/ALD/2021 along with annexures filed by the Demerged Company and the Resulting Company;

- iii. Copy of the Memorandum and Articles of Association of the Demerged Company and the Resulting Company;
- iv. Copies of Annual Audited Accounts of the Demerged Company (Standalone and Consolidated) as on 31st March, 2020 and Audited Accounts of the Demerged Company (Standalone and Consolidated) and Resulting Company for the financial year ended on 31st March, 2021;
- v. Copies of Accounts of the Demerged Company (Standalone and Consolidated) and Resulting Company alongwith Limited Review Report for the period ended 30th September, 2021;
- vi. Statement showing assets and liabilities of the Demerged Undertaking as on the Appointed Date proposed to be demerged and transferred to the Resulting Company;
- vii. Copy of the Register of Directors' shareholding of each of the Demerged Company and Resulting Company;
- viii. Copy of Share Entitlement Ratio Report dated 7th June, 2021 submitted by Ms. Anuradha Gupta, Registered Valuer;
- ix. Copy of the Fairness Opinion, dated 7th June, 2021 issued by Centrum Capital Limited, Merchant Bankers;
- x. Copy of the Audit Committee Report dated 7th June, 2021 of the Demerged Company;
- xi. Copy of the Independent Directors' Report dated 7th June, 2021 of the Demerged Company;
- xii. Copy of the Resolutions, dated 7th June, 2021 passed by the respective Board of Directors of the Demerged Company and the Resulting Company, approving the Scheme;
- xiii. Copy of the Statutory Auditors' certificates issued to the Demerged Company and the Resulting Company stating that the accounting treatment is in conformity with the accounting standards prescribed under Section 133 of the Act ;
- xiv. Copy of the Complaint Reports submitted by the Demerged Company to BSE and NSE dated 30th July, 2021 and 23rd August, 2021, respectively;
- xv. Copy of the observation letters issued by BSE and NSE to the Demerged Company dated 8th September, 2021 and 15th September, 2021, respectively;
- xvi. Copy of Scheme of Arrangement between the Demerged Company and Resulting Company.
- xvii. Copies of Networth Certificate issued by the Auditors of the Demerged Company.

III. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

In compliance with the provisions of (i) Section 230(4) read with Sections 108 of the Act; (ii) Rule 6(3)(xi) of the CAA Rules, 2016; (iii) Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and (v) the SEBI Master Circular, the Demerged Company is pleased to provide its equity shareholders the facility of remote e-voting (prior to as well as during the Meeting) offered by the NSDL. The cut-off date for the purpose of determining the member eligible for participation in remote e-voting and voting at Meeting is 22nd January, 2022.

The remote e-voting period begins on Sunday, 23rd January, 2022 at 09:00 A.M. and ends on Friday, 28th January, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Saturday, 22nd January, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday, 22nd January, 2022.


How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. 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
	3. 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 hold 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	4. Shareholders/Members can also download NSDL Mobile App “ NSDL Speede ” facility by scanning the QR code mentioned below for seamless voting experience. 

Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.
	2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL . Click on NSDL to cast your vote.
	3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
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. upon logging in, you will be able to see e-Voting option. 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 company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode 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 toll free no.: 1800 1020 990 and 1800 22 44 30
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 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1.	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.
2.	Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3.	A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. <i>Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.</i>

4.	Your User ID details are given below	
	Manner of holding shares i.e.Demat (NSDL or CDSL) or Physical	Your User ID is:
	a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
	b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
	c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
5.	Password details for shareholders other than Individual shareholders are given below:	
	a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.	
	b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.	
	c) How to retrieve your 'initial password'?	
	(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.	
	(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.	
6.	If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:	
	a) Click on " Forgot User Details/Password? "(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com .	
	b) Physical User Reset Password? " (If you are holding shares in physical mode) option available on www.evoting.nsdl.com .	
	c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.	
	d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.	
7.	After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.	
8.	Now, you will have to click on "Login" button.	
9.	After you click on the "Login" button, Home page of e-Voting will open.	

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?	
1.	After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2.	Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3.	Now you are ready for e-Voting as the Voting page opens.
4.	Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5.	Upon confirmation, the message “Vote cast successfully” will be displayed.
6.	You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7.	Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders	
1.	Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cssaket.associates@gmail.com with a copy marked to evoting@nsdl.co.in .
2.	It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “ Forgot User Details/Password? ” or “ Physical User Reset Password? ” option available on www.evoting.nsdl.com to reset the password.
3.	In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Soni Singh, Assistant Manager, at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolution set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investordesk@dhampur.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investordesk@dhampur.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE MEETING ARE AS UNDER:-

1. The procedure for e-Voting on the day of the meeting is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the meeting through VC/OAVM facility and have not casted their vote on the Resolution through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the meeting.
3. Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the meeting.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the meeting shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE MEETING THROUGH VC/OAVM ARE AS UNDER:

1. Members may join the Shareholder's Meeting through VC/OAVM, 30 minutes before the scheduled time to start the Shareholder's Meeting and will be available for Members on first come first served basis.
2. Member will be provided with a facility to attend the meeting through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS DURING THE MEETING

1. Members seeking any information with regard to any matter to be placed at the Shareholder's Meeting can submit questions from their registered e-mail address mentioning their name, DP ID and Client ID/Folio Number and mobile number, to reach the Demerged Company's e-mail address investordesk@dhampur.com on or before Monday, 24th January, 2022.
2. Members who would like to ask questions during the Shareholder's Meeting with regard to any matter to be placed at the Shareholder's Meeting, need to register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/Folio Number and mobile number, to reach the Demerged Company's e-mail address investordesk@dhampur.com on or before Monday, 24th January, 2022. Only those Members who have registered themselves as a speaker shall be allowed to ask questions during the Shareholder's Meeting.
3. The Demerged Company reserves the right to restrict the number of speakers at the Shareholder's Meeting.

Other Instructions:

1. Persons who have acquired shares and became Members of the Demerged Company after the dispatch of the Notice of the Meeting but before the cut-off date of Saturday 22nd January, 2022, may obtain their user ID and password for e-voting from the Demerged Company or NSDL (Phone:+91-22-24994600). If the member is already registered with NSDL e-voting platform then he can use existing User ID and password for casting the vote through remote e-voting. A person, whose name is not recorded in the register of members or in the register of beneficial owners maintained by NSDL/ CDSL as on the cut-off date i.e. 22nd January, 2022 shall not

be entitled to avail the facility of e-voting for the meeting to be held on 29th January, 2022 and should treat this Notice for information purpose only.

- II. CS Saket Sharma (Membership No. F4229) has been appointed as the scrutinizer to conduct the e-voting process in a fair and transparent manner. The Scrutinizer will submit his report to the Chairperson of the meeting after completion of the scrutiny of the e-votes submitted/ cast by the equity shareholders. The Scrutinizer's decision on the validity of the E-vote shall be final.
- III. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Demerged Company as on the cut-off date. In case of joint holders, only one of the joint holders may cast his vote.
- IV. In accordance with the provisions of Sections 230 – 232 of the Act, the Scheme shall be acted upon only if a majority in number representing three fourth in value of the equity shareholders of the Demerged Company agree to the Scheme and pursuant to the Para 31.1.2 of the Scheme and as per Part-I(A)(10)(a) and (b) of SEBI Master Circular, the scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT ALLAHABAD
COMPANY APPLICATION NO. CA (CAA) No. 25/ALD/2021
IN THE MATTER OF THE COMPANIES ACT, 2013
AND
IN THE MATTER OF SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013
AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 READ WITH
COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016
AND
IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN DHAMPUR SUGAR MILLS LIMITED
AND DHAMPUR BIO ORGANICS LIMITED AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Dhampur Sugar Mills Limited, a public company, limited by shares incorporated under the provisions of the Companies Act, 1913 (CIN: L15249UP1933PLC000511) having its registered office situated at Dhampur, District, Bijnor, Uttar Pradesh-246761

.....Applicant No. 1 / Demerged Company

**EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE COMPANIES ACT, 2013
READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016**

1. Pursuant to an order dated 6th December, 2021 passed by the Hon'ble National Company Law Tribunal, Allahabad Bench, at Allahabad (the "**NCLT**"), in Company Application No. CA (CAA) No. 25/ALD/2021 ("**Order**"), meeting of the equity shareholders of Dhampur Sugar Mills Limited ("the **Demerged Company**") is to be convened on Saturday 29th January, 2022 at 11:00 A.M. through video conferencing/ other audio visual means ("**Meeting**") for the purpose of considering, and if thought fit, approving, with or without modification, the Scheme of Arrangement between the Demerged Company and Dhampur Bio Organics Limited ("the **Resulting Company**" and together with the Demerged Company "**Companies**") and their respective shareholders and creditors under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("**Scheme**"). A copy of the Scheme which has been, inter alia, approved by the Audit Committee and the Committee of Independent Directors of the Demerged Company and the Board of Directors of the Demerged Company at their respective meetings held on 7th June, 2021 and also as amended upon advice of BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**" and together with the BSE "**Stock Exchanges**") is enclosed as **Annexure 1**.
2. This Statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 ("**Act**") read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the "**Rules**") and SEBI Master Circular No. SEBI/HO/CD/DIL1/CIR/P/2020/249 dated December 22, 2020, ("**SEBI Master Circular**") consolidating SEBI Circulars dated 10th March, 2017, 23rd March 2017, 26th May 2017, 21st September 2017, 3rd January, 2018, 12th September, 2019 and 3rd November, 2020 (collectively, the "**SEBI Circulars**").
3. In terms of the said Order, the NCLT has appointed Mr. Rahul Agarwal, Advocate as the Chairperson of the meeting or failing him Mr. Aman Kr. Dwivedi, Advocate as the Alternate Chairperson of the Meeting, including for any adjournment thereof.
4. In accordance with the provisions of Sections 230 – 232 of the Act, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the members, or class of members, of the Demerged Company, agree to the Scheme and pursuant to the Para 31.1.2 of the Scheme and as per Part-I(A)(10)(a) and (b) of the SEBI Master Circular, the Scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

Particulars of the Demerged Company

5. The Demerged Company was incorporated on 22nd May, 1933 under the name and style of “The Dhampur Sugar Mills Limited” under the provisions of the Companies Act, 1913 as a public company limited by shares. The name of the Demerged Company was changed to “Dhampur Sugar Mills Limited” vide issue of fresh certificate of Incorporation on 28th May, 2008. There has been no change in the name of the Demerged Company in the last five (5) years. The Corporate Identification Number of the Demerged Company is L15249UP1933PLC000511. The Permanent Account Number of the Demerged Company is AABCT2827N. The email address and website of the Demerged Company is **investordesk@dhampur.com** and **www.dhampur.com** respectively. The equity shares of the Demerged Company are listed on BSE and NSE.
6. The Registered Office of the Demerged Company is situated at Dhampur, District Bijnor, Uttar Pradesh- 246761. There has been no change in the registered office address of the Demerged Company at last five (5) years.
7. The objects for which the Demerged Company has been established are set out in its Memorandum of Association. Some of the relevant objects of Demerged Company are, inter alia, as follows:
 - i. To carry on the business of sugar manufacture and refinery; manufacture of starch and its bye-products and the manufacture of any other material that may be decided upon by or on behalf of the Demerged Company and to carry on the business of buyers, sellers and dealers of any good or merchandise whatsoever and to transact all manufacturing or treating and preparing process and mercantile business that may be necessary or expedient and to purchase and vend the raw material and manufactured articles.
 - ii. To purchase, and hold in fee or on lease or otherwise and to purchase, acquire, hire, hold, make and maintain roads, water courses and to make, construct, purchase, acquire hire, hold improve, alter, manage, let, exchange barter and dispose of lands, leases, buildings, warehouses, works, railway sidings, tramways and other engines, machinery and apparatus whatsoever for the purposes of the said business or any extension thereof.
 - iii. To erect upon the said land to be acquired as aforesaid and upon any other land and property which may hereafter be purchased or leased or acquired by the said Demerged Company such mills, buildings, houses and erection as may be required for carrying on the said business or businesses and to purchase and put into working order such machinery and other accessories as may from time to time be acquired for carrying on the said business or businesses or any of them.
 - iv. To cultivate the land and properties of the Demerged Company and to develop the resources of the same by draining, clearing, planting, pasturing, farming and for the purposes aforesaid to purchase from time to time such live stock, and employ such labour and from time to time to sell all or any part of the live or dead stock, timber and produce of the said lands as may be necessary for the carrying on of the business of planting and farming and pasturing of the said lands.
 - v. To construct, carry out, maintain, improve, manage, work, control and superintend any hats or markets reservoirs, water works, tanks, bridges and works in connection therewith, hydraulic works, electrical works, and factories, collie line & houses, bastees, villages & other works & convenience which may seem directly or indirectly conducive to any of the objects of the Demerged Company and to contribute to subsidies or otherwise aid or take part in any such operations.
 - vi. To enter into any contract or agreement or other dealing for the more efficient conduct of the traffic or business of Demerged Company or any part thereof.
 - vii. To carry on any other business which may seem to the Demerged Company capable of being conveniently carried on in connection with the aforementioned business or any of them or calculated directly or indirectly to enhance the value of or render profitable any of the Demerged Company’s property or rights.
 - viii. To acquire and undertake the whole or any part of business, property and liabilities of any person or company carrying on any business which the Demerged Company is authorised to carry on or possessed of property suitable for the purpose of the Demerged Company.
 - ix. (a) To provide for the welfare of employees (including directors) or ex- employees of the Demerged Company or its predecessors in business and the wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses or dwellings or

quarters or by grants or money, pensions, gratuities, allowances, bonuses, profits sharing bonuses or benefits or any other payments or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, profit sharing or other schemes or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospital and dispensaries, medical and other attendance and other as the Demerged Company shall think fit.

- (b) To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other useful institutions, objects or purposes, or for any exhibition.

8. A brief description of the major activities being carried out by the Demerged Company is as under:

The Demerged Company has five manufacturing units situated at: (i) Dhampur District Bijnor, (ii) Mansurpur, District Muzaffarnagar, (iii) Rajpura, District Sambhal, (iv) Asmoli, District Sambhal and (v) Meerganj, District Bareilly, all in the State of Uttar Pradesh, having manufacturing facilities of sugar, power, industrial alcohol, ethanol, chemicals and potable alcohol with different capacities.

9. The Authorised, Issued, Subscribed and Paid up Share Capital of the Demerged Company as on 31st March, 2021 was as follows:

Authorized Share Capital	Amount (Rs.)
11,38,26,000 Equity Shares of Rs. 10 each	113,82,60,000
69,17,400 Preference Shares of Rs. 100 each	69,17,40,000
TOTAL	183,00,00,000
Issued & Subscribed	
6,67,13,086 Equity Shares of Rs. 10 each	66,71,30,860
Paid up	
6,63,87,590 Equity Shares of Rs. 10 each fully paid up	66,38,75,900
3,25,496 Forfeited Shares (to the extent paid up)	6,52,480
Paid Up Capital	66,45,28,380

Subsequent to 31st March, 2021, there has not been any change in the Authorised, Issued or Paid-up Capital.

10. The details of the Directors of the Demerged Company and their shareholding in the Demerged Company as on date are as follows:

Sl. No.	Name of the Directors	DIN	Address	Category	Shareholding (equity shares)
1.	Mr. Vijay Kumar Goel	00075317	46 Friends Colony East, Delhi-110065	Chairman and Executive Director	349116
2.	Mr. Ashok Kumar Goel	00076553	61 Friends Colony East, South Delhi, New Delhi - 110025	Executive Director	55384
3.	Mr. Gaurav Goel	00076111	61 Friends Colony, East, South Delhi, New Delhi- 110025	Executive Director	2016904
4.	Mr. Gautam Goel	00076326	46 Friends Colony East, Delhi-110065	Executive Director	4242339
5.	Mr. Yashwardhan Poddar	00008749	10 Dover Park, Ballygunge, Kolkata, West Bengal-700019	Independent Director	0
6.	Mr. Mahesh Prasad Mehrotra	00016768	C-561, Defence Colony, New Delhi - 110024	Independent Director	0

7.	Mr. Satpal Kumar Arora	00061420	C-1/401, Ram Prastha, Colony, Chander Nagar, Ghaziabad, Uttar Pradesh - 201011	Independent Director	0
8.	Mr. Ashwani Kumar Gupta	00108678	1/2, Gokhle Marg, Hazratganj, Lucknow, Uttar Pradesh- 226001	Independent Director	0
9.	Mr. Sandeep Kumar Sharma	06906510	Dhampur Sugar Mills Limited, Bijnore, Uttar Pradesh-246761	Executive Director	755
10.	Ms. Nandita Chaturvedi	07015079	S-561/8, Greater Kailash Part 2, South Delhi, New Delhi-110048	Independent Director	0
11.	Mr. Anuj Khanna	00025087	14, Ishwar Nagar East, Mathura Road, Delhi-110065	Independent Director	0

11. The details of the Promoters of the Demerged Company and their shareholding in the Demerged Company as on date are as follows:

Sl.No	Name	Address	Category	Shareholding
1	Mr. Vijay Kumar Goel	46 Friends Colony East, Delhi-110065	Individual	349116
2	Mr. Ashok Kumar Goel	61 Friends Colony, East, South Delhi, New Delhi - 110025	Individual	55384
3	Mr. Gaurav Goel	61 Friends Colony East, South Delhi, New Delhi- 110025	Individual	2016904
4	Mr. Gautam Goel	46 Friends Colony East, Delhi-110065	Individual	4242339
5	Mrs. Deepa Goel	46 Friends Colony East, Delhi-110065	Individual	2341936
6	Mrs. Vinita Goel	61 Friends Colony East, New Friends Colony New Delhi- 110025	Individual	25050
7	Ms. Ishira Goel	61 Friends Colony East, South Delhi, New Delhi- 110025	Individual	105525
8	Mrs. Bindu Vashist Goel	19 Nassim Road, #01-12 Nassim Park Residences, Singapore-258461	Individual	76350
9	Mrs. Aparna Jalan	2/2, Howrah Road, Howrah - 711101, West Bengal	Individual	46100
10	Mrs. Ritu Sanghi	24, Golf Links, New Delhi- 110003	Individual	7500
11	Mrs. Shefali Poddar	2, Gurusaday Road, Ballygunge, Kolkata- 700019, West Bengal	Individual	31760
12	Mrs. Asha Kumari Swaroop	41, Ground Floor, Friends Colony East, New Delhi- 110065	Individual	4
13	Ujjwal Rural Services Limited	13 Civil Lines Bareilly, Uttar Pradesh - 243005	Entity	125000
14	Goel Investments Limited	13 Civil Lines Bareilly, Uttar Pradesh -243005	Entity	10655515
15	Shudh Edible Products Private Limited	241, Okhla Industrial Estate Phase - III New Delhi - 110020	Entity	4299680
16	Saraswati Properties Limited	13 Civil Lines Bareilly, Uttar Pradesh - 243005	Entity	3266758
17	Sonitron Limited	18 G/F Siri Fort Road, Mashjid Moth Near Samnyya Sadan New Delhi -110049	Entity	4940716
	TOTAL			32585637

12. The details of the Promoter of the Resulting Company and its shareholding in the Resulting Company as on date are as follows:

Sl. No	Name	Address	Shareholding
1	Dhampur Sugar Mills Limited	Dhampur, District Bijnor Uttar Pradesh - 246761	10,000
TOTAL			10,000

At present the entire shareholding of the Resulting Company is held by the Demerged Company and its nominees.

13. Pre & Post Scheme Financials of the Companies as on the appointed date i.e. 1st April 2021, as submitted to the BSE.

Abbreviations: DSML - Dhampur Sugar Mills Limited

DBOL – Dhampur Bio Organics Limited

Rs. in Crores			
Particulars	Company as a Whole (DSML) - Pre Demerger	Remaining Undertakings (DSML) - Post Scheme	Resulting Company (DBOL) - Post Scheme
No of Manufacturing Plants	5	2	3
Share Capital	66.45	66.45	66.45
Net Worth	1,562.89	781.95	780.94
Long Term Borrowings	320.04	235.34	84.70
Fixed Assets (Net)	1,631.22	995.73	635.49
Current Assets	1,796.39	915.10	881.29
Current Liabilities	1,503.32	880.01	623.31

Comments on Financials:

- Net Worth of the Demerged Company and Resulting Company will be nearly equal i.e Rs. 781.95 crores and Rs. 780.94 crores as on appointed date respectively.
- Out of long-term borrowings of Rs. 320.04 crores outstanding as on appointed date, Rs. 84.70 crores will stand transferred to the Resulting Company.
- Out of total fixed assets of Rs. 1631.22 crores as on appointed date, Rs. 635.49 crores will stand transferred to the Resulting Company.
- Out of total current assets of Rs. 1796.39 crores as on appointed date, Rs. 881.29 crores will stand transferred to the Resulting Company.
- Out of total current liabilities of Rs. 1503.32 crores as on appointed date, Rs. 623.31 crores will stand transferred to the Resulting Company.

Particulars of the Resulting Company

14. The Resulting Company is a public company, limited by shares, incorporated on 26th October, 2020 under the provisions of the Companies Act, 2013 having its registered office at Sugar Mill Compound, Village Asmoli, Sambhal, District Moradabad Uttar Pradesh- 244304. The Resulting Company was originally incorporated with the name "RMSD Enterprises Private Limited". Subsequently the name of the Resulting Company was changed to "Dhampur Bio Organics Private Limited" vide issue of fresh certificate by the Registrar of Companies, Kanpur dated 21st April, 2021. The Resulting Company was later converted into public limited company having name "Dhampur Bio Organics Limited" vide issue of fresh certificate by the Registrar of Companies, Kanpur dated 22nd April, 2021. The Corporate Identification No. of the Resulting Company is U15100UP2020PLC136939. The Permanent Account No. of the Resulting Company is AAKCR5540B. The email address of the Resulting Company is **dbo@dhampur.com**. At present, all the shares of the Resulting Company are held by the Demerged Company and its nominees and thus the Resulting Company is wholly owned subsidiary of the Demerged Company. At present the equity shares of the Resulting Company are not listed in any of the Stock Exchanges, but pursuant to the Scheme, the equity shares of the Resulting Company are proposed to be listed at BSE and NSE.

15. The Registered Office of the Resulting Company was No. 25 Gola Chah Rewari Moh H.No 250 Etah, Uttar Pradesh- 207001, which was later shifted to Sugar Mill Compound, Village Asmoli, District Sambhal Moradabad Uttar Pradesh- 244304 w.e.f 10th April, 2021. At present, the Registered Office of the Resulting Company is Sugar Mill Compound, Village Asmoli, District Sambhal Moradabad Uttar Pradesh- 244304.
16. The Resulting Company was incorporated with the objects to carry on the business of civil contractors, material contracts works, civil works for various departments and organizations. The objects of the Resulting Company were replaced by carrying on the business of manufacturing of sugar and bye – products, production of power, other business as carried by the Demerged Company pursuant to the approval of Shareholders in the Extra Ordinary General Meeting held on 10th April, 2021.
17. The objects of the Resulting Company are set out in its Memorandum of Association. Some of the relevant objects of the Resulting Company are as follows:
 - i. To carry on the business of manufacturing, producing, boiling, refining, preparing, growing, brewing, purchasing, marketing, retailing, importing, exporting, selling, trading and generally dealing in bio organic products, sugar, sugar-candy, jaggery, sugar-beet, sugar cane, confectioneries, sugar cubes, sugar syrups, fruits drops, fruits juices, sugar and agro based food products, molasses, syrups, melada, alcohol, chemicals, spirits, country liquor, Indian made foreign liquor, bagasse and all products or by-products, allied products thereof and any other bio, natural and agriculture produce and products thereof.
 - ii. To carry on business of manufacturers, importers, exporters, purchasers, sellers, retailers and dealers of all kinds of chemicals, petro-chemicals, ethanol, methanol, methyl, ethyl products, butanol, petroleum CO₂, fuel oil chemicals, industrial and other alcohols, potash chemicals, acids, alkalis, yeast, drugs, pharmaceuticals, pesticides and weedicides and other allied products for the business of the Resulting Company.
 - iii. To carry on the business of electricity and power producers, power purchasers, retailers, co-generation of power and accumulate, distribute, transmit and supply in all its branches including but not limited to state grid, power exchange and for the purpose of feeding the plants of the Resulting Company and to construct, lay down, establish, fix and carry out all kind of power stations, cables, wires, lines accumulators, and works.
 - iv. To carry on the business of fabricating, manufacturing, designing, contractors, engineering, erecting and maintenance of sugar manufacturing plants and machinery, sugar refineries, and other bio-organic product plants, factories and to run workshop(s), consultancy, advising, and to develop and innovate technologies in the related and allied fields and to act as electric engineers, consultants and manufacturers and suppliers of implements and machinery for the purpose of business.
 - v. To engage in the business of civil contractors, material contracts works, civil works taking work and civil contracts of government and non-government department and organizations and to act as suppliers, trader, dealer in construction materials and equipment's and other item required in civil works.
18. The Resulting Company proposes to undertake a business similar to that of the Demerged Company i.e. to carry out the dealings in and manufacturing of sugar, power, industrial alcohol, ethanol, chemicals and potable alcohol. At present, the Resulting Company is yet to commence its business operations.
19. The Authorised, Issued, Subscribed and Paid up Share Capital of the Resulting Company as on 31st March, 2021 was as follows:

Authorised Share Capital	Amount (Rs)
1,00,000 Equity Shares of Rs. 10 each	10,00,000
Total	10,00,000
Issued, Subscribed and Paid-up Share capital	Amount (Rs)
10,000 shares of Rs. 10 each	1,00,000
Total	1,00,000

20. Subsequent to its Incorporation, there has not been any change in the Authorised, Issued or Paid up Share Capital of the Resulting Company.

21. In terms of the SEBI Circulars, the relevant information of the Resulting Company in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 is enclosed as **Annexure 2** to this statement along with Certificate of Adequacy and Accuracy issued by Merchant Banker.

Circumstances For Demerger

22. The Demerged Company was established in the year 1933 with a single sugar manufacturing unit at Dhampur, Uttar Pradesh, having a capacity of 300 tonnes of cane crushing per day (TCD). Over the years, the Demerged Company has grown manifold under the aegis of Goel families (being the promoters/ promoter group of the Demerged Company), supported by other stakeholders, by exponentially expanding its core business of sugar manufacturing as well as commencing various allied businesses.

Over the years the Demerged Company expanded its business by setting up necessary facilities for using by-products of sugar for co-generation of power; it also started supply of power to the state grid. The Demerged Company has also made commercial use of the other by-product, molasses, to manufacture industrial alcohol, ethanol, chemicals and potable alcohol. Once again capitalizing on favourable regulatory developments allowing mix of ethanol in petrol, the Demerged Company set up manufacturing facilities of ethanol having capacities of 400 kilo litres per day in its integrated sugar complexes at Dhampur and Asmoli.

The Demerged Company has now evolved from one sugar factory to five independent integrated sugar complexes having aggregate capacity of 45,500 tonnes cane crushing per day alongwith power co-generation, industrial alcohol, ethanol, chemicals and potable alcohol. Recognizing changing trends in consumer behaviour, the Demerged Company has also introduced branded sugar under the brand name 'Dhampur'. The growth outlook for both, sugar (branded and unbranded), and ethanol as products is promising.

The journey thus far has been under the stewardship of the promoter-manager families presently represented by Mr. Gaurav Goel and Mr. Gautam Goel, jointly who are both Managing Directors.

It is now proposed, by way of the demerger, to segregate the management and ownership of the different integrated manufacturing facilities/units of the Demerged Company for cane crushing, co-generation of power and industrial alcohol, ethanol, chemicals and potable alcohol between the Demerged Company and Resulting Company without splitting any of such standalone manufacturing units. This will enable creation of two separate platforms for maximum exploitation of each of the above business opportunities through each of the Companies, including in particular by streamlining management and administration and enabling the pursuit of diverse and independent strategic aspirations, in a manner that unlocks and maximises value for all shareholders and drives future strategic growth under the overall Dhampur legacy.

Description and Rationale for the Scheme

23. The Scheme provides *inter alia* for demerger of the Demerged Undertaking (as defined in the Scheme) of Dhampur Sugar Mills Limited and transfer of the same to Dhampur Bio Organics Limited ("**Demerger**") and matters consequential or connected therewith pursuant to the provisions of the Sections 230 to 232 of the Companies Act, 2013.
24. The rationale for the Scheme is as under:
- The proposed Demerger will create opportunities for pursuing independent growth and expansion strategies in the segregated businesses and effectively unlock value of each of the manufacturing units. The Demerger also represents an opportunity for the public shareholders to exploit the individual potential of both Companies.
 - The segregation will allow each of the Companies to create a strong and distinctive platform with more focused management teams, which will enable greater flexibility to pursue long-term objectives and independent business strategies. The structure will streamline management and provide diversity in decisions regarding the use of respective cash flows for dividends, in capital expenditure or other reinvestment in their respective business, and in being able to explore varied investment opportunities and attract various investors and strategic partners.
 - The business units of the Demerged Company are independent, self-sufficient in raw material, and standalone integrated, and would continue to function with efficiency, efficacy and synergies after the Demerger, and transition will be largely seamless.

- iv. The Demerger at this juncture will also create a framework for succession planning including long term leadership of each of the Companies with a view to ensure that the management and ownership model of the Demerged Company is not hindered by fragmentation of ownership and dispersed leadership over time as the promoter-manager families move closer to a generational shift, which may be detrimental to the Demerged Company, business and stakeholders. Instead, following the Demerger, the management of each of the Companies and ownership of the promoter-managers in each of the Companies will remain consolidated within a family group and will be lean and agile. This will also ensure long term stability including through continued maintenance of goodwill and harmony and allow for succession planning in an orderly and strategic manner without any business disruption.
 - v. The shareholding of public shareholders following the Demerger will remain the same in both Companies and shareholder value, across Companies, will be preserved and remain unchanged.
25. The benefits of the Scheme to the Companies and their respective shareholders are driven by and are as set out in paragraph 24 above. As regards the members, shareholding of public shareholders following the Demerger will remain the same in both Companies and shareholder value, across Companies, will be preserved. Further, the Scheme represents an opportunity for the public shareholders to exploit the individual potential of both Companies. As regards creditors, there will not be any adverse impact on the same pursuant to the Scheme.

Corporate Approvals

26. The proposed Scheme was placed before the Audit Committee of the Demerged Company at its meeting held on 7th June, 2021. The Audit Committee of the Demerged Company took into account, the Share Entitlement Ratio Report dated 7th June, 2021 issued by Ms. Anuradha Gupta, Registered Valuer - Securities or Financial Assets and the Fairness Opinion, dated 7th June, 2021 issued by Centrum Capital Limited, Merchant Banker in respect of the Share Entitlement Ratio Report issued by the Registered Valuer, as well as the Certificate dated 7th June, 2021 issued by Atul Garg & Associates Statutory, Auditors, confirming the accounting treatment in the Scheme and the audited financial statements of the Demerged Company. A copy of the Share Entitlement Ratio Report is enclosed as **Annexure 3**. A copy of the Fairness Opinion is enclosed as **Annexure 4**. The Audit Committee based on the aforesaid, inter alia, recommended the Scheme to the Board of Directors of the Demerged Company.
27. The Scheme along with the Share Entitlement Ratio Report, the Fairness Opinion, the Certificate dated 7th June, 2021 issued by Atul Garg & Associates confirming the accounting treatment in the Scheme and the audited financial statements of the Demerged Company was placed before the Committee of Independent Directors of the Demerged Company, at their meeting dated 7th June, 2021. The Committee of Independent Directors based on the aforesaid, inter alia, recommended the Scheme to the Board of Directors of the Demerged Company, the Stock Exchanges, the Securities Exchange Board of India ("**SEBI**") and other regulatory authorities.
28. The Scheme along with the Share Entitlement Ratio Report was placed before the Board of Directors of the Demerged Company, at their meeting dated 7th June, 2021. The Fairness Opinion and the report of the Audit Committee was also submitted to the Board of Directors of the Demerged Company. Based on the aforesaid, the Board of Directors of the Demerged Company approved the Scheme. The meeting of the Board of Directors of the Demerged Company, held on 7th June, 2021 was attended by Mr. Vijay Kumar Goel, Mr. Ashok Kumar Goel, Mr. Gaurav Goel, Mr. Gautam Goel, Mr. Sandeep Kumar Sharma, Mr. Mahesh Prasad Mehrotra, Mr. Ashwani Kumar Gupta, Mr. Priya Brat, Mrs. Nandita Chaturvedi and Mr. Satpal Kumar Arora. Leave of absence was granted to Mr. Yashwardhan Poddar. None of the Directors of the Demerged Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the Directors of the Demerged Company who attended and voted at the meeting.
29. The proposed Scheme along with the Share Entitlement Ratio Report was separately placed before the Board of Directors of the Resulting Company, at its meeting dated 7th June, 2021. Based on the aforesaid, the Board of Directors of the Resulting Company approved the Scheme. The meeting of the Board of Directors of the Resulting Company, held on 7th June, 2021 was attended by all the Directors viz. Mr. Vijay Kumar Goel, Mr. Ashok Kumar Goel, Mr. Gaurav Goel, Mr. Gautam Goel, Mr. Nalin Kumar Gupta and Mr. Mukul Sharma. None of the Directors of the Resulting Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the Directors of the Resulting Company who attended and voted at the meeting.

Approvals and actions taken in relation to the Scheme

30. BSE was appointed as the Designated Stock Exchange by the Demerged Company for the purpose of coordinating with the SEBI, pursuant to the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020. The Demerged Company has received Observation Letters regarding the Scheme from BSE on 8th September, 2021 and from NSE on 15th September, 2021. Copies of the said letters received from BSE and NSE are enclosed as **Annexure 5 and 6** respectively.

31. Section 5 of the Competition Act, 2002 (as amended) ("**Competition Act**") provides for the types of acquisitions that qualify as "combinations". Section 6 of the Competition Act provides that any person proposing to enter into a 'combination' must give notice to the Competition Commission of India ("**CCI**") in the prescribed form (i.e. Form I in case of the Scheme). The CCI may approve the combination, upon receipt of the notice, if it is of the opinion that the proposed combination does not, or is not likely to, have an appreciable adverse effect on competition under Section 31 of the Competition Act. Regulation 5A of the Competition Commission of India (Procedure in regard to the transaction of Business relating to Combinations) Regulations, 2011 provides for a 'Green Channel Route' for combinations which meet certain identified conditions. Under the Green Channel Route, upon filing of such notice with the CCI and receiving the acknowledgement thereof from the CCI, the proposed combination is deemed to have been approved by the CCI under the said Section 31.

Accordingly, the Demerged Company filed the statutory notice vide Form I with the CCI on 23rd July, 2021 and received the acknowledgment of notice from the CCI on the same date. Thus, under the 'Green Channel Route', the combination received deemed approval by the CCI.

A true copy of the said acknowledgment of notice/ deemed approval from the CCI dated 23rd July, 2021 is enclosed as **Annexure 7**.

32. As required by the SEBI Circulars the Demerged Company had filed the Complaints Report with BSE and NSE on 30th July, 2021 and 23rd August, 2021 respectively. The reports filed with the Stock Exchanges indicates that the Demerged Company received NIL complaints. A copy of the Complaints Report filed with the BSE and NSE dated 30th July, 2021 and 23rd August, 2021 respectively are enclosed as **Annexure 8**.

33. The Scheme was filed by the Companies with the NCLT on 4th October, 2021.

34. The salient extracts of the Scheme are as under:

A. DEFINITIONS

- i. "**Appointed Date**" means opening business hours of April 1, 2021 or such other date as the NCLT may direct/allow.
- ii. "**Demerged Company**" means Dhampur Sugar Mills Limited, a public company, limited by shares incorporated under the provisions of the Companies Act, 1913 under Corporate Identity No. L15249UP1933PLC000511 and having its registered office at Dhampur district Bijnor- 246761, Uttar Pradesh and having PAN AABCT2827N.
- iii. "**Demerged Undertaking**" means all the business, undertakings, properties, activities, operations, investments and liabilities of whatsoever nature and kind and wheresoever situated, of the Demerged Company, in relation to and pertaining to the Demerged Units on a going concern basis, together with all its assets and liabilities pertaining to the Demerged Units and shall include (without limitation):
 - a) all the movable and immovable properties, tangible or intangible, including all computers and accessories, software, applications, digital properties and related data, related investments, plant and machinery, equipment, furniture, fixtures, vehicles, stocks and inventory, leasehold assets and other properties in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, assets including cash in hand, amounts lying in the banks, investments including shareholding in DIPL, escrow accounts, claims, tax credits, input credits, pro rata minimum alternate tax credits, tax refunds and claims of any kind, allotments, approvals, consents, letters or intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests benefits, advantages, freehold, brands, goodwill,

other intangibles, industrial and other licenses, approvals, permits, authorizations, Intellectual Property, assignments and grants in respect thereof, import and export quotas and other quota rights, right to use and avail of telephones, facsimile, email, internet and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds and benefits (including all work in progress), of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, local authorities or any other person including customers, contractors or other counter parties, etc., all earnest monies and/or deposits, privileges, liberties, easements, advantages, benefits, exemptions, privileges and approvals of whatsoever nature and where so ever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Demerged Company in relation to the Demerged Units as stated above as on the Appointed Date, including those listed in **Schedule I of the Scheme**.

- b) all receivables, loans and advances, including accrued interest thereon, all advance payments, earnest monies and/or security deposits, payment against warrants, if any, or other entitlements of the Demerged Company pertaining to the Demerged Units as on the Appointed Date;
 - c) all employees of the Demerged Company engaged in or in relation to the Demerged Units, along with all benefits under employment including gratuity, superannuation, pension benefits and the provident fund or other compensation or benefits of such employees;
 - d) all the Transferred Liabilities (definition reproduced below)
 - e) all books, records, files, papers, engineering and process information, records of standard operating procedures, computer programs along with their licenses and registrations, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, in connection with or relating to the Demerged Units as stated above of the Demerged Company;
 - f) all legal proceedings (past, present or future) of whatsoever nature by or against the Demerged Company relating to the Demerged Undertaking.
 - g) any assets, liabilities, agreements, undertakings, activities, operations or properties that are determined by the Boards of the Companies relating to or forming part of the Demerged Units or which are necessary for conduct of, or the activities or operations of, the Demerged Units.
- iv. **“Demerged Units”** means the following sugar, industrial alcohol, ethanol, chemicals and potable alcohol and power manufacturing units of the Demerged Company, each of which is referred to as a going concern:
- (i) Asmoli unit situated at Asmoli, district Sambhal (Uttar Pradesh), including the sugar manufacturing plant having a capacity of 9,000 tonnes crushing per day of sugarcane, 1,50,000 litres of distillery/chemicals per day including ethanol etc. and 43.5 megawatts co-generation of power;
 - (ii) Mansurpur unit situated at Mansurpur, district Muzzafarnagar (Uttar Pradesh), including the sugar manufacturing plant having capacity of 8,000 tonnes crushing per day of sugarcane and 33 megawatts co-generation of power; and
 - (iii) Meerganj unit situated at Meerganj, district Bareilly (Uttar Pradesh) including the sugar manufacturing plant having capacity of 5,000 tonnes crushing per day of sugarcane and 19 megawatts co-generation of power.
- v. **“Effective Date”** means the date or the last date of the dates on which all the conditions and matters referred to in Clause 31 of the Scheme occur or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme. References in this Scheme to the “date of coming into effect of this Scheme” or “upon the Scheme becoming effective” or “effectiveness of the scheme” shall mean the effective date.
- vi. **“GV Promoter Group”** means Mr. Ashok Kumar Goel, Mrs. Vinita Goel, Mr. Gaurav Goel, Ms. Ishira Goel, Goel Investments Limited, Saraswati Properties Limited and Ujjwal Rural Services Limited.

- vii. **“GT Promoter Group”** means Mr. Vijay Kumar Goel, Mrs. Deepa Goel, Mr. Gautam Goel Mrs. Bindu Vashist Goel, Shudh Edible Products Private Limited and Sonitron Limited.
 - viii. **“Remaining Undertaking”** means all the undertakings, businesses, activities, properties, operations, investments, intellectual property rights and liabilities of the Demerged Company other than those comprised in the Demerged Undertaking and including, for the avoidance of doubt, the Demerged Company’s undertakings, investments, businesses, activities and operations relating to: (i) Dhampur district Bijnore, and (ii) Rajpura district Sambhal.
 - ix. **“Resulting Company”** means Dhampur Bio Organics Limited a public company, limited by shares, incorporated under the provisions of the Act, under Corporate Identity No. U15100UP2020PLC136939 and having its registered office at Sugar Mill Compound, Village Asmoli Sambhal Moradabad- 244304 in the State of Uttar Pradesh and having PAN - AAKCR5540B.
- B.** At present, the Demerged Company has five manufacturing units situated at: (i) Dhampur district Bijnor, (ii) Mansurpur district Muzaffarnagar, (iii) Rajpura, district Sambhal, (iv) Asmoli district Sambhal and (v) Meerganj district Bareilly, all in the State of Uttar Pradesh, out of the five units of the Demerged Company, the units situated at (i) Mansurpur, district Muzaffarnagar, (ii) Asmoli, district Sambhal and (iii) Meerganj, district Bareilly all in states of Uttar Pradesh, having manufacturing facilities of sugar, power, industrial alcohol, ethanol, chemicals and potable alcohol with different capacities. All the business, undertakings, properties, activities, operations, investments, assets and liabilities (more specifically described as **“Demerged Undertaking”** under the Scheme) related to the Demerged Units will be transferred to Resulting Company, a wholly owned subsidiary of the Demerged Company on a going concern basis.
- C.** Upon the coming into effect of the Scheme and with effect from the Appointed Date, and subject to the provisions of the Scheme and pursuant to Sections 230 to 232 of the Act, all the properties/assets (tangible and intangible assets including goodwill) and liabilities of the Demerged Undertaking will be transferred to the Resulting Company at values appearing in the books of accounts of the Demerged Company immediately before the Demerger, in accordance with Section 2(19AA) of the Income Tax Act, 1961 (**“IT Act”**) and the Demerged Undertaking shall, without any further act, instrument or deed, be demerged from the Demerged Company and stand transferred to and vested in the Resulting Company as a going concern, for a consideration provided in the Scheme, so as to become the undertaking of the Resulting Company.
- D.** Upon coming into effect of the Scheme and with effect from the Appointed Date, all the debts (whether secured or unsecured), liabilities, duties and obligations in respect of the Demerged Undertaking as on the Appointed Date shall, without any further act or deed be and stand transferred to and be deemed to be transferred to the Resulting Company to the extent that they are outstanding as on the Effective Date and shall thereupon become on and from the Appointed Date (or in case of any Transferred Liability (as defined in the Scheme) incurred on a date on or after the Appointed Date, with effect from such date), the liabilities of the Resulting Company, along with any charge, encumbrance, lien, security, relating thereto, on the same terms and conditions as were applicable to the Demerged Company and the Resulting Company shall meet, discharge and satisfy the same to the exclusion of the Demerged Company such that the Demerged Company shall in no event be responsible or liable in relation to any such Transferred Liabilities. For this purpose, **“Transferred Liabilities”** means:
- (a) The Liabilities which relate to or arise out of the activities or operations of the Demerged Undertaking;
 - (b) The specific loans or borrowings raised, incurred and utilized solely for the activities or operations of the Demerged Undertaking;
 - (c) In cases other than those referred to in Clauses 6.3(a) or 6.3(b) of the Scheme, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company, as stand in the same proportion which the value of the assets transferred pursuant to this Scheme bear to the total value of the assets of the Demerged Company immediately prior to the Appointed Date.
- E.** All the licenses, permits, quotas, approvals, incentives subsidies, rights, claims, leases, tenancy rights, liberties, allotments, insurance cover, clearances, authorities, privileges, affiliations, easements, rehabilitation schemes, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and all

rights and benefits that have accrued to the Demerged Company, in relation to or in connection with the Demerged Undertaking, pursuant to the provisions of Sections 230 to 232 of the Act, shall without any further act, instrument or deed, be transferred to and vest in or be deemed to have been transferred to and vested in and be available to the Resulting Company so as to become as and from the Appointed Date.

- F. In so far as the various incentives, tax exemption and benefits, tax credits, subsidies, grants, special status and other benefits or privileges enjoyed, granted by any Appropriate Authority, or availed of by the Demerged Company, in relation to or in connection with the Demerged Undertaking as on the Appointed Date are concerned, including income tax deductions recognitions and exemptions, the same shall, without any further act or deed, vest with and be available to the Resulting Company on the same terms and conditions on and from the Appointed Date.
- G. Upon the effectiveness of the Scheme and with effect from the Appointed Date, all the employees of the Demerged Company who are: (i) engaged in or in relation to the Demerged Units as on the Effective Date, and (ii) jointly identified by the Boards of the Companies as being necessary for the proper functioning of the Demerged Units including its future development ("**Transferred Employees**") shall be deemed to have become employees of the Resulting Company on the same terms and conditions on which they are engaged by the Demerged Company, with effect from the Appointed Date or their respective joining date, whichever is later, without any interruption of service as a result of transfer of the Demerged Undertaking to the Resulting Company. The services of all Transferred Employees with the Demerged Company prior to the Demerger shall be taken into account for the purposes of all benefits to which the Transferred Employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits and to this effect the accumulated balances, if any, standing to the credit of the Transferred Employees in the existing provident fund, gratuity fund and superannuation funds nominated by the Resulting Company and/or such new provident fund, gratuity fund and superannuation fund to be established and caused to be recognized by the Appropriate Authorities, by the Resulting Company, or to the government provident fund in relation to the Transferred Employees who are not eligible to become members of the provident fund maintained by the Resulting Company.
- H. Upon the Scheme becoming effective, insofar as the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff and employees of the Demerged Company (including the Transferred Employees) are concerned, such proportion of the investments made in the funds and liabilities which are referable to the Transferred Employees shall be transferred to the similar funds created by the Resulting Company and shall be held for their benefit pursuant to the Scheme, or at the sole discretion of the Resulting Company, maintained as separate funds by the Resulting Company. In the event that the Resulting Company does not have its own funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, continue to contribute to the relevant funds, until such time that the Resulting Company creates its own funds, at which time the funds and the investments and contributions pertaining to the Transferred Employees shall be transferred to the funds created by the Resulting Company.
- I. If any suit, cause of actions, appeal, or other legal, taxation, quasi-judicial, arbitral, administrative, or other proceedings of whatever nature, whether civil or criminal, under any Applicable Law (hereinafter referred to as the "**Proceedings**") by or against the Demerged Company be pending, in relation to or in connection with the Demerged Undertaking, on the Effective Date or which may be instituted thereafter the same shall not abate, be discontinued or be in anyway prejudicially affected by reason of the transfer and vesting of the Demerged Undertaking or of anything contained in the Scheme, but such Proceedings may be continued, prosecuted, defended, and enforced by or against the Resulting Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Demerged Company as if the Scheme had not been made.
- J. Upon the effectiveness of the Scheme and in consideration of the transfer and vesting of the Demerged Undertaking into the Resulting Company pursuant to provisions of the Scheme, the Resulting Company shall, without any further act or deed, issue and allot 6,63,87,590 equity shares to each shareholder of the Demerged Company, whose name is recorded in the register of members and records of the depository as members of the Demerged Company, on the Record Date, (1) one equity share of Rs. 10 (Rupees Ten) each of Resulting Company credited as fully paid up for every equity share of Rs. 10 (Rupees Ten) each held by such shareholder

in the Demerged Company (“**New Equity Shares**”) such that the shareholding in the Resulting Company on such issuance of shares is the mirror image of the shareholding in the Demerged Company.

- K. The New Equity Shares to be issued and allotted as provided above shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank *pari passu* in all respects with the then existing equity shares of the Resulting Company after the Record Date including with respect to dividend, bonus entitlement, rights shares entitlement, voting rights and other corporate benefits.
- L. The existing share capital of the Resulting Company i.e. 10,000 (Ten Thousand) equity shares of Rs. 10 (Rupees Ten) each shall stand cancelled. The consequent reduction of share capital of the Resulting Company shall be an integral part of the Scheme and the Demerged Company and the Resulting Company shall not be required to follow the process under Section 66 of the Act or any other provisions of Applicable Law separately.
- M. Pursuant to the Scheme of Arrangement, the part of existing Authorized Share Capital of the Demerged Company of Rs. 69,17,40,000 (Rupees Sixty Nine Crores Seventeen Lakhs Forty Thousand only) divided into 69,17,400 (Sixty Nine Lakhs Seventeen Thousand Four Hundred Only) preference shares of the face value of Rs. 100 (Rupees One Hundred only) each shall be reclassified to Equity Share Capital of Rs. 69,17,40,000 (Rupees Sixty Nine Crores Seventeen Lakhs Forty Thousand only) divided into 6,91,74,000 (Six Crores Ninety One Lakhs Seventy Four Thousand Only) equity shares of the face value of Rs. 10 (Rupees Ten only) each of the Demerged Company. Further to such reclassification, part of the Authorized Share Capital of the Demerged Company i.e. Rs. 91, 50,00,000 (Rupees Ninety One Crores Fifty Lakhs only) divided into 9,15,00,000 (Nine Crores Fifteen Lakhs) equity shares of face value Rs. 10 (Rupees Ten only) each shall stand transferred to and combined with the authorised share capital of Resulting Company.
- N. The issue and allotment of the New Equity Shares in terms of the Scheme shall be deemed to have been carried out as if the procedure laid down under Section 62, Section 42 and any other applicable provisions of the Act have been complied with.
- O. The Resulting Company shall apply for and procure the listing of its equity shares on both BSE and NSE which have nationwide terminal, in terms of and in compliance with the SEBI Circulars. The New Equity Shares allotted by the Resulting Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.
- P. The Resulting Company will not issue/reissue any shares, not covered under the Scheme and there will be no change in the shareholding pattern of the Resulting Company between the record date and the date of listing of the equity shares issued under the Scheme, which may affect the status of approval from the Stock Exchanges.
- Q. The Demerged Company and the Resulting Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date but only consistent with the past practice, or in the ordinary course.
- R. The value of all assets and liabilities including deferred tax assets and liabilities pertaining to the Demerged Undertaking which cease to be assets and liabilities of the Demerged Company shall be reduced by the Demerged Company at their carrying values on the day immediately preceding the Appointed Date in its books of accounts.
- S. The difference i.e. the excess or shortfall, as the case may be, of the value of transferred assets over the Transferred Liabilities pertaining to the Demerged Undertaking and demerged from the Demerged Company pursuant to the Scheme shall be adjusted first to the Capital Reserves including share premium account and revaluation reserve account and the balance shall be adjusted against revenue reserves of the Demerged Company.
- T. The utilization of Securities Premium Account referred to in Clause 14.2.3 of the Scheme, being consequential in nature, is proposed to be affected as an integral part of the Scheme. The approval of the shareholders and creditors of the Demerged Company to the Scheme shall be deemed to be their approval under the provisions of Section 52 read with Section 66 and all other applicable provisions of the Act and the Demerged Company shall not be required to undertake any separate proceedings/ compliances for the same. The Sanction Order shall in view of explanation to section 66 of the Act be sufficient and not requiring a separate order under Section 66(3) of the Act. Accordingly, the Demerged Company shall not be required to separately comply with

Section 52 read with Section 66 or any other provisions of Act. The Demerged Company shall not be required to add “and reduced” as a suffix to its name.

- U. Following the completion of the issuance and allotment of shares by the Resulting Company to all the shareholders of the Demerged Company in accordance with the Scheme, and in keeping with the objectives of the Scheme including ultimately segregating the promoter group ownership of the Demerged Company and the Resulting Company, it is envisaged that GV Promoter Group shall transfer the equity shares held by them in the Resulting Company to GT Promoter Group and GT Promoter Group shall transfer the shareholding held by them in the Demerged Company to GV Promoter Group, pursuant to and as an integral part of the Scheme.
- V. The GV Promoter Group intends to reclassify their status as promoters to that of public shareholders of the Resulting Company and GT Promoter Group intends to reclassify their status as promoters to that of public shareholders of the Demerged Company, in the event that and at such time, pursuant to the Share Transfers, their respective shareholding falls below the threshold permitted for reclassification as per Applicable Law (in particular Regulation 31A of the SEBI LODR Regulations). The respective company and Promoter Group shall take such steps as are necessary for this purpose under Applicable Law, at the relevant time.

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the salient extracts thereof.

Summary of the Share Entitlement Ratio

- 35. The Demerged Company has obtained Share Entitlement Ratio Report from Ms. Anuradha Gupta, Registered Valuer - Securities or Financial Assets and obtained the Fairness Opinion from Centrum Capital Limited, a SEBI Registered Category 1 Merchant Banker. The Share Entitlement Ratio Report issued by the Registered Valuer is open for inspection at the registered office of the Demerged Company.
- 36. The share entitlement ratio is 1 (one) equity shares of Rs. 10 (Rupees ten) each of Resulting Company for every 1 (one) equity share of Rs 10 (Rupees ten) each held in the Demerged Company in consideration for the Scheme.
- 37. It may be noted that in this regard that as per the Scheme, the Demerged Undertaking will be demerged into Resulting Company, and the outstanding, issued and paid-up shares held by the Demerged Company in the Resulting Company shall be cancelled. In consideration of the Demerger, a fresh issue of shares would be made to the existing shareholders of the Demerged Company on a proportionate basis such that their shareholding in the Resulting Company would mirror their existing shareholding in the Demerged Company. Therefore, the share entitlement ratio and number of shares to be allotted pursuant to the Demerger is of no material relevance since there will be no loss of economic interest in the hands of shareholders of the Demerged Company. In light of the same, an independent valuation of the Demerged Company and Demerged Undertaking was not required to be carried out and the share entitlement ratio proposed, as set out above, is recommended.

Other Matters

- 38. **Accounting Treatment:** The accounting treatment as proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act. The certificates issued by the respective Statutory Auditors of the Companies are open for inspection.
- 39. **Creditors:** As on 31st August, 2021, the Demerged Company had 10 (Ten) Secured Creditors having total claim of Rs 8,06,62,58,891 (Rupees Eight Hundred and Six Crores Sixty Two Lacs Fifty Eight Thousand Eight Hundred and Ninety One only) and 1956 (One Thousand Nine Hundred and Fifty Six) Unsecured Creditors having total claim of Rs. 1,64,84,72,595 (Rupees One Hundred and Sixty Four Crores Eighty Four Lacs Seventy Two Thousand Five Hundred and Ninety Five Only). As on 31st August, 2021, the Resulting Company had no Secured Creditors but has one Unsecured Creditor i.e. the Demerged Company (holding company) having total claim of Rs 5,00,000 (Rupees Five Lakhs) only.

The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of debt restructuring is not applicable.

40. **Effect of Scheme on Creditors:** No compromise is offered under the Scheme to any of the creditors of the Companies. The liability of the creditors of the Demerged Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Companies are not expected to be adversely affected by the proposed Scheme.
41. **Effect of Scheme on Depositors:** As on date, the Demerged Company has outstanding public deposits, but the interest of depositors is not expected to be adversely affected by the proposed Scheme.
42. **Effect of Scheme on Debenture Holders:** Not applicable. The Companies do not have any debenture holders.
43. **Effect of Scheme on Deposit Trustee and Debenture Trustee:** Not applicable. The Companies do not have any deposit trustees or debenture trustees.
44. **Effect of Scheme on Employees:** Under Clause 10 of the Scheme, it is provided that, upon the effectiveness of the Scheme and with effect from the Appointed Date, all the employees of the Demerged Company who are: (i) engaged in or in relation to the Demerged Units as on the Effective Date, and (ii) jointly identified by the Boards of the Companies as being necessary for the proper functioning of the Demerged Units including its future development ("**Transferred Employees**") shall be deemed to have become employees of the Resulting Company on the same terms and conditions on which they are engaged by the Demerged Company. In the circumstances, the rights of employees of the Demerged Company are not expected to be adversely affected by the Scheme.
45. **Effect of Scheme on Directors and Key Managerial Personnel (KMP):** Except to the extent of shares held by the Directors or KMP, none of the Directors or KMP of the Demerged Company are in any way connected or interested in the Scheme.
46. **The details of the Directors of the Resulting Company and their shareholding in the Resulting Company as on date are as follows:**

Sl. No.	Name of the Directors	DIN	Address	Category	Shareholding (equity shares)
1.	Mr. Vijay Kumar Goel	00075317	46 Friends Colony East, Delhi-110065	Non-Executive Director	0
2.	Mr. Ashok Kumar Goel	00076553	61 Friends Colony East, South Delhi, New Delhi – 110025	Non-Executive Director	0
3.	Mr. Gaurav Goel	00076111	61 Friends Colony East, South Delhi, New Delhi- 110025	Non-Executive Director	0
4.	Mr. Gautam Goel	00076326	46 Friends Colony East, Delhi-110065	Non-Executive Director	0
5.	Mr. Mukul Sharma	00078995	H. No. 188, 2 nd Floor, Anupama Apartment, Saidullajab, New Delhi-110030	Non-Executive Director	0
6.	Mr. Nalin Kumar Gupta	01670036	H. No. 003, Daisy Tower, Omaxe Green Valley, Near Green Field Colony, Suraj Kund Road, Sector 4, Faridabad, Haryana - 121010	Non-Executive Director	0

47. **The details of the KMP (apart from Managing Directors and Whole Time Directors mentioned above) of the Demerged Company and their shareholding in the Demerged Company as on date are as follows:**

Sl.No.	Name of the KMP	Address	Shareholding
1.	Mr. Susheel Kumar Mehrotra	A-203, Tower-A, Civitech Sampriti Sector 77, Gautam Buddha Nagar Noida - 201301	0

2.	Mr. Nalin Kumar Gupta	H. No. 003, Daisy Tower, Omaxe Green Valley, Near Green Field Colony, Suraj Kund Road, Sector 4, Faridabad, Haryana - 121010	1126
3.	Ms. Aparna Goel	Flat No. 1202, 12 th Floor, Misgun Homz, Sector -14, Kushambi-201010	0

48. **The details of the KMP (apart from Directors) of the Resulting Company and their shareholding in the Resulting Company as on date are as follows:**

Sl.No.	Name of the KMP	Address	Shareholding
NIL			

In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of the Demerged Company and the Resulting Company have adopted a report explaining effect, as aforesaid, of compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio. Copies of the said Reports are enclosed as **Annexure 9**.

49. **Effect of Scheme on Promoters and Non-Promoter Shareholders:**

The rights and interests of the Promoters and Non-Promoter shareholders of the Companies involved in the Scheme will not be prejudicially affected by the Scheme. The effect of the Scheme on the Promoter and Non-Promoter shareholders of the Companies is detailed herein:

- a) **Demerged Company:** Upon the Scheme becoming effective and in consideration of the Demerger, the Resulting Company shall issue and allot equity shares credited as fully-paid up shares in the Resulting Company to the equity shareholders of the Demerged Company whose names appear in the register of members or records of the depository as members of the Demerged Company on a specified record date in accordance with the share entitlement ratio. Thereupon, the entire shareholding of the Demerged Company in the Resulting Company, held by the Demerged Company and through its nominees, will stand cancelled in the manner set out in the Scheme. In light of this, the shareholding of public shareholders will remain the same in both the Demerged Company and the Resulting Company following the Demerger and shareholder value, aggregated across the Demerged Company and the Resulting Company will be preserved and remain unchanged on account of the Demerger. The Promoters of the Demerged Company will be treated on par with other equity shareholders of the Demerged Company, as regards being issued and allotted shares of the Resulting Company as per the share entitlement ratio.
- b) **Resulting Company:** The entire pre-scheme paid up equity share capital of the Resulting Company held by the respective shareholders of Resulting Company shall stand cancelled pursuant to the Scheme. Further in consideration to the Scheme, the Resulting Company shall issue 1 (one) equity shares of Rs.10 (Rupees ten) each of Resulting Company for every 1 (one) equity share of Rs.10 (Rupees ten) each held by the shareholders of the Demerged Company.
- c) **Option exercised by the Promoter Post allotment of shares by the Resulting Company:** Following the completion of the issuance and allotment of shares by the Resulting Company to all the shareholders of the Demerged Company in accordance with the Scheme, and in keeping with the objectives of the Scheme including ultimately segregating the promoter group ownership of the Demerged Company and the Resulting Company, it is envisaged that GV Promoter Group shall transfer the equity shares held by them in the Resulting Company to GT Promoter Group, and GT Promoter Group shall transfer the shareholding held by them in the Demerged Company to GV Promoter Group, pursuant to and as an integral part of the Scheme (collectively, the "Share Transfers").

Pursuant to the provisions of Para 21 of the Scheme, **the Promoter Groups have chosen Option 1** and accordingly will undertake the Share Transfer as under:

Within a period of 1 (one) year from the date of listing of the equity shares of the Resulting Company on any of the Stock Exchanges, (a) GV Promoter Group shall transfer such number of equity shares, representing their entire shareholding in the Resulting Company to GT Promoter Group, and (b) simultaneously therewith, GT Promoter Group shall transfer such number of equity shares representing their entire shareholding in the Demerged Company to GV Promoter Group.

The above Share Transfer shall be undertaken in one or more tranches and by way of such modalities and on such terms and conditions, and on the stock exchange or otherwise, as may be agreed between the Promoter Groups mutually, as per the terms of the Scheme.

And accordingly **Option 2** shall automatically become ineffective and stand severed from the Scheme.

50. Disclosure about effect of the Scheme on material interests of directors, key managerial personnel (KMP), debenture trustee and other stakeholders:

Please refer to the foregoing paragraphs for the effect of the Scheme on material interests of directors, KMPs, and other stakeholders of the Companies. The Companies do not have any debenture holders, debenture trustees or deposit trustees.

- 51. Investigation Proceedings:** No investigation proceedings have been instituted or are pending in relation to the Companies under Sections 210 to 229 of Chapter XIV of the Act or under the corresponding provisions of the Act of 1956. Further, no proceedings are pending under the Act or under the corresponding provisions of the Companies Act, 1956 against any of the Companies.
- 52.** In terms of BSE Observation Letter No. DCS/AMAL/MJ/R37/2074/2021-22 dated 8th September, 2021 and NSE Observation Letter No. NSE/LIST/27267_II dated 15th September, 2021, details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, against the Companies, its promoters and directors under laws and regulations pertaining to SEBI and Company Laws, including the directors of the Resulting Company are as follows:

Sr. No.	Case/Ref. No.	Forum	Parties	Brief facts of the case
A	Dhampur Sugar Mills Ltd and/or its Executive Directors			
1	Application No. 32924 / 2012 Under Section 482	Allahabad High Court	DSM Ltd, Dr. Ashok Kumar & Others Vs. State of UP & Others.	A complaint was lodged against 12 officers for alleged shortage of Molasses. Application u/s 482 was filed to quash the complaint lodged under section 405, 418,420 & 120B of IPC & Section 8/11/12 of Molasses Act. A Rejoinder Affidavit has been filed along with verified statements by the Excise Inspector that there was no mismatch of stocks. Stay Order has been granted in favour of the Company.
2	Company Petition No.33 / 2011	Allahabad High Court	Poonam Enterprises Vs. Dhampur Sugar Mills Ltd.	Winding up Petition was filed by M/s. Poonam Enterprises for their alleged outstanding dues. The principal amount of Rs. 6.60 lacs has since been paid. The Judgment was reserved on 30 th October, 2017 but on 18 th March, 2020 the matter was released by the same Court directing Office to place before Chief Justice for nomination of some other bench. The matter was placed before a nominated Bench on 10 th November, 2021 but the Counsel for Poonam Enterprises sought adjournment on account of illness. An out of Court settlement has been made and the same shall be filed before Hon'ble High Court and the matter will be closed.

3.	Civil Appeal No. 16087 Of 2021	Supreme Court	Dhampur Sugar Mills Limited Vs Adil Ansari & Others	The Appeal has been filed under Section 22 of the NGT Act, 2010 against the NGT Order dated 1 st September, 2021 imposing Environmental Compensation of Rs. 20 crores. Hon'ble Supreme Court has granted Stay on 8 th November, 2021 and issued Notices to Respondents.
4.	O.A No.16 of 2021	National Green Tribunal	Vinit Kumar v. DSM Sugar Mills Ltd. & Ors.	The Applicant has alleged that DSM Sugar, Mansurpur is discharging untreated industrial effluent in violation of the Water (Prevention and Control of Pollution) Act, 1974 and Environment (Protection) Act, 1986 thereby causing of pollution and violating the environmental norms. In fact the untreated discharge is from there nearby Distillery. The Case has been wrongly filed against the Company. The Company has submitted its reply updating and clarifying the matter. A joint Inspection has been made by UPPCB and their Report also confirms that the Untreated Discharge is from the Distillery owned by other Company.
5.	Case No.302395/18	Tehsildar, Dhampur Distt Bijnor UP.	State v. Mr. Sandeep Sharma	Under Section 122-B of UP ZA & LR Act regarding alleged encroachment of Land in Village Allahpur. The company is contesting, and the case is pending before the Tehsildar, Dhampur
6.	Case No.302396/18	Tehsildar, Dhampur Distt Bijnor UP.	State v. Mr. Sandeep Sharma	Under Section 122-B of UP ZA & LR Act regarding alleged encroachment of Land in Village Mohra. The company is contesting, and the case is pending before the Tehsildar, Dhampur.
B	Dhampur Bio Organics Ltd and/or its Directors			
7.	SEBI/ HO/ IVD/ ID11/ OW/ P/ 2019/ 0000032755 & 56	SEBI	Mr. Nalin Kumar Gupta and Mr. Mukul Sharma	Investigation in the matter of STRs received regarding off market transfers by certain entities in the scrip of Golden Leg and Leasing and Finance Ltd.– Entered into off market transactions of shares of GLFL without complying with the provisions of Spot Delivery Contract as mentioned at Section 2-i of the SCRA. SEBI has issued a Show cause Notice in this matter. SEBI vide its order no. Order/MC/VS/2021-22/13544-13547 dated 28 th September, 2021 disposed off the adjudication proceeding against Mr. Nalin Kumar Gupta. Further, SEBI vide its order no. Order/MC/VS/2021-22/14400-14405 dated 30 th November, 2021 disposed off the adjudication proceeding against Mr. Mukul Sharma.

53. **Winding up Proceedings:** To the best knowledge of the Companies, no winding-up petition (including under Section 433 read with Section 434 of the Companies Act, 1956) and/ or insolvency proceedings under the Insolvency and Bankruptcy Code, 2016 have been filed/ instituted and are pending against the Companies except as stated in **para 52** containing list of pending proceedings.
54. **Accounts:** The Audited Financial Results of the Demerged Company and Resulting Company for the financial year ended 31st March, 2021 are enclosed as **Annexure 10**. The Financial Results of the Demerged Company and the Resulting Company alongwith Limited Review Report for the period ended 30th September, 2021 are enclosed as **Annexure 11**.
55. **Shareholding Pattern and Capital Structure:** The Pre and Post (Expected) Scheme Shareholding Pattern of the Demerged Company and Resulting Company as on 30th September, 2021 are enclosed as **Annexure 12** and the Pre and Post (Expected) Scheme Capital Structure of the Demerged Company and Resulting Company are enclosed as **Annexure 13**.
56. The Demerged Company and the Resulting Company are required to seek approvals/sanctions/no-objections from certain regulatory and governmental authorities for the Scheme, such as the Registrar of Companies, Regional Director, Income-tax Department, SEBI, BSE and NSE. These approvals will be obtained by the Demerged Company and the Resulting Company at the relevant time.
57. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.
58. This Statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Rules. A copy of the Scheme and Explanatory Statement shall be furnished by the Demerged Company to its shareholders free of charge, within reasonable time on a requisition being so made for the same by the shareholders of the Demerged Company.
59. Copy of the Scheme along with this Explanatory Statement is being submitted to the Regional Director, Northern Region, Registrar of Companies, Kanpur, the Income Tax Authorities having jurisdiction of the Companies, SEBI, pursuant to the Order of the NCLT.
60. After the Scheme is approved by the equity shareholders, secured creditors and unsecured creditors of the Demerged Company, it will be subject to the approval/sanction by the NCLT.
61. Members entitled to attend and vote at the meeting may vote through remote e-voting to cast their respective votes prior to the date of the meeting or may attend the meeting through VC/OAVM and vote in person through e-voting at the meeting. Since this meeting is being held through VC/OAVM, physical attendance of equity shareholders has been dispensed with. Pursuant to the Circular No. 14/2020 dated 8th April 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this shareholder Meeting.

For Dhampur Sugar Mills Limited
Sd/-

Dated this 10th December, 2021
Place : Prayagraj

Mr. Rahul Agarwal
Chairperson appointed for the meeting

SCHEME OF ARRANGEMENT

BETWEEN

DHAMPUR SUGAR MILLS LIMITED

AND

DHAMPUR BIO ORGANICS LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013)

A. PREAMBLE

This scheme of arrangement ("**Scheme**", as more particularly defined hereinafter) is presented under Sections 230-232 and other applicable provisions of the Companies Act, 2013 and provides *inter alia* for demerger of the Demerged Undertaking (*as defined below*) of Dhampur Sugar Mills Limited and transfer of the same to Dhampur Bio Organics Limited ("**Demerger**") and matters consequential or connected therewith pursuant to the provisions of the Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions thereof read with Section 2(19AA) of the IT Act (*as defined below*), and the SEBI Circular (*as defined below*).

B. DESCRIPTION OF THE DEMERGED COMPANY AND THE RESULTING COMPANY

DHAMPUR SUGAR MILLS LIMITED is a public company, limited by shares, incorporated under the provisions of the Companies Act, 1913 under Corporate Identity No. L15249UP1933PLC000511 and having its registered office at Dhampur, district Bijnor, Uttar Pradesh- 246761 ("**Demerged Company**"). At present, the Demerged Company has five manufacturing units situated at: (i) Dhampur, district Bijnor, (ii) Mansurpur, district Muzaffarnagar, (iii) Rajpura, district Sambhal, (iv) Asmoli, district Sambhal and (v) Meerganj, district Bareilly, all in the State of Uttar Pradesh, having manufacturing facilities of sugar, power, industrial alcohol, ethanol, chemicals and potable alcohol with different capacities. The equity shares of the Demerged Company are listed on BSE Limited and the National Stock Exchange of India Limited.

DHAMPUR BIO ORGANICS LIMITED is a public company, limited by shares, incorporated under the provisions of the Companies Act, 2013 under Corporate Identity No. U15100UP2020PLC136939 having its registered office at Sugar Mill Compound, Village Asmoli, District Sambhal, Moradabad - 244304, Uttar Pradesh ("**Resulting Company**"). At present, all the shares of the Resulting Company are held by the Demerged Company and its nominees, such that the Resulting Company is a wholly owned subsidiary of the Demerged Company. The objects of the Resulting Company are similar to those of the Demerged Company, i.e. to carry out the dealing in and manufacturing of sugar, power and industrial alcohol, ethanol, chemicals and potable alcohol.



C. CIRCUMSTANCES FOR DEMERGER

The Demerged Company was established in the year 1933 with a single sugar manufacturing unit at Dhampur, Uttar Pradesh, having a capacity of 300 tonnes of cane crushing per day (TCD). Over the years, the Demerged Company has grown manifold under the aegis of Goel families (being the promoters / promoter group of the Demerged Company), supported by other stakeholders, by exponentially expanding its core business of sugar manufacturing as well as commencing various allied businesses.

Over the years the Demerged Company expanded its business by setting up necessary facilities for using by-products of sugar for co-generation of power; it also started supply of power to the state grid. The Demerged Company has also made commercial use of the other by-product, molasses, to manufacture industrial alcohol, ethanol, chemicals and potable alcohol. Once again capitalizing on favourable regulatory developments allowing mix of ethanol in petrol, the Demerged Company set up manufacturing facilities of ethanol having capacities of 400 kilo litres per day in its integrated sugar complexes at Dhampur and Asmoli.

The Demerged Company has now evolved from one sugar factory to five independent integrated sugar complexes having aggregate capacity of 45,500 tonnes cane crushing per day alongwith power co-generation, industrial alcohol, ethanol, chemicals and potable alcohol. Recognizing changing trends in consumer behavior, the Demerged Company has also introduced branded sugar under the brand name 'Dhampure'. The growth outlook for both, sugar (branded and unbranded), and ethanol as products is promising.

The journey thus far has been under the stewardship of the promoter-manager families presently represented by Mr. Gaurav Goel and Mr. Gautam Goel, jointly who are both Managing Directors.

It is now proposed, by way of the Demerger, to segregate the management and ownership of the different integrated manufacturing facilities/units of the Demerged Company for cane crushing, co-generation of power and industrial alcohol, ethanol, chemicals and potable alcohol between the Demerged Company and Resulting Company without splitting any of such standalone manufacturing units. This will enable creation of two separate platforms for maximum exploitation of each of the above business opportunities through each of the Companies (*as defined below*), including in particular by streamlining management and administration and enabling the pursuit of diverse and independent strategic aspirations, in a manner that unlocks and maximises value for all shareholders and drives future strategic growth under the overall Dhampur legacy.

D. RATIONALE

- (i) The proposed Demerger will create opportunities for pursuing independent growth and expansion strategies in the segregated businesses and effectively unlock value of each of the manufacturing units. The Demerger also represents an opportunity for the public shareholders to exploit the individual potential of both Companies.
- (ii) The segregation will allow each of the Companies to create a strong and distinctive platform with more focused management teams, which will enable greater flexibility to



pursue long-term objectives and independent business strategies. The structure will streamline management and provide diversity in decisions regarding the use of respective cash flows for dividends, in capital expenditure or other reinvestment in their respective business, and in being able to explore varied investment opportunities and attract various investors and strategic partners.

- (iii) The business units of the Demerged Company are independent, self-sufficient in raw material, and standalone integrated, and would continue to function with efficiency, efficacy and synergies after the Demerger, and transition will be largely seamless.
- (iv) The Demerger at this juncture will also create a framework for succession planning including long term leadership of each Company with a view to ensure that the management and ownership model of the Demerged Company is not hindered by fragmentation of ownership and dispersed leadership over time as the promoter-manager families move closer to a generational shift, which may be detrimental to the Demerged Company, business and stakeholders. Instead, following the Demerger, the management of each Company and ownership of the promoter-managers in each Company will remain consolidated within a family group and will be lean and agile. This will also ensure long term stability including through continued maintenance of goodwill and harmony and allow for succession planning in an orderly and strategic manner without any business disruption.
- (v) The shareholding of public shareholders following the Demerger will remain the same in both Companies and shareholder value, across Companies, will be preserved and remain unchanged.

E. OPERATION OF THE SCHEME

- (I) The Demerged Undertaking of the Demerged Company is proposed to be demerged and transferred to the Resulting Company for achieving the above mentioned objectives, pursuant to Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions thereof read with Section 2(19AA) of the IT Act (*as defined below*), and the SEBI Circular (*as defined below*).
- (II) The Resulting Company shall issue and allot equity shares to all the shareholders of the Demerged Company in proportion to their shareholding in the Demerged Company, as consideration for the transfer of the Demerged Undertaking (*as defined below*). The Demerger of the Demerged Undertaking in accordance with this Scheme shall take effect from the Appointed Date and shall be in accordance with Section 2(19AA) of the IT Act, such that:
 - (a) All the properties of the Demerged Undertaking as on the Appointed Date shall be transferred to and become the properties of the Resulting Company by virtue of this Scheme;
 - (b) All the liabilities relating to the Demerged Undertaking, as on the Appointed Date shall become the liabilities of the Resulting Company by virtue of this Scheme;



- (c) The properties and the liabilities relating to the Demerged Undertaking shall be transferred to the Resulting Company at the value appearing in the books of accounts of the Demerged Company immediately before this Demerger;
- (d) The Resulting Company shall issue, in consideration of this Demerger, its equity shares to all the shareholders of the Demerged Company as on the Record Date on a proportionate basis, in accordance with this Scheme;
- (e) All the shareholders of the Demerged Company as on the Record Date shall become the shareholders of the Resulting Company by virtue of this Demerger;
- (f) The transfer of the Demerged Undertaking shall be on a going concern basis; and
- (g) The Demerger is in accordance with the conditions, if any, notified under sub-section (5) of section 72A of the IT Act, by the Central Government in this behalf.

If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of Section 2(19AA) of the IT Act, at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(19AA) of the IT Act shall prevail and the Scheme shall be modified, in accordance with Clause 30, to the extent determined necessary to comply with Section 2(19AA) of the IT Act. Such modifications shall however not affect the other parts of the Scheme.

- (III) Immediately following the issue and allotment of the New Equity Shares (*as defined below*) by the Resulting Company to the equity shareholders of the Demerged Company, the existing shareholding of the Demerged Company and its nominees in the Resulting Company will stand cancelled, extinguished and annulled which shall be regarded as reduction of share capital of the Resulting Company.
- (IV) Following the completion of the issuance and allotment of shares of the Resulting Company to all the shareholders of the Demerged Company as above, GV Promoter Group (*as defined below*) shall subsequently transfer the equity shares held by them in the Resulting Company to GT Promoter Group and GT Promoter Group (*as defined below*) shall transfer the equity shares held by them in the Demerged Company to GV Promoter Group, in accordance with this Scheme.

F. GENERAL

This Scheme is divided into the following parts:

- (a) Part I of the Scheme deals with definitions and interpretation, and sets out the share capital of the Demerged Company and the Resulting Company;
- (b) Part II of the Scheme deals with the Demerger of the Demerged Undertaking from the Demerged Company as a going concern and transfer to and vesting into the Resulting Company; and
- (c) Part III of the Scheme deals with the transfer by GV Promoter Group of the equity shares held by them in the Resulting Company to GT Promoter Group and, the transfer by GT Promoter Group of the equity shares held by them in the Demerged Company to GV Promoter Group, and matters consequential thereto; and
- (d) Part IV of the Scheme deals with the general terms and conditions applicable to the Scheme.



PART I

(DEFINITIONS, INTERPRETATION & SHARE CAPITAL)

1. DEFINITIONS AND INTERPRETATION

1.1 In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

"Accounting Standards" means the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time, as per Section 133 of the Companies Act, 2013 issued by the Ministry of Corporate Affairs and the other generally accepted accounting principles in India.

"Act" or "the Act" means the Companies Act, 2013 (to the extent notified and including any statutory modifications or re-enactment(s) thereof) and rules and regulations made thereunder.

"Applicable Law" means any applicable statute, notification, by laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Appropriate Authority, including any statutory modification or re-enactment thereof for the time being in force.

"Appointed Date" means opening business hours of April 1, 2021 or such other date as the NCLT may direct/allow.

"Appropriate Authority" means any applicable central, state or local government legislative body, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority, or any court, arbitrator, alternative dispute resolution body or tribunal, or entitled to exercise, any administrative, executive, judicial, legislative functions of the government, in each case with applicable jurisdiction, including but not limited to SEBI, Stock Exchanges, the Competition Commission of India, regional director, Ministry of Corporate Affairs, Registrar of Companies and NCLT.

"Board" in relation to the Demerged Company and the Resulting Company, as the case may be, means the board or directors of such company and shall include a committee of directors or any person authorized by the Board or such committee of directors duly constituted and authorised for the purposes of matters pertaining to the arrangement as contemplated under this Scheme and/or any other matter relating thereto.

"BSE" means the BSE Limited.

"Companies" means the Demerged Company and the Resulting Company collectively and each referred to as **"Company"** individually.



“Demerged Company” means Dhampur Sugar Mills Limited, a public company, limited by shares incorporated under the provisions of the Companies Act, 1913 under Corporate Identity No. L15249UP1933PLC000511 and having its registered office at Dhampur, district Bijnor – 246761, Uttar Pradesh and having PAN AABCT2827N.

“Demerged Undertaking” means all the business, undertakings, properties, activities, operations, investments and liabilities of whatsoever nature and kind and wheresoever situated, of the Demerged Company, in relation to and pertaining to the Demerged Units on a going concern basis, together with all assets and liabilities pertaining to the Demerged Units and shall include (without limitation):

- (a) all the movable and immovable properties, tangible or intangible, including all computers and accessories, software, applications, digital properties and related data, related investments, plant and machinery, equipment, furniture, fixtures, vehicles, stocks and inventory, leasehold assets and other properties in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, assets including cash in hand, amounts lying in the banks, investments including shareholding in DIPL, escrow accounts, claims tax credits, input credits, pro rata minimum alternate tax credits, tax refunds and claims of any kind, allotments, approvals, consents, letters or intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, freehold, brands, goodwill, other intangibles, industrial and other licenses, approvals, permits, authorizations, Intellectual Property, assignments and grants in respect thereof, import and export quotas and other quota rights, right to use and avail of telephones, facsimile, email, internet and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds and benefits (including all work in progress), of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, local authorities or any other person including customers, contractors or other counter parties, etc., all earnest monies and/or deposits, privileges, liberties, easements, advantages, benefits, exemptions, privileges and approvals of whatsoever nature and where so ever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Demerged Company in relation to the Demerged Units as stated above as on the Appointed Date, including those listed in **Schedule I**;
- (b) all receivables, loans and advances, including accrued interest thereon, all advance payments, earnest monies and/or security deposits, payment against warrants, if any, or other entitlements of the Demerged Company pertaining to the Demerged Units as on the Appointed Date;
- (c) all employees of the Demerged Company engaged in or in relation to the Demerged Units, along with all benefits under employment including gratuity, superannuation, pension benefits and the provident fund or other compensation or benefits of such employees;
- (d) all the Transferred Liabilities (*as defined below*);
- (e) all books, records, files, papers, engineering and process information, records of standard operating procedures, computer programs and softwares along with their licenses and registrations, drawings, manuals, data, catalogues, quotations, sales and advertising



materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, in connection with or relating to the Demerged Units as stated above of the Demerged Company;

- (f) all legal proceedings (past, present or future) of whatsoever nature by or against the Demerged Company relating to the Demerged Undertaking;
- (g) any assets, liabilities, agreements, undertakings, activities, operations or properties that are determined by the Boards of the Companies relating to or forming part of the Demerged Units or which are necessary for conduct of, or the activities or operations of, the Demerged Units.

"Demerged Units" means the following sugar, industrial alcohol, ethanol, chemicals and potable alcohol and power manufacturing units of the Demerged Company, each of which is referred to as a going concern:

- (i) Asmoli unit situated at Asmoli, district Sambhal (Uttar Pradesh), including the sugar manufacturing plant having capacity of 9,000 tonnes crushing per day of sugarcane, 1,50,000 litres of distillery/chemicals per day including ethanol etc. and 43.5 megawatts co-generation of power;
- (ii) Mansurpur unit situated at Mansurpur, district Muzaffarnagar (Uttar Pradesh), including the sugar manufacturing plant having capacity of 8,000 tonnes crushing per day of sugarcane and 33 megawatts co-generation of power; and
- (iii) Meerganj unit situated at Meerganj, district Bareilly (Uttar Pradesh) including the sugar manufacturing plant having capacity of 5,000 tonnes crushing per day of sugarcane and 19 megawatts co-generation of power.

"DIPL" means Dhampur International Pte. Ltd., a company incorporated under the laws of Singapore and having its registered office at 30 Kallang Place, #05-03/04 Singapore - (339159).

"Effective Date" means the date or the last date of the dates on which all the conditions and matters referred to in Clause 31 of the Scheme occur or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme. References in this Scheme to the "date of coming into effect of this Scheme" or "upon the Scheme becoming effective" or "effectiveness of the scheme" shall mean the effective date.

"Encumbrance" or to **"Encumber"** (including with correlative meaning, the term **"Encumbered"**) means without limitation any options, claim, pre-emptive right, easement, limitation, attachment, restraint, mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law.

"GV Promoter Group" means Mr. Ashok Kumar Goel, Mrs. Vinita Goel, Mr. Gaurav Goel, Ms. Ishira Goel, Goel Investments Limited, Saraswati Properties Limited and Ujjwal Rural Services Limited.



"GT Promoter Group" means Mr. Vijay Kumar Goel, Mrs. Deepa Goel, Mr. Gautam Goel Mrs. Bindu Vashist Goel, Shudh Edible Products Private Limited and Sonitron Limited.

"Intellectual Property" means patents, utility models, rights in inventions, supplementary protection certificates, rights in information (including know-how, confidential information and trade secrets) and the right to use, and protect the confidentiality of, confidential information, trade marks, service marks, rights in logos, trade and business names, rights in each of get-up and trade dress and all associated goodwill, rights to sue for passing off and/or for unfair competition and domain names, copyright, moral rights and related rights, rights in computer software, database rights, rights in designs, and semiconductor topography rights, any other intellectual property rights, all rights or forms of protection.

"IT Act" means the Income-tax Act, 1961 as may be amended or supplemented from time to time (and any successor provisions or law), including any statutory modifications or reenactments thereof together with all applicable by-laws, rules, regulations, orders, ordinances, directions including circulars and notifications and similar legal enactments, in each case issued under the Income-tax Act, 1961.

"Liability(ies)" means liabilities of every kind, nature and description whether deriving from contract or under Applicable Law or otherwise, including contingent liabilities, whether past, present or future, including, but not limited to, dues, debts, loans, secured loans, unsecured loans, borrowings, statutory liabilities, contractual liabilities, duties, obligations, guarantees and those arising out of proceedings of any nature, along with any Encumbrance thereon.

"NCLT" means National Company Law Tribunal at Allahabad having jurisdiction in relation to the Demerged Company and Resulting Company and / or the National Company Law Appellate Tribunal as constituted and authorized as per the provisions of the Act for approving any scheme of arrangement, compromise or reconstruction of companies under Sections 230-232 of the Act and shall include, if applicable, such other forum or authority as may be vested with the powers of a tribunal for the purposes of Sections 230-232 of the Act as may be applicable.

"NSE" means the National Stock Exchange of India Limited.

"Promoter Groups" means the GV Promoter Group and GT Promoter Group collectively.

"Record Date" shall be the date to be fixed by the Board of the Demerged Company in consultation with the Resulting Company, for the purpose of determining the equity shareholders of the Demerged Company for issue of New Equity Shares (*as defined in Clause 12 below*), pursuant to this Scheme.

"Registrar of Companies" means the Registrar of Companies at Kanpur, Uttar Pradesh.

"Remaining Undertaking" means all the undertakings, businesses, activities, properties, operations, investments, intellectual property rights and liabilities of the Demerged Company other than those comprised in the Demerged Undertaking and including, for the avoidance of doubt, the Demerged Company's undertakings, investments, businesses, activities and operations relating to: (i) Dhampur district Bijnor, (ii) Rajpura district Sambhal.



"Resulting Company" means Dhampur Bio Organics Limited a public company, limited by shares, incorporated under the provisions of the Act, under Corporate Identity No. U15100UP2020PLC136939 and having its registered office at Sugar Mill Compound, Village Asmoli, District Sambhal, Moradabad - 244304 in the State of Uttar Pradesh and having PAN AAKCR5540B.

"Sanction Order" means the order of the NCLT sanctioning this Scheme.

"Scheme" or "the Scheme" or "this Scheme" means this scheme of arrangement in its present form submitted to the NCLT or any other Appropriate Authority in the relevant jurisdiction with any modification(s) thereof made under this Scheme or as directed by the NCLT or any other Appropriate Authority and accepted by the Companies.

"SEBI" means the Securities and Exchange Board of India.

"SEBI Circular" shall mean the circular issued by the SEBI, being Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended by Circular Nos. CFD/DIL3/CIR/2018/2 dated January 3 2018 and SEBI/HO/CFD/DIL1/P/CIR/2020/215 dated November 3, 2020, as consolidated in SEBI/HO/CFD/DIL1/P/CIR/ 2020/249 dated December 22, 2020 and any amendments thereof.

"SEBI LODR Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time.

"Stock Exchanges" means NSE and BSE, as may be applicable.

"Takeover Regulations" means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the IT Act, the Depositories Act, 1996 and other Applicable Laws, rules, regulations, bye laws, as the case may be, including any statutory modifications or re-enactment thereof from time to time.

1.2 In this Scheme, unless the context otherwise requires:

- 1.2.1 words denoting singular shall include plural and vice versa;
- 1.2.2 headings and bold type face are only for convenience and shall be ignored for the purposes of interpretation;
- 1.2.3 references to the word "include" or "including" shall be construed without limitation;
- 1.2.4 a reference to an article, clause, section, paragraph, schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
- 1.2.5 The schedule forms an integral part of this Scheme and shall have the same force and effect as if expressly set out in the body of this Scheme and any reference to this Scheme shall include the schedule;



- 1.2.6 references to dates and times shall be construed to be references to Indian dates and times;
- 1.2.7 reference to a document includes an amendment or supplement to, or replacement or novation of that document;
- 1.2.8 reference to any law or legislation or regulation shall include amendment(s), circular(s), notification(s), clarification(s) or supplement(s) to, or replacement or amendment of that law or legislation or regulation;
- 1.2.9 word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them; and
- 1.2.10 references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, limited liability partnership, works council or employee representatives' body (whether or not having separate legal personality).

2. DATE OF TAKING EFFECT AND OPERATIVE DATE:

The Scheme shall be effective from the Appointed Date but shall be operative from the Effective Date.

3. SHARE CAPITAL

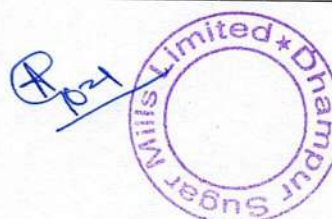
3.1 The Share capital of the Demerged Company as on Appointed Date is as under:

Authorised Share Capital	Amount (Rs.)
11,38,26,000 Equity Shares of Rs. 10 each	113,82,60,000
69,17,400 Preference Shares of Rs. 100 each	69,17,40,000
TOTAL	183,00,00,000
Issued & Subscribed	
6,67,13,086 Equity Shares of Rs. 10 each	66,71,30,860
Paid Up	
6,63,87,590 Equity Shares of Rs. 10 Each fully paid up	66,38,75,900
3,25,496 Forfeited Shares (to the extent paid up)	6,52,480
Paid Up Capital	66,45,28,380

The equity shares of the Demerged Company are listed on the Stock Exchanges.

3.2 The share capital of the Resulting Company as on Appointed Date is as under:

Authorised Share Capital	Amount (Rs.)
1,00,000 Equity Shares of Rs. 10 Each	10,00,000
Paid Up Capital	
10,000 Equity Shares of Rs. 10 Each	1,00,000



The equity shares of the Resulting Company are presently not listed on any stock exchange. An application shall be made with the Stock Exchanges post the effectiveness of the Scheme, for listing of the shares of the Resulting Company as mentioned in this Scheme.

PART II

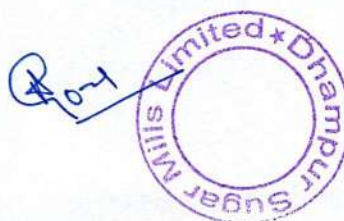
(TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING FROM THE DEMERGED COMPANY TO THE RESULTING COMPANY)

4. TRANSFER AND VESTING OF DEMERGED UNDERTAKING

Upon the Scheme becoming effective and with effect from the Appointed Date, the Demerged Undertaking shall, in accordance with Section 2(19AA) of the IT Act and pursuant to Sections 230 to 232 and other applicable provisions of the Act, and pursuant to the Sanction Order, without any further act, instrument or deed, be demerged from the Demerged Company and stand transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company as a going concern in the manner set out below.

5. TRANSFER OF ASSETS

- 5.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, and subject to the provisions of this Scheme in relation to the mode of transfer and vesting of the Demerged Undertaking and the applicable provisions of the Act, the Demerged Undertaking (including accretions and appurtenances) shall, without any further act, instrument or deed, be demerged from the Demerged Company and shall stand transferred to and vested in, and/or be deemed to have been demerged and stand transferred to and vested in the Resulting Company on a going concern basis, so as to become on and from the Appointed Date, the estate, assets, rights, claims, investments, title, interest and authorities of the Resulting Company, subject to the provisions of this Scheme in relation to encumbrances in favour of banks and/or financial institutions, pursuant to Sections 230 to 232 of the Act and all other applicable provisions, if any, of the Act and in accordance with the provisions of Section 2(19AA) of the IT Act.
- 5.2 Without prejudice to the generality of Clause 4 and 5.1 above, upon coming into effect of this Scheme and on and from the Appointed Date:
- 5.2.1 the Demerged Undertaking including all its assets, properties, investments, shareholding interests in other companies, claims, title, interest, assets of whatsoever nature such as licenses and all other rights, title, interest, contracts or powers of every kind nature and description of what so ever nature and where so ever situated shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the Sanction Order and without further act or deed or instrument, but subject to the charges affecting the same as on the Appointed Date, be and stand transferred to and vested in the Resulting Company as a going concern.
- 5.2.2 With respect to the assets forming part of the Demerged Undertaking that are movable in nature or are otherwise capable of being transferred by manual delivery or by paying over or endorsement and/or delivery, including but not limited to shares, marketable instruments and other securities, cash and cash balances, units of mutual funds, the same may be so transferred pursuant to the provisions of Sections 230-232 of the Act or be deemed to be



transferred by delivery or possession or by endorsement and delivery by the Demerged Company without any further act or execution of an instrument with the intent of vesting such assets with the Resulting Company and shall become the property and assets of the Resulting Company as an integral part of the Demerged Undertaking subject to the provisions of this Scheme in relation to encumbrances in favour of banks and / or financial institutions.

- 5.2.3 Without prejudice to the generality of the aforesaid, the Demerged Undertaking, including all immovable property, whether or not included in the books of the Demerged Company, whether freehold or leasehold or licensed properties (including but not limited to land, buildings, sites and immovable properties and any other document of title, rights, interest, right of way and easements in relation thereto) of the Demerged Undertaking shall stand transferred to and be vested in the Resulting Company or be deemed to be transferred to and be vested in the Resulting Company automatically without any act or deed to be done or executed by the Demerged Company and/or the Resulting Company. All lease or license or rent agreements pertaining to the Demerged Undertaking, entered into by the Demerged Company with various landlords, owners and lessors in connection with the use of the assets of the Demerged Company, together with security deposits, shall stand automatically transferred in favour of the Resulting Company on the same terms and conditions, subject to Applicable Law, without any further act, instrument or deed. The Resulting Company shall continue to pay rent amounts as provided for in such agreements and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreements by the Demerged Company. For the purpose of giving effect to the vesting order passed under Sections 230 to 232 of the Act in respect of this Scheme, the Resulting Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfill all its obligations in relation to or applicable to all such immovable properties, including mutation and/or substitution of the ownership or the title to, or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authority(ies) in favour of the Resulting Company pursuant to the Sanction Order and upon the effectiveness of this Scheme in accordance with the terms hereof without any further act or deed to be done or executed by the Demerged Company and / or the Resulting Company. It is clarified that the Resulting Company shall be entitled to engage in such correspondence and make such representations, as may be necessary for the purposes of the aforesaid mutation and/or substitution.
- 5.2.4 Notwithstanding any provision to the contrary, from the Effective Date and until the owned property, leasehold property and related rights thereto, license/right to use the immovable property, tenancy rights, liberties and special status are transferred, vested, recorded effected and / or perfected, in the records of the Appropriate Authority, in favour of the Resulting Company, the Resulting Company is deemed to be authorized to carry on business in the name and style of the Demerged Company under the relevant agreement, deed, lease and/or license, as the case may be, and the Resulting Company shall keep a record and/or account of such transactions.
- 5.2.5 With respect to the movable assets of the Demerged Undertaking other than those referred to in Clause 5.2.2 above, whether or not the same is held in the name of the Demerged Company, including but not limited to sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits with any Appropriate Authorities or



any other bodies and / or customers or any other person, if any, forming part of the Demerged Undertaking, whether recoverable in cash or in kind or for value to be received, bank balances, etc., the same shall, without any further act, instrument or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Resulting Company on the Appointed date pursuant to the provisions of Sections 230 to 232 of the Act to the end and intent that the right of the Demerged Company to recover or realize the same stands transferred to the Resulting Company, and that appropriate entries shall be passed in their respective books to record the aforesaid change, without any notice or other intimation to such debtors, depositors or persons as the case may be. The Resulting Company may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Resulting Company and be paid or made good or held on account of the Resulting Company as the person entitled thereto.

- 5.2.6 All Intellectual Property and rights thereto of the Demerged Company, whether registered or unregistered, along with all rights of commercial nature including attached goodwill, title, interest, and all other interests relating to the goods or services being dealt with by the Demerged Company in relation to the Demerged Undertaking, and as identified in more specific detail in Schedule I, shall be transferred to, and vest in, the Resulting Company. It is clarified that notwithstanding the transfer of the Intellectual Property as contemplated under this Clause 5.2.6, both the Demerged Company and the Resulting Company shall be entitled to continue to use the word 'Dhampur' whether as part of the corporate names (including in respect of any subsidiaries, associate companies, joint ventures, etc.), logos, brand names, trademarks, products, programmes or services, present or future. The Companies may also enter into appropriate arrangements in respect of the use or license, for no charge, by the Demerged Company of the Intellectual Property which is transferred to the Resulting Company under this Scheme or *vice versa* for such transition period or on a long term basis as the Boards may deem fit.
- 5.2.7 All assets, estate, rights, title, interest and authorities acquired by the Demerged Company on or after the Appointed Date and prior to the Effective Date forming part of the Demerged Undertaking shall also stand transferred to and vested or be deemed to have been transferred to or vested in the Resulting Company upon the coming into effect of this Scheme without any further act, instrument or deed.
- 5.3 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, in order to ensure the smooth transition and sales of products and inventory of the Demerged Company manufactured and / or branded and/ or labelled and / or packed in the name of the Demerged Company prior to the Effective Date insofar as they relate to the Demerged Undertaking, the Resulting Company shall have the right to own, use, market, sell, exhaust or to in any manner deal with any such products and inventory (including packing material) pertaining to the Demerged Company at manufacturing locations or warehouses or elsewhere, without making any modifications whatsoever to such products and / or their branding, packing or labelling. All invoices/ payment related documents pertaining to such products and inventory (including packing material) may be raised in the name of the Resulting Company after the Effective Date.



- 5.4 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme, the Resulting Company may, at any time on or after the Effective Date, in accordance with the provisions hereof if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Resulting Company shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company.
- 5.5 Upon the Effective Date and with effect from the Appointed Date, in relation to assets, if any, which require separate documents for vesting in the Resulting Company, or which the Demerged Company and/or the Resulting Company and or the Resulting Company otherwise desire to be vested separately, the Demerged Company and the Resulting Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.
- 5.6 In so far as the various incentives, tax exemption and benefits, tax credits, subsidies, grants, special status and other benefits or privileges enjoyed, granted by any Appropriate Authority, or availed of by the Demerged Company, in relation to or in connection with the Demerged Undertaking as on the Appointed Date are concerned, including income tax deductions recognitions and exemptions, the same shall, without any further act or deed, vest with and be available to the Resulting Company on the same terms and conditions on and from the Appointed Date.
- 5.7 As per the provisions of Section 72A(4) and other applicable provisions of the IT Act, all accumulated tax losses and unabsorbed depreciation of the Demerged Company, with effect from the Appointed Date, shall be:
- (a) where such loss or unabsorbed depreciation is directly relatable to the Demerged Undertaking transferred to the Resulting Company, be allowed to be carried forward and set off in the hands of the Resulting Company; and
 - (b) where such loss or unabsorbed depreciation is not directly relatable to the Demerged Undertaking transferred to the Resulting Company or to the Remaining Undertaking, be apportioned between the Demerged Company and the Resulting Company in the same proportion in which the assets of the undertakings have been retained by the Demerged Company and transferred to the Resulting Company, and be allowed to be carried forward and set off in the hands of the Demerged Company or the Resulting Company accordingly, as the case may be.
- 5.8 With respect to the investments made by the Demerged Company in shares, stocks, bonds, warrants, units of mutual funds or any other securities, shareholding interests in other companies, whether quoted or unquoted, by whatever name called, forming part of the Demerged Undertaking, the same shall, without any further act, instrument or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Resulting Company on the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.



- 5.9 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies etc., in relation to or in connection with the Demerged Undertaking, the Demerged Company shall if so required by the Resulting Company, issue notices in such form as the Resulting Company may deem fit and proper stating that pursuant to the Sanction Order under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Resulting Company, as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realize the same, stands transferred to the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 5.10 Any claims due to the Demerged Company from its customers or otherwise and which have not been received by the Demerged Company as on the date immediately preceding the Appointed Date as the case may be, in relation to or in connection with the Demerged Undertaking, shall also belong to and be received by the Resulting Company.
- 5.11 On and from the Effective Date and thereafter, the Resulting Company shall be entitled to operate all bank accounts of the Demerged Company, which are being operated exclusively in relation to or in connection with the Demerged Undertaking, and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Demerged Company, in relation to or in connection with the Demerged Undertaking in the name of the Resulting Company in so far as may be necessary until the transfer of rights and obligations of the Demerged Undertaking to the Resulting Company under this Scheme have been formally given effect to under such contracts and transactions.
- 5.12 For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to operate the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, in the name of the Demerged Company in so far as may be necessary. All cheques and other negotiable instruments, electronic fund transfers (such as NEFT, RTGS, etc.) and payment orders received or presented for encashment which are in the name of the Demerged Company, in relation to or in connection with the Demerged Undertaking, after the Appointed Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company. The Resulting Company shall be allowed to maintain bank accounts in the name of the Demerged Company for such time as may be determined to be necessary by the Resulting Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Demerged Company, in relation to or in connection with the Demerged Undertaking. It is hereby expressly clarified that any legal proceedings by or against the Demerged Company, in relation to or in connection with the Demerged Undertaking, in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company shall be instituted, or as the case may be, continued by or against the Resulting Company after the Effective Date.



6. TRANSFER OF LIABILITIES AND ENCUMBRANCES

- 6.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all the Transferred Liabilities (*as defined below*) as on the Appointed Date shall, without any further act or deed be and stand transferred to and be deemed to be transferred to the Resulting Company to the extent that they are outstanding as on the Effective Date and shall thereupon become on and from the Appointed Date (or in case of any Transferred Liability incurred on a date on or after the Appointed Date, with effect from such date), the liabilities of the Resulting Company, along with any charge, encumbrance, lien, security, relating thereto, on the same terms and conditions as were applicable to the Demerged Company and the Resulting Company shall meet, discharge and satisfy the same to the exclusion of the Demerged Company such that the Demerged Company shall in no event be responsible or liable in relation to any such Transferred Liabilities.
- 6.2 Where any of the Transferred Liabilities have been partially or fully discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company, and all liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking which forms a part of the Demerged Company after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Resulting Company, and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company and shall become the liabilities and obligations of the Resulting Company. It shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, obligations, duties and liabilities have arisen in order to give effect to the provisions of this Clause 6.
- 6.3 The term “**Transferred Liabilities**” shall mean:
- (a) The Liabilities which relate to or arise out of the activities or operations of the Demerged Undertaking;
 - (b) The specific loans or borrowings raised, incurred and utilized solely for the activities or operations of the Demerged Undertaking;
 - (c) In cases other than those referred to in Clauses 6.3(a) or 6.3(b) above, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company, as stand in the same proportion which the value of the assets transferred pursuant to this Scheme bear to the total value of the assets of the Demerged Company immediately prior to the Appointed Date.
- 6.4 Upon the coming into effect of this Scheme and with effect from the Appointed Date, save as agreed in writing between the Demerged Company and the Resulting Company: (i) the Demerged Company alone shall be liable to perform all obligations in respect of all debts, liabilities, duties and obligations pertaining to the Remaining Undertaking, and the Resulting Company shall not have any obligations in respect of the debts, liabilities, duties and obligations of the Remaining Undertaking; and (ii) the Resulting Company alone shall be liable to perform all obligations in respect of Transferred Liabilities, which have been transferred to



it in terms of this Scheme, and the Demerged Company shall not have any obligations in respect of such Transferred Liabilities.

- 6.5 The interests of all the unsecured creditors of the Demerged Company in connection with the Demerged Undertaking and of the Resulting Company remain unaffected by this Scheme as the assets of the Resulting Company upon the effectiveness of the Scheme will be more than the Transferred Liabilities and as such sufficient to discharge such Transferred Liabilities.
- 6.6 The vesting of the Demerged Undertaking as aforesaid, shall be subject to the existing Encumbrances, if any, subsisting in relation to any Liabilities of the Demerged Undertaking, provided however, any reference in any security documents or arrangements to which the Demerged Company is a party, wherein the assets of the Demerged Undertaking have been or are offered or agreed to be offered as securities for any financial assistance or obligations, shall be construed as a reference to only the assets pertaining to the Demerged Undertaking as are vested in the Resulting Company as per this Scheme, to the end and intent that any such Encumbrance shall not extend or be deemed to extend to any of the other assets of the Demerged Company or any of the other assets of the Resulting Company. Provided further, that the Encumbrances (if any subsisting) over and in respect of the assets or any part thereof of the Resulting Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such Encumbrances. If any of the assets comprised in the Demerged Undertaking which are transferred to the Resulting Company pursuant to this Scheme have not been Encumbered in respect of the Transferred Liabilities, such assets shall remain unencumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over such assets. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Undertaking are concerned, the Encumbrance, if any, over such assets relating to the Transferred Liabilities, without any further act, instrument or deed being required, be released and discharged from the obligations and Encumbrances relating to the same. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred to the Resulting Company, pursuant to this Scheme and which shall continue with the Demerged Company, shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.
- 6.7 If any Encumbrance of the Demerged Company for the operations of the Demerged Undertaking exists as on the Appointed Date, but has been partially or fully released thereafter by the Demerged Company on or after the Appointed Date but prior to the Effective Date, such release shall be deemed to be for and on account of the Resulting Company upon the coming into effect of the Scheme and all Encumbrances incurred by the Demerged Company for the operations of the Demerged Undertaking on or after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Resulting Company, and such Encumbrances shall not attach to any property of the Demerged Company.
- 6.8 Subject to the other provisions of this Scheme, in so far as the assets forming part of the Demerged Undertaking are concerned, the Encumbrances over such assets, to the extent they relate to any loans or borrowings or debentures or other debt or debt securities of the Demerged Company pertaining to the Remaining Undertaking shall, as and from the Effective Date, without any further act, instrument or deed be released and discharged from the same



and shall no longer be available as Encumbrances in relation to liabilities of the Demerged Company pertaining to the Remaining Undertaking which are not transferred to the Resulting Company pursuant to the Scheme (and which shall continue with the Demerged Company).

- 6.9 In so far as the existing Encumbrances in respect of the loans and other liabilities relating to the Remaining Undertaking are concerned, such Encumbrances shall, without any further act, instrument or deed be continued with the Demerged Company only on the assets relating to the Remaining Undertaking and the assets forming part of the Demerged Undertaking shall stand released therefrom.
- 6.10 Without any prejudice to the provisions of the foregoing Clauses, the Demerged Company and the Resulting Company shall enter into and execute such deeds, instruments, documents and / or writings and do all such acts as may be required, including obtaining necessary consents, filing of necessary particulars and/ or modification(s) of charge, with the Registrar of Companies to give formal effect to the provisions of the foregoing Clauses, if required.
- 6.11 Any reference in any security documents or arrangements (to which the Demerged Company is a party) to the Demerged Company and its assets and properties, which relate to the Demerged Undertaking, shall be construed as a reference to the Resulting Company and the assets and properties of the Demerged Company transferred to the Resulting Company by virtue of the Scheme. The provisions of this Clause 6.11 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue of any security document, all of which instruments, deeds or writings shall stand modified and/ or suspended by the foregoing provisions.

7. TAXATION MATTERS

- 7.1 Any tax liabilities under Customs Act, 1962, Central Excise Act, 1944, value added tax laws, as applicable to any State in which the Demerged Company operates, Central Sales Tax Act, 1956, Central Goods and Services Tax Act, 2017 any other State sales tax/value added tax laws/ goods and services tax laws, or service tax, or corporation tax, income tax, or other applicable laws and regulations dealing with taxes / duties / levies / cess (hereinafter referred to as "Tax Laws") to the extent not provided for or covered by tax provision in the Demerged Company's accounts, in relation to or in connection with the Demerged Undertaking, made as on the date immediately preceding the Appointed Date shall be transferred to the Resulting Company. Any surplus in the provision for taxation / duties / levies / accounts as on the date immediately preceding the Appointed Date in relation to the Demerged Undertaking will also be transferred to the account of and belong to the Resulting Company. The Board of the Demerged Company and the Resulting Company shall be empowered to determine if any specific tax liability or any tax proceeding relates to the Demerged Undertaking and whether the same would be transferred to the Resulting Company.
- 7.2 Without prejudice to the generality of the above, various incentives, tax exemptions and benefits, tax credits, subsidies, grants, special status and other benefits or privileges enjoyed, granted by any Appropriate Authority or availed of by the Demerged Company, in relation to or in connection with the Demerged Undertaking as on the Appointed Date including pro rata



minimum alternate tax credit entitlement under IT Act shall without any further act or deed vest with and be available to the Resulting Company on the same terms and conditions on and from the Appointed Date.

- 7.3 The amount of minimum alternate tax credits under section 115JAA of the IT Act available with the Demerged Company on the Appointed date shall be apportioned to the Resulting company in the proportion of book profit under section 115JB of the IT Act of the Demerged Undertaking and book profit of the Demerged Company for the respective tax assessment years which shall, without any further act or deed, vest with and be available for set off under section 115JAA of the IT Act to the Resulting Company on the same terms and conditions on and from the previous year commencing from the Appointment Date.
- 7.4 Any actions taken by the Demerged Company to comply with Tax Laws (including payment of taxes, maintenance of records, payments, returns, tax filings, etc.) in respect of the Demerged Undertaking on and from the Appointed Date upto the Effective Date shall be considered as adequate compliance by the Demerged Company with such requirements under Tax Laws and such actions shall be deemed to constitute adequate compliance by the Resulting Company with the relevant obligations under such Tax Laws.
- 7.5 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and Annexures under the Tax Laws, and to claim refunds and/or credit for taxes paid (including minimum alternate tax, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- 7.6 Any refunds or credits, under the Tax Laws or other applicable laws/regulations dealing with taxes / duties / levies due to Demerged Company relating to Demerged Undertaking consequent to the assessment made on Demerged Company (including any refund for which no credit is taken in the accounts of the Demerged Company) as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company upon this Scheme becoming effective.
- 7.7 The tax payments (including but not limited to income tax, service tax, goods and services tax laws, excise duty, central sales tax, applicable state value added tax, etc.) whether by way of tax deducted at source, advance tax or otherwise howsoever, by the Demerged Company relating to Demerged Undertaking after the Appointed Date upto Effective Date, shall be deemed to be paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.
- 7.8 Further, any tax deducted at source by Demerged Company with respect to Demerged Undertaking on transactions with the Resulting Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.
- 7.9 Upon the Scheme coming into effect, any obligation of tax at source on any payment made by or to be made by the Demerged Company relating to Demerged Undertaking shall be made or deemed to have been made and duly complied with by Resulting Company.



- 7.10 All the expenses incurred by the Demerged Company and the Resulting Company in relation to the Demerger of the Demerged Undertaking, including stamp duty expenses, if any, shall be allowed as deduction to the Demerged Company and the Resulting Company in accordance with Section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.
- 7.11 Upon the Effective Date, the borrowing limits of the Resulting Company in terms of Section 180(1)(c) of the Act, shall, without any requirement of any further act or deed, stand enhanced by an amount being the aggregate borrowings forming part of the Transferred Liabilities which are being transferred to the Resulting Company pursuant to this Scheme and the Resulting Company shall not be required to pass any separate resolution in this regard. Such limits shall be incremental to the existing borrowing limits of the Resulting Company.

8. PERMITS, CONSENTS AND LICENSES

- 8.1 All the licenses, permits, quotas, approvals, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, allotments, insurance cover, clearances, authorities, privileges, affiliations, easements, rehabilitation schemes, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued to the Demerged Company, in relation to or in connection with the Demerged Undertaking, pursuant to the provisions of Sections 230 to 232 of the Act, shall without any further act, instrument or deed, be transferred to and vest in or be deemed to have been transferred to and vested in and be available to the Resulting Company so as to become as and from the Appointed Date, the estates, assets, rights, title, interests and authorities of the Resulting Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Law and the concerned licensors and grantors of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with Applicable Law, the Resulting Company on such approvals, clearances, permissions etc. so as to facilitate the transfer and vesting of the Demerged Undertaking in the Resulting Company and continuation of operations forming part of the Demerged Undertaking in the Resulting Company without hindrance and that such approvals, clearances and permissions etc. shall remain in full force and effect in favour of or against the Resulting Company, as the case may be, the Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or recipient or beneficiary or obligee thereto. The Demerged Company and the Resulting Company may execute necessary documentation to give effect to the foregoing, where required.
- 8.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, pre-qualifications, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to the Demerged Undertaking, including by any Appropriate Authority, including the benefits of any applications made for any of the foregoing, shall, subject to Applicable Law, stand transferred to the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be



available to the Resulting Company. The Resulting Company shall make necessary applications / file relevant forms to any Appropriate Authority as may be necessary in this behalf.

- 8.3 Upon this Scheme being effective, the past track record of the Demerged Company relating to the Demerged Undertaking, including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of the Resulting Company for all commercial and regulatory purposes including for the purposes of eligibility, standing, evaluation and participation of the Resulting Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.
- 8.4 Upon the Appointed Date and until the licenses, permits, quotas, approvals, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status are transferred, vested, recorded, effected, and / or perfected, in the record of the Appropriate Authority, in favour of the Resulting Company, the Resulting Company is authorized to carry on business in the name and style of the Demerged Company, in relation to or in connection with the Demerged Undertaking, and under the relevant license and or permit and/or approval, as the case may be, and the Resulting Company shall keep a record and / or account of such transactions.

9. CONTRACTS, DEEDS, ETC.

- 9.1 Upon coming into effect of this Scheme and subject to the other provisions of this Scheme, all contracts, deeds, bonds, schemes, insurance, letters of intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature forming part of the Demerged Undertaking to which the Demerged Company is a party or to the benefit of which the Demerged Company is eligible and which is subsisting or having effect on the Effective Date, shall without any further act or deed, continue in full force and effect against or in favour of the Resulting Company and may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto. It shall not be necessary to obtain the consent of any third party or other person who is a party to any such contracts, deeds, bonds, agreements, schemes, arrangements and other instruments to give effect to the provisions of this Clause 9.1 of the Scheme. The Resulting Company will, if required, enter into a novation agreement in relation to such contracts, deeds, bonds, agreements and other instruments as stated above.
- 9.2 The Resulting Company may at its sole discretion enter into and / or issue and / or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme. The Resulting Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Demerged Company for the Demerged Undertaking and to implement or carry out all formalities required to give effect to the provisions of this Scheme.
- 9.3 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of the Scheme, in accordance with its provisions, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements



with any party to any contract or arrangement to which the Demerged Company is a party, or any writings as may be necessary, in order to give formal effect to the provisions of this Scheme. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.

- 9.4 If any assets (including but not limited to any estate, rights, title, interest in or authorities relating to such assets) which the Demerged Company owns in relation to or in connection with the Demerged Undertaking, any Liabilities that pertain to the Demerged Company and / or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature ("**Contracts**") to which the Demerged Company is a party in relation to or in connection with the Demerged Undertaking, have not been transferred to the Resulting Company, the Demerged Company, as applicable, shall hold such assets, Liabilities and / or Contracts, as the case may be, in trust for the benefit of the Resulting Company insofar as it is permissible so to do till the time such assets, Liabilities and / or Contracts are duly transferred to the Resulting Company, subject to Applicable Law. The Demerged Company and Resulting Company shall, however, between themselves, treat each other as if that all contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking had been transferred to the Resulting Company on the Effective Date. The Demerged Company, as applicable shall render all necessary assistance to and fully cooperate with, the Resulting Company with respect to such assets, Liabilities and / or Contracts for the purposes of transfer to the Resulting Company. The Resulting Company shall perform or assist the Demerged Company in performing all of the obligations under those contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature, to be discharged after the Effective Date. Notwithstanding any such mechanism or arrangement between the Demerged Company and Resulting Company pursuant to this Clause 9.4, the Companies agree that the Demerged Company shall with respect to period after the Effective Date, (i) not be responsible for performance of any obligations or for any liabilities whatsoever arising from or in relation to the Demerged Undertaking; and (ii) not be entitled to any rights or to receive any benefits whatsoever in relation to the Demerged Undertaking. The economic, financial, technical and operational responsibility and all related costs and expenses (direct and incurred), liabilities and taxes in connection with the Demerged Undertaking, shall rest and be borne entirely and exclusively by Resulting Company after the Effective Date. Resulting Company shall promptly pay, indemnify and hold harmless the Demerged Company for and from any such costs and expenses, losses, damages, liabilities and taxes or requirements under the Contract(s) after the Effective Date if arising pursuant to the arrangement between the Demerged Company and Resulting Company under this Clause 9.4.

10. EMPLOYEES

- 10.1 Upon the effectiveness of this Scheme and with effect from the Appointed Date, all the employees of the Demerged Company who are either: (i) engaged in or relate to the Demerged Units as on the Effective Date, or (ii) jointly identified by the Boards of the Companies as being necessary for the proper functioning of the Demerged Units including their future development ("**Transferred Employees**") shall be deemed to have become employees of the



Resulting Company on terms and conditions which are not less favourable than those applicable to them with reference to their employment in the Demerged Company, with effect from the Appointed Date or their respective joining date, whichever is later, on the basis of continuity of service and without any interruption of service as a result of transfer of the Demerged Undertaking to the Resulting Company. The services of all Transferred Employees with the Demerged Company prior to the Demerger shall be taken into account for the purposes of all benefits to which the Transferred Employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits and to this effect the accumulated balances, if any, standing to the credit of the Transferred Employees in the existing provident fund, gratuity fund and superannuation funds nominated by the Resulting Company and/or such new provident fund, gratuity fund and superannuation fund to be established and caused to be recognized by the Appropriate Authorities, by the Resulting Company, or to the government provident fund in relation to the Transferred Employees who are not eligible to become members of the provident fund maintained by the Resulting Company.

- 10.2 Upon the Scheme becoming effective, insofar as the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff and employees of the Demerged Company (including the Transferred Employees) are concerned, such proportion of the investments made in the funds and liabilities which are referable to the Transferred Employees shall be transferred to the similar funds, if any, created by the Resulting Company and shall be held for their benefit pursuant to this Scheme, or at the sole discretion of the Resulting Company, maintained as separate funds by the Resulting Company. In the event that the Resulting Company does not have its own funds in respect of any of the above mentioned funds, the Resulting Company may, to the extent permitted by the contracts or deeds or Applicable Law governing these funds and subject to necessary approvals and permissions, continue to contribute to the relevant funds of the Demerged Company, until such time that the Resulting Company creates its own funds or decides not to form its own funds, at which time the funds and the investments and contributions pertaining to the Transferred Employees shall be transferred to the funds created by the Resulting Company or to the concerned funds of relevant Appropriate Authority (such as of the Employees' Provident Fund Organization) and other funds as the case may be. Where the Resulting Company decides not to form its own funds, and if certain benefits cannot be provisioned for through the funds of relevant Appropriate Authority, these benefits are to be provided in any other legally compliant manner, and the Parties shall, at that time, agree on the mode for transfer of the relevant amounts from the appropriate funds of the Demerged Company.
- 10.3 Further to the transfer of funds as set out in Clause 10.2 above, for all purposes whatsoever in relation to the administration or operation of such funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, all rights, duties, powers and obligations of the Demerged Company in relation to the Demerged Undertaking as on the Effective Date in relation to such funds shall become those of the Resulting Company. It is clarified that the services of the Transferred Employees of the Demerged Company forming part of the Demerged Undertaking will be treated as having been continuous for the purpose of the said funds.



- 10.4 In relation to those Transferred Employees who are not covered under the provident fund trust of the Resulting Company, and for whom the Demerged Company is making contributions to the government provident fund, the Resulting Company shall stand substituted for the Demerged Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Transferred Employees.
- 10.5 In so far as the existing benefits or funds created by the Demerged Company for the employees of the Demerged Company other than the Transferred Employees are concerned, the same shall continue and the Demerged Company shall continue to contribute to such benefits or funds in accordance with the provisions thereof, and such benefits or funds, if any, shall be held inter alia for the benefit of the employees of the Remaining Undertaking, and the Resulting Company shall have no liability in respect thereof.

11. PROCEEDINGS

- 11.1 Upon the coming into effect of this Scheme, if any suit, cause of actions, appeal, or other legal, taxation, quasi-judicial, arbitral, administrative, or other proceedings of whatever nature, whether civil or criminal, under any Applicable Law (hereinafter referred to as the "Proceedings") by or against the Demerged Company be pending, in relation to or in connection with the Demerged Undertaking, on the Effective Date or which may be instituted thereafter the same shall not abate, be discontinued or be in anyway prejudicially affected by reason of the transfer and vesting of the Demerged Undertaking or of anything contained in the Scheme, but such Proceedings may be continued, prosecuted, defended, and enforced by or against the Resulting Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Demerged Company as if the Scheme had not been made.
- 11.2 The Resulting Company shall have all Proceedings initiated by or against the Demerged Company with respect to the Demerged Undertaking, transferred into its name as soon as reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company.
- 11.3 If any Proceedings are initiated or carried on against the Demerged Company in respect of the matters referred to in Clause 11.1 pertaining to Demerged Undertaking, it shall defend the same in accordance with the advice of the Resulting Company and the latter shall reimburse, indemnify and hold harmless the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.
- 11.4 Any difference or difficulty as to whether a Proceeding relates to the Demerged Undertaking, shall be mutually decided between the Boards of the Demerged Company and the Resulting Company and such mutual decision shall be conclusive and binding on the Demerged Company and the Resulting Company.



12. CONSIDERATION FOR THE DEMERGER

- 12.1 Upon the effectiveness of this Scheme and in consideration of the transfer and vesting of the Demerged Undertaking into the Resulting Company pursuant to provisions of this Scheme, the Resulting Company shall, without any further act or deed, issue and allot 6,63,87,590 (six crore sixty three lakh eighty seven thousand five hundred ninety) equity shares of Rs. 10 (Rupees Ten) each to the shareholders of the Demerged Company, whose name is recorded in the register of members and records of the depository as members of the Demerged Company, on the Record Date, in the ratio of (1) one equity share of Rs. 10 (Rupees Ten) each of Resulting Company credited as fully paid up for every equity share of Rs. 10 (Rupees Ten) each held by such shareholder in the Demerged Company ("New Equity Shares") such that the shareholding in the Resulting Company on such issuance of shares is the mirror image of the shareholding in the Demerged Company.
- 12.2 The New Equity Shares to be issued and allotted as provided in Clause 12 above shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank *pari passu* in all respects with the then existing equity shares of the Resulting Company after the Record Date including with respect to dividend, bonus entitlement, rights shares entitlement, voting rights and other corporate benefits.
- 12.3 The New Equity Shares to be issued pursuant to Clause 12 above shall mandatorily be issued in dematerialized form by the Resulting Company, and the shareholders of the Resulting Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required at least 7 (seven) days before the Record Date to the Demerged Company and/or its registrar. Any shareholder who holds shares of the Demerged Company in physical form shall also receive the New Equity Shares in dematerialized form only provided that the details of their account with the depository participant are intimated in writing to the Demerged Company and/or its registrar at least 7 (seven) days before the Record Date to the Demerged Company and/or its registrar. In the event any shareholder has not provided the requisite details relating to his /hers /its accounts with a depository participant or other confirmations as may be required or if the details furnished by any shareholder do not permit electronic credit of the shares of the Resulting Company, then the Resulting Company shall keep such shares in suspense account and will credit the same to the respective depository participant accounts of such shareholders as and when the details of such shareholder's account with the depository participant are intimated in writing to the Resulting Company and/or its registrar.
- 12.4 The New Equity Shares issued and /or allotted pursuant to Clause 12, in respect of such of the equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act shall, pending settlement of dispute by order of court or otherwise, be also held in abeyance by the Resulting Company.
- 12.5 The New Equity Shares issued pursuant to Clause 12, which the Resulting Company is unable to allot due to Applicable Laws (including, without limitation, the failure to receive approvals of an Appropriate Authority as required under Applicable Law) or any regulations or otherwise shall, pending allotment, be held in abeyance by Resulting Company and shall be dealt with in

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the manner as may be permissible under the Applicable Law and deemed fit by the Board of the Resulting Company. If the above cannot be effected for any reason, the Resulting Company shall ensure that this does not delay implementation of the Scheme; and shall, take all such appropriate actions as may be necessary under Applicable Laws. The Resulting Company and/or the depository shall enter into such further documents and take such further actions as may be necessary or appropriate in this regard and to enable actions contemplated therein.

- 12.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Demerged Company, the Board of the Demerged Company shall be empowered prior to or even subsequent to the Record Date, to effectuate such transfers in the Demerged Company as if such changes in registered holders were operative as on the Record Date, in order to remove any difficulties arising to the transferors of the shares in relation to the shares issued by the Resulting Company after this Scheme comes into effect. The Board of the Demerged Company shall be empowered to remove such difficulties that may arise in the course of implementation of this Scheme and registration of new shareholders in the Resulting Company on account of difficulties faced in the transition period.
- 12.7 The issue and allotment of the New Equity Shares in terms of this Scheme shall be deemed to have been carried out as if the procedure laid down under Section 62, Section 42 and any other applicable provisions of the Act have been complied with.
- 12.8 Post effectiveness of the Scheme, the Resulting Company shall apply for and procure the listing of its equity shares issued in terms of Clause 12 above on both BSE and NSE which have nationwide terminal, in terms of and in compliance with the SEBI Circular. The New Equity Shares allotted by the Resulting Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.
- 12.9 The Resulting Company will not issue/reissue any shares, not covered under this Scheme and there will be no change in the shareholding pattern of the Resulting Company between the record date and the date of listing of the equity shares issued under this Scheme, which may affect the status of approval from the Stock Exchanges.
- 12.10 The New Equity Shares to be issued *in lieu* of the shares of the Demerged Company held in the unclaimed suspense account, if any, shall be issued to a new unclaimed suspense account created for shareholders of the Resulting Company.
- 12.11 Where any securities are to be allotted to the heirs, executors, administrators, legal representatives or other successors in title, as the case may be, of any security holders, the concerned heirs, executors, administrators, legal representatives or other successors in title shall be obliged to produce evidence of title, satisfactory to the Board of the Resulting Company as a condition to such allotment.
- 12.12 The New Equity Shares may not be registered under the United States Securities Act, 1933, as amended (the "**Securities Act**") and the Resulting Company may elect, in its sole discretion, to rely upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof or any other exemption that the Resulting Company may elect to rely upon. In the event the Resulting Company elects to rely upon an exemption from the registration



requirements of the Securities Act under Section 3(a)(10) thereof, the Sanction Order will be relied upon for the purpose of qualifying the issuance and distribution of the New Equity Shares of the Resulting Company for such exemption.

13. DIVIDENDS

- 13.1 The Demerged Company and the Resulting Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date consistent with the past practice, or in the ordinary course.
- 13.2 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of Demerged Company and/or the Resulting Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Boards of Demerged Company and Resulting Company respectively, subject to such approval of the shareholders, as may be required.

14. ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY AND THE RESULTING COMPANY

- 14.1 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall give effect to the accounting treatment in their respective books of accounts in accordance with the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, or any other relevant or related requirement under the Act, as applicable on the Appointed Date. Without prejudice to the generality of the aforesaid, the accounting treatment in respect of certain specific matters in the books of accounts of the Companies shall be as set out below.

14.2 Accounting treatment in the books of the Demerged Company

Upon the effectiveness of this Scheme, in accordance with the applicable Accounting Standards and generally accepted accounting principles in India:

- 14.2.1 Upon cancellation of forfeited shares of the Demerged Company in accordance with this Scheme, the paid up amount in respect of such shares shall be transferred to capital reserve;
- 14.2.2 The value of all assets and liabilities including deferred tax assets and liabilities pertaining to the Demerged Undertaking which cease to be assets and liabilities of the Demerged Company shall be reduced by the Demerged Company at their carrying values on the day immediately preceding the Appointed Date in its books of accounts;
- 14.2.3 The difference i.e. the excess or shortfall, as the case may be, of the value of transferred assets over the Transferred Liabilities pertaining to the Demerged Undertaking and demerged from the Demerged Company pursuant to the Scheme shall be adjusted first to the Capital Reserves including security premium account and revaluation reserve account and the balance shall be adjusted against revenue reserves of the Demerged Company; and



14.2.4 The utilization of capital reserves including securities premium account referred to in Clause 14.2.3 of this Scheme, being consequential in nature, is proposed to be affected as an integral part of this Scheme. The approval of the shareholders and creditors of the Demerged Company to this Scheme shall be deemed to be their approval under the provisions of Section 52 read with Section 66 and all other applicable provisions of the Act and the Demerged Company shall not be required to undertake any separate proceedings/ compliances for the same. The Sanction Order shall in view of explanation to section 66 of the Act be sufficient and not requiring a separate order under Section 66(3) of the Act. Accordingly, the Demerged Company shall not be required to separately comply with Section 52 read with Section 66 or any other provisions of Act. The Demerged Company shall not be required to add "and reduced" as a suffix to its name.

14.3 Accounting treatment in the books of the Resulting Company

Upon the effectiveness of this Scheme and with effect from the Appointed Date:

14.3.1 The Resulting Company shall record the transferred assets and Transferred Liabilities pertaining to the Demerged Undertaking at the values appearing in the books of the Demerged Company, prepared in accordance with the provisions of the Accounting Standards notified under Section 133 of Companies Act, 2013.

14.3.2 The Resulting Company shall issue shares to the shareholders of the Demerged Company as per Clause 12 of this Scheme. These shares shall be issued and recorded at face value and accordingly the aggregate face value of the shares to be issued shall be credited to the Resulting Company's share capital account.

14.3.3 The difference i.e. the excess or shortfall, as the case may be, of the value of the assets and the liabilities pertaining to the Demerged Undertaking and received from the Demerged Company pursuant to the Scheme after taking into account the face value of the shares issued by the Resulting Company shall be credited or debited to the reserves of the Resulting Company.

15. CONDUCT OF BUSINESS BY THE DEMERGED COMPANY PERTAINING TO DEMERGED UNDERTAKING UNTIL THE EFFECTIVE DATE

15.1 Till the Effective Date, the Demerged Company undertakes to carry on the business and activities of the Demerged Undertaking with reasonable diligence, business prudence and shall not, except in the ordinary course of business or with prior written consent of the Resulting Company or as provided in this Scheme, alienate, Encumber or otherwise deal with or dispose of any business or part thereof.

15.2 All the profits or income accruing or arising to the Demerged Company and expenditure or losses arising or incurred or suffered by the Demerged Company which form part of Demerged Undertaking, for the period commencing from the Appointed Date shall, for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure as the case may be of the Resulting Company, and such profits (if any) will be available to Resulting Company for being disposed of in any manner as it thinks fit.



15.3 Upon the Scheme becoming effective and with effect from the Appointed Date, any of the rights, powers, authorities or privileges attached, related or forming part of the Demerged Undertaking, exercised by the Demerged Company shall be deemed to have been exercised by the Demerged Company for and on behalf of, and in trust for the Resulting Company. Similarly, any of the obligations, duties and commitments attached, related or forming part of the Demerged Undertaking that have been undertaken or discharged by the Demerged Company shall be deemed to have been undertaken/ discharged for and on behalf of the Resulting Company.

15.4 The Demerged Company and the Resulting Company shall be entitled, pending the Sanction Order, to apply to all Appropriate Authorities concerned as are necessary under any Applicable Law for such consents, approvals and sanctions, which may be required in connection with this Scheme.

16. REMAINING UNDERTAKING

16.1 The Remaining Undertaking and all the assets, properties, rights liabilities and obligations pertaining thereto shall continue to belong to and remain vested in and be managed by the Demerged Company, and the Resulting Company shall have no right, claim or obligation in relation to the Remaining Undertaking and nothing in this Scheme shall operate to transfer any of the Remaining Undertaking to the Resulting Company or to make the Resulting Company liable for any Liabilities of the Demerged Company relating to the Remaining Undertaking.

16.2 All Proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and relating to the Remaining Undertaking of the Demerged Company (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Undertaking) shall be continued and enforced against the Demerged Company.

16.3 If Proceedings are taken against the Resulting Company in respect of matters referred to in Clause 16.2 above relating to the Remaining Undertaking, it shall defend the same in accordance with the advice of the Demerged Company, and the latter shall reimburse and indemnify the Resulting Company, against all liabilities and obligations incurred by the Resulting Company in respect thereof

16.4 With effect from date of approval of this Scheme by the Board of the Demerged Company up to, including and beyond the Effective Date:

- (i) The Demerged Company shall be deemed to have been carrying on and to be carrying on all the business and activities relating to the Remaining Undertaking for and on its own behalf.
- (ii) All profits or income accruing or arising to the Demerged Company thereon and expenditure or losses arising or incurred or suffered by it relating to the Remaining Undertaking shall for all purposes be treated as the profits or losses, as the case may be, of the Demerged Company.



- (iii) All assets and properties acquired by the Demerged Company in relation to the Remaining Undertaking shall belong to and continue to remain vested in the Demerged Company.

17. VALIDITY OF EXISTING RESOLUTIONS

Upon the Effective Date and with effect from the Appointed Date, all the resolutions, if any, of the Demerged Company which are valid and subsisting on the effectiveness of this Scheme, shall continue to be valid and subsisting and be considered as the resolutions of the Resulting Company to the extent such resolutions pertain to the Demerged Undertaking, and, if any such resolutions have an upper monetary or any other limits imposed under the provisions of the Act, then the said limits shall apply *mutatis mutandis* to such resolutions and shall constitute the aggregate of the said limits in the Resulting Company.

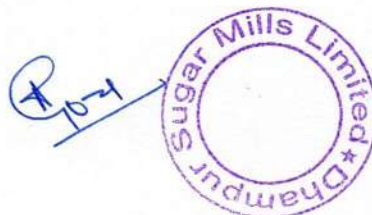
18. SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets and Liabilities to, and the continuance of proceedings by or against, the Resulting Company as envisaged in this Part II shall not affect any transaction or proceedings already concluded by the Demerged Company on or before the Appointed Date and after the Appointed Date till the effectiveness of this Scheme, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of itself.

PART III

SHARE TRANSFERS

19. Following the completion of the issuance and allotment of shares by the Resulting Company to all the shareholders of the Demerged Company in accordance with this Scheme, and in keeping with the objectives of the Scheme including ultimately segregating the promoter group ownership of the Demerged Company and the Resulting Company, it is envisaged that GV Promoter Group shall transfer the equity shares held by them in the Resulting Company to GT Promoter Group, and GT Promoter Group shall transfer the shareholding held by them in the Demerged Company to GV Promoter Group, pursuant to and as an integral part of this Scheme (collectively, the "Share Transfers").
20. The Promoter Groups shall undertake the Share Transfers in either of the following ways:
- (i) **Option 1:** Within a period of 1 (one) year from the date of listing of the equity shares of the Resulting Company on any of the Stock Exchanges, (a) GV Promoter Group shall transfer such number of equity shares, representing their entire shareholding in the Resulting Company to GT Promoter Group, and (b) simultaneously therewith, GT Promoter Group shall transfer such number of equity shares representing their entire shareholding in the Demerged Company to GV Promoter Group.



The above Share Transfer shall be undertaken in one or more tranches and by way of such modalities and on such terms and conditions, and on the stock exchange or otherwise, as may be agreed between the Promoter Groups mutually.

or

- (ii) **Option 2:** Within a period of 1 (one) year from the date of listing of the equity shares of the Resulting Company, GV Promoter Group shall transfer such number of equity shares held by them in the Resulting Company to GT Promoter Group, and GT Promoter Group shall transfer such number of equity shares held by them in the Demerged Company to GV Promoter Group, that at least 30% of the shareholding of the Demerged Company shall be held by GV Promoter Group and at least 30% of the shareholding of the Resulting Company shall be held by GT Promoter Group. Such Share Transfers in respect of the Demerged Company and the Resulting Company are hereinafter referred to as the **"First Block Share Transfers"**.

The First Block Share Transfers may be undertaken in one or more tranches and by way of such modalities and on such terms and conditions, and on the stock exchange or otherwise, as may be agreed by the Promoter Groups mutually. The First Block Share Transfers shall be within the creeping acquisition limit under Regulation 3(2) of the Takeover Regulations and/or avail of exemptions under Regulation 10 of the Takeover Regulations;

Following the First Block Share Transfers, the Share Transfers in relation to a certain portion of the balance shareholding of the Promoter Groups in the Companies, representing up to 11.17% of the share capital of each of the Companies (**"Put/Call Threshold"**), shall be undertaken at their option and on such terms and conditions as are mutually agreed between them, pursuant to the following option agreements to be executed between identified entities forming part of each of the Promoter Groups:

- (a) Put / call agreement in respect of the shares of the Demerged Company pursuant to which GV Promoter Group shall have the right (but not the obligation) to call upon GT Promoter Group to sell all or part of the shares of GT Promoter Group in the Demerged Company upto the Put/Call Threshold, and GT Promoter Group shall have the right (but not the obligation) to put upon GV Promoter Group for purchase all or part of the shares of GT Promoter Group in the Demerged Company upto the Put/Call Threshold, in accordance with the terms and conditions set out in such agreement.
- (b) Put / call agreement in respect of the shares of the Resulting Company pursuant to which GT Promoter Group shall have the right (but not the obligation) to call upon GV Promoter Group to sell all or part of the shareholding of GV Promoter Group in the Resulting Company upto the Put/Call Threshold, and GV Promoter Group shall have the right (but not the obligation) to put upon GT Promoter Group for purchase all or part of the shareholding of GV Promoter Group in the Resulting Company upto the Put/Call Threshold, in accordance with the terms and conditions set out in such agreement.



The put/ call options as above may be exercised in one or more tranches by the relevant Promoter Group at any time following the expiry of 1 (one) year from the date of listing of the equity shares of the Resulting Company up until 4 (four) years from such date of listing (such period the "**Option Period**") in such manner as is agreed between the Promoter Groups; provided that, the relevant Promoter Group shall not be entitled to put in excess of the creeping acquisition limit under Regulation 3(2) of the Takeover Regulations applicable to the relevant Promoter Group in respect of the Company whose shares are being acquired pursuant to the put option, unless the transfer shall be exempt under the provisions of Regulation 10 of the Takeover Regulations. The call / put options shall lapse on the expiry of the Option Period.

21. The Promoter Groups shall mutually agree and select either Option 1 or Option 2 set out above at any time prior to the dispatch of notices to the shareholders of the Demerged Company in respect of the shareholders' meeting convened to approve this Scheme ("**Option Selection Date**"), and the Option that they have not chosen shall automatically become ineffective and stand severed from the Scheme. The Promoter Groups shall intimate the option selection to the Demerged Company, on or before the Option Selection Date, and the Demerged Company shall in turn communicate the selected option to the (i) NCLT; and (ii) the shareholders and creditors of the Demerged Company.
22. The Share Transfers shall be undertaken: (i) as an integral part of the Scheme and will be subject to the provisions of Applicable Law including the regulations issued by SEBI and the Foreign Exchange Management Act, 1999 and rules and regulations thereunder; and (ii) in a manner that mandatory open offer obligations are not triggered in respect of the Companies under the provisions of the Takeover Regulations.
23. The GV Promoter Group intends to reclassify their status as promoters to that of public shareholders of the Resulting Company and GT Promoter Group intends to reclassify their status as promoters to that of public shareholders of the Demerged Company, in the event that and at such time, pursuant to the Share Transfers, their respective shareholding falls below the threshold permitted for reclassification as per Applicable Law (in particular Regulation 31A of the SEBI LODR Regulations). The respective Company and Promoter Group shall take such steps as are necessary for this purpose under Applicable Law, at the relevant time.

PART IV

(GENERAL PROVISIONS)

24. APPLICATIONS /PETITIONS TO THE NCLT AND APPROVALS

- 24.1 The Companies shall, without undue delay, make all necessary applications to SEBI and the Stock Exchanges in connection with the Scheme and make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the NCLT, for sanction of this Scheme, including seeking such orders for convening and holding or alternatively, dispensing with requirements for convening and holding meetings of the shareholders and/ or creditors of the Demerged Company and the Resulting Company as may be directed by the NCLT and obtain such other approvals, as required by Applicable Law.



- 24.2 The Companies shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law, as agreed between the Demerged Company and the Resulting Company, for such consents and approvals which the Resulting Company may require to own the assets and / or liabilities of the Demerged Undertaking and to carry on the business of the Demerged Undertaking, in any case subject to the terms as may be mutually agreed between the Demerged Company and the Resulting Company.

25. CHANGES IN AUTHORISED SHARE CAPITAL OF THE COMPANIES

- 25.1 As an integral part of this Scheme and upon this Scheme becoming effective:

- (i) Part of the existing authorised share capital of the Demerged Company of Rs. 69,17,40,000 (Rupees Sixty Nine Crores Seventeen Lakhs Forty Thousand only) divided into 69,17,400 (Sixty Nine Lakhs Seventeen Thousand Four Hundred) preference shares of the face value of Rs. 100 (Rupees One Hundred only) each shall be reclassified to authorized share capital of Rs. 69,17,40,000 (Rupees Sixty Nine Crores Seventeen Lakhs Forty Thousand only) divided into 6,91,74,000 (Six Crores Ninety One Lakhs Seventy Four Thousand) equity shares of the face value of Rs. 10 (Rupees Ten only) each of the Demerged Company, automatically without any further act or instrument or deed on the part of the Demerged Company pursuant to Sections 13 and 61 of the Act and other applicable provisions of the Act, as the case may be.
- (ii) Further to such reclassification, part of authorised share capital of the Demerged Company of Rs. 91,50,00,000 (Rupees Ninety One Crores Fifty Lakhs only) divided into 9,15,00,000 (Nine Crores Fifteen Lakhs) equity shares of face value Rs. 10 (Rupees Ten only) each shall stand transferred to and combined with the authorised share capital of Resulting Company. Accordingly, upon the Scheme becoming effective, the authorised share capital of the Resulting Company shall stand increased to Rs. 91,60,00,000 (Rupees Ninety One Crores Sixty Lakhs only) divided into 9,16,00,000 (Nine Crores Sixteen Lakhs) equity shares of face value Rs. 10 (Rupees Ten only) each. The filing fees and stamp duty already paid by Demerged Company on its authorised share capital shall be deemed to have been so paid by Resulting Company on the combined authorised share capital and accordingly, Resulting Company shall not be required to pay any fees / stamp duty on the authorised share capital so increased.
- (iii) Accordingly, Clause V of the Memorandum of Association of the Demerged Company and Clause 5 of the Articles of Association of the Demerged Company and Clause V of the Memorandum of Association of the Resulting Company and Clause 5 of the Articles of Association of the Resulting Company relating to authorised share capital of the Demerged Company and Resulting Company respectively, shall without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13, 14 and 61 of the Act and other applicable provisions of the Act, as the case may be.



25.2 It is clarified that for the purposes of the above Clause 25.1, the approval of the shareholders of the Demerged Company to this Scheme shall be deemed to be their consent / approval also to the said reclassification and transfer (and subsequent reduction) of the authorised share capital of and alteration of the Memorandum of Association and Articles of Association of the Demerged Company as may be required under the Act, and no further resolution under Sections 13, 14 and 61 of the Act or any other applicable provisions of the Act, would be required to be separately passed. Likewise, it is also clarified that the approval of the shareholders of the Resulting Company to this Scheme shall be deemed to be their consent / approval also to the said increase in authorized share capital and alteration of the Memorandum of Association and Articles of Association of the Resulting Company as may be required under the Act, and no further resolution under Sections 13, 14 and 61 of the Act or any other applicable provisions of the Act, would be required to be separately passed.

26. CANCELLATION OF EXISTING SHARES OF THE RESULTING COMPANY AND REDUCTION OF SHARE CAPITAL OF THE RESULTING COMPANY

26.1 Immediately following the issue and allotment of the New Equity Shares by the Resulting Company to the equity shareholders of the Demerged Company in accordance with Clause 12 of this Scheme, and pursuant to provisions of Section 230-232 of the Act, the existing shareholding of the Demerged Company and its nominees in the Resulting Company will stand cancelled, extinguished and annulled which shall be regarded as reduction of share capital of the Resulting Company, without any further act, instrument or deed. The consequent reduction of share capital of the Resulting Company shall be an integral part of this Scheme and the Demerged Company and the Resulting Company shall not be required to follow the process under Section 66 of the Act or any other provisions of Applicable Law separately.

26.2 Upon this Scheme coming into effect, and pursuant to provisions of Section 230-232 of the Act, 3,25,496 (Three Lakhs Twenty Five Thousand Four Hundred Ninety Six) forfeited equity shares of face value Rs. 10 (Rupees Ten only) each of the Demerged Company will stand cancelled, extinguished and annulled which shall be regarded as reduction of share capital of the Demerged Company, without any further act, instrument or deed. The consequent reduction of share capital of the Demerged Company shall be an integral part of this Scheme and the Demerged Company shall not be required to follow the process under Section 66 of the Act or any other provisions of Applicable Law separately.

26.3 The reduction of capital of the Resulting Company and the Demerged Company in Clauses 26.1 and 26.2, as above, does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.

26.4 Notwithstanding the reduction of the existing share capital of the Resulting Company and the Demerged Company above, the Companies shall not be required to add "and reduced" as a suffix to its name.

27. CHANGE IN CAPITAL STRUCTURE OF THE DEMERGED COMPANY/ RESULTING COMPANY

27.1 Without prejudice to the generality of this Scheme, during the period between the date of approval of the Scheme by the respective Boards and up to and including the date of allotment



of the New Equity Shares pursuant to this Scheme, neither the Demerged Company nor the Resulting Company shall make any change in its capital structure, whether by way of increase (including by issue of equity shares on a rights basis, issue of bonus shares), decrease, reduction, reclassification, sub-division or consolidation, re-organisation of share capital, or in any other manner which may, in any way, affect the issuance of the New Equity Shares as per Clause 12, except under any of the following circumstances:

- (a) by mutual written consent of the respective Boards of the Demerged Company and the Resulting Company; or
- (b) as may be expressly permitted under this Scheme.

28. AMENDMENT OF ARTICLES OF THE RESULTING COMPANY

- 28.1 As an integral part of the Scheme, and upon coming into effect of the Scheme, the articles of association of the Resulting Company shall stand amended and restated to contain provisions applicable to a listed company and in such form as the Board of the Resulting Company may determine.
- 28.2 It is hereby clarified that for the purposes of the above Clause 28.1, the consent of the shareholders of the Resulting Company to the Scheme shall be deemed to be sufficient for the purposes of amendment of the articles of association of the Resulting Company, and no further resolution under Section 14 of the Act or any other applicable provisions of the Act, shall be required to be separately passed.

29. WRONG POCKET ASSETS

- 29.1 Subject to Clause 5.1, no part of the Demerged Undertaking shall be retained by the Demerged Company after the Effective Date pursuant to the Demerger. If any part of the Demerged Undertaking is inadvertently retained by the Demerged Company after the Effective Date, the Demerged Company shall take such actions as may be reasonably required to ensure that such part of the Demerged Undertaking is transferred to the Resulting Company promptly and for no further consideration. The Resulting Company shall bear all costs and expenses as may be required to be incurred by the Demerged Company, subject to the prior written consent of the Resulting Company, for giving effect to this Clause.
- 29.2 No part of the Remaining Undertaking shall be transferred to the Resulting Company after the Effective Date pursuant to the Demerger. If any part of the Remaining Undertaking is inadvertently held by the Resulting Company after the Effective Date, the Resulting Company shall take such actions as may be reasonably required to ensure that such part of the Remaining Undertaking is transferred back to the Demerged Company, promptly and for no consideration. The Demerged Company shall bear all costs and expenses as may be incurred by each of the Demerged Company or the Resulting Company for giving effect to this Clause.
- 29.3 If the Demerged Company realizes any amounts after the Effective Date that form part of the Demerged Undertaking, it shall immediately make payment of such amounts to the Resulting Company. It is clarified that all receivables relating to the Demerged Undertaking, for the period prior to the Effective Date, but received after the Effective Date, relate to the Demerged



Undertaking and shall be paid to the Resulting Company for no additional consideration. If the Resulting Company realizes any amounts after the Effective Date that pertains to the Remaining Undertaking, the Resulting Company shall immediately pay such amounts to the Demerged Company.

30. MODIFICATIONS / AMENDMENTS TO THE SCHEME

30.1 The Demerged Company and the Resulting Company, through their respective Boards, acting collectively, in their full and absolute discretion, may:

- (a) make and/or consent to any modifications/ amendments to the Scheme or to agree to any conditions or limitations:
 - (i) which the Stock Exchange(s), SEBI and any other Appropriate Authority may deem fit to suggest/ impose / direct; or
 - (ii) to effect any other modification or amendment which the NCLT may deem fit;
- (b) jointly and as mutually agreed in writing, modify or vary this Scheme at any time prior to the Effective Date in any manner;
- (c) give such directions as they may consider necessary or desirable for settling any question, doubt or difficulty arising under the Scheme, whether by reason of any directive or orders of any Appropriate Authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith or in regard to its implementation or in any matter connected therewith (including any question, doubt or difficulty arising in connection with any deceased or insolvent shareholder of the Demerged Company or the Resulting Company, as the case may be); and
- (d) do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

Provided that any modification to the Scheme by the Companies, after receipt of the Sanction Order, shall be made only with the prior approval of the NCLT.

30.2 Any question that may arise as to whether a specific asset (tangible or intangible), any liability, employee or proceeding pertains or does not pertain to the Demerged Units as stated above or whether it arises out of the activities or operations of the Demerged Units or not, shall be mutually decided by the Boards of the Companies.

30.3 In case, post approval of the Scheme by the NCLT, there is any confusion in interpreting any Clause of this Scheme, or otherwise, the Board of the Companies shall have complete power to mutually take the most sensible interpretation so as to render the Scheme operational.

30.4 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the authorised person of the Demerged Company and/or the Resulting Company may give and are hereby authorized to determine and give all such directions as are



necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on the Companies, in the same manner as if the same were specifically incorporated in this Scheme.

- 30.5 If, upon the Scheme becoming effective and upon the transfer and vesting of the assets and liabilities of the Demerged Undertaking into the Resulting Company and pursuant to the provisions of Applicable Law, the Resulting Company is not permitted under the Applicable Law to carry on the certain business or hold assets, licenses, etc., transferred and vested pursuant to this Scheme, the Board of the Resulting Company shall be permitted and/or entitled to divest such business or assets, licences, etc., in the manner as it may deem appropriate.

31. CONDITIONS PRECEDENT

31.1 This effectiveness of this Scheme is and shall be conditional upon and subject to:

- 31.1.1 the sanction or approval of the Appropriate Authorities, including the Competition Commission of India, and other sanctions and approvals (as may be required by Applicable Law) in respect of this Scheme being obtained in respect of any of the matters in respect of which such sanction or approval is required or on the expiry of any statutory time period pursuant to which such approval is deemed to have been granted;
 - 31.1.2 approval of the Scheme by the requisite majority of each class of shareholders / creditors of the Demerged Company and the Resulting Company as may be required under the Act and SEBI Circulars or as may be directed by the NCLT. It is clarified that the Scheme is conditional upon it being approved by the public shareholders through e-voting in terms of Part –I (A)(10)(a) and (b) of SEBI Master circular No. SEBI/HO/CD/DIL1/CIR/P/2020/249 dated December 22, 2020 and the scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;
 - 31.1.3 receipt of such other approvals, sanctions and fulfillment of conditions as may be agreed in writing between the Demerged Company and the Resulting Company;
 - 31.1.4 Sanction Order, under Sections 230 to 232 and other relevant provisions of the Act being obtained by the Demerged Company and the Resulting Company from the NCLT; and
 - 31.1.5 certified/ authenticated copy of the Sanction Order, being filed with the Registrar of Companies by the Demerged Company and the Resulting Company in relation to this Scheme.
- 31.2 It is hereby clarified that submission of the Scheme to the NCLT and to Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles



or defences that the Demerged Company and/or the Resulting Company may have under or pursuant to Applicable Law.

- 31.3 On the approval of this Scheme by the shareholders of the Demerged Company and the Resulting Company, such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the Demerger, as the case may be, set out in this Scheme, related matters and this Scheme itself.

32. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS RELATING TO REVOCATION / WITHDRAWAL OF THE SCHEME

- 32.1 In the event any of the conditions set out in Clause 31.1 above, not being fulfilled, obtained or waived, as the case may be, on or before December 31, 2022 or within such further period or periods as may be agreed upon between the Demerged Company and the Resulting Company through their respective Boards, the Scheme shall stand terminated and become null and void and the Demerged Company shall bear and pay its costs, charges and expenses for and/or in connection with the Scheme.
- 32.2 Without prejudice to the generality of the aforesaid clause, the Companies (jointly and not severally) shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the respective Boards of the Companies prior to the Effective Date.
- 32.3 In the event of revocation/withdrawal under Clauses 32.1 and 32.2 above, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Demerged Company and/or the Resulting Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Law and in such case, each Company shall bear its own costs, unless otherwise mutually agreed.

33. SCHEME AS A WHOLE

- 33.1 The provisions contained in this Scheme are inextricably interlinked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the respective Boards of the Companies.

34. SEVERABILITY

- 34.1 If any provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Demerged Company and the Resulting Company through their respective Boards, affect the validity or implementation of the other parts and/or provisions of this Scheme.

35. RESIDUAL PROVISIONS

- 35.1 Upon this Scheme becoming effective, the accounts of the Companies, as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme.



- 35.2 The Companies, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under Applicable Law or otherwise, do all such acts or things as may be necessary to transfer/novate the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Demerged Company in relation to or in connection with the Demerged Undertaking. It is hereby clarified that if the consent of any third party or Appropriate Authority, if any, is required to give effect to the provisions of this Clause, the said third party or Appropriate Authority shall make and duly record the necessary substitution/endorsement in the name of the Resulting Company, as the case may be pursuant to the sanction of this Scheme, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, the Demerged Company and/or the Resulting Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

36. COSTS, CHARGES AND EXPENSES

- 36.1 All costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) arising out of or incurred in connection with and in implementing this Scheme and matters incidental thereto shall be borne equally by the Demerged Company and the Resulting Company; provided that all costs, charges and expenses arising out of or incurred in connection with the Share Transfers shall be borne by the Promoter Groups in a manner as may be mutually agreed between them.



SCHEDULE I

1. LIST OF IMMOVABLE PROPERTY

A) ASMOLI UNIT

(i) AT ASMOLI – DISTRICT SAMBHAL (U.P.)

Sr No	Village Name	Khasra No.	Area of land (in Hectares)
1	Village Asmoli	184	8.421
2	Village Asmoli	185	2.243
3	Village Asmoli	186	0.862
4	Village Asmoli	188	7.770
5	Village Asmoli	189	2.323
6	Village Asmoli	190	0.246
7	Village Asmoli	191	0.175
8	Village Asmoli	192	1.817
9	Village Asmoli	193	0.190
10	Village Asmoli	195	0.535
11	Village Asmoli	200	0.117
12	Village Asmoli	201	0.271
13	Village Asmoli	202	0.986
14	Village Asmoli	203	0.393
15	Village Asmoli	204	0.218
16	Village Asmoli	205	0.077
17	Village Asmoli	206	3.564
18	Village Asmoli	207	0.178
19	Village Asmoli	208	3.711
20	Village Asmoli	210	0.394
21	Village Asmoli	230	0.191
22	Village Asmoli	252	1.524
23	Village Asmoli	274	0.442
24	Village Asmoli	299	0.952
25	Village Asmoli	317	12.376
26	Village Asmoli	879	0.202
27	Village Asmoli	1248	0.202
28	Village Asmoli	1375	0.401
29	Village Asmoli	295	0.495
30	Village Asmoli	295	0.351



31	Village Asmoli	282	0.017
32	Village Asmoli	310	0.100
33	Village Asmoli	298	0.500
34	Village Asmoli	292	0.295
35	Village Asmoli	293	0.294
36	Village Asmoli	291	0.174
37	Village Asmoli	290	0.185
38	Village Asmoli	296	0.047
39	Village Asmoli	271	0.412
40	Village Asmoli	272	0.214
41	Village Asmoli	270	0.406
42	Village Asmoli	297	0.073
43	Village Ramnagar	332	1.984
44	Village Ramnagar	434	0.744
45	Village Ramnagar	433	0.719
46	Village Ramnagar	383	0.146
47	Village Ramnagar	432	0.170
	Total (hectares)		58.107

(ii) AT -MOHRA VILLAGE , DISTRICT BIJNOR (U.P.)

Sr No.	Village Name	Khasra No.	Area of land (in Hectares)
1	Village Mohra	234	0.051
2	Village Mohra	235	0.101
3	Village Mohra	247	0.064
4	Village Mohra	248	0.049
5	Village Mohra	249	0.067
6	Village Mohra	250	0.128
7	Village Mohra	251	0.025
8	Village Mohra	252	0.025
9	Village Mohra	253	0.051
10	Village Mohra	254	0.025
11	Village Mohra	255	0.070
12	Village Mohra	256	0.290
13	Village Mohra	257	0.291
14	Village Mohra	258	0.040
15	Village Mohra	266	0.329
16	Village Mohra	292	0.234
17	Village Mohra	293	0.091



18	Village Mohra	295	0.152
19	Village Mohra	296	0.417
20	Village Mohra	298	0.304
21	Village Mohra	300	0.114
22	Village Mohra	301	0.354
23	Village Mohra	303	0.153
24	Village Mohra	304	0.076
25	Village Mohra	308	0.108
26	Village Mohra	309	0.406
27	Village Mohra	311	0.012
28	Village Mohra	312	0.127
29	Village Mohra	314	0.161
30	Village Mohra	317	0.079
31	Village Mohra	318	0.393
32	Village Mohra	350	0.019
33	Village Mohra	311 A	0.065
34	Village Mohra	311 B	0.065
35	Village Mohra	312A	0.181
36	Village Mohra	312B	0.162
	Total (Hectares)		5.279

- (iii) 50% undivided share and interest in the property situated at 241, Okhla Industrial Estate, Phase III New Delhi 110020 admeasuring 1012 Square meters of land with Building thereon and fixed fixtures and furnishing appurtenant thereto.

B) MEERGANJ UNIT AT DISTRICT BAREILLY (U.P.)

S. No.	Village Name	Khasra No.	Area of Land
			(in Hectares)
1	Village Nagaria Sadat	375	0.453
2	Village Nagaria Sadat	376	0.8
3	Village Nagaria Sadat	377	0.076
4	Village Nagaria Sadat	378	0.077
5	Village Nagaria Sadat	379	0.076
6	Village Nagaria Sadat	381	0.256
7	Village Nagaria Sadat	383	0.315
8	Village Nagaria Sadat	388	0.12
9	Village Nagaria Sadat	389	0.289
10	Village Nagaria Sadat	390	0.205



11	Village Nagaria Sadat	394	0.376
12	Village Nagaria Sadat	395	1.468
13	Village Nagaria Sadat	396	0.01
14	Village Nagaria Sadat	397	0.014
15	Village Nagaria Sadat	398	0.014
16	Village Nagaria Sadat	399	0.015
17	Village Nagaria Sadat	400	0.036
18	Village Nagaria Sadat	405	0.101
19	Village Nagaria Sadat	407	0.201
20	Village Nagaria Sadat	409	0.559
21	Village Nagaria Sadat	412	0.121
22	Village Nagaria Sadat	413	0.12
23	Village Nagaria Sadat	414	0.104
24	Village Nagaria Sadat	417	0.373
25	Village Nagaria Sadat	419	0.225
26	Village Nagaria Sadat	490	0.55
27	Village Nagaria Sadat	491	0.595
28	Village Nagaria Sadat	492	1.118
29	Village Nagaria Sadat	493	1.338
30	Village Nagaria Sadat	498	0.37
31	Village Nagaria Sadat	501	0.301
32	Village Nagaria Sadat	503	0.336
33	Village Nagaria Sadat	504	1.301
34	Village Nagaria Sadat	505	1.423
35	Village Nagaria Sadat	507	0.372
36	Village Nagaria Sadat	510	0.152
37	Village Nagaria Sadat	518	0.406
38	Village Nagaria Sadat	519	0.389
39	Village Nagaria Sadat	524	0.171
40	Village Nagaria Sadat	526	0.784
41	Village Nagaria Sadat	527	0.261
42	Village Nagaria Sadat	528	0.185
43	Village Nagaria Sadat	529	0.261
44	Village Nagaria Sadat	532	0.787
45	Village Nagaria Sadat	533	0.107
46	Village Nagaria Sadat	535	0.789
47	Village Nagaria Sadat	537	0.837
48	Village Nagaria Sadat	538	0.296
49	Village Nagaria Sadat	539	0.08



50	Village Nagaria Sadat	542	0.715
51	Village Nagaria Sadat	543	1.228
52	Village Nagaria Sadat	544	0.944
53	Village Nagaria Sadat	545	0.229
54	Village Nagaria Sadat	551	0.449
55	Village Nagaria Sadat	552	0.431
56	Village Nagaria Sadat	553	0.41
57	Village Nagaria Sadat	554	0.602
58	Village Nagaria Sadat	555	0.063
59	Village Nagaria Sadat	556	0.063
60	Village Nagaria Sadat	557	0.063
61	Village Nagaria Sadat	558	0.062
62	Village Nagaria Sadat	561	0.054
63	Village Nagaria Sadat	562	0.052
64	Village Nagaria Sadat	563	0.105
65	Village Nagaria Sadat	564	0.105
66	Village Nagaria Sadat	565	0.105
67	Village Nagaria Sadat	566	0.223
68	Village Nagaria Sadat	531/589	0.241
69	Village Nagaria Sadat	382	0.103
70	Village Nagaria Sadat	386	0.191
71	Village Nagaria Sadat	387	0.086
72	Village Nagaria Sadat	404	0.203
73	Village Nagaria Sadat	416	0.573
74	Village Nagaria Sadat	494	1.84
75	Village Nagaria Sadat	496	0.201
76	Village Nagaria Sadat	497	0.201
77	Village Nagaria Sadat	508	1.793
78	Village Nagaria Sadat	514	0.933
79	Village Nagaria Sadat	531	0.403
80	Village Nagaria Sadat	512	0.063
81	Village Nagaria Sadat	534	0.052
82	Village Nagaria Sadat	549	0.371
83	Village Nagaria Sadat	567	0.907
84	Village Nagaria Sadat	391	0.121
85	Village Nagaria Sadat	415	0.126
86	Village Nagaria Sadat	517	0.563
87	Village Nagaria Sadat	520	0.066
88	Village Nagaria Sadat	521	0.066

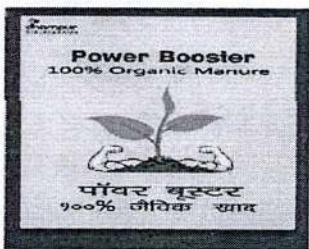

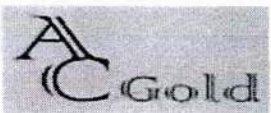




89	Village Nagaria Sadat	523	0.141
90	Village Nagaria Sadat	546	0.604
91	Village Nagaria Sadat	403	0.99
92	Village Nagaria Sadat ,	586	0.333
93	Village Nagaria Kalyanpur	5	0.438
94	Village Nagaria Kalyanpur	7	0.2
95	Village Nagaria Kalyanpur	8	0.556
96	Village Nagaria Kalyanpur	10	0.168
97	Village Nagaria Kalyanpur	11	0.069
98	Village Nagaria Kalyanpur	12	2.118
99	Village Nagaria Kalyanpur	14	0.558
100	Village Nagaria Kalyanpur	15	1.296
101	Village Nagaria Kalyanpur	17	0.602
102	Village Nagaria Kalyanpur	19	0.349
103	Village Nagaria Kalyanpur	20	0.352
104	Village Nagaria Kalyanpur	21	0.2
105	Village Nagaria Kalyanpur	22	0.165
106	Village Nagaria Kalyanpur	23	0.709
107	Village Nagaria Kalyanpur	25	0.3
108	Village Nagaria Kalyanpur	26	0.403
109	Village Nagaria Kalyanpur	28	0.929
110	Village Nagaria Kalyanpur	30	0.312
111	Village Nagaria Kalyanpur	31	0.305
112	Village Nagaria Kalyanpur	33	0.025
113	Village Nagaria Kalyanpur	34	0.038
114	Village Nagaria Kalyanpur	35	0.325
115	Village Nagaria Kalyanpur	40	1.22
116	Village Nagaria Kalyanpur	42	0.307
117	Village Nagaria Kalyanpur	43	0.307
118	Village Nagaria Kalyanpur	46	0.271
119	Village Nagaria Kalyanpur	47	0.193
120	Village Nagaria Kalyanpur	48	0.23
121	Village Nagaria Kalyanpur	49	0.083
122	Village Nagaria Kalyanpur	50	0.345
123	Village Nagaria Kalyanpur	52	0.251
124	Village Nagaria Kalyanpur	53	0.901
125	Village Nagaria Kalyanpur	54	0.396
126	Village Nagaria Kalyanpur	56	0.332
127	Village Nagaria Kalyanpur	57	0.314

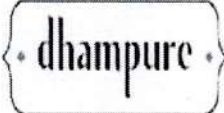



2	DHAMPUR GLOBAL (WORD)	DHAMPUR GLOBAL	35	3506570	04-03-2017
3	DHAMPURE (Logo)		1-6	1742573 - 78	13-10-2008
			7	1742693	13-10-2008
			8 - 11	1742579 - 82	13-10-2008
			12	1742694	13-10-2008
			13-28	1742583 - 98	13-10-2008
			29 - 32	1799295 - 98	24-03-2009
			33 - 42	1742599 - 608	13-10-2008
			43 - 45	2315141 - 43	13-04-2012
4	DHAMPURE (word)	DHAMPURE	1,3,7,8,16,18 & 25	3506094 - 6100	04-03-2017
			5	4495660	04-05-2020
			29 - 32	1025173 - 76	10-07-2001
			33 & 35	3506101 - 102	04-03-2017
			40 - 43	3506104 - 108	04-03-2017
			45	3506108	04-03-2017
5	GROUPHAAT (word)	GROUPHAAT	16	2315146	13-04-2012
			38	2315147	13-04-2012
			35	2315145	13-04-2012
6	HAATNET (word)	HAATNET	38	2315135	13-04-2012
			35	2315136	13-04-2012
			16	2315137	13-04-2012
7	KRISHAK MITRA (LOGO)		42	1722314	18-08-2008
			35	1722315	18-08-2008
8	PM TO AM WHISKY (LOGO)		32	3031071	12-08-2015


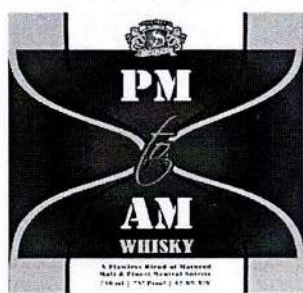


9	POWER BOOSTER (logo)		16	2527589	08-05-2013
10	SOIL BOOSTER (word)	SOIL BOOSTER	5	2631685	22-11-2013
11	STATE HOUSE	STATE HOUSE	33	2347908	14-06-2012
12	YIELD BOOSTER (word)	YIELD BOOSTER (word)	1	2631693	22-11-2013
13	A C SILVER (logo)		35	2495140	13-03-2013
			16	2495141	13-03-2013
14	AC GOLD (LOGO)		35	2495136	13-03-2013
			16	2495137	13-03-2013
			9	2495138	13-03-2013
15	ADVANTAGE CARD (word)	ADVANTAGE CARD	16	2495143	13-03-2013
			35	2495144	13-03-2013
16	BIO AGE (word)	BIO AGE	5	2631691	22-11-2013
			31	2631692	22-11-2013
17	BLACK DUCK (device)		33	3441348	23-12-2016
18	BUSI-DESK (LOGO)		35	1722318	18-08-2008
			42	1722319	18-08-2008
19	COMHAAT (word)	COMHAAT	38	2315132	13-04-2012
			16	2315133	13-04-2012
			35	2315134	13-04-2012



20	CROP RICH (Word)	CROP RICH	1	2631678	22-11-2013
21	DHAMPURE		1,5,7,8,9, 16,21	3970219 - 226	11-10-2018
			28 - 33	3970227 - 232	11-10-2018
			35-38 & 41-43	3970233 - 239	11-10-2018
			30	3963566	04-10-2018
22	Chetak	Chetak	33	4316390	10-10-2019


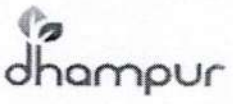
B : PENDING TRADE MARKS & LOGO FOR REGISTRATIONS

Sno	Brand	Trademark	Class	Application No.	Date of Application
1	DHAMPURE (word)	DHAMPURE	37	3506103	04-03-2017
2	Jaivik foods by Dhampur (logo)		30	3096836	09-11-2015
			31	3096837	09-11-2015
3	PM TO AM WHISKY (logo)		33	3031072	12-08-2015
4	Dhamaka	Dhamaka	33	4316388	10-10-2019
5	Manchali	Manchali	33	4282016	02-09-2019
6	Manchali Lime	Manchali Lime	33	4881981	26-02-2021
7	Madam Orange	Madam Orange	33	4594616	03-08-2020



8	Oranze	Oranze	33	4881978	26-02-2021
9	Orange Valley	Orange Valley	33	4881979	26-02-2021

C : COPYRIGHTS

Sr No.	ROC No.	Diary No.	Title of Work
1	A-99592/2013	6713/2012-CO/A	Dhampure Logo 
2	A-99545/2013	6643/2012-CO/A	Dhampur Logo 



Private and Confidential

November 30, 2021

The Board of Directors
Dhampur Bio Organics Limited
 Sugar Mill Compound,
 Village Asmoli,
 District Sambhal, Moradabad,
 U.P.- 244304

Dear Sir/Madam,

Ref: Abridged Prospectus of Dhampur Bio Organics Limited

Subject: Certificate on adequacy and accuracy of disclosure of information pertaining to Dhampur Bio Organics Limited in the Abridged Prospectus in compliance with Securities & Exchange Board of India ("SEBI") Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("SEBI Master Circular") for the purpose of Composite Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 amongst Dhampur Sugar Mills Limited ('DSML')/'Demerged Company') and Dhampur Bio Organics Limited ('DBOL')/'Resulting Company'/the 'Company') and their respective shareholders and creditors.

This is with reference to our engagement, for *inter-alia* certifying the accuracy and adequacy of disclosures pertaining to the Company made in the abridged prospectus dated November 30, 2021 ('Abridged Prospectus'), prepared by the Company to be sent to the shareholders of DSML pursuant to the Scheme.

The Scheme involves –

- Demerger of the Demerged Undertaking (as defined in the Scheme) of the Demerged Company and transfer of the same to the Resulting Company, being a wholly owned subsidiary of the Demerged Company;
- Issue and allotment of equity shares of the Resulting Company to all the shareholders of the Demerged Company in proportion to their shareholding in the Demerged Company, as consideration for the transfer of the Demerged Undertaking as per the approved share entitlement ratio, in such manner that the shareholding of the Demerged Company and Resulting Company mirror one another.
- Listing of equity shares so issued by the Resulting Company to be listed on the Stock Exchanges, subject to regulatory approval.

Centrum Capital Limited (CIN No.: L65990MH1977PLC019986)

Corporate Office : Centrum House, CST Road, Vidyasagar Marg, Kalina, Santacruz (East), Mumbai - 400 098. Tel : +91 22 4215 9000

Registered Office: 2nd Floor, Bombay Mutual Building, Dr. D. N. Road, Fort, Mumbai - 400 001. Tel: +91 22 2266 2434 Email: info@centrum.co.in

Website: www.centrum.co.in

Private and Confidential

Scope and Purpose of the Certificate –

- SEBI vide its Master Circular inter alia prescribed that the listed company (in the present certificate, "DSML") include the applicable information pertaining to the unlisted entity involved in the scheme (in the present certificate, "DBOL") in the format specified for Abridged Prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations"), in the explanatory statement or notice or proposal accompanying resolution to be passed, sent to the shareholders while seeking approval of the scheme.
- SEBI Master Circular further prescribes that the accuracy and adequacy of such disclosures shall be certified by a SEBI Registered Merchant Banker after following the due diligence process.
- This certificate is being issued in compliance of above mentioned requirement under the SEBI Circular.
- This certificate is restricted to meet the above mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes

Certification –

- We have been provided the Abridged Prospectus dated November 30, 2021 enclosed as Annexure 1, as prepared by the Company. The Abridged Prospectus will be circulated to the members of the DSML at the time of seeking their approval to the Scheme as a part of the explanatory statement to the shareholders notice.
- Based on the information, undertakings, certificates, confirmation and the documents provided to us by the Company and DSML, we Centrum Capital Limited a Category I Merchant Banker registered with SEBI, having registration no. INM000010445 hereby confirm that the disclosures made in the Abridged Prospectus is accurate and adequate, in terms of the para Part I(A)(3)(a) of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 read with the format provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

*Private and Confidential***Disclaimer –**

- The above confirmation is based on the information furnished and explanations provided to us by the management of the Company and DSML assuming the same is complete and accurate in all material aspects on an as is basis. We have relied upon financials, information and representations furnished to us on an as is basis and have not carried out an audit of such information. Our scope of work does not constitute an audit of financial information and accordingly we are unable to and do not express an opinion on the fairness of any such financial information referred to in the Abridged Prospectus. This certificate is based on the information as at November 30, 2021. This certificate is a specific purpose certificate issued in terms of the SEBI Master Circular and hence, it should not be used for any other purpose or transaction. The certificate is not, nor should it be construed to be, a certification of compliance of the Scheme with the provisions of the applicable Law including company, taxation and securities markets related laws or as regards to any legal implications or issues arising thereon, except for the purpose expressly mentioned herein.
- We express no opinion whatsoever and make no recommendation at all as to the Company's and DSML's underlying decision to effect the Scheme or as to how the holders of equity shares are secured or unsecured creditors of Company should vote at their respective meetings held in connection with the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Scheme or its success. We also express no opinion, and accordingly, accept no responsibility for or as to the financial performance of the Company or DSML following the consummation of the Scheme. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders/ investors should buy, sell or hold any stake in the Company or any of its related parties (holding company/ subsidiaries/ associates etc.)

For Centrum Capital Limited

**Authorized Signatory****Name:** Pranjal Srivastava**Designation:** Partner – Investment Banking**Contact:** +91 22 4215 9252**Email:** pranjal.srivastava@centrum.co.in**Authorized Signatory****Name:** Pooja Sanghvi**Designation:** AVP – Investment Banking**Contact:** +91 22 4215 9224**Email:** pooja.sanghvi@centrum.co.in

ABRIDGED PROSPECTUS – DHAMPUR BIO ORGANICS LIMITED

This is an abridged prospectus which is being issued in compliance with Part I(A)(3)(a) of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 issued by the Securities Exchange Board of India in relation to a scheme of arrangement (“**SEBI Master Circular**”) and Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“**LODR**”) and sets out the disclosures in an abridged prospectus format as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“**ICDR**”). This document contains information pertaining to an unlisted entity involved in the proposed Scheme of Arrangement between Dhampur Sugar Mills Limited (“**DSML**” or “**Demerged Company**”) and Dhampur Bio Organics Limited (“**Company**” or “**DBOL**” or “**Resulting Company**”) (together, the “**Companies**”) approved by the Board of Directors of the Demerged Company and the Company, respectively, on June 7, 2021, available on the websites of the BSE Limited (“**BSE**”) and the National Stock Exchange of India Limited (“**NSE**” and together with the BSE, “**Stock Exchanges**”). You are encouraged to read greater details about the Company and proposed business of the Company included in the scheme of arrangement, and the corporate disclosures issued by the Demerged Company available at www.dhampur.com. This abridged prospectus does not purport to include the complete information of the Company, including business, operations, assets and liabilities.

Nothing in this abridged prospectus constitutes an offer or an invitation by or on behalf of either the Company or the Demerged Company to subscribe for or purchase any of the securities of the Company.

THIS ABRIDGED PROSPECTUS CONTAINS TEN (10) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

You may also download this abridged prospectus along with the Scheme and other relevant documents from the websites of the Dhampur Sugar Mills Limited (www.dhampur.com) and BSE (www.bseindia.com) or NSE (www.nseindia.com), the Stock Exchanges where the equity shares of the Demerged Company are listed.

Please see below the applicable information pertaining to Dhampur Bio Organics Limited in accordance with Observation Letters dated September 8, 2021 and September 15, 2021 issued by BSE and NSE respectively and SEBI Master Circular consolidating SEBI Circulars dated 10th March, 2017, 23rd March 2017, 26th May 2017, 21st September 2017, 3rd January, 2018, 12th September, 2019, 3rd November, 2020, 16th November, 2021 and 18th November, 2021 (collectively, the “**SEBI Circulars**”), issued by the Securities and Exchange Board of India (“**SEBI**”) read with Regulation 37 of the LODR and contains the applicable information in the abridged prospectus format as provided in Part E of Schedule VI of the ICDR

DHAMPUR BIO ORGANICS LIMITED

Registered Office : Sugar Mill Compound, Village Asmoli, District Sambhal, Moradabad, Uttar Pradesh-244304

Corporate Office : 241, Okhla Industrial Estate, Phase-III, New Delhi – 110020

Contact Person : Mr. Nalin Kumar Gupta **Telephone** : 011- 3065 -9447
E-mail : dbo@dhampur.com **CIN** : U15100UP2020PLC136939

This abridged prospectus contains salient features of the scheme of arrangement between DSML and the Company and their respective shareholders and creditors under sections 230 to 232 of the Companies Act, 2013 and the rules made thereunder read with Section 2(19AA) of the Income Tax Act, 1961 and SEBI Circulars in connection with the demerger of Demerged Undertaking (as defined in the Scheme) of DSML into the Company (hereinafter referred to as the “**Scheme**”). This abridged prospectus discloses applicable information of the unlisted entity, i.e. the Company, in compliance with the SEBI Master Circular.



PROMOTER OF THE COMPANY

Dhampur Sugar Mills Limited

SCHEME DETAILS, LISTING AND PROCEDURE

The Demerged Undertaking of the Demerged Company is proposed to be demerged and transferred to the Resulting Company, pursuant to Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions thereof read with Section 2(19AA) of the IT Act, and the SEBI Circulars.

The salient features of the Scheme are:

1. Demerger of the Demerged Undertaking of the Demerged Company and transfer of the same to the Resulting Company, being a wholly owned subsidiary of the Demerged Company;
2. Issue and allotment of equity shares of the Resulting Company to all the shareholders of the Demerged Company in proportion to their shareholding in the Demerged Company, as consideration for the transfer of the Demerged Undertaking as per the approved share entitlement ratio, in such manner that the shareholding of the Demerged Company and Resulting Company mirror one another;
3. Immediately upon the issue and allotment of equity shares of the Resulting Company to the shareholders of the Demerged Company, the existing 10,000 equity shares having paid up value of Rs.10 each of the Resulting Company shall stand cancelled;
4. The equity shares so issued by the Resulting Company are proposed to be listed on the Stock Exchanges, subject to regulatory approval;
5. Following the completion of the issuance and allotment of shares of the Resulting Company to all the shareholders of the Demerged Company as above, subsequent transfer by the GV Promoter Group (as defined in the Scheme) of equity shares held by them in the Resulting Company to GT Promoter Group and transfer by the GT Promoter Group (as defined in the Scheme) of the equity shares held by them in the Demerged Company to GV Promoter Group, in accordance with the Scheme;
6. The GV Promoter Group (as defined in the Scheme) intends to reclassify their status as promoters to that of public shareholders of the Resulting Company and GT Promoter Group (as defined in the Scheme) intends to reclassify their status as promoters to that of public shareholders of the Demerged Company, in the event that and at such time, pursuant to the Share Transfers (as defined in the Scheme), their respective shareholding falls below the threshold permitted for reclassification as per the regulation prescribed in the LODR;
7. The Appointed Date means the opening of business hours on April 1, 2021 or such other date as the National Company Law Tribunal ("NCLT") may direct/allow.
8. The Scheme will come into effect from the Effective Date (as defined in the Scheme), being the date on which all conditions and matters referred to in Clause 31 of the Scheme occur or have been fulfilled, obtained or waived, as applicable, in accordance with the Scheme.
9. The transfer of the Demerged Undertaking shall be on a going concern basis.

The scheme is subject to the approvals and sanctions as mentioned in the Scheme.

Procedure:

The procedure with respect to public issue/offer would not be applicable as the Scheme does not involve issue of any equity shares of the Company to the public at large. The issue of equity shares of the Company is only to the shareholders of the Demerged Company, in accordance with the provisions of the Scheme, post receipt of approval of NCLT and upon certified copies of the sanction order(s) of the NCLT approving the Scheme being filed with the relevant Registrar of Companies. No further steps or actions would be required to be undertaken by the shareholders of the Demerged Company to be entitled to receive equity shares of the Company. The equity shares of the Company shall be listed on the Stock Exchanges pursuant to receiving applicable approvals.



ELIGIBILITY FOR THE ISSUE

Whether the Company is compulsorily required to allot at least 75% of the net Offer to Qualified Institutional Buyers – Not applicable.

INDICATIVE TIMELINE

This abridged prospectus is filed pursuant to the Scheme and is not an offer to the public at large. Given that the Scheme requires approvals of various regulatory authorities, including and primarily, the NCLT, the exact time frame cannot be established with certainty.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision. For taking an investment decision, investors must rely on their own examination of the Scheme, including the risks involved. Specific attention of the readers is invited to the sections titled "**Scheme Details, Listing and Procedure**" and "**Internal Risk Factors**" on pages 2 and 9 respectively of this abridged prospectus.

PRICE INFORMATION OF LEAD MANAGER

Not applicable, since this is an issue and allotment of equity shares to shareholders of DSML pursuant to the Scheme.

Syndicate Members: Not applicable

Name of Registrar to the Issue and contact details: As on date the Company has not appointed any Registrar. The Company will appoint a Registrar at the time of listing its equity shares.

Credit Rating Agency: Not applicable

Debenture trustee: Not applicable

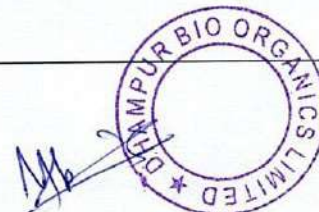
Self Certified Syndicate Banks: Not applicable

Non Syndicate Registered Brokers: Not applicable

Name of Merchant Banker and Contact Details	Statutory Auditor and Contact Details
Centrum Capital Limited Centrum House C.S.T. Road, Vidyanagari Marg Kalina, Santacruz (East) Mumbai 400 098 Maharashtra, India Tel: +91 22 4215 9000 E-mail: igmbd@centrum.co.in Website: www.centrum.co.in SEBI Registration No.: INM000010445 CIN: L65990MH1977PLC019986	Mittal Gupta & Co, Chartered Accountants FRN: 01874C Regd Office: 14- Ratan Mahal, 15/197- Civil Lines, Kanpur – 208001 Phone No: 0512- 2303235 Email: mgco@mgcoca.com Contact Person: Mr. Akshay Kumar Gupta

PROMOTERS OF THE COMPANY

The Company is a wholly owned subsidiary of the Demerged Company. The Demerged Company was originally incorporated as "The Dhampur Sugar Mills Limited" on 22nd May, 1933. The name of the Demerged Company was later changed to Dhampur Sugar Mills Limited. The Demerged Company is engaged in the business of manufacturing facilities of sugar, power, industrial alcohol, ethanol, chemicals and potable alcohol with different capacities.



The Demerged Company is a public listed company, having its registered office at Dhampur, District. Bijnor, Uttar Pradesh-246761. The equity shares of the Demerged Company are listed on the BSE and NSE.

Upon effectiveness of the Scheme:

The existing promoters of the Demerged Company shall be named as the promoters of the Company.

BUSINESS MODEL/BUSINESS OVERVIEW AND STRATEGY

The Company was incorporated on 26th October, 2020. The Company is a wholly owned subsidiary of DSML.

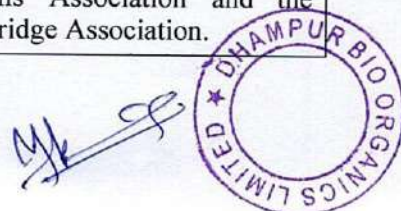
The Memorandum of Association of DBOL inter alia authorizes to undertake the following activity:

1. To carry on the business of manufacturing, producing, boiling, refining, preparing, growing, brewing, purchasing, marketing, retailing, importing, exporting, selling, trading and generally dealing in bio organic products, sugar, sugar-candy, jaggery, sugar-beet, sugar cane, confectioneries, sugar cubes, sugar syrups, fruits drops, fruits juices, sugar and agro based food products, molasses, syrups, melada, alcohol, chemicals, spirits, country liquor, Indian made foreign liquor, bagasse and all products or by-products, allied products thereof and any other bio, natural and agriculture produce and products thereof.
2. To carry on business of manufacturers, importers, exporters, purchasers, sellers, retailers and dealers of all kinds of chemicals, petro-chemicals, ethanol, methanol, methyl, ethyl products, butanol, petroleum CO2, fuel oil chemicals, industrial and other alcohols, potash chemicals, acids, alkalis, yeast, drugs, pharmaceuticals, pesticides and weedicides and other allied products for the business of the Company.
3. To carry on the business of electricity and power producers, power purchasers, retailers, co-generation of power and accumulate, distribute, transmit and supply in all its branches including but not limited to state grid, power exchange and for the purpose of feeding the plants of the Company and to construct, lay down, establish, fix and carry out all kind of power stations, cables, wires, lines accumulators, and works.

Pursuant to Scheme of Arrangement, DSML will demerge the Demerged Undertaking (as defined in the Scheme) into DBOL w.e.f. April 1, 2021, the appointed date. The proposed restructuring pursuant to the Scheme is expected, inter alia, to result in various key benefits as detailed under the 'Objects of Scheme of Arrangement' on page no 5 and 6 of this abridged prospectus.

BOARD OF DIRECTORS

Sr. No	Name	Designation	Experience
1.	Vijay Kumar Goel	Director	Mr. Vijay Kumar Goel is an entrepreneur with vast experience of around 60 years. He has held different positions in the sugar industry forums including President of Indian Sugar Mill Association (ISMA), an apex body of sugar manufacturers in India.
2.	Ashok Kumar Goel	Director	Mr. Ashok Kumar Goel has over 51 years of experience in the sugar and paper industries. He has served as the president of the Indian Sugar Mills Association and the Uttar Pradesh Sugar Mills Association. He is also the founder president of the Indian Agro Paper Mills Association and the Contract Bridge Association.



3.	Gaurav Goel	Director	Mr. Gaurav Goel is a business management graduate from the American College of London, United Kingdom and alumni Harvard Business School. He has over 25 years of experience in the sugar industry and has been the President of Indian Sugar Mills Association (ISMA) and Chairman of Indian Sugar Exim Corporation Limited, in 2017-18.
4.	Gautam Goel	Director	Mr. Gautam Goel has over 25 years of experience in the sugar industry and has been the president of the Indian Sugar Mills Association during the year 2011-2012.
5.	Mukul Sharma	Director	He has 25 years of experience in Marketing and Sales including Export and Import of commodities and sugar.
6.	Nalin Kumar Gupta	Director	Mr. Nalin Kumar Gupta is a Chartered Accountant with vast experience of around 25 years in finance, accounts, taxation and treasury management. He has been part of sugar industry for more than two decades.

Note: The board of directors of the Company will be reconstituted in compliance with the provisions of the Companies Act, 2013 applicable to listed companies and in terms of the LODR prior to filing of the application for final listing and trading approvals by the Company with the Stock Exchanges for listing of equity shares.

OBJECTS OF THE ISSUE
<p>Details of means of finance: Not applicable.</p> <p>Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the Preceding 10 years: Not Applicable.</p> <p>Name of monitoring agency if any: Since the proposed issue of equity shares by the Company is only to the shareholders of the Demerged Company and does not involve issue of any equity shares to public at large, the appointment of monitoring agency is not required.</p> <p>Terms of issuance of convertible securities if any: Not applicable.</p>

OBJECTS OF THE SCHEME OF ARRANGEMENT
<p>The objects/rationale of the Scheme are as under:</p> <ol style="list-style-type: none"> The proposed Demerger will create opportunities for pursuing independent growth and expansion strategies in the segregated businesses and effectively unlock value of each of the manufacturing units. The Demerger also represents an opportunity for the public shareholders to exploit the individual potential of both Companies. The segregation will allow each of the Companies to create a strong and distinctive platform with more focused management teams, which will enable greater flexibility to pursue long-term objectives and independent business strategies. The structure will streamline management and provide diversity in decisions regarding the use of respective cash flows for dividends, in capital expenditure or other reinvestment in their respective business, and in being able to explore varied investment opportunities and attract various investors and strategic partners.

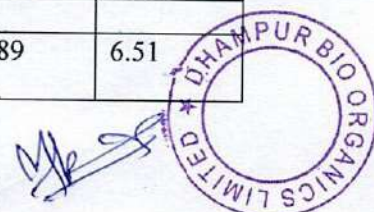


- iii. The business units of the Demerged Company are independent, self-sufficient in raw material, and standalone integrated, and would continue to function with efficiency, efficacy and synergies after the Demerger, and transition will be largely seamless.
- iv. The Demerger at this juncture will also create a framework for succession planning including long term leadership of each of the Companies with a view to ensure that the management and ownership model of the Demerged Company is not hindered by fragmentation of ownership and dispersed leadership over time as the promoter-manager families move closer to a generational shift, which may be detrimental to the Demerged Company, business and stakeholders. Instead, following the Demerger, the management of each of the Companies and ownership of the promoter-managers in each of the Companies will remain consolidated within a family group and will be lean and agile. This will also ensure long term stability including through continued maintenance of goodwill and harmony and allow for succession planning in an orderly and strategic manner without any business disruption.
- v. The shareholding of public shareholders following the Demerger will remain the same in both Companies and shareholder value, across Companies, will be preserved and remain unchanged.

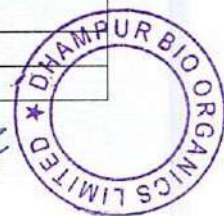
The Resulting Company does not propose to raise any capital and the equity shares of the Resulting Company are unlisted. The Resulting Company will issue its equity shares to the shareholders of Demerged Company on the Record Date to be fixed in this behalf by the Board of Directors of the Demerged Company in consultation with the Resulting Company in the ratio as specified in the Scheme and approved by the Hon'ble NCLT. The equity shares so issued by the Resulting Company will be listed on the Stock Exchanges.

Authorized Share Capital	Issued/ Subscribed /Paid-up Capital
Pre Scheme	
1,00,000 Equity Shares of Rs. 10 each	10,000 Equity Shares of Rs. 10 each
Post Scheme	
9,16,00,000 Equity Shares of Rs. 10 each	6,63,87,590 Equity Shares of Rs. 10 each

SHAREHOLDING PATTERN (As on 30.09.2021)					
S. No.	Description	Pre-arrangement		Post arrangement	
		No. of Shares	%	No. of Shares	%
(A)	Shareholding of Promoter and Promoter Group				
(1)	Indian				
(a)	Individuals/ Hindu Undivided Family	0	0	4979279	7.50
(b)	Central Government /State Government(s)	0	0	0	0
(c)	Financial Institutions / Banks	0	0	0	0
(d)	Any Other (specify)				
	i) Bodies Corporate(Persons acting in Concert)	10000	100	23287669	35.08
	Sub-Total (A)(1)	10000	100	28266948	42.58
(2)	Foreign				
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals	0	0	4318689	6.51



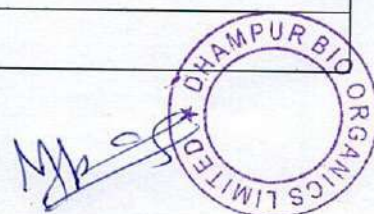
(b)	Government	0	0	0	0
(c)	Institutions	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0
(e)	Any Other (specify)				
	i) Bodies Corporate	0	0	0	0
	Sub-Total (A)(2)	0	0	4318689	6.51
	TOTAL Shareholding of Promoter and Promoter Group(A) = (1) + (2)	10000	100	32585637	49.08
(B)	Public Shareholding				
(1)	Institutions				
(a)	Mutual Funds/UTI	0	0	465	0
(b)	Venture Capital Funds	0	0	0	0
(c)	Alternate Investment Funds	0	0	73561	0.11
(d)	Foreign Venture Capital Investors	0	0	0	0
(e)	Foreign Portfolio Investors	0	0	3507345	5.28
(f)	Financial Institutions / Banks	0	0	334	0
(g)	Insurance Companies	0	0	313803	0.47
(h)	Provident Funds/ Pension Funds	0	0	0	0
(i)	Any Other (specify)	0	0	0	0
	Sub-Total (B)(1)	0	0	3895508	5.87
(2)	Central Government/ State Government(s)/ President	0	0	6	0
	Sub-Total (B)(2)	0	0	6	0
(3)	Non-Institutions	0	0		
(a)	Individuals - i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	0	0	12081746	18.20
	Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	0	0	13887152	20.92
(b)	NBFCs registered with RBI	0	0	0	0
(c)	Employee Trusts	0	0	0	0
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0
(e)	Any Other (specify)	0	0		
	i) Bodies Corporate	0	0	1819634	2.74
	ii) Non Resident Indians	0	0	301204	0.45
	iii) Non Resident Non Repatriates	0	0	131804	0.20
	iv) Overseas corporate bodies	0	0	0	0
	v) Foreign Nationals	0	0	1000	0
	vi) Trust	0	0	0	0
	vii) Foreign Portfolio Investor(Individual)	0	0	0	0
	viii) Clearing Member	0	0	328600	0.49
	ix) Foreign Body	0	0	0	0
	x) Unclaimed or Suspense or Escrow Account	0	0	0	0
	xi) Resident HUF	0	0	1139538	1.72
	xii) Custodian	0	0	0	0
	xiii) Director & Relatives	0	0	0	0
	xiv) Employees / Office Bearers	0	0	0	0



	xv) IEPF	0	0	215761	0.33
	Sub-Total (B)(3)	0	0	29906439	45.05
	TOTAL Public Shareholding(B) = B(1) + B(2) + B(3)	0	0	33801953	50.92
(C)	Non Promoter- Non Public	0	0		
(1)	Custodian/DR Holder				
(a)	Name of DR Holder (if available)	0	0	0	0
	Sub-Total (C)(1)	0	0	0	0
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	0	0	0	0
	Sub-Total (C)(2)	0	0	0	0
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	0	0	0	0
	Total A+B+C	10000	100	66387590	100

RESTATED AUDITED FINANCIALS (STANDALONE) <i>(In INR unless stated otherwise)</i>	
Particulars	For the period ended 31.03.2021
Total income from operations (net)	0
Net profit / (loss) before tax and extraordinary items	(77,641)
Net profit / (loss) after tax and extraordinary items	(77,641)
Equity Share Capital	1,00,000
Reserves and Surplus	(77,641)
Net worth	22,359
Basic Earnings Per Share (in INR)	(18.05)
Diluted Earnings Per Share (in INR)	(18.05)
Return on Net Worth (%)	(347.24%)
Net Asset Value Per Share (in INR)	2.24

UNAUDITED FINANCIALS (LIMITED REVIEWED) <i>(In INR unless stated otherwise)</i>	
Particulars	For the period ended 30.09.2021
Total income from operations (net)	0
Net profit / (loss) before tax and extraordinary items	(59,536)
Net profit / (loss) after tax and extraordinary items	(59,536)
Equity Share Capital	1,00,000



Reserves and Surplus	(1,37,177)
Net worth	(37177)
Basic Earnings Per Share (in INR)	(5.95)
Diluted Earnings Per Share (in INR)	(5.95)
Return on Net Worth (%)	(160.14%)
Net Asset Value Per Share (in INR)	(3.72)

INTERNAL RISK FACTOR

1. The Scheme for transfer and vesting of 'Demerged Undertaking' of the Demerged Company to the Resulting Company with effect from the Appointed Date is subject to the conditions / approvals as envisaged under the Scheme and any failure to receive such approvals will result in non-implementation of the Scheme and may adversely affect the shareholders.
2. There is no guarantee that the equity shares issued by the Company pursuant to the Scheme will be listed on the stock exchanges in a timely manner or at all. Further, once listed, there is no guarantee that there will be a liquid market for the equity shares.
3. Any increase in prices of raw materials will raise Company's manufacturing costs in future and could affect the profitability.
4. The Company's business, post demerger will be dependent on its manufacturing facilities. The loss of or shutdown of any operations at any of its manufacturing facilities may have a material adverse effect on its business, financial condition and results of operations.
5. Our industry is competitive and increased competitive pressure may adversely affect the results of our operations.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

As on the date of this abridged prospectus, the Company does not have any outstanding litigations, claims and regulatory actions. However, upon the Scheme becoming effective, any outstanding litigations in relation to the Demerged Undertaking (as defined in the Scheme), shall be transferred to the Company.

A. Total number of outstanding litigations against the Company and amount involved:

NIL

B. Brief details of top 5 material outstanding litigations against the Company and amount involved:

NIL

C. Regulatory actions if any - disciplinary action taken by SEBI or stock exchanges against the Promoters /Directors/Group Companies in the last 5 Financial Year including outstanding action, if any:

None except as following:

Sr. No.	Case/Ref. No.	Forum	Parties	Brief facts of the case
1	SEBI/HO/IVD/ID11/OW/P/2019/0000032755 & 56	Securities Exchange Board of	Nalin Kumar Gupta and Mukul Sharma	Investigation in the matter of STRs received regarding off market transfers by certain entities in the scrip of Golden Legand Leasing and Finance Ltd.



		India (SEBI)		Entered into off market transactions of shares of GLFL without complying with the provisions of Spot Delivery Contract as mentioned at Section 2-i of the SCRA. SEBI has issued a Show cause Notice in this matter. SEBI vide its order no. Order/MC/VS/2021-22/13544-13547 dated 28 th September, 2021 disposed off the adjudication proceeding against Mr. Nalin Kumar Gupta. Further, favorable order is awaited in case of Mr. Mukul Sharma.
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D. Brief details of outstanding criminal proceedings against Promoter

NIL

ANY OTHER IMPORTANT INFORMATION OF THE COMPANY

Please note that the Company has not commenced business operations as on date of this abridged prospectus. The proposed business operations of the Company post effectiveness of the Scheme shall be to carry out the same businesses as that of the Demerged Company. Details related to the businesses of the Demerged Company are available on the websites of the NSE and BSE.

DECLARATION BY THE COMPANY

We hereby declare that all the relevant applicable provisions of the Companies Act, 2013, and the guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this abridged prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this abridged prospectus are true and correct.

For **Dhampur Bio Organics Limited**



Nalin Kumar Gupta

Director

Place: New Delhi

Date: 30th November, 2021



VALUATION REPORT

To Determine Share Entitlement Ratio for proposed demerger

of

**"Demerged Undertaking" of Dhampur Sugar Mills Limited into Dhampur Bio
Organics Limited**

As on Date **07-06-2021**

Prepared by:

Anuradha Gupta
Registered Valuer – Securities or Financial Assets
IBBI Registration No. IBBI/RV/02/2020/12790



To,

The Board of Directors Dhampur Sugar Mills Limited Dhampur District – Bijnor U.P. -246761	The Board of Directors Dhampur Bio Organics Limited Sugar Mill Compound, Village Asmoli District - Sambhal U.P. - 244304
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Subject: - Share Entitlement Ratio Report for proposed demerger of "Demerged Undertaking" of Dhampur Sugar Mills Limited into Dhampur Bio Organics Limited ('the Companies')

Dear Mr.Gaurav Goel,

This is with reference to your engagement of our services dated 26/04/2021 to issue share entitlement ratio report for issue of equity shares of Dhampur Bio Organics Limited, in connection with proposed demerger of "Demerged Undertaking" on a going concern basis (as defined in the Scheme) of Dhampur Sugar Mills Limited into Dhampur Bio Organics Limited , w.e.f Appointed Date , i.e. April 01, 2021, or such other date as may be approved by the Hon'ble National Company Law Tribunal ('NCLT').

We are pleased to now enclose the report dated 7-6-2021 that highlights our assessment and findings.

In Conclusion we would like to state as under:

Based on the results of this valuation exercise considering relevant information / data, a ratio of 1 (One) fully paid up equity share of face value INR 10 each of DBOL for every 1 (One) fully paid up equity share of INR 10 (Rupees Ten) each held in DSM in consideration for the demerger of "Demerged Undertaking" is recommended.

Please do let us know if you require any further clarifications.

Sincerely,


Anuradha Gupta
Registered Valuer

IBBI Registration No. IBBI/RV/02/2020/12790

VRN:-2021-2022/174

COP NO:IOVRVO1218SFA

Encl: Share Entitlement Ratio Report

June 7, 2021

To,

The Board of Directors Dhampur Sugar Mills Limited Dhampur District – Bijnor U.P. -246761	The Board of Directors Dhampur Bio Organics Limited Sugar Mill Compound, Village Asmoli District - Sambhal U.P. - 244304
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Re: Share Entitlement Ratio Report for proposed demerger of "Demerged Undertaking" of Dhampur Sugar Mills Limited into Dhampur Bio Organics Limited ('the Companies')

Dear Sir/Madam,

We have been requested by **Dhampur Sugar Mills Limited** (the "**Demerged Company**") hereinafter referred as **DSM** and **Dhampur Bio Organics Limited** (the "**Resulting Company**") hereinafter referred as **DBOL** to issue share entitlement ratio report for issue of equity shares of Dhampur Bio Organics Limited, in connection with proposed demerger of "Demerged Undertaking" on a going concern basis (as defined in the **Scheme**) of Dhampur Sugar Mills Limited into Dhampur Bio Organics Limited w.e.f Appointed Date, i.e. April 01, 2021, or such other date as may be approved by the Hon'ble National Company Law Tribunal ('NCLT').

Share entitlement ratio is the number of shares of Resulting Company, that a shareholder of the Demerged Company would be entitled to in proportion to the existing shareholding in the Demerged Company. The definitions of the 'Demerged Undertaking' and 'Demerged Units' as per the draft Scheme provided to us is placed in Annexure I.

SCOPE AND PURPOSE OF ENGAGEMENT

This transaction is proposed under a Scheme of Arrangement under Section 230-232 and other applicable provisions of the Companies Act, 2013 (the "**Scheme**"). As per the Scheme, the Resulting Company will issue its shares to the shareholders of the Demerged Company as a consideration for the demerger and the shares held by the Demerged Company and its nominees in the Resulting Company would stand cancelled.

This report recommends the share entitlement ratio for the proposed Demerger, and is subject to the scope, limitations, exclusions and disclaimers detailed hereinafter. As such the report is to be



read in totality and not in parts, in conjunction with the relevant documents referred to therein.

DISCLOSURE OF VALUER INTEREST OR CONFLICT

I hereby declare that I am independent of the subject Companies for valuation and have not been under any direct or indirect influence, which may affect the valuation exercise. I also state that I have no financial interest in the subject Companies for valuation. I also confirm that this engagement shall be in compliance with the model Code of Conduct issued by IBBI vide Valuation Rules.

IDENTITY OF THE VALUER AND ANY OTHER EXPERTS INVOLVED IN THE VALUATION

There were no other valuers, apart from me, and experts involved in carrying out the process of valuation.

DATE OF APPOINTMENT, VALUATION DATE AND DATE OF REPORT

For the purpose of this assignment of valuation, following shall be the key dates:

- a) **Valuation Date** - It refers to the date of this report.
- b) **Date of Appointment**- It refers to a date on which the engagement is provided to a Valuer i.e., April 26, 2021.
- c) **Date of Report**- It refers to a date on which the Report is signed by a Valuer. i.e., June 7, 2021

1. BACKGROUND

1.1 DHAMPUR SUGAR MILLS LIMITED

DSM is a public Company, limited by shares, incorporated under the provisions of the Companies Act, 1913, under Corporate Identity No. L15249UP1933PLC000511 and having its registered office at District Bijnor, Dhampur - 246761 ("**Demerged Company**") and has Five units situated at Dhampur district Bijnor, Mansurpur district Muzaffarnagar, Rajpura district Sambhal, Asmoli district Sambhal and Meerganj district Bareilly all in the State of Uttar Pradesh having manufacturing facilities of sugar, power, industrial alcohol, ethanol, chemicals and potable alcohol with different capacities.

The equity shares of the Demerged Company are listed on BSE Limited and the National Stock Exchange of India Limited.

1.2 DHAMPUR BIO ORGANICS LIMITED

DBOL is a public company, limited by shares incorporated under the provisions of the Companies Act, 2013 under Corporate Identity No. U15100UP2020PLC136939 having its



registered office at Sugar Mill Compound, Village Asmoli Sambhal, Moradabad – 244304 (**"Resulting Company"**). At present all the shares of DBOL are held by DSM i.e. Demerged Company. The objects of DBOL are to carry on and dealing in and manufacturing of sugar, chemicals and co-generation of power. The equity shares of DBOL are not listed at present.

- 1.3 DSM is considering demerger of Demerged Undertaking and transfer the same to DBOL with effect from Appointed Date of April 1, 2021.
- 1.4 We have been informed that the Demerged Undertaking of DSM will be transferred to DBOL and in consideration, equity shares of DBOL would be issued to the equity shareholders of DSM.

2. SOURCES OF INFORMATION

For the purposes of this exercise, I have relied upon the following sources of information:

- Consideration of Audited Financial Statements of DSM for the financial year ended 31.03.2021
- Considered the Draft Scheme of Arrangement.
- Management Certified provisional position of assets and liabilities of the "Demerged Undertaking" of DSM as on March 31, 2021 prepared in compliance with section 2(19AA) of the Income Tax Act, 1961.
- Current and proposed shareholding pattern of DBOL as per draft scheme provided to us.
- Such other Information and explanation as we required and which have been provided by the DSM and DBOL on which I have relied.

The Management of the Companies have been provided opportunity to review factual information in our draft Report as part of our standard practice to make sure that factual inaccuracies/ omissions/ etc. are avoided in our final Report.

3. LIMITATIONS AND EXCLUSIONS

- 3.1 In the context of the proposed demerger of the Demerged undertaking of DSM and transfer of the same to DBOL, DSM and DBOL have approached us to assist in arriving at Share Entitlement Ratio for the purposes of issuing equity shares in DBOL to the shareholders of DSM.
- 3.2 My report is subject to the scope and limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- 3.3 My report should not be construed as opinion or certifying the compliance of the proposed



demerger of "Demerged Undertaking " of DSM with the provisions of any law including Companies Act, 2013, Income Tax Act, 1961, RBI and Capital Market related laws or as regards any legal implications or issues arising from such proposed demerger.

- 3.4 The information contained herein and in my report is intended only for the sole use and information of the Companies, and only in connection with the proposed demerger as aforesaid including for the purpose of obtaining requisite approvals. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed demerger as aforesaid, can be done only with my prior permission in writing.
- 3.5 No investigation or verification on the Companies claims to title of assets has been made for the purpose of this report and their claim to such rights has been assumed to be valid. Therefore, no responsibility is assumed for matters of a legal nature.
- 3.6 We have not carried out an audit of the information provided for the purpose of this engagement. We assume no responsibility for any errors in the above information furnished by the Companies and consequential impact on the present exercise.
- 3.7 My work does not constitute certification of the historical financial statements including the working results of the Companies referred to in this report. Accordingly, I am unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report. My analysis and results are specific to the purpose of this report as per agreed terms of my engagement. It may not be valid or used for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- 3.8 Any third person/party intending to provide finance/invest in the shares/businesses of any of the Companies, shall do so, after seeking their own professional advice and after carrying out their own due diligence procedures ensure that they are making an informed decision.
- 3.9 This report is prepared only in connection with the proposed demerger and transfer exclusively for the use of the Companies and for submission to any regulatory/statutory authority as may be required under any law.
- 3.10 Neither VALUER nor it's Associates, make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which this report is being issued. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in this report.

4. BASIS FOR DETERMINATION OF RATIO

- 4.1 It is proposed that, as consideration for the transfer of the Demerged Undertaking under the Scheme, DBOL shall issue equity shares in the ratio of 1 (One) fully paid-up equity share of face value INR 10 (Rupees Ten) each of DBOL for every 1 (One) fully paid-up equity share of INR 10 (Rupees Ten) each held in DSM.
- 4.2 Simultaneously with the issue and allotment of the said equity shares by DBOL, the existing



paid-up share capital of DBOL, held by DSM and its nominees, will stand cancelled, extinguished and annulled.

- 4.3 Thus, effectively the shareholding of DBOL would mirror the shareholding of DSML.
- 4.4 The new shares of DBOL allotted post demerger shall be listed at BSE and National Stock Exchange of India Ltd., as per provisions of the Scheme.
- 4.5 I understand that for the proposed demerger of the "Demerged Undertaking" of DSM into DBOL, the ratio of allotment of equity shares in DBOL has been decided based on the desired capital structure of DBOL and avoiding fractional entitlement in the hands of the shareholders.
- 4.6 The share entitlement ratio and the number of shares to be allotted pursuant to demerger, under the draft scheme, is of no material relevance since there will be no loss of economic interest in the hands of shareholders of DSM. Accordingly, for the purpose of recommending a share entitlement ratio I am not attempting to arrive at the absolute value of Shares of each company.
5. This report is being issued in accordance with SEBI Circular number SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated November 3, 2020 for scheme of arrangement by listed entities. This report is in accordance with generally accepted professional standards including Indian Valuation Standards, 2020 issued by the Institute of Chartered Accountants of India (ICAI).
6. In order to comply with the regulatory provisions certain departures have been made from the same, detailed herein below. In accordance with BSE Circular no. LIST/COMP/02/2017-18 dated May 29, 2017, I also hereby display below the workings, relative fair value per share and fair share exchange ratio.

Computation of Fair Share Exchange Ratio

VALUATION APPROACH	DHAMPUR SUGAR MILLS LIMITED (DSM)		DHAMPUR BIO ORGANICS LIMITED (DBOL)	
	Value per Share	Weight	Value per Share	Weight
Asset Approach	NA (Refer Note 1-3)			
Income Approach				
Market Approach				
Relative Value per Share	NA		NA	
Exchange Ratio (rounded off)	NA			

NA: Not Adopted



Note:**1. Asset Approach – Not Adopted**

As per the proposed Scheme of Arrangement, Demerged Undertaking will be demerged into DBOL, a wholly owned subsidiary of DSML and upon cancellation of the outstanding issued and paid-up shares held by the Demerged Company in the Resulting Company, fresh issue of shares would be made to the existing shareholders of the Demerged Company on a proportionate basis such that their shareholding in the Resulting Company would mirror their existing shareholding in Demerged Company.

In light of above, we have not carried out any independent valuation of the Demerged Company and Demerged Undertaking using the Asset Approach method.

2. Income Approach – Not Adopted

In view of the explanation given above, we have not carried out any independent valuation of the Demerged Company and Demerged Undertaking using the Income Approach method.

3. Market Approach – Not Adopted

In view of the explanation given above, we have not carried out any independent valuation of the Demerged Company and Demerged Undertaking using the Market Approach method.

7. RATIO:

1(One) fully paid up equity share of Dhampur Bio Organics Limited of INR 10 each shall be issued to the shareholders of Dhampur Sugar Mills Limited for every 1(One) fully paid up equity share of Dhampur Sugar Mills Limited having face value of INR 10 each held by them.

8. CONCLUSION

Based on the above, a ratio of 1 (One) fully paid up equity share of face value INR 10 each of DBOL for every 1 (One) fully paid up equity share of INR 10 (Rupees Ten) each held in DSM in consideration for the demerger of "Demerged Undertaking" is recommended.

Yours faithfully,


Anuradha Gupta
Registered Valuer - Securities of Financial Assets
IBBI Registration No. IBBI / RV / 02/2020/12790
VRN 2021-2022/174

Addendum Statement of limiting conditions and Caveats(forming part of report)

This valuation report relies upon the following contingent and limiting conditions:

- a. We assume no responsibility for the legal matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed good and marketable.
- b. The business interest and subject business assets have been appraised free and clear of any liens or encumbrances unless stated otherwise. It is assumed that, no hidden or apparent conditions regarding the subject business assets or their ownership are assumed to exist. Hence no consequential impact of the same is considered in the valuation.
- c. All information provided by the client is considered to be accurate. However, I offer no assurance as to its accuracy.
- d. Absent of statement to the contrary, I have assumed that no hazardous conditions or materials exist which could affect the subject business or its assets. However, I am not qualified to establish the absence of such conditions or materials, nor do I assume the responsibility for discovering the same.
- e. The valuation analysis and conclusion of value presented in the report are for the purpose of this engagement only and are not to be used for any other reason, any other context or by any other person except the client to whom the report is addressed and to the requirement for which the report is issued.
- f. The opinion of value expressed in this report does not obligate me to render a comprehensive business appraisal report, to give testimony before any authorities, or attend court proceedings with regard to the subject business assets, properties or business interests.
- g. Possession of this report does not imply a permission to publish the same or any part thereof. No part of this report is to be communicated to the public by means of advertising, news releases, sales and promotions or any other media without a prior written consent and approval by me.



Anuradha Gupta

IBBI Registered Valuer

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- h. We have no responsibility to update this report for events and circumstances occurring after the date of this report.
- i. The Valuation Analysis should not be construed as investment advice; specifically, We do not express any opinion on the suitability or otherwise of entering into an investment or business transaction.

ANNEXURE I

"Demerged Undertaking" means all the business, undertakings, properties, activities, operations, investments and liabilities of whatsoever nature and kind and wheresoever situated, of the Demerged Company, in relation to and pertaining to the Demerged Units on a going concern basis, together with all assets and liabilities pertaining to the Demerged Units and shall include (without limitation):

- (a) all the movable and immovable properties, tangible or intangible, including all computers and accessories, software, applications, digital properties and related data, related investments, plant and machinery, equipment, furniture, fixtures, vehicles, stocks and inventory, leasehold assets and other properties in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, assets including cash in hand, amounts lying in the banks, investments including shareholding in DIPL, escrow accounts, claims tax credits, input credits, prorata minimum alternate tax credits, tax refunds and claims of any kind, allotments, approvals, consents, letters or intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, freehold, brands, goodwill, other intangibles, industrial and other licenses, approvals, permits, authorizations, Intellectual Property, assignments and grants in respect thereof, import and export quotas and other quota rights, right to use and avail of telephones, facsimile, email, internet and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds and benefits (including all work in progress), of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, local authorities or any other person including customers, contractors or other counter parties, etc., all earnest monies and/or deposits, privileges, liberties, easements, advantages, benefits, exemptions, privileges and approvals of whatsoever nature and where so ever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Demerged Company in relation to the Demerged Units as stated above as on the Appointed Date, including those listed in Schedule I attached to the draft Scheme;
- (b) all receivables, loans and advances, including accrued interest thereon, all advance payments, earnest monies and/or security deposits, payment against warrants, if any, or



other entitlements of the Demerged Company pertaining to the Demerged Units as on the Appointed Date;

- (c) all employees of the Demerged Company engaged in or in relation to the Demerged Units, along with all benefits under employment including gratuity, superannuation, pension benefits and the provident fund or other compensation or benefits of such employees;
- (d) all the Transferred Liabilities (*as defined in the draft Scheme*);
- (e) all books, records, files, papers, engineering and process information, records of standard operating procedures, computer programs and software along with their licenses and registrations, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, in connection with or relating to the Demerged Units as stated above of the Demerged Company;
- (f) all legal proceedings (past, present or future) of whatsoever nature by or against the Demerged Company relating to the Demerged Undertaking;
- (g) any assets, liabilities, agreements, undertakings, activities, operations or properties that are determined by the Boards of the Companies relating to or forming part of the Demerged Units or which are necessary for conduct of, or the activities or operations of, the Demerged Units.

"Demerged Units" means the following sugar, industrial alcohol, ethanol, chemicals and potable alcohol and power manufacturing units of the Demerged Company, each of which is referred to as a going concern:

- (i) Asmoli unit situated at Asmoli, district Sambhal (Uttar Pradesh), including the sugar manufacturing plant having capacity of 9,000 tonnes crushing per day of sugarcane, 1,50,000 litres of distillery/chemicals per day including ethanol etc. and 43.5 megawatts co-generation of power;
- (ii) Mansur pur unit situated at Mansur pur, district Muzaffarnagar (Uttar Pradesh), including the sugar manufacturing plant having capacity of 8,000 tonnes crushing per day of sugarcane and 33 megawatts co-generation of power; and
- (iii) Meerganj unit situated at Meerganj, district Bareilly (Uttar Pradesh) including the sugar manufacturing plant having capacity of 5,000 tonnes crushing per day of sugarcane and 19 megawatts co-generation of power.





June 07, 2021

The Board of Directors

Dhampur Sugar Mills Limited
241, Okhla Industrial Estate, Phase-III
New Delhi 110020
Dear Members of the Board

Subject: Fairness Opinion on the share entitlement ratio for the shareholders of Dhampur Sugar Mills Limited pursuant to proposed demerger of its Demerged Undertaking into Dhampur Bio Organics Limited

We refer to the Engagement Letter dated April 26, 2021 with Centrum Capital Limited (hereinafter referred to as "Centrum" or "us" or "we") wherein Dhampur Sugar Mills Limited (hereinafter referred to as "you" or "Dhampur" or "DSML" or "the Company" or "Demerged Company") has requested us to provide a fairness opinion on the share entitlement ratio as at June 07, 2021 ("Valuation Date") recommended by Anuradha Gupta, Registered Valuer - Securities of Financial Assets, IBBI Registration No. IBBI / RV /02/2020/12790 ("Valuer") for allotment of equity shares of the resulting company – **Dhampur Bio Organics Limited ("DBOL" or the "Resulting Company")** to the shareholders of DSML, with respect to the proposed demerger of Demerged Undertaking (as defined in the Scheme) of the Company on a going concern basis.

Scope and Purpose of the Report

We understand that the Company is contemplating to demerge the Demerged Undertaking into DBOL ("**Proposed Transaction**"), the consideration in respect of which will be the issue and allotment of the equity shares of the Resulting Company to all the shareholders of the Demerged Company in accordance with the share entitlement ratio as recommended by the Valuer. The proposed demerger is to be carried out pursuant to the Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013, as amended and other applicable provisions of the Companies Act, 2013.

The draft Scheme of Arrangement ("**Scheme**") provides for the following:

- (i) Demerger of the Demerged Undertaking of the Demerged Company and transfer of the same to the Resulting Company, being a wholly owned subsidiary of the Demerged Company.
- (ii) Issue and allotment of equity shares of the Resulting Company to all the shareholders

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of the Demerged Company in proportion to their shareholding in the Demerged Company, as consideration for the transfer of the Demerged Undertaking, in such manner that the shareholding of the Demerged Company and Resulting Company mirror one another;

- (iii) Simultaneously with the issue and allotment of equity shares of the Resulting Company to the shareholders of the Demerged Company, the existing equity shares of the Resulting Company shall stand cancelled;
- (iv) Following the completion of the issuance and allotment of shares of the Resulting Company to all the shareholders of the Demerged Company as above, subsequent transfer by the GV Promoter Group (as defined in the Scheme) of equity shares held by them in the Resulting Company to GT Promoter Group and transfer by the GT Promoter Group (as defined in the Scheme) of the equity shares held by them in the Demerged Company to GV Promoter Group, in accordance with the Scheme;
- (v) The Appointed Date means the opening of business hours on April 1, 2021 or such other date as the NCLT may direct/allow; and
- (vi) The Scheme will come into effect from the Effective Date (as defined in the Scheme), being the date on which all conditions and matters referred to in Clause 31 of the Scheme occur or have been fulfilled, obtained or waived, as applicable, in accordance with the Scheme.

The Share Entitlement Ratio Report provides that upon the demerger being effective, 1 (One) fully paid up equity share of DBOL of INR 10 each shall be issued to the shareholders of DSML for every 1 (One) fully paid up equity share in DSML having face value of INR 10 each ("Share Entitlement Ratio").

In connection with the aforesaid, the Management of the Company ("Management") has engaged Centrum Capital Ltd ("Centrum") to submit a fairness opinion report on the Share Entitlement Ratio to the equity shareholders of DSML, with respect to the Proposed Transaction.

Our scope of work includes commenting only on the fairness of the Share Entitlement Ratio with respect to the Proposed Transaction for the consideration of the Board of Directors and committees of the Board of the Company.

This report is our deliverable in respect of the above engagement. This report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such the report is to be read in totality and not in parts, in conjunction with the relevant documents referred to therein.

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This report has been issued for facilitating the Proposed Transaction and should not be used for any other purpose. The aforesaid demerger shall be pursuant to the Draft Scheme of Arrangement and shall be subject to the receipt of approval from National Company Law Tribunal or such other competent authority as may be applicable and other statutory/regulatory approvals as may be required. The Scheme is also subject to approval by the shareholders of the Demerged Company in accordance with the requirements set out under paragraphs 10(a) and 10(b) of Part-I of the SEBI Master Circular bearing number SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 ("SEBI Master Circular") consolidating SEBI circulars dated March 10, 2017, March 23, 2017, May 26, 2017, September 21, 2017, January 3, 2018, September 12, 2019 and November 3, 2020 (collectively, the "SEBI Circulars"). The detailed terms and conditions of the demerger are fully set forth in the Draft Scheme of Arrangement. Centrum has issued this Fairness Opinion with the understanding that Draft Scheme of Arrangement shall not be materially altered and the parties hereto agree that the Fairness Opinion would not stand good in case the final Scheme of Arrangement alters the Proposed Transaction.

BACKGROUND

Dhampur Sugar Mills Limited

DSML is a public Company, limited by shares, incorporated under the provisions of the Companies Act, 1913, under Corporate Identity No. L15249UP1933PLC000511 and having its registered office at District Bijnor, Dhampur – 246761 ("Demerged Company") and has Five units situated at Dhampur district Bijnore, Mansurpur district Muzaffarnagar, Rajpura district Badaun, Asmoli district Sambhal and Meerganj district Bareilly all in the State of Uttar Pradesh having manufacturing facilities of sugar, chemicals and power generation with different capacities.

The equity shares of the Demerged Company are listed on BSE Limited and the National Stock Exchange of India Limited.

Dhampur Bio Organics Limited

DBOL is a public company, limited by shares incorporated under the provisions of the Companies Act, 2013 under Corporate Identity No. U15100UP2020PLC136939 and having its registered office at Sugar Mill Compound, Village Asmoli Sambhal, Moradabad – 244304. At present all the equity shares of DBOL are held by DSML i.e. Demerged Company. The objects of DBOL are to carry out the dealing in and manufacturing of sugar, chemicals and co-generation of power. The equity shares of DBOL are not listed at present.

RATIONALE OF THE PROPOSED TRANSACTION

- (i) The proposed Demerger will create opportunities for pursuing independent growth and expansion strategies in the segregated businesses and effectively unlock value

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of each of the manufacturing units. The Demerger also represents an opportunity for the public shareholders to exploit the individual potential of both Companies.

- (ii) The segregation will allow each of the Companies to create a strong and distinctive platform with more focused management teams, which will enable greater flexibility to pursue long-term objectives and independent business strategies. The structure will streamline management and provide diversity in decisions regarding the use of respective cash flows for dividends, in capital expenditure or other reinvestment in their respective business, and in being able to explore varied investment opportunities and attract various investors and strategic partners.
- (iii) The business units of the Demerged Company are independent, self-sufficient in raw material, and standalone integrated, and would continue to function with efficiency, efficacy and synergies after the Demerger, and transition will be largely seamless.
- (iv) The Demerger at this juncture will also create a framework for succession planning including long term leadership of each Company with a view to ensure that the management and ownership model of the Demerged Company is not hindered by fragmentation of ownership and dispersed leadership over time as the promoter-manager families move closer to a generational shift, which may be detrimental to the Demerged Company, business and stakeholders. Instead, following the Demerger, the management of each Company and ownership of the promoter-managers in each Company will remain consolidated within a family group, lean and agile, consistent with the model followed in relation to the Demerged Company over the past few decades during which the Demerged Company has seen significant growth, stability and value creation. This will also ensure long term stability including through continued maintenance of goodwill and harmony and allow for succession planning in an orderly and strategic manner without any business disruption.
- (v) The shareholding of public shareholders will remain the same in both Companies and shareholder value, across Companies, will be preserved and remain unchanged.

SOURCES OF INFORMATION

We have relied on the following information received from the Management in connection with the exercise:

- Share entitlement ratio report by Anuradha Gupta, Registered Valuer - Securities of Financial Assets IBBI Registration No. IBBI / RV /02/2020/12790 dated June 07, 2021
- Draft Scheme of Arrangement for the demerger of Demerged Undertaking of DSML into DBOL

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- Audited financials of DSML for FY18-19, FY19-20 and FY20-21
- Audited financial statements of DBOL for FY21
- Pre and post scheme shareholding patterns of DSML and DBOL
- Background information provided through e-mails and/or during discussions

We have also obtained further explanations and information from the Management considered reasonably necessary for our exercise.

BASIS OF OPINION

- 1.1 The Scheme envisages, basis the Share Entitlement Ratio Report, that the Resulting Company shall issue equity shares in the ratio of 1 (One) fully paid up equity share of face value INR 10 (Rupees Ten) each of DBOL to the shareholders of DSML for every 1 (One) fully paid up equity share of INR 10 (Rupees Ten) each held in DSML.
- 1.2 Simultaneously with the issue and allotment of the said equity shares by DBOL, the existing paid-up equity share capital of DBOL held by DSML and its nominees will stand cancelled, extinguished and annulled.
- 1.3 Thus, effectively the shareholding of DBOL would mirror the shareholding of DSML.
- 1.4 The new equity shares of DBOL allotted post demerger shall be listed at BSE Limited and National Stock Exchange of India Ltd., as per provisions of the Scheme.
- 1.5 For the proposed transaction, the ratio of allotment of equity shares in DBOL has been decided based on the desired capital structure of DBOL and avoiding fractional entitlement in the hands of the shareholders.
- 1.6 The share entitlement ratio and the number of equity shares to be allotted pursuant to demerger, under the draft scheme, is of no material relevance since there will be no loss of economic interest in the hands of shareholders of DSML.
- 1.7 The effect of demerger is that each shareholder of DSML will become owner of equity shares in two companies instead of one.
- 1.8 Upon issuance of equity shares basis the Share Entitlement Ratio and after the cancellation of pre-Demerger equity share capital of DBOL, the equity shareholders of DSML and DBOL would be same.

The Share Entitlement Ratio is based on the Valuation report dated June 07, 2021 submitted by the Valuer.

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Centrum has taken the foregoing facts (together with the other facts and assumptions set forth in the section Limitation of Scope and Review) into account when determining the meaning of "fairness" for the purpose of this opinion.

LIMITATION OF SCOPE AND REVIEW

The Fairness Opinion only aims to represent that the Share Entitlement Ratio as contained in the Opinion is fair and further that the Fairness Opinion shall be valid only for a limited period of time post Centrum's assessment of the relevant information. The Fairness Opinion may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity. Fairness Opinion assessment and the Opinion are specific to the date of this report. As such, the Opinion is, to a significant extent, subject to continuance of current trends beyond the date of the report. The services do not represent accounting, assurance, accounting/tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

Centrum's opinion and analysis is limited to the extent of review of documents as provided to Centrum by DSML and DBOL including the Share Entitlement Ratio Report dated June 07, 2021, submitted by the Valuer and the draft Scheme of Arrangement.

Centrum has relied upon the accuracy and completeness of all information and documents without carrying out any due diligence or independent verification or validation of such information to establish its accuracy or sufficiency. Centrum has not conducted any independent valuation or appraisal of any of the assets or liabilities of DSML and/or its subsidiaries. In particular Centrum does not express any opinion as to the value of any asset of DSML and/or its subsidiaries whether at current prices or in the future.

No due diligence into any right, title or interest in property or assets was undertaken and no responsibility is assumed in this respect or in relation to legal validity of any such claims. We have assumed that the information provided to us presents a fair image of DSML at the Valuation Date. Accordingly, we assume no responsibility for any errors in the above information furnished by the Management and their impact on the present exercise. Also, we assume no responsibility for technical information furnished by the Management and believed to be reliable.

Centrum's opinion is not and should not be construed as Centrum's opining or certifying the compliance of the Proposed Transaction with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising from such Proposed Transaction. In addition, we express no opinion or recommendation as to how the shareholders of the Company should vote at any shareholders' meeting(s) to be held in connection with the Proposed Transaction.

One should note that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose.

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Centrum does not express any opinion as to the price at which equity shares of DSML may trade at any time, including subsequent to the date of this opinion. In rendering the opinion, Centrum has assumed that the Scheme will be implemented on the terms describe therein, without any waiver or modification of any material terms or conditions and that in course of obtaining the necessary regulatory or third party approvals for the Scheme, no delay, limitation, restriction or condition will be imposed that would have adverse effect on DSML and/or its subsidiaries and their respective shareholders.

Centrum has also not opined on the fairness of any terms and conditions of the Scheme other than the fairness, from financial point of view, of the Share Entitlement Ratio. We acknowledge that this Fairness Opinion will be shared to the extent as may be required, with relevant Tribunal, stock exchanges, advisors of the Companies as well as with statutory authorities in relation to the proposed Scheme. This Fairness Opinion can also be shared with the shareholders of the Demerged Company and Resulting Company, as may be required, in relation to the proposed Scheme.

Centrum assume no responsibility for updating or revising its opinion based on circumstances or events occurring after the date hereof. Centrum's opinion is specific to the Proposed Transaction as contemplated in the Scheme as provided to Centrum and is not valid for any other purpose. It is to be read in totality and not in parts, in conjunction with the relevant documents referred to therein.

Save and except for DSML, Centrum owes no responsibility to any person in connection with this Fairness Opinion. It may be noted that Centrum's liability in connection with this Fairness Opinion shall be limited only to the extent of fees received for the purpose of this engagement. Centrum does not accept any liability to any third party in relation to the issue of this Fairness Opinion. Neither this Fairness Opinion nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties without Centrum's prior written consent. Centrum retains the right to deny permission for the same.

In the ordinary course of business, Centrum and its affiliates are engaged in securities trading, securities brokerage and investment activities as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of Centrum and its affiliates may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the proposed scheme.

The laws of India govern all matters arising out of or relating to this opinion (including, without limitation, its interpretation, construction, performance, and enforcement). This report is subject to the laws of India.

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VALUER'S RECOMMENDATION

The Valuer has recommended to issue 1 (One) fully paid up equity share of face value INR 10 each of DBOL to the shareholders of DSML for every 1 (One) fully paid up equity share of INR 10 (Rupees Ten) each held in DSML.


OPINION

Having regard to all relevant factors, on the basis of information provided and explanations given to Centrum by the Demerged Company and the Valuer, Centrum is of the opinion, on the date hereof to the best of its knowledge and belief, that the above Share Entitlement Ratio as recommended by the Valuer is fair to the equity shareholders of DSML.

It should be noted that we have examined only the fairness of the Share Entitlement Ratio for the Proposed Transaction and have not examined any other matter including economic rationale for the transfer of the Demerged Undertaking per se or accounting and tax matters involved in the Proposed Transaction.

Yours truly,

For Centrum Capital Limited



Rajendra Naik

MD – Investment Banking



Sugandha Kaushik

Vice President – Investment Banking



Centrum Capital Limited (CIN No.: L65990MH1977PLC019986)

Corporate Office : Centrum House, CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai – 400 098. Tel : +91 22 4215 9000

Registered Office: 2nd Floor, Bombay Mutual Building, Dr. D. N. Road, Fort, Mumbai – 400 001. Tel: +91 22 2266 2434 Email : info@centrum.co.in , Website : www.centrum.co.in



DCS/AMAL/MJ/R37/2074/2021-22

"E-Letter"

September 08, 2021

The Company Secretary,
DHAMPUR SUGAR MILLS LTD.
 Dhampur, Bijnor,
 Uttar Pradesh, 248761.

Dear Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement between Dhampur Sugar Mills Limited and Dhampur Bio Organics Limited and their respective shareholders and creditors.

We are in receipt of Draft Scheme of Arrangement of Dhampur Sugar Mills Limited filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its Letter dated September 06, 2021 has inter alia given the following comment(s) on the draft scheme of arrangement:

- "The Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, including but not limited to, the Show Cause Notice issued by SEBI to Mr. Nalin Kumar Gupta and Mr. Mukul Sharma, who are the directors of Dhampur Bio Organics Limited, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- "The entities involved in the Scheme shall duly comply with various provisions of the Circular."
- "The Company shall ensure that the information pertaining to all the Unlisted Companies involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- "Company shall ensure that the entire "Scheme" details along with the details of financials provided by the Company vide its letter dated September 01, 2021 shall be prominently disclosed in the notice sent to the Shareholders."
- "Company shall ensure that the new equity shares proposed to be issued by the Dhampur Bio Organics Limited as part of the "Scheme" shall mandatorily be in demat form only. Accordingly, the para 12.3 of Part II of the "Scheme" and other relevant paras shall be suitably amended before the "Scheme" is filed with Hon'ble NCLT and shareholders, while seeking approval."
- "Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the provision 31.1.2 of Part IV mentioned in the scheme document."
- "Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- "Company shall ensure that it is in compliance with Regulation 31A of the SEBI LODR Regulations, 2015 with regard to the proposed reclassification at para 23 of Part III of the "Scheme"."
- "Company shall duly comply with various provisions of the Circular."

- **“Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.”**
- **“It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose Information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

However, the listing of equity shares of Dhampur Bio Organics Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. Further, Dhampur Bio Organics Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange's criteria for listing the securities of such company and also comply with other applicable statutory requirements. However, the listing of shares of Dhampur Bio Organics Limited is at the discretion of the Exchange. In addition to the above, the listing of Dhampur Bio Organics Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Dhampur Bio Organics Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the company is also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all Dhampur Bio Organics Limited in line with the details required as per the aforesaid SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.
3. To disclose all the material information about Dhampur Bio Organics Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provisions shall be incorporated in the scheme:
 - i. The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange.”
 - ii. “There shall be no change in the shareholding pattern of Dhampur Bio Organics Limited between the record date and the listing which may affect the status of this approval.”

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Sd/-

Rupal Khandelwal
Assistant General Manager

National Stock Exchange Of India Limited

Ref: NSE/LIST/27267_II

September 15, 2021

The Company Secretary
Dhampur Sugar Mills Limited
Dhampur, Northern Rly.,
Dist. Bijnor, Uttar Pradesh - 246761

Kind Attn.: Ms. Aparna Goel

Dear Madam,

Sub: Observation Letter for Draft Scheme of Arrangement between Dhampur Sugar Mills Limited and Dhampur Bio Organics Limited and their respective Shareholders and Creditors

We are in receipt of the Draft Scheme of Arrangement between Dhampur Sugar Mills Limited (Demerged Company) and Dhampur Bio Organics Limited (Resulting Company) and their respective Shareholders and Creditors vide application dated June 11, 2021.

Based on our letter reference no Ref: NSE/LIST/27267 submitted to SEBI and pursuant to SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), kindly find following comments on the draft scheme:

- a. The Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, including but not limited to, the Show Cause Notice issued by SEBI to Mr. Nalin Kumar Gupta and Mr. Mukul Sharma, who are the directors of Dhampur Bio Organics Limited, before Hon'ble NCLT and shareholders, while seeking approval of the scheme.*
- b. The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.*
- c. The entities involved in the Scheme shall duly comply with various provisions of the Circular.*
- d. The Company shall ensure that the information pertaining to all the Unlisted Companies involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*

This Document is Digitally Signed



Signer: Harshad P Dharod
Date: Wed, Sep 15, 2021 13:55:19 IST
Location: NSE

- e. *The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- f. *The Company shall ensure that the entire "Scheme" details along with the details of financials provided by the Company vide its letter dated September 01, 2021 shall be prominently disclosed in the notice sent to the Shareholders.*
- g. *The Company shall ensure that the new equity shares proposed to be issued by the Dhampur Bio Organics Limited as part of the "Scheme" shall mandatorily be in demat form only. Accordingly, the para 12.3 of Part II of the "Scheme" and other relevant paras shall be suitably amended before the "Scheme" is filed with Hon'ble NCLT and shareholders, while seeking approval.*
- h. *The Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the provision 31.1.2 of Part IV mentioned in the scheme document.*
- i. *The Company shall ensure that it is in compliance with Regulation 31A of the SEBI LODR Regulations, 2015 with regard to the proposed reclassification at para 23 of Part III of the "Scheme".*
- j. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*
- k. *It is to be noted that the petitions are being filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under Section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the Scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the Circular.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No-objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.



Continuation Sheet

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from September 15, 2021 within which the scheme shall be submitted to NCLT.

**The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path:
NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.**

Yours faithfully,
For National Stock Exchange of India Limited

Harshad Dharod
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL <https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

This Document is Digitally Signed



Signer: Harshad P Dharod
Date: Wed, Sep 15, 2021 13:55:19 IST
Location: NSE



सत्यमेव जयते



Fair Competition
For Greater Good

Competition Commission of India
NBCC Office Block-1,
Kidwai Nagar (East), Opposite AIIMS,
New Delhi - 110023
Tel: 011-24664100; Fax : 011-20815022

Registration No.: C-2021/07/854

Dated: 23.07.2021

To

Mr. Gautam Goel, Managing Director of DSML
Mr. Gaurav Goel, Managing Director of DSML
13 Civil Lines, Bareilly,
Uttar Pradesh – 243005

Subject: Acknowledgment of Notice filed under Green Channel Route.

Reference is invited to the notice (bearing Registration No. C-2021/07/854) filed on 23rd July, 2021 under sub-section (2) of Section 6 of the Competition Act, 2002 (Act) read with regulations 5 and 5A of the Competition Commission of India (Procedure in regard to the transactions of business relating to combinations) Regulations, 2011 (Combination Regulations).

The combination in respect of which notice has been filed, in terms of Regulation 5A of the Combination Regulations, shall be deemed to have been approved upon filing of the notice and acknowledgement thereof.

for Secretary

Competition Commission of India



Dhampur Sugar Mills Limited

241, Okhla Industrial Estate, Phase III

New Delhi - 110 020, India

Tel: +91-11-3065 9400, 4161 2456

Tele Fax: +91-11-2693 5697

E-mail: corporateoffice@dhampur.com

Website: www.dhampur.com

30.07.2021

To,
The General Manager,
Department of Corporate Services,
BSE Limited, P.J. Towers, Dalal Street,
Mumbai – 400 001.
Symbol: 500119

ISIN No.: INE041A01016

Dear Sir,

Sub: Submission of Complaint Report with respect to Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI LODR Regulations"), as amended from time to time, in relation to the proposed Scheme of Demerger between Dhampur Sugar Mills Limited (the "Company" or "Demerged Company"), Dhampur Bio Organics Limited (the "Resulting Company") (collectively the "Companies") and their respective shareholders and creditors ("Scheme")

This is with reference to the application no. 131696 for Scheme placed on the Website of BSE Limited dated 07th July, 2021 with respect to the Scheme of Demerger between Dhampur Sugar Mills Limited and Dhampur Bio Organics Limited .

In this regard, we are enclosing Report of Complaints in the prescribed format indicating NIL complaints pursuant to para 6 of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020.

We request you to take the same on record.

For Dhampur Sugar Mills Limited


Aparna Goel
Company Secretary



**Dhampur Sugar Mills Limited**

241, Okhla Industrial Estate, Phase III
New Delhi - 110 020, India

Tel: +91-11-3065 9400, 4161 2456

Tele Fax: +91-11-2693 5697

E-mail: corporateoffice@dhampur.com

Website: www.dhampur.com

Complaint Report with respect to Application No. 131696 u/r 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI LODR Regulations"), as amended from time to time, in relation to the proposed Scheme of Demerger between Dhampur Sugar Mills Limited and their respective shareholders and creditors ("Scheme")


Complaints Report:**Part A**

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.		Nil	
2.		Nil	
3.		Nil	

For Dhampur Sugar Mills Limited


Aparna Goel
Company Secretary
Date : 30.07.2021
Place: New Delhi



CIN : L15249UP1933PLC000511
Regd. Office: Dhampur, Dist. Bijnor, Pin Code: 246 761 (U.P.)
Branch Office: 1/125, Vijay Khand, Gomti Nagar, Lucknow - 226 010 (U.P.), Tel.: +91-522-239243
Sugar Units : 1. Dhampur, 2. Mansurpur, 3. Asmoli, 4. Rajpura, 5. Meerganj
Distillery : Asmoli & Dhampur

23.08.2021

To,
The Manager - Listing
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai - 400 051
Symbol: DHAMPURSUG



Dhampur Sugar Mills Limited

241, Okhla Industrial Estate, Phase III
New Delhi - 110 020, India
Tel: +91-11-3065 9400, 4161 2456
Tele Fax: +91-11-2693 5697
E-mail: corporateoffice@dhampur.com
Website: www.dhampur.com

ISIN No.: INE041A01016

Dear Sir,

Sub: Submission of Complaint Report with respect to Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI LODR Regulations"), as amended from time to time, in relation to the proposed Scheme of Demerger between Dhampur Sugar Mills Limited (the "Company" or "Demerged Company"), Dhampur Bio Organics Limited (the "Resulting Company") (collectively the "Companies") and their respective shareholders and creditors ("Scheme")

This is with reference to the application no. 27267 for Scheme placed on the Website of NSE dated 30th July, 2021 with respect to the Scheme of Demerger between Dhampur Sugar Mills Limited and Dhampur Bio Organics Limited .

In this regard, we are enclosing Report of Complaints in the prescribed format indicating NIL complaints pursuant to para 6 of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 for the period from 31st July, 2021 to 20th August, 2021.

We request you to take the same on record.

For Dhampur Sugar Mills Limited

Aparna Goel
Company Secretary
Date : 23.08.2021
Place: New Delhi



CIN : L15249UP1933PLC000511
Regd. Office: Dhampur, Dist. Bijnor, Pin Code: 246 761 (U.P.)
Branch Office: 1/125, Vijay Khand, Gomti Nagar, Lucknow - 226 010 (U.P.), Tel.: +91-522-239243
Sugar Units : 1. Dhampur, 2. Mansurpur, 3. Asmoli, 4. Rajpura, 5. Meeraganj
Distillery : Asmoli & Dhampur

**Dhampur Sugar Mills Limited**

241, Okhla Industrial Estate, Phase III
New Delhi - 110 020, India
Tel: +91-11-3065 9400, 4161 2456
Tele Fax: +91-11-2693 5697
E-mail: corporateoffice@dhampur.com
Website: www.dhampur.com

Complaint Report with respect to Application No. 27267 u/r 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI LODR Regulations"), as amended from time to time, in relation to the proposed Scheme of Demerger between Dhampur Sugar Mills Limited and their respective shareholders and creditors ("Scheme")

Complaints Report:

Period of Complaint report : 31st July, 2021 to 20th August, 2021.

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.		Nil	
2.		Nil	
3.		Nil	

For Dhampur Sugar Mills Limited

Aparna Goel
Company Secretary
Date : 23.08.2021
Place: New Delhi



CIN : L15249UP1933PLC000511
Regd. Office: Dhampur, Dist. Bijnor, Pin Code: 246 761 (U.P.)
Branch Office: 1/125, Vijay Khand, Gomti Nagar, Lucknow - 226 010 (U.P.), Tel.: +91-522-239243
Sugar Units : 1. Dhampur, 2. Mansurpur, 3. Asmoli, 4. Rajpura, 5. Meeranji
Distillery : Asmoli & Dhampur

**Dhampur Sugar Mills Limited**

241, Okhla Industrial Estate, Phase III

New Delhi - 110 020, India

Tel: +91-11-3065 9400, 4161 2456

Tele Fax: +91-11-2693 5697

E-mail: corporateoffice@dhampur.com

Website: www.dhampur.com

REPORT ADOPTED BY THE BOARD OF DIRECTORS ("BOARD") OF DHAMPUR SUGAR MILLS LIMITED ("COMPANY" or "Demerged Company" or "DSM") IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON 7TH JUNE, 2021 AT NEW DELHI

A draft of the proposed scheme of arrangement between the Company, Dhampur Bio Organics Limited ("Resulting Company" or "DBOL") and their respective shareholders and creditors, in relation to the proposed transfer, by way of demerger of the Demerged Undertaking (as defined in the Scheme) ("Demerger") from the Demerged Company to the Resulting Company, pursuant to sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") ("Scheme") was tabled before the Board.

1. As per Section 232(2)(c) of the Act, a report is required to be adopted by the directors explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company, laying out in particular, the share entitlement ratio, specifying any special valuation difficulties, if any ("Report").
2. Having regard to the applicability of the aforesaid provisions, the following documents were placed before the Board along with the Scheme:
 - (i) **Share entitlement ratio report** prepared by Anuradha Gupta, Registered Valuer - Securities and other Financial Assets, IBBI Registration No. IBBI / RV /02/2020/12790 ("Valuer") dated [insert date] ("**Share Entitlement Ratio Report**"), recommending the share entitlement ratio under the Scheme, as under ("**Share Entitlement Ratio**"):

"1 (One) fully paid up equity share of Dhampur Bio Organics Limited of INR 10 each shall be issued to the shareholders of Dhampur Sugar Mills Limited for every 1 (one) fully paid up equity share of Dhampur Sugar Mills Limited having face value of INR 10 each held by them."

- (ii) **Fairness opinion** dated 7th June, 2021 issued by Centrum Capital Limited, a SEBI Registered Category I Merchant Banker, confirming that the Share Entitlement Ratio set out in the Share Entitlement Ratio Report is fair to the equity shareholders;
- (iii) **Auditors' Certificate** dated 7th June, 2021 issued by Atul Garg & Associates, firm Registration no. 001544C, the statutory auditors of the Company, as required under Section 232(3) of the Act certifying that the accounting treatment in the draft Scheme is in accordance with the accounting standards and applicable law.
- (iv) A copy of a report dated 7th June, 2021 prepared by the Audit Committee of the Company and a copy of a report dated 7th June, 2021 prepared by the Independent Director's Committee of the Company in terms of the requirements of the circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended, issued by Securities and Exchange Board of India.

The rationale of the Scheme is set forth in detail in the Scheme and is therefore not reiterated in this Report.

3. Effect of Scheme on stakeholders

S. NO.	CATEGORY OF STAKEHOLDER	EFFECT OF THE SCHEME ON STAKEHOLDERS
(i)	Shareholders	<p>The Company has only equity shareholders and does not have any preference shareholders.</p> <p>Upon the Scheme becoming effective and in consideration of the Demerger, the Resulting Company shall issue and allot equity shares credited as fully-paid up shares in the Resulting Company to the equity shareholders of the Company whose names appear in the register of members or records of the depository as members of the Company on a specified record date in accordance with the Share Entitlement Ratio.</p> <p>Thereupon, the entire shareholding of the Company in the Resulting Company, held by the Company itself or through its nominees, will stand cancelled in the manner set out in the Scheme.</p> <p>Accordingly, the shareholding of the Resulting Company shall become the mirror shareholding of the Company.</p>



S. No.	CATEGORY OF STAKEHOLDER	EFFECT OF THE SCHEME ON STAKEHOLDERS
		<p>Upon effectiveness of the Scheme, subject to receipt of necessary approvals, the shares of the Resulting Company are proposed to be listed on BSE Limited and National Stock Exchange of India Limited.</p> <p>In light of this, the shareholding of public shareholders will remain the same in both the Company and the Resulting Company following the Demerger and shareholder value, aggregated across the Demerged Company and the Resulting Company will be preserved and remain unchanged on account of the Demerger.</p>
(ii)	Promoter(s)	<p>The promoters will be treated on par with the other equity shareholders of the Company, as regards being issued and allotted shares of the Resulting Company in the Share Entitlement Ratio, in the manner explained in sl. no. (i) above.</p> <p>Following the completion of the issuance and allotment of shares of the Resulting Company to all the shareholders of the Company as above, the Scheme provides for the transfer of shareholding in the Demerged Company and the Resulting Company inter-se between certain members of the promoters/promoter groups. However, the promoter to public shareholding ratio in the Company and the Resulting Company pursuant to the Scheme will remain unchanged from that in the Company, as a result of the Demerger.</p>
(iii)	Non-Promoter Shareholders	Please refer to sl. nos. (i) and (ii) above for details regarding effect on the non-promoter shareholders.
(iv)	Key Managerial Personnel ("KMP")	The KMPs of the Company shall continue as key managerial personnel of the Company or become KMPs of the Resulting Company, after effectiveness of the Scheme. Further, KMPs who are promoters/shareholders shall (in that capacity) be impacted as per the points set out above in this table.

4. Share Entitlement Ratio



- (i) For the purpose of arriving at the Share Entitlement Ratio, the Share Entitlement Ratio Report was obtained.
- (ii) The Share Entitlement Ratio Report notes that the share entitlement ratio and the number of shares to be allotted pursuant to the Demerger, under the draft Scheme, is of no material relevance since there will be no loss of economic interest in the hands of shareholders of the Company. Accordingly, for the purpose of recommending a share entitlement ratio the Valuer has not attempted to arrive at the absolute value of shares of each company.
- (iii) The Valuer has not expressed any difficulty in arriving at the Share Entitlement Ratio.
- (iv) The recommendation of the Share Entitlement Ratio has been certified as being fair and has been approved by the Board of the Company, the board of directors of the Resulting Company and the audit committee of the Company.

5. Adoption of the Report by the Directors

The Board has adopted this Report after noting and considering the information set forth in this Report. The Board or any fully authorized committee by the Board is entitled to make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

**For & on behalf of the Board of Directors
Dhampur Sugar Mills Limited**



Vijay Kumar Goel -Chairman

DHAMPUR BIO ORGANICS LIMITED

(Formerly RMSD Enterprises Private Limited)

Sugar Mill Compound, Village Asmoli, District Sambhal, Moradabad, U.P.- 244304

CIN: U15100UP2020PLC136939

e-mail id: dbo@dhampur.com

REPORT ADOPTED BY THE BOARD OF DIRECTORS ("BOARD") OF DHAMPUR BIO ORGANICS LIMITED ("COMPANY" or "RESULTING COMPANY" or "DBOL") IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON 7TH JUNE, 2021 AT NEW DELHI

A draft of the proposed scheme of arrangement between Dhampur Sugar Mills Limited ("**Demerged Company**" or "**DSML**") and the Company, and their respective shareholders and creditors, in relation to the proposed transfer, by way of demerger of the Demerged Undertaking (as defined in the Scheme) ("**Demerger**") from the Demerged Company to the Resulting Company, pursuant to sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") ("**Scheme**") was tabled before the Board.

1. As per Section 232(2)(c) of the act, a report is required to be adopted by the directors explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company, laying out in particular, the share entitlement ratio, specifying any special valuation difficulties, if any ("**Report**").
2. Having regard to the applicability of aforesaid provisions, the following documents were placed before the Board along with the Scheme:
 - i. **Share Entitlement Ratio Report** prepared by Ms. Anuradha Gupta, Registered Valuer-Securities and other Financial Assets, IBBI Registration No. IBBI/RV/02/2020/12790 ("**Valuer**") dated 07th June, 2021, ("**Share Entitlement Ratio Report**"), recommending the share entitlement ratio under the Scheme, as under ("**Share Entitlement Ratio**"):

"1 (One) fully paid-up equity share of Dhampur Bio Organics Limited of INR 10 each shall be issued to the shareholders of Dhampur Sugar Mills Limited for every 1 (one) fully paid up equity share of Dhampur Sugar Mills Limited having face value of INR 10 each held by them."
 - ii. **Fairness opinion** dated 7th June, 2021 issued by Centrum Capital Limited, a SEBI Registered Category I Merchant Banker, confirming that the Share Entitlement Ratio set out in the Share Entitlement Ratio Report is fair to the equity shareholders;
 - iii. **Auditor's Certificate** dated 7th June, 2021 issued by Mittal Gupta & Co., firm registration no. 001874C, the statutory auditors of the Company, as required under Section 232(3) of the Act certifying that the accounting treatment in the draft Scheme is in accordance with the accounting standards and applicable law.

The rationale of the Scheme is set forth in detail in the Scheme and is therefore not reiterated in this Report.

3. Effect of Scheme on stakeholders

S. No.	Category of Stakeholder	Effect of the Scheme on Stakeholders
i.	Shareholders	<p>The Company has only equity shareholders and does not have any preference shareholders. At present, all the shares of the Company are held by the Demerged Company and its nominees and thus, the Company is a wholly owned subsidiary of the Demerged Company.</p> <p>Upon the Scheme becoming effective and in consideration of the Demerger, the Company shall allot equity shares credited as fully-paid up shares in the Company to the equity shareholders of the Demerged Company whose names appears in the register of members of the Demerged Company on a specified record date in accordance with the Share Entitlement Ratio</p> <p>Thereupon, the entire shareholding of the Demerged Company in the Company, held by the Demerged Company itself or through its nominees, will stand cancelled.</p> <p>Accordingly, the shareholding of the Company shall become the mirror shareholding of the Demerged Company.</p>
ii.	Promoter(s)	<p>At present, all the shares of the Company are held by the Demerged Company and its nominees and thus, the Company is a wholly owned subsidiary of the Demerged Company. Upon effectiveness of the Scheme, the entire shareholding of the Demerged Company in the Company, held by the Demerged Company itself or through its nominees, will stand cancelled.</p> <p>Moreover, the promoters of the Demerged Company will be treated on par with the other equity shareholders of the Demerged Company, as regards being issued and allotted shares of the Company in the Share Entitlement Ratio.</p> <p>Following the completion of the issuance and allotment of shares of the Company to all the shareholders of the Demerged Company as above, the Scheme provides for the transfer of shareholding in the Demerged Company and Company inter-se between certain members of the promoters/promoter groups. However, the promoter to public shareholding ratio in the Demerged Company and the Company pursuant to the Scheme will remain unchanged from that in the Demerged Company, as a result of Demerger.</p>
iii.	Non-Promoter Shareholders	Please refer to sl. nos. (i) and (ii) above for details regarding effect on the non-promoter shareholders.

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iv.	Key Managerial Personnel ("KMP")	Presently, there are no KMPs in the Company.
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4. Share Entitlement Ratio

- (i) For the purpose of arriving at the Share Entitlement Ratio, the Share Entitlement Ratio Report was obtained.
- (ii) The Share Entitlement Ratio Report notes that the share entitlement ratio and the number of shares to be allotted pursuant to the Demerger, under the draft Scheme, is of no material relevance since there will be no loss of economic interest in the hands of shareholders of the Demerged Company. Accordingly, for the purpose of recommending a share entitlement ratio the Valuer has not attempted to arrive at the absolute value of shares of each company.
- (iii) The Valuer has not expressed any difficulty in arriving at the Share Entitlement Ratio.
- (iv) The recommendation of the Share Entitlement Ratio has been certified as being fair and has been approved by the Board of the Company and by the Board of Directors and Audit Committee of the Demerged Company.

5. Adoption of the Report by the Directors

The Board has adopted this report after noting and considering the information set forth in this Report. The Board or any fully authorized committee by the Board is entitled to make relevant modifications to this Report, if required, any such modifications or amendments shall be deemed to form part of this Report.

**For & on behalf of the Board of Directors
Dhampur Bio Organics Limited**



**Nalin Kumar Gupta
Director**

Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Dhampur Sugar Mills Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Dhampur Sugar Mills Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2021, and the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit (including other 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 Standalone Financial Statements in accordance with the Standards on Auditing (SAs) 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 Standalone 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') read together with the independence requirements that are relevant to our audit of the Standalone 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
1. Determination of NRV of Sugar for comparison with Cost of Production (COP) for valuation of inventory:	Principal Audit Procedures
As on March 31, 2021, the Company has inventory of sugar with a carrying value of ₹1145.78 Crore. The inventory of sugar is valued at the lower of cost and net realizable value. We considered the value of the inventory of sugar as a key audit matter given the relative value of inventory in the financial statements and significant judgement involved in the consideration of factors such as minimum sale price, monthly quota, and fluctuation in domestic and international selling prices in valuation of NRV.	We understood and tested the design and operating effectiveness of controls as established by the management in determination of cost of production and net realizable value of inventory of sugar. We considered various factors including the prevailing unit specific domestic selling price during and subsequent to the year end, minimum selling price & monthly quota, selling price for contracted sugar export and initiatives taken by the Government with respect to sugar industry as a whole. 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.

Key Audit Matter	Auditor's Response
2. Recognition of Deferred Tax Assets (DTA) relating to minimum alternate tax (MAT) credit entitlement and re-measurement of Deferred Tax	
<p>As on March 31, 2021, the company has recognised deferred tax asset relating to MAT credit entitlement amounting to ₹155.36 Crore. Also, company has re-measured its deferred tax assets and liabilities based on the expected adoption of lower tax regime, u/s 115BAA of Income Tax Act, to be applied in future.</p> <p>The Company exercises significant judgement in assessing the recoverability of DTA relating to MAT credit & reversal of DTL relating to dual income tax rates. In estimating the same, management uses inputs such as internal business and tax projections over a 10-year period.</p> <p>We considered this matter as key audit matter, as it is sensitive to the assumptions used by management in projecting the future taxable income, the reversal of deferred tax liabilities which can be scheduled, and tax planning strategies.</p>	<p>Principal Audit Procedures</p> <p>We considered relevant notifications/circulars issued by Income tax department and provisions of Income Tax Act, 1961 and relevant accounting standard and clarification given by Ind AS Technical Facilitation Group (ITFG).</p> <p>We also understood the various assumptions and judgements made by the management relating to forecast of future profitability projections and future taxable profits for making assessment of utilization of MAT credit entitlement and for migration to new tax regime.</p> <p>We evaluated the reasonableness and tested the appropriateness of those underlying assumptions and judgements based on the existing parameters and business environment. We performed a sensitivity analysis over the key assumptions to assess their impact on the Company's determination that the DTA relating to carry forward losses and MAT credit were realizable.</p> <p>We considered the issue of recognition of deferred tax asset and liabilities based on the tax rates expected to be applied at the time of its reversal and assessed the appropriateness of Company's accounting policy for recognition of deferred tax assets and liabilities and compliance of the policy with the requirement of prevailing accounting standards.</p> <p>Based on the above procedures performed, the recognition of deferred tax assets relating to the MAT credit entitlement and measurement of deferred tax assets and liabilities using the tax rates applicable at the time of reversal are considered adequate and reasonable.</p>
3. Contingent Liabilities- Contingencies related to Regulatory, Direct and Indirect tax matters	
<p>The Company has material contingencies related to Regulatory, Direct and Indirect tax matters which are under dispute with various authorities as more fully described in Note 40 (I) to the Standalone financial statements. The Company exercises significant judgment to determine the possible outcome of these disputes. Thereafter the Company makes a determination for recording/write-back of provisions or alternatively disclosing them as contingencies unless the matters are considered as remote.</p> <p>We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgement in interpreting the cases and it may be subject to management bias.</p>	<p>Principal Audit Procedures</p> <p>We have obtained an understanding of the Company's internal instructions and procedures in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedures:</p> <ol style="list-style-type: none"> 1) understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases; 2) discussing with the management any material developments and latest status of legal matters; 3) read various correspondences and related documents pertaining to litigation cases produced by the management and performed substantive procedures on calculations supporting the disclosure of contingent liabilities; examining management's judgements and assessments whether provisions are required; considering the management assessments of those matters that are not disclosed as the probability of material outflow is considered to be remote; 4) reviewing the adequacy and completeness of disclosures; <p>Based on the above procedures performed, the estimation and disclosures of contingent liabilities are considered to be adequate and reasonable.</p>

Information Other than the Standalone 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 Company's annual report, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's reports thereon. The aforesaid report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the company's annual report and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shall take appropriate actions, if required.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 and presentation of these Standalone 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors 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.

Those Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone 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 Standalone 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 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 opinion on whether the Company has adequate internal financial controls system with reference to Standalone Financial statement 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 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 Standalone 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial

Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "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 report, 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting with reference to Standalone Financial Statements 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 matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

- (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, 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 as at March 31, 2021 on its financial position in its Standalone Financial Statements. Refer Note - 39 to the Standalone 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196
UDIN: 21429196AAAAAJ5131

Place of signature: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986
UDIN: 21057986AAAAFL2118

Place of signature: New Delhi
Date: April 24, 2021

Annexure A to the Independent Auditors' Report

Referred to in our report of even date to the members of Dhampur Sugar Mills Limited on the Standalone Financial Statements for the year ended March 31, 2021, we report that:

- (i) (a) In our opinion and according to the information and explanation given to us during the course of audit, the company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.
- (b) In our opinion and according to the information and explanation given to us during the course of audit, property, plant and equipment have been physically verified by the management at reasonable intervals having regard to the size of the company and the nature of its assets and no material discrepancy was noticed on such verification as compared to book records.
- (c) According to the information and explanations given to us and on the basis of records examined by us, the title deeds of the immovable properties are held in the name of the company.
- (ii) In our opinion and according to the information and explanations given to us, inventories have been physically verified by the management at reasonable intervals having regard to the size of the company and no material discrepancy was noticed on such verification as compared to book records.
- (iii) In our opinion and according to the information and explanation given to us during the course of audit, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, sub clauses (a), (b) & (c) of paragraph 3(iii) the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us during the course of audit, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.
- (v) According to the information and explanations given to us, in our opinion, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder in respect of deposits accepted during the year. As informed to us, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal in this connection.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost records and Audit) Rules, 2014 under section 148 of the Companies Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and the books and records examined by us, we state that the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities. There are no undisputed statutory dues as referred to above as at March 31, 2021 outstanding for a period of more than six months from the date they become payable. We have been informed by the Company that they are in process of getting these returns rectified and are hopeful that these demands will be substantially reduced after rectification.
- (b) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that there are no dues of income tax or sale tax or service tax or goods and service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute except mentioned in Annexure-A1.
- (viii) According to the information and explanations given to us and the books and records examined by us, in our opinion, the Company has not defaulted in repayment of loans and borrowings to any financial institution, bank and government during the period. The Company has not borrowed any money by way of issue of debentures.
- (ix) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the money raised by the Company by way of term

loans have been applied for the purposes for which they were obtained. The company did not raise any money by way of initial public offer or further public offer during the current year.

- (x) To the best of our knowledge and according to the information and explanation given to us, no fraud by the company or on the company, by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanation given to us during the course of audit, the company has paid managerial remuneration in accordance with the requisite approvals as mandated by the provisions of Section 197 of the Act read with Schedule V of the Act.
- (xii) In our opinion and according to the information and explanation given to us during the course of audit, the company is not a Nidhi company. Therefore, clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013

where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

- (xiv) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that the company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures during the year.
- (xv) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that the Company has not entered into non- cash transaction with directors or persons connected with him. Therefore paragraph 3(xv) Order is not applicable.
- (xvi) In our opinion and according to the information and explanation given to us during the course of audit, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196
UDIN: 21429196AAAAAJ5131
Place of signature: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986
UDIN: 21057986AAAAFL2118
Place of signature: New Delhi
Date: April 24, 2021

Annexure A1 to the Independent Auditors' Report:

(Referred to in paragraph vii (b) under 'Annexure A to the Independent Auditors Report section of our report of even date)

Sr#	Name of the Statute	Nature of Dues	Amount in ₹ Crore	Period to which the amount relates	Forum where the dispute is pending
1	Central Excise Act, 1944	Excise Duty	0.01	2003-04	Hon'ble Supreme Court
2	Central Excise Act, 1944	Excise Duty	0.02	2005-06	Hon'ble Supreme Court
3	Central Excise Act, 1944	Excise Duty	0.01	2012-13	Hon'ble Supreme Court
4	Central Excise Act, 1944	Excise Duty	#	2012-13	Hon'ble Supreme Court
	sub-total		0.04		
1	Central Excise Act, 1944	Excise Duty	#	1998-99	Honorable High Court of Allahabad
2	Central Excise Act, 1944	Excise Duty	0.01	2001-02	Honorable High Court of Allahabad
3	Central Excise Act, 1944	Excise Duty	#	2004-05	Honorable High Court of Allahabad
4	Central Excise Act, 1944	Excise Duty	#	2004-05	Honorable High Court of Allahabad
5	Central Excise Act, 1944	Excise Duty	0.01	2004-05	Honorable High Court of Allahabad
6	Central Excise Act, 1944	Excise Duty	0.02	2005-06	Honorable High Court of Allahabad
7	Central Excise Act, 1944	Excise Duty	0.04	2010-11	Honorable High Court of Allahabad
	sub-total		0.08		
1	Central Excise Act, 1944	Excise Duty	0.04	1995-96	CESTAT, Allahabad Bench
2	Central Excise Act, 1944	Excise Duty	#	1996-97	CESTAT, Allahabad Bench
3	Central Excise Act, 1944	Excise Duty	0.01	2003-04	CESTAT, Allahabad Bench
4	Central Excise Act, 1944	Excise Duty	0.03	2004-05	CESTAT, Allahabad Bench
5	Central Excise Act, 1944	Excise Duty	0.03	2004-05	CESTAT, Allahabad Bench
6	Central Excise Act, 1944	Excise Duty	0.26	2005-06	CESTAT, Allahabad Bench
7	Central Excise Act, 1944	Excise Duty	0.04	2006-07	CESTAT, Allahabad Bench
8	Central Excise Act, 1944	Excise Duty	0.04	2009-10	CESTAT, Allahabad Bench
9	Central Excise Act, 1944	Excise Duty	#	2009-10	CESTAT, Allahabad Bench
10	Central Excise Act, 1944	Excise Duty	2.89	2010-11	CESTAT, Allahabad Bench
11	Central Excise Act, 1944	Excise Duty	4.75	2010-11	CESTAT, Allahabad Bench
12	Central Excise Act, 1944	Excise Duty	3.09	2010-11	CESTAT, Allahabad Bench
13	Central Excise Act, 1944	Excise Duty	2.08	2014-15	CESTAT, Allahabad Bench
	sub-total		13.25		
1	Central Excise Act, 1944	Excise Duty	#	2001-02	Commissioner Appeal
2	Central Excise Act, 1944	Excise Duty	#	2004-05	Commissioner Appeal
3	Central Excise Act, 1944	Excise Duty	#	2004-05	Commissioner Appeal
4	Central Excise Act, 1944	Excise Duty	0.05	2009-10	Commissioner Appeal
5	Central Excise Act, 1944	Excise Duty	0.31	2011-12	Commissioner Appeal
6	Central Excise Act, 1944	Excise Duty	0.14	2015-16	Commissioner Appeal
7	Central Excise Act, 1944	Excise Duty	0.38	2016-17	Commissioner Appeal
	sub-total		0.88		
	Total Excise duty demands		14.25		
1	Service Tax Law	Service Tax	0.56	2009-10	CESTAT, Allahabad Bench
2	Service Tax Law	Service Tax	0.11	2015-16	CESTAT, Allahabad Bench
	Total Service tax demands		0.66		
	Total Excise duty & Service tax demands		14.91		

Sr#	Name of the Statute	Nature of Dues	Amount in ₹ Crore	Period to which the amount relates	Forum where the dispute is pending
1	U.P. Trade Tax Act, 1948	Trade Tax	0.37	2014-15	Additional Commissioner (Appeals)
2	U.P. Trade Tax Act, 1948	Trade Tax	0.65	2014-15	Additional Commissioner (Appeals)
3	U.P. Trade Tax Act, 1948	Trade Tax	0.51	2015-16	Additional Commissioner (Appeals)
4	U.P. Trade Tax Act, 1948	Trade Tax	#	2015-16	Additional Commissioner (Appeals)
5	U.P. Trade Tax Act, 1948	Trade Tax	0.66	2016-17	Additional Commissioner (Appeals)
6	U.P. Trade Tax Act, 1948	Trade Tax	0.07	2016-17	Additional Commissioner (Appeals)
7	U.P. Trade Tax Act, 1948	Trade Tax	0.50	2017-18	Additional Commissioner (Appeals)
8	U.P. Trade Tax Act, 1948	Trade Tax	0.03	2017-18	Additional Commissioner (Appeals)
	Total Trade tax demands		2.81		
1	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.82	1994-95	Honorable High Court of Allahabad
2	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	1.06	1994-95	Honorable High Court of Allahabad
3	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	1.25	1995-96	Honorable High Court of Allahabad
4	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.37	1995-96	Honorable High Court of Allahabad
5	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.89	2001-02	Honorable High Court of Allahabad
	Sub-total		4.39		
1	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.02	2000-01	Commercial Tax Tribunal
	Sub-total		0.02		
1	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.05	2014-15	Additional Commissioner (Appeals)
2	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.03	2017-18	Additional Commissioner (Appeals)
3	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.07	2015-16	Additional Commissioner (Appeals)
4	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.41	2016-17	Additional Commissioner (Appeals)
5	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.19	2017-18	Additional Commissioner (Appeals)
	Sub-total		0.75		
1	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.01	2010-11	Additional Commissioner
	Sub-total		0.01		
	Total Entry tax demands		5.17		
	Total Trade tax and Entry tax demands		7.98		

represents where value is less than ₹50,000/-

Annexure B to the Independent Auditors' Report on the Standalone Financial Statements of the Dhampur Sugar Mills Limited for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls over financial reporting of Dhampur Sugar Mills Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls 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 "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 the 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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. 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 whether 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 the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risk of misstatement of the Standalone 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 over financial reporting.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting include 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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 controls 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 Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196
UDIN: 21429196AAAAAJ5131

Place of signature: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986
UDIN: 21057986AAAAFL2118

Place of signature: New Delhi
Date: April 24, 2021

Balance Sheet as at March 31, 2021

CIN No :-L15249UP1933PLC000511

(₹ in Crore)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	4	1,591.89	1,614.39
(b) Right-of use-asset	5(a)	18.09	18.09
(c) Capital work - in - progress	6	21.24	6.78
(d) Other intangible assets	7	2.48	2.87
(e) Biological asset	8 (i)	#	#
(f) Financial assets			
(i) Investments	9	13.29	27.29
(ii) Loans	10 (i)	2.90	2.80
(iii) Others financial assets	11 (i)	-	0.41
(g) Deferred tax asset (net)	23	-	6.19
(h) Other non - current assets	12 (i)	24.25	22.77
Sub total (Non current assets)		1,674.14	1,701.59
(2) Current assets			
(a) Inventories	13	1,292.55	1,603.70
(b) Biological asset	8 (ii)	1.04	1.17
(c) Financial assets			
(i) Trade receivables	14	307.47	309.16
(ii) Cash and cash equivalents	15	59.12	2.69
(iii) Bank Balances other than (ii) above	16	7.75	6.51
(iv) Loans	10 (ii)	2.30	1.70
(v) Others financial assets	11 (ii)	4.83	1.43
(d) Other current assets	12 (ii)	121.33	213.28
Sub total (Current assets)		1,796.39	2,139.64
(e) Assets held for sale	17	-	1.64
Total assets		3,470.53	3,842.87
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	18	66.45	66.45
(b) Other equity	19	1,496.44	1,308.63
Sub total (Equity)		1,562.89	1,375.08
LIABILITIES			
(1) Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	20 (i)	320.04	416.52
(ii) Lease Liabilities	5 (c)	11.07	13.09
(b) Other non - current liabilities	24 (i)	9.21	16.64
(c) Provisions	22 (i)	32.80	32.38
(d) Deferred tax liabilities (net)	23	31.20	-
Sub total (non current liabilities)		404.32	478.63
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20 (ii)	710.68	1,200.82
(ii) Trade payables	25		
(A) total outstanding due of micro enterprises and small enterprises; and	25	4.64	1.93
(B) total outstanding due of creditors other than micro enterprises and small enterprises	25	589.21	563.07
(iii) Lease Liabilities	5 (c)	5.04	4.53
(iv) Other financial liabilities	21	155.38	178.51
(b) Other current liabilities	24(ii)	24.68	32.67
(c) Provisions	22 (ii)	9.04	7.63
(d) Current tax liabilities (net)	26	4.65	-
Sub total (current liabilities)		1,503.32	1,989.16
Total equity & liabilities		3,470.53	3,842.87

The accompanying notes from 1 to 55 form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

For Atul Garg & Associate

Chartered Accountants
Firm Registration No.001544C

For T R Chadha & Co LLP

Chartered Accountants
Firm Registration No.006711N/N500028

For and on behalf of the Board of Directors

Fiza Gupta
Partner
Membership No. 429196

Neena Goel
Partner
Membership No. 057986

V. K. Goel
Chairman
(DIN 00075317)

A. K. Goel
Vice Chairman
(DIN 00076553)

Gaurav Goel
Managing Director
(DIN 00076111)

Gautam Goel
Managing Director
(DIN 00076326)

M. P. Mehrotra
Director
(DIN 00016768)

Susheel Mehrotra
CFO

Nalin Kumar Gupta
Joint CFO

Aparna Goel
Company Secretary

Place: Kanpur
Date: April 24, 2021

Place: New Delhi
Date: April 24, 2021

Statement of Profit & Loss for the year ended March 31, 2021

CIN No :-L15249UP1933PLC000511

(₹ in Crore)

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
I Revenue from operations	27	4,217.37	3,393.62
II Other income	28	16.14	30.29
III Total income (I + II)		4,233.51	3,423.91
IV Expenses			
Cost of materials consumed	29	2,847.24	2,497.19
Excise duty on sale of goods	30	74.90	40.75
Purchase of Stock-in-Trade	31	34.33	60.89
Changes in inventories of finished goods, stock - in - trade and work - in - progress	32	332.46	28.60
Employee benefits expenses	33	142.78	136.36
Finance costs	34	79.67	100.07
Depreciation and amortization expenses	35	77.10	75.39
Other expenses	36	324.00	264.41
Total expenses (IV)		3,912.48	3,203.66
V Profit / (loss) before exceptional items and tax (III - IV)		321.03	220.25
VI Exceptional items	37	(16.00)	(17.26)
VII Profit / (loss) before tax (V - VI)		305.03	202.99
VIII Tax expense			
(1) Current tax	38	56.41	31.61
(2) Deferred tax	23	29.76	(39.99)
		86.17	(8.38)
IX Profit / (loss) for the period (VII - VIII)		218.86	211.37
X Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
-- Remeasurement of post-employment benefits obligation		0.30	(2.23)
-- Change in Fair value of FVOCI equity investments		1.50	(0.72)
(ii) Income tax relating to items that will not be reclassified to profit or loss	23	(0.26)	0.85
B Items that will be reclassified to profit or loss			
(i) Net change in intrinsic value of derivatives designated as cash flow hedges		10.30	(8.79)
(ii) Income tax relating to items that will be reclassified to profit or loss	23	(3.60)	3.07
XI Total comprehensive income for the period (IX + X)		227.10	203.55
XII Earning per equity share (face value of ₹ 10 each)	39		
(i) Basic (in ₹)		32.97	31.84
(ii) Diluted (in ₹)		32.97	31.84

The accompanying notes from 1 to 55 form an integral part of the financial statements

This is the Statement of Profit and Loss Statement referred to in our report of even date

For Atul Garg & Associate

For T R Chadha & Co LLP

For and on behalf of the Board of Directors

Chartered Accountants
Firm Registration No.001544CChartered Accountants
Firm Registration No.006711N/N500028Fiza Gupta
Partner
Membership No. 429196Neena Goel
Partner
Membership No. 057986V. K. Goel
Chairman
(DIN 00075317)A. K. Goel
Vice Chairman
(DIN 00076553)Gaurav Goel
Managing Director
(DIN 00076111)Gautam Goel
Managing Director
(DIN 00076326)M. P. Mehrotra
Director
(DIN 00016768)Susheel Mehrotra
CFONalin Kumar Gupta
Joint CFOAparna Goel
Company SecretaryPlace: Kanpur
Date: April 24, 2021Place: New Delhi
Date: April 24, 2021

Statement of Changes in Equity for the year ended March 31, 2021

CIN No :-L15249UP1933PLC000511

A. Equity share capital

For the year ended March 31, 2020		For the year ended March 31, 2021	
Balance as at April 1, 2019	Changes in equity share capital during the year	Balance as at April 1, 2020	Changes in equity share capital during the year
66.45	-	66.45	-
			66.45

(₹ in Crore)

B. Other Equity

Particulars	Surplus				Others reserves				Total
	Capital reserve	Security premium	Storage fund/ reserve for molasses	Capital redemption reserve	General reserve	Retained earnings	Remeasurement of post-employment benefits obligation	FVOCI equity investment reserve	FVOCI cash flow hedge reserve
Balance as at April 1, 2019	7.23	379.94	1.41	3.72	121.83	664.23	(2.86)	1.23	(0.08)
Profit for the year						211.37	-		
Other comprehensive income						-	(1.45)	(0.65)	(5.72)
Total comprehensive income for the year	-	-	-	-	-	211.37	(1.45)	(0.65)	(5.72)
Molasses fund created during the year			0.38						
Molasses fund utilised during the year			(0.21)						
Interim Dividend paid, inclusive of taxes									
Final dividend, inclusive of taxes						(48.02)			(0.21)
Transfer from statutory reserve					0.21	(24.01)			(24.01)
Reclassify to statement of Profit and loss									0.21
Balance as at March 31, 2020	7.23	379.94	1.58	3.72	122.04	803.57	(4.31)	0.58	(5.72)
Profit for the year						218.86	-		
Other comprehensive income						-	0.20	1.35	0.98
Total comprehensive income for the year	-	-	-	-	-	218.86	0.20	1.35	0.98
Molasses fund created during the year			0.53						
Molasses fund utilised during the year			-						
Reclassify to statement of Profit and loss									
Final dividend, inclusive of taxes						(39.83)			5.72
Interim dividend, inclusive of taxes									-
Balance as at March 31, 2021	7.23	379.94	2.11	3.72	122.04	982.60	(4.11)	1.93	0.98

(₹ in Crore)

The accompanying notes from 1 to 55 form an integral part of the financial statements

This is the Statement of Change in Equity referred to in our report of even date

For Atul Garg & Associate

For T R Chadha & Co LLP

For and on behalf of the Board of Directors

Chartered Accountants
Firm Registration No.001544C

Chartered Accountants
Firm Registration No.006711N/N500028

Fiza Gupta
Partner
Membership No. 429196

Neena Goel
Partner
Membership No. 057986

V. K. Goel
Chairman
(DIN 00075317)

A. K. Goel
Vice Chairman
(DIN 00076553)

Gautam Goel
Managing Director
(DIN 00076326)

Place: Kanpur
Date: April 24, 2021

Place: New Delhi
Date: April 24, 2021

Nalin Kumar Gupta
Joint CFO

Aparna Goel
Company Secretary

Statement of Cash Flow for the year ended March 31, 2021

CIN No :-L15249UP1933PLC000511

(₹ in Crore)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A Cash flow from operating activities		
Net Profit after exceptional items and tax as per Statement of Profit and Loss	305.03	202.99
Adjustments :		
Depreciation and impairment of property, plant and equipment & Intangible asset	77.10	75.39
(Gain) / Loss on disposal of property, plant and equipment	3.69	0.01
Finance costs	79.67	100.07
Storage fund for molasses	0.53	0.38
Deferred Government grant	(0.38)	(0.38)
Finance income	(0.59)	(0.76)
Dividend income	(0.04)	(0.03)
Impairment of investment written back/provision for advances to subsidiary company	(2.00)	(1.70)
Loss on material held for disposal	1.64	-
Provision for doubtful debts	1.39	-
Fair value gain on re-measurement of biological assets through profit or loss	(1.11)	(2.85)
Liabilities/ Provisions no longer required written back	(1.31)	(0.94)
Bad-debts written off	5.01	9.52
Exceptional items	16.00	17.26
Provision for employee benefits	1.53	1.16
Operating profit before working capital adjustments	486.16	400.12
Working capital adjustments		
(Increase) /Decrease in trade receivables	(4.71)	0.64
(Increase) /Decrease in other financial assets	0.67	(1.08)
(Increase) /Decrease in other assets	12.18	(19.40)
(Increase) /Decrease in Government grants	87.86	(21.91)
(Increase) /Decrease in asset held for sale	-	-
(Increase) /Decrease in inventories	311.15	52.55
Increase / (Decrease) in trade and other financial liabilities	27.55	6.97
Increase / (Decrease) in provisions and other liabilities	(6.59)	(13.41)
Cash generated from operations	914.27	404.48
Tax expenses	(36.08)	(47.99)
Net cash generated from operating activities	878.19	356.49
B Investing activities		
Purchase of property, plant and equipment	(87.87)	(61.15)
Sale of property, plant and equipment	3.57	0.30
Purchase of financial instruments other than subsidiaries	-	-
Purchase of financial instruments in subsidiaries	(0.01)	-
Loan to subsidiaries companies	(1.10)	(11.07)
Sale/redemption of financial instruments	2.00	-
Interest received	0.96	0.16
Purchase/maturity of fixed deposits (Net)	(1.05)	0.70
Dividend received	0.04	0.03
Net cash flow from / (used in) investing activities	(83.46)	(71.03)

Statement of Cash Flow for the year ended March 31, 2021

CIN No :-L15249UP1933PLC000511

(₹ in Crore)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
C Financing activities		
Repayments of long term borrowings	(165.94)	(184.40)
Principal payment of Lease Liabilities	(3.49)	(3.63)
Interest paid on Lease Liabilities	(1.55)	(0.65)
Receipt of long term borrowings	52.16	32.60
Proceeds from short term borrowings (net)	(490.14)	61.51
Dividend including dividend distribution tax	(39.83)	(71.73)
Finance cost paid	(89.51)	(119.09)
Net cash flow from / (used in) financing activities	(738.30)	(285.39)
Net increase in cash and cash equivalents (A+B+C)	56.43	0.07
Opening cash & cash equivalents	2.69	2.62
Closing cash and cash equivalents for the purpose of Cash Flow Statement (refer note 15)	59.12	2.69

Notes:

- The above cash flow statement has been prepared under the indirect method setout in Indian Accounting Standard (Ind AS) 7
- Figures in brackets indicate cash outflow from respective activities.
- Cash and cash equivalents as at the Balance Sheet date consists of :

(₹ in Crore)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Balances with banks :		
- On current account	1.69	1.49
- Funds in Transit	56.50	-
Cash on hand	0.93	1.20
Total	59.12	2.69

Reconciliation between the opening and closing balances in balance sheet for liabilities arising from financing activities :

(₹ in Crore)

Particulars	Long-term borrowings	Short-term borrowings	Total
Opening balance as on April 01, 2020	539.13	1,200.82	1,739.95
Financial cash flows (Net)	(113.78)	(490.14)	(603.92)
Change in Interest accrued	8.59	-	8.59
Closing balance as at March 31, 2021	433.94	710.68	1,144.62

The accompanying notes from 1 to 55 form an integral part of the financial statements

This is the Statement of Cash Flow referred to in our report of even date

For Atul Garg & Associate

For T R Chadha & Co LLP

For and on behalf of the Board of Directors

Chartered Accountants
Firm Registration No.001544C

Chartered Accountants
Firm Registration No.006711N/N500028

Fiza Gupta
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Membership No. 429196

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(DIN 00076326)

M. P. Mehrotra
Director
(DIN 00016768)

Susheel Mehrotra
CFO

Nalin Kumar Gupta
Joint CFO

Aparna Goel
Company Secretary

Place: Kanpur
Date: April 24, 2021

Place: New Delhi
Date: April 24, 2021

Notes forming part of the Standalone Financial Statement

1) Corporate Information:

Dhampur Sugar Mills Limited ("DSML" or "the Company") having CIN No. L15249UP1933PLC000511 is a public company domiciled in India and incorporated under the

provisions of the Companies Act applicable in India and has its registered office at Dhampur, Uttar Pradesh, India.

Its shares are listed on two stock exchanges in India namely, National Stock Exchange of India and Bombay Stock Exchange of India.

The company is engaged mainly in the manufacturing and selling of sugar, chemicals, ethanol and co-generation and sale of power.

2) Significant Accounting Policies:

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

i. Basis of preparation and presentation

a) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and relevant amendment rules thereafter and accounting principles generally accepted in India.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

b) Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, assets for defined benefit plans and Biological assets that are measured at fair value, assets held for sale which is measured at lower of cost and fair value less cost to sell as explained further in notes to standalone financial statements.

c) Functional and presentation currency

The financial statements are presented in Indian rupees (₹) and all values are rounded to the nearest Crore and two decimals thereof, except if otherwise stated.

ii. 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 satisfies any of the following criteria:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting date.

Notes forming part of the Standalone Financial Statement

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

A liability is treated as current when it satisfies any of the following criteria:

- Expected to be settled in the company's normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

iii. Property, plant and equipment & capital work-in-progress

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is being recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs are included in the asset's carrying amount only when 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.

Freehold lands are stated at cost. All other items of property, plant and equipment are stated at cost, net of recoverable taxes less accumulated depreciation, and impairment loss, if any.

The cost of an asset includes the purchase cost of material, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. For this purpose, cost includes carrying value as Deemed cost on the date of transition. Interest on borrowings used to finance the construction of qualifying assets are capitalised as part of the cost of the asset until such time that the asset is ready for its intended use.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption. When parts of an item of PPE have different useful lives, they are accounted for as separate component.

The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for a provision are met.

The cost and related accumulated depreciation are eliminated from the financial statement upon sale or retirement of the asset and resultant gain or loss are recognized in the Statement of Profit and Loss.

Assets identified and technically evaluated as obsolete are retired from active use and held for disposal are stated at the lower of its carrying amount and fair value less cost to sell.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

Notes forming part of the Standalone Financial Statement

iv. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. For this purpose, cost includes carrying value as Deemed cost on the date of transition.

Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in the statement of profit and loss.

v. Depreciation and amortization

The classification of plant and machinery into continuous and non-continuous process is done as per their use and depreciation thereon is provided accordingly. Depreciation commences when the assets are available for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives as stated in Schedule II of the Companies Act, 2013.

The Company has used the following useful lives to provide depreciation on its tangible assets:

Assets	Useful Lives
Building	03-60 years
Plant & equipment	15-40 years
Furniture & fixtures	10 years
Railway sidings	15 years
Weighbridge	15 years
Computers	03 years
Office equipment	05 years
Electrical appliances	15 years
Vehicles	08 years
Farm asset and equipment	15 years

Intangible assets are amortized on a straight-line basis over the estimated useful economic life of the assets. The Company uses a rebuttable presumption that the useful life of intangible assets is ten years from the date when the assets is available for use.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year and are given effect to wherever appropriate.

vi. Foreign currency translations

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency spot rate prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding at the balance sheet date are translated at the functional currency spot rate of exchange prevailing at the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

Notes forming part of the Standalone Financial Statement

vii. Inventories

Raw material, process chemicals, stores and packing material are measured at weighted average cost.

Work in progress, traded and finished goods (other than by products and scraps) are measured at lower of cost or net realizable value.

By products and scrap are carried at estimated Net Realizable Value.

Cost of finished goods and work in progress comprises of raw material cost (net of realizable value of By-products), variable and fixed production overhead, which are allocated to work in progress and finished goods on full absorption cost basis. Cost of inventory also includes all other cost incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories.

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

viii. Biological assets

Biological assets comprise of standing crop and livestock.

Biological assets are measured at fair value less cost to sell. Changes in fair value of biological assets is recognised in the statement of profit and loss account

The biological process starts with preparation of land for planting, seedlings and ends with the harvesting of crops.

For Standing crop, where little biological transformation has taken place since the initial cost was incurred (for example seedlings planted immediately before the balance sheet date), such biological assets are measured at cost i.e. the total expenses incurred on such plantation upto the balance sheet date.

When harvested, crop is transferred to inventory at fair value less costs to sell.

ix. Revenue recognition

The Company derives revenue primarily from sale of sugar and other by-products produced from processing of sugar cane, sale of power and sale of chemicals.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration, the company expect to receive in exchange of those products or services. Revenue is inclusive of excise duty and excluding estimated discount, pricing incentives, rebates, other similar allowances to the customers and excluding goods and service tax and other taxes and amounts collected on behalf of third parties or government, if any.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Contract Revenue

Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably subject to condition that it is probable that such cost will be recoverable. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Notes forming part of the Standalone Financial Statement

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

- i. the amount of revenue can be measured reliably;
- ii. it is probable that the economic benefits associated with the contract will flow to the Company;
- iii. the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- iv. the costs incurred or to be incurred in respect of the contract can be measured reliably.

Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

Dividend income

Dividend income is recognised when the Company's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Insurance claims

Insurance claim are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Export incentives

Export incentives are accounted for in the year of exports based on eligibility and when there is no significant uncertainty in receiving the same.

Other incomes

All other incomes are accounted on accrual basis.

x. Expenses

All expenses are accounted for on accrual basis.

xi. Long term borrowings

Long term borrowings are initially recognised at net of material transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on cumulative preference shares is recognised in Statement of Profit and Loss as finance costs.

xii. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial time to get ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs. Other borrowing costs are expensed in the period in which they are incurred. Transaction costs incurred for long term borrowing until are not material are expensed in the period in which they are incurred.

Notes forming part of the Standalone Financial Statement

xiii. Leases

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. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component based on the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification

Notes forming part of the Standalone Financial Statement

of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

xiv. Provision for current and deferred tax

(i) Current income tax :

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and established provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

The Company Offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The Company will update the amount in the financial statement if facts and circumstance change as a result of examination or action by tax authorities.

(ii) Deferred tax:

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax is recognized in Statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Minimum Alternate Tax (MAT) credits is recognised as deferred tax assets in the Balance Sheet only when the asset can be measured reliably and to the extent there is convincing evidence that sufficient taxable profit will be available against which the MAT credits can be utilised by the company in future.

xv. Impairment of non-financial assets

Goodwill and Intangible assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment.

Other intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Notes forming part of the Standalone Financial Statement

The Carrying amount of assets is reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factor. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. Impairment is charged to the profit and loss account in the year in which an asset is identified as impaired.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

xvi. Government grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Government grants related to assets, including non-monetary grants recorded at fair value, are treated as deferred income and are recognized and credited in the Statement of Profit and Loss on a systematic and rational basis over the estimated useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised 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.

xvii. Provisions, contingent liabilities and assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

A contingent asset is not recognised but disclosed, when probable 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 entity.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

xviii. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which are subject to an insignificant risk of changes in value.

Notes forming part of the Standalone Financial Statement

xix. Dividend payable

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholder's meeting and the Board of Directors respectively.

xx. Non-current assets (or disposal group) held for sale and discontinued operations:

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

xxi. Equity Issue Expenses

Expenses incurred on issue of equity shares are charged in securities premium account in the year in which it is incurred.

xxii. 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.

A. Financial assets

Initial recognition and measurement

All financial assets, except trade receivables are initially recognized at fair value. Trade receivables are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value of the financial assets, as appropriate, on initial recognition.

Subsequent measurement

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

a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial assets give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost is determined using the Effective Interest Rate (EIR) method. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income for these financial assets is included in other income using the effective interest rate method.

Notes forming part of the Standalone Financial Statement

c) Financial assets at fair value through profit or loss (FVTPL)

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.

In addition, the Company may elect to classify a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

d) Equity investments

All equity investments, except investments in subsidiaries are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. 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 profit and loss.

Equity investments in subsidiaries are carried at cost except for the equity investments in subsidiaries as at the transition date which are carried at deemed cost being fair value as at the date of transition.

Impairment of financial assets:

The company assesses on a forward looking basis the expected credit losses associated with the assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in 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 entity reverts to recognising impairment loss allowance based on 12-month ECL.

For trade receivables, the company applies the simplified approach permitted by Ind AS 109 "Financial Instruments" which requires expected lifetime losses to be recognised from initial recognition of receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed

Derecognition of financial assets:

The Company derecognizes a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

Notes forming part of the Standalone Financial Statement

B. Financial liabilities

Initial recognition and measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method or at FVTPL.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by considering 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 statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial liabilities:

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when, and only when the obligation specified in the contract is discharged or cancelled or expires.

C. Offsetting of financial instruments

Financial assets and financial liabilities including derivative instruments 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.

xxiii. Derivative Financial Instruments and Hedge Accounting

The Company uses various derivative financial instruments to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedge which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or is treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a Non-Financial Assets or Non-Financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

- A. **Cash Flow Hedge:** The Company designates derivative contracts or non-derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of Other Comprehensive Income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction

Notes forming part of the Standalone Financial Statement

occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

- B. **Fair Value Hedge:** The Company designates derivative contracts or non-derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used for amortising to Statement of Profit and Loss over the period of maturity.

xxiv. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

xxv. Employees benefits

a) Short-term obligations

Short-term obligations for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service up to the end of the reporting period are recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Notes forming part of the Standalone Financial Statement

b) Post-employment obligations

i. Defined contribution plans

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make contribution at a specified percentage of the covered employee's salary. The contributions, as specified under Defined Contribution Plan to Regional Provident Commissioner and the Central Provident Fund recognised as expense during the period in the statement of profit and loss.

ii. Defined benefit plans

- **Non-funded defined benefits plans:** The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of the company. The Gratuity Plan provides a lumpsum payment to vested employees at retirement, death, or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company.

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation.

The service cost and net interest on the net defined benefit liability/(asset) is included in employees benefits expenses in the statement of profit and loss.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

Re-measurement gain and loss arising from experience adjustments and change actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. Re-measurements are not classified to the Statement of Profit and Loss in subsequent periods.

- **Funded defined benefits plans:** The Company also made contribution to the provident fund set up as irrevocable trust. The Company is generally liable for monthly contributions and any shortfall in the fund assets based on the government specified minimum rates of return or pension and recognises such contributions and shortfall, if any, as an expense in the year incurred.

c) Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method for the unused entitlement that has accumulated as at the balance sheet date.

The benefits are discounted using the market yields as at the end of the balance sheet date that has terms approximating to the terms of the related obligation.

Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit or loss.

d) Voluntary retirement scheme

Compensation to employees who have opted for retirement under the "Voluntary Retirement scheme" is charged to the profit and loss account in the year of retirement.

The Company required to use updated actuarial assumptions to remeasure net defined benefit liability or assets on amendments, curtailment or settlement of defined benefit plan.

The Company adopted amendment to Ind AS 19 as required by said notification to determine:

- Current Service Costs and net interest for the period after remeasurement using the assumptions used for remeasurement and
- Net interest for the remaining period based on the remeasured net defined benefit liability or asset.

Notes forming part of the Standalone Financial Statement

xxvi. Operating segments

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Un-allocable".

Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Un-allocable".

xxvii. Cash flow statement

Cash flows are stated using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of incomes and expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xxviii. Earnings per share

Basic earnings per share are calculated by dividing the profit/(loss) for the year (before other comprehensive income), attributable to the equity shareholders, by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the profit/(loss) for the year (before other comprehensive income), adjusting the after tax effect of interest and other financing costs associated with dilutive potential equity shares, attributable to the equity shareholders, by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

xxix. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On July 24, 2020, the MCA has issued amendments to certain Ind AS. The amendments are effective from annual reporting periods beginning on or after April 1, 2020. The company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2020:

- **Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Error:** Refined definition of term "Materiality"- 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.'
- **Ind AS 103, Business Combinations:** Revised definition of a 'business' and introduction of an optional concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business.
- **Ind AS 109, Financial Instruments:** Modification to some specific hedge accounting requirements to provide relief to the potential effects of uncertainty caused by the interest rate benchmark (IBOR) reform.
- **Ind AS 116, Leases:** Practical expedient which permits lessees not to account for COVID-19 related rent concessions as a lease modification. However, in case a lessee has not yet approved the financial statements for issue before the issuance of the amendments, then the same may be applied for annual reporting periods beginning on or after April 1, 2019.
- **Ind AS 10 - "Events after the Reporting Period":** Disclosure for nature of the event and an estimate of its financial effect / not being able to make such an estimate will be required for all non- adjusting events.

Notes forming part of the Standalone Financial Statement

- **Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets:** A management decision to restructure, taken before the end of the reporting period does not give rise to a constructive obligation at the end of the reporting period unless the entity has, before the end of the reporting period, started to implement the restructuring plan or announced the main features of the restructuring plan to those affected by it.

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

New and revised IFRS Standards in issue but not yet effective:

Indian Accounting Standards (Ind AS) are derived from IFRS Standards issued by the International Accounting Standards Board (IASB). IFRS Standards are being issued/revised by the IASB from time to time. The Ind AS need to be issued/revised corresponding to the IFRS Standard in order to remain converged with IFRS. The IASB had issued new and revised IFRS standards which are in issue but not effective. Once they are notified by MCA, Company would analysis the impact on adoption.

3) Use of estimates and management judgements

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the company to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets, liabilities and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date.

The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected

The areas involving critical judgement are as follows:

i. Useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

ii. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

iii. Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

Notes forming part of the Standalone Financial Statement

iv. Provision for income taxes and deferred tax assets

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions

Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

v. Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

vi. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

vii. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted price in markets, then fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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.

Notes forming part of the Standalone Financial Statement

Note 4 - Property, plant & equipment

(₹ in Crore)

Particulars	Land	Building	Plant & Equipments	Furniture & Fixtures	Computers	Office Equipment's	Electrical Appliances	Vehicles	Farm Assets and Equipment	Total (2019-20)
Gross Carrying Cost										
As at April 01, 2019	345.89	191.43	1,914.70	11.81	11.67	3.36	11.63	22.15	0.92	2,513.56
Additions during the year	-	11.86	79.03	1.91	0.23	0.06	0.51	2.63	-	96.23
Disposals/ deductions during the year	-	-	(0.20)	-	-	-	-	(0.60)	-	(0.80)
As at March 31, 2020	345.89	203.29	1,993.53	13.72	11.90	3.42	12.14	24.18	0.92	2,608.99
Depreciation										
As at April 01, 2019	-	69.55	811.56	9.95	9.37	2.49	9.34	11.26	0.55	924.07
Charges for the year	-	5.95	61.55	0.33	0.62	0.16	0.40	1.96	0.05	71.02
Disposals/ deductions during the year	-	-	(0.01)	-	-	-	-	(0.48)	-	(0.49)
As at March 31, 2020	-	75.50	873.10	10.28	9.99	2.65	9.74	12.74	0.60	994.60
Net Carrying Cost										
As at March 31, 2020	345.89	127.79	1,120.43	3.44	1.91	0.77	2.40	11.44	0.32	1,614.39
As at March 31, 2019	345.89	121.88	1,103.14	1.86	2.30	0.87	2.29	10.89	0.37	1,589.49

(₹ in Crore)

Particulars	Land	Building	Plant & Equipments	Furniture & Fixtures	Computers	Office Equipment's	Electrical Appliances	Vehicles	Farm Assets and Equipment	Total (2020-21)
Gross Carrying Cost										
As at April 01, 2020	345.89	203.29	1,993.53	13.72	11.90	3.42	12.14	24.18	0.92	2,608.99
Additions during the year	1.98	11.46	40.74	0.54	1.49	0.61	1.12	1.59	-	59.53
Additions on account of revaluation	-	-	-	-	-	-	-	-	-	-
Disposals/ deductions during the year	(0.42)	(1.53)	(12.49)	-	-	-	-	(0.15)	-	(14.59)
As at March 31, 2021	347.45	213.22	2,021.78	14.26	13.39	4.03	13.26	25.62	0.92	2,653.93
Depreciation										
As at April 01, 2020	-	75.50	873.10	10.28	9.99	2.65	9.74	12.74	0.60	994.60
Charges for the year	-	6.52	64.11	0.53	0.73	0.19	0.53	2.10	0.05	74.76
Disposals/ deductions during the year	-	(0.72)	(6.52)	-	-	-	-	(0.08)	-	(7.33)

Notes forming part of the Standalone Financial Statement

Note 4 - Property, plant & equipment (contd)

(₹ in Crore)

Particulars	Land	Building	Plant & Equipments	Furniture & Fixtures	Computers	Office Equipment's	Electrical Appliances	Vehicles	Farm Assets and Equipment	Total (2020-21)
As at March 31, 2021	-	81.30	930.69	10.81	10.72	2.84	10.27	14.76	0.65	1,062.04
Net Carrying Cost										
As at March 31, 2021	347.45	131.92	1,091.09	3.45	2.67	1.19	2.99	10.86	0.27	1,591.89
As at March 31, 2020	345.89	127.79	1,120.43	3.44	1.91	0.77	2.40	11.44	0.32	1,614.39

Notes 4.1:

- Contractual commitment towards purchase of property, plant and equipment, refer note -40
- The Company has availed loans from banks and other entities against security of the aforesaid assets (Refer note 20 for detailed security terms)
- Finance Cost

The finance costs on specific borrowings capitalized during the year amounted to ₹ Nil (March 31, 2020 : ₹0.12 Crore) using the capitalization rate of N.A (March 31, 2020: 8.40 %) per annum which is the effective interest rate of the specific borrowings. Further, the Company has not capitalized any borrowing costs on its general borrowings.

Note 5 - Leases

a. Right-of-use-assets

(₹ in Crore)

Particulars	Building	
	As at March 31, 2021	As at March 31, 2020
Gross Carrying Cost		
Opening Balance	22.07	-
Additions during the year	2.33	22.07
Disposals/deductions during the year	(0.41)	-
Borrowing cost	-	-
Closing Balance	23.99	22.07
Depreciation		
Opening Balance	3.98	-
Charges for the year	1.94	3.98
Disposals/deductions during the year	(0.02)	-
Closing Balance	5.90	3.98
Net Carrying Cost		
As at March 31, 2021	18.09	18.09
As at March 31, 2020	18.09	-

b. Lease Obligation (As a lessee):

The Company has adopted Ind AS 116 "Leases" effective April 1, 2019. The company has taken various premises on operating lease for lease period of 1 year to 5 years from the date of lease. The lease period may be further extended as per mutual decision of the parties.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value, the expenditure on which has been recognised under line item "Short Term Lease " under Other expenses.

Notes forming part of the Standalone Financial Statement

Note 5 - Leases (contd)

Incremental borrowing rate of 8.60 % has been used for measurement of present value of remaining lease payments and right of use assets.

c. The following is the movement in lease liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the Beginning	17.62	-
Additions during the year	2.33	21.25
Deletions during the year	(0.35)	-
Finance Cost Accrued during the year	1.55	0.65
Payment of Lease Liabilities during the year	(5.04)	(4.28)
Translation Difference	-	-
Balance at the end	16.11	17.62

The break-up of current and non-current lease liabilities is as follows

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Lease Liabilities	5.04	4.53
Non-Current Lease Liabilities	11.07	13.09
Total	16.11	17.62

d. Contractual maturities of lease liabilities on an undiscounted basis:

The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the company has chosen to apply the practical expedient as per the standard.

(₹ in Crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Less than one year	5.04	4.53
One to five years	13.86	18.12
More than five years	-	3.40
	18.90	26.05
Rental expense recognised for short-term leases and low value leases for the year	3.13	4.05

e. Expense

In the Statement of profit and loss for the current period, the nature of the expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of the standard has an impact of increase/(decrease) in total expense by ₹ (1.55) Crore and ₹ 0.35 Crore on the standalone financial results for the year ended March 31, 2021 and March 31, 2020 respectively.

Notes forming part of the Standalone Financial Statement

Note 5 - Leases (contd)

(₹ in Crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of right of use assets (refer note 2xiii)	1.94	3.98
Finance Cost on Lease Liability (refer note 2xiii)	1.55	0.65
Payment of lease liabilities- Rent Paid	(5.04)	(4.28)
	(1.55)	0.35

f. Amount recognized in Statement of Cash Flow

The lease payments have been classified as financing activities in the Statement of Cash Flow under Ind AS 116. The lease payments for operating leases were earlier reported under cash flow from operating activities.

(₹ in Crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Repayment of Lease liabilities-Principal amount	3.49	3.63
Repayment of Lease liabilities-Interest amount	1.55	0.65
Total	5.04	4.28

- g. The Company has not received/ exercised any concession like lease payments, rent free holidays etc. due to COVID-19. Therefore, no accounting relating to the modification of leases have been accounted for.

Note 6 - Capital Work In progress

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance		
Plant and equipment/ Civil work - in- progress (A)	6.78	33.95
Additions during the year		
Plant and equipment / Civil work - in - progress	57.69	57.13
(B)	57.69	57.13
Preoperative expenses/ trial run expenses		
Additions during the year :		
Finance costs (refer note 6.a)	-	0.12
(C)	-	0.12
Total additions during the year D= (B+C)	57.69	57.25
E = (A+D)	64.47	91.20
Capitalized during the year (F)	43.23	84.42
Capital work-in-progress at the end of the year G= (E-F)	21.24	6.78

Notes forming part of the Standalone Financial Statement

Note 7 - Intangible Assets

(₹ in Crore)

Particulars	Computer Software Licenses	
	As at March 31, 2021	As at March 31, 2020
Gross Carrying Cost		
Opening balance	3.92	3.90
Additions during the year	0.01	0.02
Disposals/deductions during the year	-	-
Closing balance (a)	3.93	3.92
Amortization		
Opening balance	1.05	0.66
Charges for the year	0.40	0.39
Closing balance (b)	1.45	1.05
Net carrying cost		
Net closing balance (a-b)	2.48	2.87

Note 8 - Biological Assets

(i) Non-current biological assets

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Live stock (refer note. 2(viii))	#	#
Live stock (Loss)	-	-
Closing Balance	#	#

Value is ₹ 37,771 not reflecting due to round off.

(ii) Current biological assets

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Standing Crop (refer note. 2(viii))	1.17	0.72
Add: Change in fair value *	1.11	2.85
Less: Harvested during the year	1.24	2.40
Closing Balance	1.04	1.17

* excludes fair value of self consumed sugar cane of ₹2.31 Crore (Previous Year ₹1.74 Crore)

Notes forming part of the Standalone Financial Statement

Note 9 - Financial assets - Investments

Non - Current Investments

(₹ in Crore)

Particulars	Face Value	No. of Shares/ Units	As at March 31, 2021	No. of Shares/ Units	As at March 31, 2020
(I) Equity Instruments					
(i) Investment in subsidiary (Unquoted)					
(Carried at deemed cost)					
Dhampur International Pte Ltd. (wholly owned subsidiary) (refer note 9 (d))	SG\$ 1	10000	#	10000	#
	US \$ 1	2000000	#	2000000	#
Carried at cost					
EHAAT Limited (wholly owned subsidiary)	₹10	3770000	-	3770000	3.77
Less :- Impairment during the year			-		(3.77)
Net Investment in EHAAT Limited (wholly owned subsidiary)			-		-
Dhampur International Pte Ltd. (wholly owned subsidiary)	US \$ 1	4000000	26.13	4000000	26.13
Less :- Impairment during the year			(15.50)		-
Net Investment in Dhampur International Pte Ltd. (wholly owned subsidiary)			10.63		26.13
DETS Limited (having controlling stake of 51%)	₹10	428400	0.24	428400	1.41
Less :- Impairment during the year			-		(1.17)
Net Investment in DETS Limited (having controlling stake of 51%)			0.24		0.24
Dhampur Bio Organics Limited (Formerly known as RMSD Enterprises Private Limited) (wholly owned subsidiary)			0.01		-
(10000 share of ₹10/- each) (refer note 9 (f))					
Total Investment in subsidiary (Unquoted)			10.88		26.37
(ii) Investment in others (Unquoted)					
(Carried at deemed cost)					
Rāmgangā Sanyukta Sahkari Kheti Samiti Limited (Value is ₹100, not reflecting due to rounding off)	₹100	1	#	1	#
Total of Investment in others (Unquoted)			#		#
(iii) Investment in others (Quoted)					
(Carried at fair value through other comprehensive income)					
VLS Finance Limited	₹10	263142	2.15	263142	0.85
South Asian Enterprises Limited	₹10	250000	0.26	250000	0.07
Total Investment in others (Quoted)			2.41		0.92
Total			13.29		27.29

Notes forming part of the Standalone Financial Statement

Note 9 - Financial assets - Investments (contd)

9 (a) Disclosure

(₹ in Crore)		
Particulars	As at March 31, 2021	As at March 31, 2020
Investment carried at deemed cost	10.88	26.37
Investment carried at fair value through FVTPL (Market Price)	-	-
Investment carried at fair value through OCI (Market Price)	2.41	0.92

9 (b) Disclosure for Valuation method used

Disclosure of non-current investments

(₹ in Crore)		
Particulars	As at March 31, 2021	As at March 31, 2020
Aggregate amount of quoted investments and market Value	2.41	0.92
Aggregate amount of unquoted investments	10.88	26.37
Aggregate amount of write off and impairment in value of Investments	15.50	4.94

- 9 (c) The list of subsidiaries along with proportion of ownership interest held and country of incorporation are disclosed in Note No. 49 to Consolidated Financial Statements for the FY 2020-21.

9 (d) Investment in Dhampur International PTE Ltd

The Company has fair valued its investments in its subsidiary "Dhampur International PTE Ltd." and used that fair value as deemed cost for measuring such investments at the time of transition to IND AS i.e. at April 01, 2016.
The investment is valued at ₹1/-

- 9 (e) Investments at Fair Value Through Other Comprehensive Income (FVTOCI) reflect investment in quoted and unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company, thus disclosing their fair value change in profit and loss will not reflect the purpose of holding.
- 9 (f) During the year, the company has acquired the 10,000 Equity shares of Dhampur Bio Organics Limited (Formerly known as RMSD Enterprises Private Limited) constituting 100% of paid up share capital and became the wholly owned subsidiary company.

9 (g) Impairment test for investment in a subsidiary

The Company assesses at the end of each reporting period whether there is objective evidence that investments in subsidiaries are impaired.

As a result of this impairment analysis, the recoverable amount of its investment in DIPL was determined to be INR 10.63 Crore resulting in an impairment of INR 15.50 Crore for the year ended March 31, 2021. The total impairment for the year ended March 31, 2021 has been presented as an exceptional item (refer note 37)

Key assumptions considered by the Company in determining fair value less costs to sell under "Basis of Net Worth Approach" includes the net worth of the shares adjusted for an appropriate control premium. The assumptions used by the Company under the "Basis of Net Worth Approach" includes significant unobservable inputs and therefore considered as a level 3 input under the fair value hierarchy.

In developing the assumptions relating to the recoverable amounts, the Company considered both internal and external evidences as appropriate. If the assumptions considered change in future due to possible effect of uncertainties, this could result in additional impairments the effects of which may not have been estimated as at the date of the approval of these financial statements.

Notes forming part of the Standalone Financial Statement

Note 10 - Financial assets - Loans

(i) Non-current loans (Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Security deposits*		
- to related parties	2.06	1.86
- to others	0.84	0.94
Total	2.90	2.80

* Security deposits primarily includes deposits given towards rented premises,

(ii) Current Loans (Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Loans and advances to subsidiary companies (refer note 43)	2.30	1.70
Total	2.30	1.70

Note 11 - Other financial assets

(i) Other Non-current financial assets (Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Other Recoverable	-	0.41
Total	-	0.41

(ii) Other current financial assets (Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Insurance claim receivable	0.12	0.05
Interest receivable	0.68	1.21
Other recoverable	2.51	0.17
Carried at fair value through other comprehensive income		
Derivative Assets	1.52	-
Total	4.83	1.43

Note 12 - Other assets

(i) Other Non-current assets (Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Capital advance	16.55	1.44
Income tax refundable*	6.04	17.95
Payment of taxes under protest/appeal	1.66	3.38
Total	24.25	22.77

Notes forming part of the Standalone Financial Statement

Note 12 - Other assets (contd)

* Note - Non-current income tax

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance tax paid/refund	6.04	17.95
Less : Provision for tax	-	-
Total	6.04	17.95

(ii) Other current assets (Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance to suppliers	13.15	17.69
Advances to employees	0.42	0.60
Balance with revenue authorities	11.21	16.70
Subsidy receivable from Government/Government Authority	83.28	163.05
Prepaid expenses	11.35	13.55
Advance recoverable - other	1.92	1.69
Total	121.33	213.28

Note 13 - Inventories

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
(refer note no. - ' 2 (vii) ' for Mode of Valuation)		
Raw materials	30.06	14.24
Work-in-process	25.03	20.43
Finished goods	1,197.21	1,534.50
Stock in trade	0.55	0.32
Stores & Spare parts	39.58	34.09
Loose tools	0.12	0.12
Total	1,292.55	1,603.70
Carrying amount of inventories pledged as security for borrowings	1,292.55	1,603.70

Note 14 - Trade receivables

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Other than Related party		
- Unsecured, considered good	295.34	307.08
- Which have significant increase in Credit Risk	-	-
- Credit impaired	-	-
Less : Provision for impairment allowances	-	-
From Related party		
- Unsecured, considered good	12.13	2.08
- Which have significant increase in Credit Risk	-	-
- Credit impaired	-	-
Less : Provision for impairment allowances	-	-
Total	307.47	309.16

Notes forming part of the Standalone Financial Statement

Note 15 - Cash and cash equivalents

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks :	-	
- On current account	1.69	1.49
- Funds in Transit*	56.50	-
Cash on hand	0.93	1.20
Total	59.12	2.69

Note 16 - Bank Balances other than cash and cash equivalents

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks :		
- In unpaid dividend account	1.18	0.99
Other bank balances :		
Deposits earmarked for fixed deposit and others	4.45	4.11
Deposits earmarked for molasses storage fund	2.12	1.41
Total	7.75	6.51
Value of Restrictied Bank Balances	7.75	6.51

Note 17 - Assets held for sale

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Material held for disposal*	-	1.64
Total	-	1.64

* Biogas Genset parts under power segment currently valued at nil as it has been write-off during the current year.

Note 18 - Share capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.	(₹ In Crore)	No.	(₹ In Crore)
Authorized shares				
Equity shares of ₹10/- each	1,13,82,60,00	113.83	1,13,82,60,00	113.83
Preference shares of ₹100/- each	6,91,74,00	69.17	6,91,74,00	69.17
Issued , subscribed and paid-up shares				
Equity				
Equity shares of ₹10/- each fully paid-up	66,38,75,90	66.38	66,38,75,90	66.38
Equity shares forfeited	32,54,96	0.07	32,54,96	0.07
Less : Calls in arrears	-	-	539	#
TOTAL		66.45		66.45

Notes forming part of the Standalone Financial Statement

Note 18 - Share capital (contd)

Note 18. a - Reconciliation of shares outstanding at the beginning and at the end of the reporting period is set out below :

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.	(₹ In Crore)	No.	(₹ In Crore)
Issued , subscribed and paid-up shares				
Equity shares				
At the beginning of the period	66,38,75,90	66.38	66,38,75,90	66.38
Issued during the period	-	-	-	-
Outstanding at the end of the period	66,38,75,90	66.38	66,38,75,90	66.38

Note 18. b - Details of shareholders holding more than 5% shares :

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.	% holding	No.	% holding
Equity shares of ₹10 each fully paid-up				
Goel Investments Ltd.	91,11,921	13.73	6,63,69,80	10.00
Anil Kumar Goel	5,87,00,00	8.84	5,77,80,05	8.70
Sonitron Ltd.	4,94,07,16	7.44	4,02,97,59	6.07
Shudh Edible Products Ltd.	4,29,96,80	6.48	4,29,96,80	6.48
Mr. Gautam Goel	4,24,23,39	6.39	4,24,23,39	6.39
Mr. Gaurav Goel	2,01,69,04	3.04	4,31,69,04	6.50

Note 18. c - Calls unpaid of equity shares

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.	(₹ In Crore)	No.	(₹ In Crore)
i) Calls unpaid by directors and officers	Nil	Nil	Nil	Nil
ii) Calls unpaid by others	Nil	Nil	539	2425

Note 18. d - Terms/right attached to equity shares

- 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 dividend in Indian rupees. The holders of the equity shares are entitled to receive dividends as declared from time to time.

Note 18.e - Dividend

- Detail of interim dividend and final dividend proposed

The Board of Directors has declared interim dividend of 60% on equity shares (INR 6.00 per equity shares of ₹10 each) in the meeting held on February 02, 2021 and the same has been paid in stipulated timeline and it is treated as final dividend.

Note 18. f - No share is reserved for issue under options and contracts for the sale of shares, including terms and amounts.

Notes forming part of the Standalone Financial Statement

Note 19 - Other Equity

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
A. Reserve and Surplus		
(i) Capital redemption reserve	3.72	3.72
(ii) Capital reserve	7.23	7.23
(iii) General reserve	122.04	122.04
(iv) Securities premium	379.94	379.94
(v) Storage fund/reserve for molasses	2.11	1.58
(vi) Retained Earnings	982.60	803.57
B. Other reserve		
(i) Remeasurement of post employment benefit obligation	(4.11)	(4.31)
(ii) FVOCI equity reserve	1.93	0.58
(iii) FVOCI Cash flow hedge reserve	0.98	(5.72)
TOTAL	1,496.44	1,308.63

Note 19.1 Movement in Other equity

A. Reserve and Surplus

(i) Capital Redemption Reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
As per last account	3.72	3.72
Add: Addition during the year	-	-
Less: Utilised during the year	-	-
Closing Balance	3.72	3.72

(ii) Capital Reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
As per last account	7.23	7.23
Add: Addition during the year	-	-
Less: Utilised during the year	-	-
Closing Balance	7.23	7.23

(iii) General Reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
As per last account	122.04	121.83
Add: Transfer from retained earnings	-	-
Add: Transfer from storage fund/reserve for molasses (refer A (v))	-	0.21
Less: Utilised during the year	-	-
Closing Balance	122.04	122.04

Notes forming part of the Standalone Financial Statement

Note 19 - Other Equity (contd)

(iv) Securities Premium Reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
As per last account	379.94	379.94
Add: Premium on shares issued during the year	-	-
Less: Expenses on issue of shares during the year	-	-
Closing Balance	379.94	379.94

(v) Storage fund/reserve for molasses

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
As per last account	1.58	1.41
Add: Molasses fund created during the year	0.53	0.38
Less: Molasses fund Utilised during the year (transferred to General reserve)	-	0.21
Closing Balance	2.11	1.58

(vi) Retained Earnings

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
As per last account	803.57	664.23
Add:		-
Reclassification of Remeasurement of post employment benefit obligation	-	-
Net Profit for the period	218.86	211.37
Less: Appropriations		
i) Interim dividend inclusive of dividend distribution tax if any	39.83	48.02
ii) Final dividend inclusive of dividend distribution tax if any	-	24.01
iii) Net gain on sale of REC's transferred to Capital Reserve	-	-
Closing Balance	982.60	803.57

B. Other Reserves

(i) Remeasurement of post employment benefit obligation

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	(4.31)	(2.86)
Add: Addition during the year	0.20	(1.45)
Less: Utilised during the year	-	-
Closing Balance	(4.11)	(4.31)

(ii) FVOCI Equity Reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	0.58	1.23
Add: Addition during the year	1.35	(0.65)
Less: Utilised during the year	-	-
Closing Balance	1.93	0.58

Notes forming part of the Standalone Financial Statement

Note 19 - Other Equity (contd)

(iii) FVOCI Cash flow hedge reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	(5.72)	(0.08)
Add: Addition during the year	0.98	(5.72)
Less: reclassify to Profit & Loss	5.72	0.08
Closing Balance	0.98	(5.72)

Note 19.2 : Nature and purpose of reserves

(i) Capital Redemption Reserve

Capital redemption reserve was created against the redemption of cumulative preference shares.

(ii) Capital Reserve

Capital reserve was created against amalgamation.

(iii) General Reserve

This represents appropriation of profit after tax by the company.

(iv) Securities Premium

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.

(v) Storage fund/reserve for molasses

"The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyamtran (Sansodhan) Adesh, 1974."

(vi) Retained Earnings

This comprise company's undistributed profit after taxes.

(vii) FVOCI Equity Investment

The company has elected to recognise changes in fair value of certain investments in equity securities through OCI as Other Reserves. The company transfers amount from this reserves to retained earnings when the relevant investment is sold and realised.

(viii) FVOCI Cash flow hedge reserve

The cash flow hedge reserve represents the cumulative effective portion of gain or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the underlying hedge transaction occurs.

Notes forming part of the Standalone Financial Statement

Note 20 - Financial liabilities "Borrowings"

(i) Non-current borrowings

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
I. Secured - carried at amortised cost		
Secured :		
Term Loans		
From banks		
Rupee loans from banks (For Security refer note 20.a)	226.08	359.26
From entities other than banks		
Rupee Loans :		
Government of India, Sugar Development Fund (SDF) (For Security refer note 20.a)	34.20	45.91
II. Unsecured intercorporate deposit - carried at amortised cost		
Intercorporate Deposit - from related parties	35.00	
Unsecured - carried at amortised cost		
Deposit - from related parties	8.61	5.49
- from public	16.15	5.86
Total	320.04	416.52

a) Nature of Security in respect of Long Term Borrowings :

- (i) Rupee term loan from PNB under the Government sponsored Scheme for Extending Soft loan to sugar mills are secured by third parri passu charge on block of fixed assets of five units of the Company and personal guarantee of promoter directors
- (ii) Rupee term loan from PNB are secured by first parri passu charge on block of fixed assets of the Company and personal guarantee of promoter directors.
- (iii) Rupee term loan from PNB (funded by State Government U.P.) are secured by first parri passu charge on block of fixed assets of the Company.
- (iv) Rupee term loan from UCO Bank are secured by subservient charge over land and building, plant & machinery and other immovable and movable fixed assets of the Company present and future and personal guarantee of two promoter directors.
- (v) Rupee term loan from Sugar Development Fund (SDF) are secured by first pari passu charge over the movable and immovable properties of DSM Sugar Rajpura, a unit of the Company, situated at Rajpura.
- (vi) Rupee term loan from Sugar Development Fund (SDF) are secured by first parri passu charge over the movable and immovable properties of one of its unit i.e. DSM Sugar Rajpura, situated at Rajpura and personal guarantee of promoter directors.
- (vii) Rupee term loan from Sugar Development Fund (SDF) are secured by first parri passu charge over the movable and immovable properties of one of its unit i.e. DSM Sugar Asmoli, situated at Asmoli and personal guarantee of promoter directors
- (viii) Rupee term loan from Sugar Development Fund (SDF) are secured by second exclusive charge over the movable and immovable properties of one of its unit i.e. Dhampur Sugar Mills Limited, Unit- Dhampur situated at Dhampur.
- (ix) Inter Corporate Deposit are secured by by way of "personal guarantee of Mr. Gaurav Goel, the Promotor of the Company.
- (ix) All other term loans from banks are secured by first parri passu charge on all movable and immovable assets except book debts, stock in trade, raw material, spare parts and other current assets and are guaranteed by promoter directors.

Notes forming part of the Standalone Financial Statement

Note 20 - Financial liabilities "Borrowings" (contd)

(ii) Current borrowings

(₹ in Crore)

Particulars	As at March 31, 2021		As at March 31, 2020	
Unsecured - carried at amortised cost				
Loans repayable on demand				
Unsecured				
Deposits from public		-	0.20	0.20
Short term loans and advances :				
- from related parties	1.90		-	
- from others	1.54	3.44	-	-
Short Term Loan				
From bank				
Secured - at amortised cost				
Punjab National Bank		-	274.33	274.33
Working capital loans				
From banks				
Secured - at amortised cost				
Punjab National Bank	341.15		453.63	
Bank of Baroda	-		-	
Central Bank of India	69.81		71.83	
District Co-operative Bank	219.59		241.10	
"Prathma U P Gramin Bank (Prathma Bank merged with Sarva U P Gramin Bank)"	51.67		116.10	
State Bank of India	25.02	707.24	43.63	926.29
		710.68		1,200.82

b) Terms of repayment :

Name of banks / entities	Rate of Interest (ROI) % p.a.	Amount outstanding as at March 31, 2021		Amount outstanding as at March 31, 2020		Period of maturity w.r.t the Balance Sheet date as at March 31, 2021	Number of Installments outstanding as at March 31, 2021	Amount of each Installment (₹ In Crore)	Details of security offered
		Current (₹ In Crore)	Non Current (₹ In Crore)	Current (₹ In Crore)	Non Current (₹ In Crore)				
1) Punjab National Bank									
Term loan from bank (Soft Loan)	7.95%	19.82	0.23	19.82	20.05	1 Year, 3 Months	5 Quarterly Installments	4.95	Refer note no. 20 (i) (a) (i) below
Term loan from bank	7.95%	3.00	1.50	3.32	5.01	1 Year, 6 Months	6 Quarterly Installments	0.75	Refer note no. 20 (i) (a) (ii) below
Term loan from bank	7.95%	3.30	1.65	3.30	4.95	1 Year, 6 Months	6 Quarterly Installments	0.82	Refer note no. 20 (i) (a) (ii) below
Term loan from bank	7.95%	15.18	3.80	15.18	18.98	1 Year, 3 Months	5 Quarterly Installments	3.80	Refer note no. 20 (i) (a) (ii) below

Notes forming part of the Standalone Financial Statement

Note 20 - Financial liabilities "Borrowings" (contd)

Name of banks / entities	Rate of Interest (ROI) % p.a.	Amount outstanding as at March 31, 2021		Amount outstanding as at March 31, 2020		Period of maturity w.r.t the Balance Sheet date as at March 31, 2021	Number of Installments outstanding as at March 31, 2021	Amount of each Installment (₹ In Crore)	Details of security offered
		Current (₹ In Crore)	Non Current (₹ In Crore)	Current (₹ In Crore)	Non Current (₹ In Crore)				
Term loan from bank (Soft Loan)	5.00%	53.24	115.36	53.25	173.05	3 Year, 3 Months	39 Monthly Installments	4.44	Refer note no. 20 (i) (a) (iii) below
Term loan from bank (Expansion for Distillery Capacity - Dhampur) *	7.95%	6.30	15.75	6.30	22.05	3 Year, 6 Months, 1 Day	15 Quarterly Installments	1.575	Refer note no. 20 (i) (a) (ii) below
Term loan from bank (Expansion for Distillery Capacity - Asmoli) *	7.95%	3.00	7.50	3.00	10.50	3 Year, 6 Months, 1 Day	15 Quarterly Installments	0.75	Refer note no. 20 (i) (a) (ii) below
Less :- Ind AS Impact		(5.23)	(5.21)	(6.81)	(10.45)				
Sub-Total		98.61	140.58	97.36	244.14				
2) Central Bank of India	NA	-	-	5.42	8.12	Fully repaid			NA
3) UCO Bank	10.00%	-	85.50	-	107.00	5 Year	16 Quarterly Installments	5.375 except last four installment of ₹5.25	Refer note no. 20 (i) (a) (iv) below
4) Government of India, Sugar Development Fund									
	4.75%	7.14	17.84	7.14	24.98	3 Year, 6 Months	7 Half yearly Installments	3.57	Refer note no. 20 (i) (a) (v) below
	4.75%	0	4.7	-	4.70	6 Year, 4 Months	10 Half yearly Installments	0.47	Refer note no. 20 (i) (a) (vi) below
	4.50%	1.22	1.82	1.22	3.04	2 Year, 6 Months	5 Half yearly Installments	0.61	Refer note no. 20 (i) (a) (vii) below
	4.25%	1.17	2.36	1.18	3.54	2 Year, 7 Months	6 Half yearly Installments	0.59	Refer note no. 20 (i) (a) (vii) below
	3.40%	3.84	9.6	1.92	13.44	3 Year, 6 Months	7 Half yearly Installments	1.92	Refer note no. 20 (i) (a) (viii) below

Notes forming part of the Standalone Financial Statement

Note 20 - Financial liabilities "Borrowings" (contd)

Name of banks / entities	Rate of Interest (ROI) % p.a.	Amount outstanding as at March 31, 2021		Amount outstanding as at March 31, 2020		Period of maturity w.r.t the Balance Sheet date as at March 31, 2021	Number of Installments outstanding as at March 31, 2021	Amount of each Installment (₹ In Crore)	Details of security offered
		Current (₹ In Crore)	Non Current (₹ In Crore)	Current (₹ In Crore)	Non Current (₹ In Crore)				
Less :- Ind AS Impact		(1.50)	(2.12)	(1.86)	(3.79)				
	Sub-Total	11.87	34.20	9.60	45.91				
Unsecured Intercompany Deposit									
from related parties	9.50%	-	35.00	-	-	2 Years	Single Installment	35	Refer note no. 20 (i) (a) (ix) below
	Sub-Total	-	35.00						
Unsecured : Deposit - from related parties		-	8.61	2.25	5.49	From F.Y 2021-22 to F.Y 2023-24	Payable on different due dates	-	-
from public		0.47	16.15	2.03	5.86	From F.Y 2021-22 to F.Y 2023-24	Payable on different due dates	-	-
	Sub-Total	0.47	24.76	4.28	11.35				
	Grand-Total	110.95	320.04	116.66	416.52				

c) Nature of Security in respect of Short Term Borrowings :

Working Capital loans from Punjab National Bank are secured :

- by way of first parri passu charge and pledge of stocks of sugar and sugar-in-process both present and future.
- by way of first parri passu charge and hypothecation of molasses, bagasse, general stores, chemicals unit finished goods/ raw material, co-generation unit raw material, book debts etc. both present and future of the Company.
- by way of third parri passu charge on the block of fixed assets/immovable properties of the Company
- by personal guarantee of the two promoter directors of the Company

Working Capital loans from Central Bank of India are secured :

- by way of pledge of stocks of sugar and sugar-in-process both present and future on parri passu basis with other banks.
- by way of hypothecation of molasses, bagasse, general stores both present and future on parri passu basis of the Company.
- by way of first parri passu charge on the current assets of the Company
- by way of third parri passu charge on the land and buildings of the Company
- by personal guarantee of promoter directors of the Company

Notes forming part of the Standalone Financial Statement

Note 20 - Financial liabilities "Borrowings" (contd)

Working Capital loans from all District Co-operative Banks are secured :

- by way of pledge of stocks of sugar
- by personal guarantee of promoter directors of the Company

Working Capital loans from Prathma U P Gramin Bank are secured (Prathma Bank merged with Sarva U P Gramin Bank):

- by way of pledge of stocks of sugar and sugar-in-process
- by way third parri passu charge on the block of fixed assets , both present and future, of the Company
- by personal guarantee of promoter directors of the Company

Working Capital Demand loans from State Bank of India against Warehouse receipts of NBHC/Star Agri are secured :

- by way of first and exclusive charge on the stocks of sugar
- by personal guarantee of promoter directors of the Company

Note 21 - Other Current Financial Liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Current maturities of long term borrowings (refer note 20.a)	110.95	116.66
Interest accrued but not due on borrowings	2.90	1.68
Interest accrued and due on borrowings {including ₹0.01Crore (PY ₹0.33 Crore) on interest accrued and due on unclaimed matured deposit} "	0.02	3.36
Interest accrued on MSME	0.37	0.36
Other payables	0.01	0.01
Unclaimed matured deposits	0.03	0.91
Provision for CSR Expense	4.90	-
Unpaid liability	19.21	28.85
Employee benefits	11.39	9.34
Security deposits	4.42	4.37
Unclaimed dividend	1.18	0.99
Carried at fair value through other comprehensive income		
Derivative Liabilities	-	11.98
Total	155.38	178.51

* Includes interest debited by banks on loans at the close of business hours as at year end i.e. March 31 which has been repaid by the company on next working day.

Notes forming part of the Standalone Financial Statement

Note 22 - Provisions

(i) Long term provision

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits	-	-
Gratuity (refer note 48(ii)(a))	32.80	32.38
Total	32.80	32.38

(ii) Short term provision

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits	-	-
- Gratuity (refer note 48(ii)(a))	2.93	2.49
- Others	6.11	5.14
Total	9.04	7.63

Note 23 - Deferred Tax Asset/ (Liability)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax asset :		
- On account of carried forward losses and unabsorbed depreciation	-	-
- On account of difference in the tax base value and carrying amount of Investments/security deposits	5.94	2.51
- On account of government grants	-	0.80
- On account of temporary differences on allowability of expenses for tax purposes	8.60	15.65
- MAT credit entitlement	155.36	176.93
	169.90	195.89
Deferred tax liability :		
- On account of property, plant & equipments (other than land)	190.68	176.83
- On account of difference in the tax base value and carrying amount of land	10.42	12.87
	201.10	189.70
Net deferred tax assets/(liabilities)	(31.20)	6.19

Note 23.1 : Movement in deferred tax Liabilities/ deferred tax assets

(₹ In Crore)

Particulars	Property Plant & Equipment	Other items	MAT credit entitlement	Total
At April 01, 2019	(216.09)	2.24	176.18	(37.67)
(Charged)/credited:-				
- to profit & loss	39.26	(0.02)	0.75	39.99
- to other comprehensive income	-	3.92	-	3.92
- reversal of deferred tax on last year other comprehensive income	-	(0.05)	-	(0.05)
At March 31, 2020	(176.83)	6.09	176.93	6.19

Notes forming part of the Standalone Financial Statement

Note 23 - Deferred Tax Asset/ (Liability) (contd)

(₹ In Crore)

Particulars	Property Plant & Equipment	Other items	MAT credit entitlement	Total
(Charged)/credited:-				
- to profit & loss	(13.85)	5.66	(21.57)	(29.76)
- to other comprehensive income	-	(3.86)	-	(3.86)
- reversal of deferred tax on last year other comprehensive income	-	(3.77)	-	(3.77)
At March 31, 2021	(190.68)	4.12	155.36	(31.20)

Note 24 - Other Liabilities

(i) Non-Current Liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Government Grants (refer note no. 41)	9.21	16.64
Total	9.21	16.64

(ii) Current Liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Government Grants (refer note no. 41)	6.76	8.54
Advance from customers	6.49	5.62
Statutory dues payable	10.49	17.31
Others	0.94	1.20
Total	24.68	32.67

Note 25 - Trade payables

Current

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises	4.64	1.93
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	589.21	563.07
Total	593.85	565.00

Notes forming part of the Standalone Financial Statement

Note 25 - Trade payables (contd)

Following are the relevant disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in Crore)

Description	As at March 31, 2021	As at March 31, 2020
a) The principal amount remaining unpaid to suppliers as at the end of accounting year	4.64	1.93
b) The interest due thereon remaining unpaid to suppliers as at the end of accounting year	0.37	0.36
c) The amount of interest paid by the company in terms of Section 16, along with the amount of payments made to the micro and small enterprise beyond the appointed date during the period	-	-
d) The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the period but without adding the interest specified under this Act.	-	-
e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	0.02	0.22
f) The amount of further interest remaining due and payable even in succeeding years	0.37	0.36

The above mentioned outstanding's are in normal course of business and the information regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 26 - Current tax liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for tax	53.15	33.10
Less: Advance tax paid	48.50	33.10
Total	4.65	-

Note 27 - Revenue From operations

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
(i) Sale of Products:		
a) Manufactured goods		
Sugar	3,041.20	2,484.54
Molasses	10.58	0.00
Bagasse	8.25	-
Chemicals	839.23	588.88
Power	113.91	109.99
Others	0.21	3.18
b) Traded goods		
Others	35.66	58.12
Sub-Total (i)	4,049.04	3,244.71

Notes forming part of the Standalone Financial Statement

Note 27 - Revenue From operations (contd)

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
(ii) Other Operating Revenue		
Scrap sale	5.27	4.07
Insurance claim received	0.46	0.48
Indirect taxes refunds	0.22	8.69
Subsidy from Government (refer note no 40)	158.89	128.39
Fair value gain on re-measurement of biological assets through profit or loss*	1.11	2.85
Duty drawback	1.50	0.37
Miscellaneous income	0.88	0.54
Service Charges	-	3.52
Sub-Total (ii)	168.33	148.91
Total (i+ii)	4,217.37	3,393.62

* excludes fair value of self consumed sugar cane of ₹2.31 Crore (Previous Year ₹1.74 Crore)

Disaggregation Of Revenue

Disaggregated revenue information have been given along with segment information [Refer Note No. 47].

Note 28 - Other income

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest Income		
- from financial assets carried at amortized cost	0.16	0.28
- from banks and others	0.43	0.48
Deferred Government grant (refer note no. 40)	0.38	0.38
Dividend income	0.04	0.03
Liabilities/ Provisions no longer required written back	1.31	0.94
Other non-operating income		
Income from rent	1.29	1.19
Profit on sales of fixed assets	1.48	0.02
Income from REC (net of expenses)	-	12.79
Income from consultancy services	0.10	0.12
Impairment of investment written back/provision for advances to subsidiary company	2.00	1.70
Miscellaneous Income	0.56	0.25
Foreign exchange fluctuation difference	8.39	12.11
Total	16.14	30.29

Notes forming part of the Standalone Financial Statement

Note 29 - Cost of materials consumed

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Cost of material consumed		
- Sugar cane *	2,698.42	2,313.77
- Molasses	13.84	66.76
- Bagasse and other fuel	8.50	29.50
- Chemicals and others	126.48	87.16
Total	2,847.24	2,497.19

* excludes fair value of self consumed sugar cane of ₹2.31 Crore (Previous Year ₹1.74 Crore)

Note 30 - Excise Duty on sale of goods

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Excise duty on sale of goods	74.90	40.75
Total	74.90	40.75

Note 31 - Purchase of goods for resale

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Purchase of goods for resale		
Others	34.33	60.89
Total	34.33	60.89

Note 32 - Changes in inventories of finished goods, work in progress and stock in trade

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Closing Stock: :		
Finished stock	1,197.21	1,534.50
Work-in-progress	25.03	20.43
Stock-in-trade	0.55	0.32
Total (a)	1,222.79	1,555.25
Opening Stock :		
Finished stock	1,534.50	1,552.36
Work-in-progress	20.43	31.02
Stock-in-trade	0.32	0.47
Total (b)	1,555.25	1,583.85
Net(Increase)/Decrease in stock (b-a)	332.46	28.60

Notes forming part of the Standalone Financial Statement

Note 33 - Employees benefits expense

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Salaries and wages	126.65	121.48
Contribution to Provident & other funds	10.08	9.28
Gratuity	4.68	4.22
Voluntary retirement compensation	0.46	0.58
Workmen & staff welfare expenses	0.91	0.80
Total	142.78	136.36

* includes Directors and KMP Remuneations of ₹17.59 (Previous Year ₹16.77)

Note 34 - Finance costs

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest expenses on financial liabilities measured at amortize cost	83.23	114.90
Other borrowing cost	4.53	4.88
	87.76	119.78
Less : Interest capitalized during the period	-	0.12
Less : Interest subsidy claimed on Buffer Stock	8.09	19.59
Total	79.67	100.07

Note 35 - Depreciation and amortisation expenses

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Depreciation of property, plant and equipment (refer note no. 4)	74.76	71.02
Depreciation of right to use assets (refer note no. 5)	1.94	3.98
Amortisation of intangible assets (refer note no. 7)	0.40	0.39
Total	77.10	75.39

Notes forming part of the Standalone Financial Statement

Note 36 - Other expense

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Consumption of stores, spares & other manufacturing expenses	56.28	51.38
Power and fuel	4.63	8.83
Packing material expenses	37.79	31.95
Selling Expenses :		
- Commission to selling agents	8.45	6.30
- Other selling expenses	85.05	54.35
Less : Buffer stock subsidy claim agst. Insurance & handling	-1.44	-3.39
Repair & Maintenance :		
- Plant & machinery	45.39	35.58
- Building	4.33	3.27
- Others	4.99	3.42
Short term leases (Refer Note 2(xiii)(e))	3.13	4.05
Rates and taxes	2.64	1.39
Charity and donations	1.00	0.29
Insurance	5.31	2.79
Transfer to storage fund for molasses	0.53	0.38
Consultancy/Retainship/Professional Fees	9.17	17.67
Payment to auditors (refer note 36.1)	0.37	0.39
CSR Expenses (refer note 45)	8.32	3.52
Cane development expenses	5.36	4.95
Expenditure on crop	1.69	1.59
Balance written-off	5.01	9.52
Provision for doubtful debts	1.39	-
Director sitting fees	0.12	0.11
Loss on sale of fixed/discarded assets	5.17	0.03
Loss on material held for disposal (refer note 17)	1.64	-
Miscellaneous expenses	27.68	26.04
Total	324.00	264.41

Note 36.1

(₹ in Crore)

Payment to Auditors	For the Year ended March 31, 2021	For the Year ended March 31, 2020
- Audit fees	0.31	0.32
- Tax audit fees	0.05	0.05
- Other services	-	-
- Reimbursement of expenses	0.01	0.02
Total	0.37	0.39

Notes forming part of the Standalone Financial Statement

Note 37 - Exceptional Item

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Ehaat Limited		
Written off loan given	0.50	11.07
Trade receivable balance written off	-	1.25
Write off of investment	-	3.77
Dhampur International Pte Limited		
Impairment of investment	15.50	-
DETS Limited		
Impairment of investment	-	1.17
Total	16.00	17.26

Note 38 - Tax expense

(a) Income Tax Expenses

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Current Tax	56.41	31.61
Tax adjustments related to earlier year	-	-
Deferred Tax	29.76	(39.99)
Total income tax expenses	86.17	(8.38)

(b) Reconciliation of tax expense and accounting profit multiplied by India's tax rate:

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Profit for the year (before income tax expense)	305.03	202.99
Applicable tax rate	34.944%	34.944%
Computed tax expenses	106.59	70.93
Adjustments :		
Income exempt from tax purposes	(1.03)	(0.24)
Expenses not allowed for tax purposes	12.78	9.81
Additional allowances for tax purposes	-	-
Deferred tax on non-depreciable assets and investment (Net)	(3.44)	(2.19)
Deduction u/s 80IA of Income Tax Act in respect of power undertaking	(32.38)	(24.98)
Tax adjustment for previous year	3.26	(4.08)
Deferred tax on change in income tax rate	-	(55.90)
Others	0.39	(1.73)
At the effective income tax rate of 28.25 % (P.Y 23.41% except Deferred Tax on income tax rate change)	86.17	(8.38)

Notes forming part of the Standalone Financial Statement

Note 38 - Tax expense (contd)

Note 38 (c)

Pursuant to Taxation Law (Amendment) Ordinance, 2019 (Ordinance), the domestic companies have option to pay corporate income tax @ 22% plus applicable surcharge and cess (New Tax Rate) subject to certain conditions w.e.f. financial year commencing from April 1, 2019 and thereafter. In the year ended March 31, 2020, the Company has made an assessment of the impact of the Ordinance and decided to continue with the existing tax structure until utilization of accumulated minimum alternative tax (MAT) credits. During the previous year, in accordance with accounting standard, the Company has also evaluated the outstanding deferred tax liabilities, and written back an amount to the extent of ₹55.90 Crore to the Statement of Profit and Loss. This was arising from re-measurement of deferred tax liabilities that are expected to reverse in future when the Company would migrate to the new tax regime.

Note 39 - Earnings per Share (EPS) :

Particulars	Details	As at March 31, 2021	As at March 31, 2020
i) Net Profit/ Loss(-) available to Equity Shareholders (Used as numerator for calculating EPS)	₹ in Crore	218.86	211.37
ii) Weighted average No. of Equity Shares outstanding during the period: (Used as denominator for calculating EPS)			
- for Basic EPS	No.	66387590	66387590
- for Diluted EPS	No.	66387590	66387590
iii) Earning per Share			
- Basic	₹	32.97	31.84
- Diluted	₹	32.97	31.84

(Equity Share of Face value of ₹10 each)

Note 40 - Contingent Liabilities and Commitments : Not Provided For In Respect of :

I Contingent Liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
i) Demands being disputed by the Company :		
a) Excise duty and Service Tax demands	14.91	17.00
b) Trade Tax and Entry Tax demands	7.98	9.17
c) Other demands	20.82	23.66
d) Estimated amount of interest on above	49.42	61.14
ii) Claims against the company not acknowledged as debts :		
a) Statutory liability being disputed by authorities	1.24	1.13
b) Income Tax demand on processing of TDS Returns*	-	0.01
c) Other Liabilities	0.12	0.80
d) In respect of some pending cases of employees and others	Amount not ascertainable	Amount not ascertainable

II Capital Commitments

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	68.12	9.18

Notes forming part of the Standalone Financial Statement

Note 40 - Contingent Liabilities and Commitments : Not Provided For In Respect of : (contd)

III. Other Legal Matters

- i) Honorable Allahabad High Court in the case of PIL Rashtriya Kisan Mazdoor Sangathan VS State of U.P. passed a final order on March 09, 2017 directing the Cane Commissioner to decide afresh the issue as to whether the Sugar Mills are entitled for waiver of interest on the delayed payment of the price of sugarcane for the seasons 2012-13, 2013-14 and 2014-15 under the provisions of Section 17(3) of the U.P. Sugarcane (Regulations of Supply and Purchase) Act, 1953 (in short 'the Act'). The matter is yet to be finalised and pending before Supreme Court in SLP filed by the RKMS.
- ii) Cane societies are in dispute with the State Government of Uttar Pradesh with regard to retrospective partial waiver of society commission payable by the sugar mills for the crushing seasons 2012-13, 2014-15 and 2015-16. Company was the beneficiary of such waiver. The matter is yet to be finalised and pending before Supreme Court in SLP filed by the Association.

Note 41 - Government Grant

The Company is eligible to receive various grants/ financial assistance as per the schemes announced by Central and UP State Government for Sugar Industry. The Company has recognised these Government grants in the following manners: (₹ in Crore)

S.No.	Particulars	Treatment in Accounts	For the Year ended March 31, 2021	For the Year ended March 31, 2020
1	Revenue related Government grants:			
i (a)	MAEQ Subsidy 2019-20 from Central Government (Refer footnote a)	Shown as separate line items "Government grant" under other operating income	95.66	128.39
i (b)	MAEQ Subsidy 2020-21 from Central Government (Refer footnote a)	Shown as separate line items "Government grant" under other operating income	63.23	-
ii (a)	Buffer subsidy claim (Refer footnote b)	Interest subsidy claim deducted from "finance cost"	8.09	19.59
ii (b)	Buffer subsidy claim (Refer footnote b)	Claim agst. insurance & handling Shown as separate line item in "Other expenses"	1.44	3.39
iii	Interest subvention claim under Soft Loan (Refer note c)	Deducted from finance cost	0.16	19.04
iv	Interest subvention claim under Distillery Expansion Loan (Refer note d)	Deducted from finance cost	1.27	2.08
v	Production subsidy from Government (Refer note e)	Deducted from cost of raw material consumed	-	16.24
vi	Transport subsidy from Government (Refer note f)	Deducted from other selling expenses under other expenses schedule	-	4.41
2	Deferred Government grants:			
i	Deferred income relating to term loans on concessional rate from Sugar Development Fund	Deducted from finance cost	1.72	1.63
ii	Deferred income relating to term loans on concessional rate (Refer note g)	Deducted from finance cost	7.12	8.17
iii	Deferred income relating grant on property, plant and equipment	Shown as separate line item "Deferred Government grant" under Other income	0.38	0.38

Notes forming part of the Standalone Financial Statement

Note 41 - Government Grant (contd)

Sub Notes :

- a) The Central Government notified a scheme for providing assistance to sugar mills on export of sugar covering expenses on marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar with a view to facilitate export of sugar thereby improving the liquidity position of sugar mills enabling them to clear cane price dues of farmers. Pursuant to scheme, Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) allocated factory wise Maximum Admissible Export Quantity (MAEQ) for export of sugar for the sugar seasons.

For Sugar Season 19-20

Pursuant to notification 1(14/2019-S.P.-I dated September 12, 2019, assistance @ ₹10,448 per MT on export of sugar was given, limited to MAEQ (Maximum Admissible Export Quantity), as determined by the Central Government for such mills, for the sugar season 2019-20, either themselves or through a merchant exporter. Till March 31, 2021, the Company has complied with all the conditions as stated in the scheme and submitted the claim for assistance by ₹224.04 Crore and the same has been received in full till March, 2021.

For Sugar Season 20-21

Pursuant to notification 1(6/2020-S.P.-I dated December 29, 2020, assistance @ ₹6,000 per MT on export of sugar limited to MAEQ (Maximum Admissible Export Quantity) determined by the Central Government for such mills for the sugar season 2020-21 either themselves or through a merchant exporter. Till March 31, 2021, the Company has complied with all the conditions as stated in the scheme and the management is also confident that all the conditions set out in the Scheme shall be fully complied with at the time of submission of the claim. Accordingly, amounting to ₹63.23 Crore, assistance accrued under the Scheme till March 31, 2021 has been recognised during the year."

- b) The Central Government, vide its Notification No. 1(6)/2018-SP-I dated June 15, 2018, notified a Scheme for creation and Maintenance of Buffer Stock of 30 Lakh MT of sugar by the Sugar Mills in the country for one year w.e.f July 1, 2018. The Company is eligible for the reimbursement of the costs incurred for Interest (maximum 12%), insurance and storage charges (@ 1.5%) of Buffer stock to be valued at ₹29 per Kg. on quarterly basis till June 30, 2019

Further the Central Government, vide its Notification No. 1(8)/2019-SP-I dated July 31, 2019, notified a Scheme for creation and Maintenance of Buffer Stock of 40 Lakh MT. of sugar by the Sugar Mills in the country for one year w.e.f August 1, 2019. The Company is eligible for the reimbursement of the costs incurred for Interest (maximum 12%), insurance and storage charges (@ 1.5%) of Buffer stock to be valued at ₹31 per Kg. on quarterly basis till July 31, 2020.

The company has created buffer stock in accordance with the scheme and recognised the eligible subsidy during the year.

- c) The Central Government, vide its Notification No. 1(4)/2019-SP-I dated March 02, 2019, notified a Scheme for extending soft loan to sugar mills to facilitate payment of cane price arrears of the farmers for the sugar season 2018-19 relating to the Fair and Remunerative Price (FRP) of sugarcane fixed by Central Government. Every sugar mill which fulfills the condition stipulated in the scheme will be eligible for the interest subvention @ 7% simple interest or actual rate of interest charge by the bank, whichever is less for maximum of 1 year from the date of disbursement of the soft loan. Till March 31, 2021, the Company has complied with all the conditions as stated in the scheme and submitted the claim for interest subvention. Accordingly interest subvention accrued under the Scheme till March 31, 2021 by ₹19.20 Crore and out of which ₹9.41 Crore has been received till such date.
- d) "The Central Government, vide its Notification No. 1(10)/2018-SP-I dated July 19, 2018, notified a Scheme with a view to increase production of ethanol by enhancing the number of working days of existing distillery in a year by installation new Incineration boilers or by adoption any other matter approved by Central Pollution Control Board (CPCB) for Zero Liquid Discharge (ZLD) in a distillery. Every Sugar Mill which fulfills the conditions stipulated in the scheme will be eligible for the interest subvention @ 6% per annum or 50% of the rate of interest charged by bank, whichever is lower, on the loans to be extended by banks, shall be borne by Central Government for five years.

Notes forming part of the Standalone Financial Statement

Note 41 - Government Grant (contd)

Till March 31, 2021, the Company has complied with all the conditions as stated in the scheme and submitted the claim for interest subvention. Accordingly interest subvention accrued under the Scheme till March 31, 2021 by ₹3.35 Crore and out of which 2.52 Crore has been received till March, 2021.

- e) The Central Government vide its Notification No. 1(14)/2018-SP-I dated October 05, 2018 announced Scheme for Assistance to Sugar mills for Sugar season 2018-19, (Scheme) with a view to offset the Cane cost and facilitate timely payment of Cane price dues. Every sugar mill which fulfills the conditions stipulated in Scheme will be eligible for assistance at the rate of ₹13.88 per qtl. of cane crushed during sugar season 2018-19 or the proportionate inter-se allocation of estimated 3000 Lakh MT. of cane to be crushed (for sugar season 2018-19) on the basis of the average sugar production of last three sugar seasons i.e. 2015-16, 2016-17, & 2017-18, whichever is lower.

For the eligibility under the Scheme, the Sugar mills have to supply atleast 80% of indented quantity of Ethanol to OMC; have to file updated online return in Proforma II as prescribed under DFPD under the provisions of Sugar Control Order 1966 and have to fully comply with all the orders/directives of DFPD during sugar season 2018-19 till the date of submission of the claim.

During the FY 2019-20, the Company has complied with all the conditions as stated in the scheme and submitted the claim for assistance. Accordingly subsidy accrued under the Scheme during FY 2019-20 by ₹16.24 Crore and the same has been received in full.

- f) The Central Government vide its Notification No. 1(4)/2018-SP-I dated September 28, 2018 announced Minimum Indicative Export Quota (MIEQ) under Tradeable Export Scrip Scheme and allocated quota of 123899 MT of raw/white sugar or 16.7 kg of sugar per MT of actual cane crushed during 2018-19 sugar season, whichever is lower for export to sugar mills of the company. Further, the Central Government vide its Notification No. 1(14)/2018-S.P-I dated October 5, 2018 announced the Scheme for Defraying Expenditure towards internal transport, freight, handling, and other charges on export @ ₹3000 per MT. of sugar exported for Mills located in other than coastal states or actual expenditure, whichever is lower. The conditions stipulated under this scheme are the same as stipulated in the Scheme for Assistance to Sugar Mills as stated hereinabove and the company has submitted the claim. Accordingly subsidy accrued under the Scheme during the FY 2019-20 has been recognised by ₹4.41 Crore and the same has been received in full.
- g) The State Government, with a view to improve the liquidity position of private sector sugar mills of the State enabling them to clear the cane price arrears of crushing seasons 2016-17 and 2017-18 and timely settlement of cane price as per State Advised Price (SAP) fixed by the State Government, to the sugarcane farmers, has notified the scheme, namely "Scheme for Extending Financial Assistance to Sugar Undertakings-2018" vide notification No.: 15 /2018/1719/46-3-18-3 (36-A) / 2018 dated October 16, 2018. The Company had availed the term loan in the F.Y 2018-19 under the Scheme, wherein, the government grant has has been received in form of Subsidised rate of interest.
- h) The Company was eligible for various incentives under U.P. Sugar Incentive Promotion Policy, 2004 (the scheme) which was subsequently withdrawn by the State Government. Petition filed by the Company, The Hon'ble Allahabad High Court vide order dated February 12, 2019 has set aside and quashed the policy withdrawal order and directed the State government to give the benefits under the scheme after examination of incentive claims filed by the respective units. The Company is in the process of filing its claim under the "Scheme".

Note 42: Details of Loans given, inter corporate deposit, Investments made and Guarantee given covered U/s 186(4) of the Companies Act, 2013

Details of loans and advances given; investment made; guarantee given and security provided as required to be disclosed as per provision of section 186(4) of Companies Act, 2013 have been disclosed under the respective notes.

Notes forming part of the Standalone Financial Statement

Note 43 - Disclosures as required by the Listing Agreement :

Loans and Advances given to Subsidiary : (Also refer note no. 46)

(₹ in Crore)

Name of the Company	Amount Outstanding as at the year end		Maximum Principal Amount	
	As at March 31, 2021	As at March 31, 2020	For Year ended March 31, 2021	For Year ended March 31, 2020
E-Haat Limited \$	0.60	-	1.10	12.32
DETS Limited \$	1.70	1.70	1.74	1.77

Note 44

In the opinion of the Board, current assets and loans and advances have realisable value in the ordinary course of business at least equal to the value at which they are stated in the balance sheet. The Board is also of opinion that the diminution in the value of investments in Dhampur International Pte Ltd. (wholly owned subsidiary) is on account of losses, which is temporary in nature.

Note 45 - Corporate Social Responsibility (CSR)

i. Details of Corporate Social Responsibility (CSR) expenditure

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
a) As per section 135 of the Companies Act, 2013 read with Schedule VII thereof Gross amount required to be spent by the company	8.32	5.69
b) Amount spent during the year :		
-- Construction/acquisition of any assets		
- in cash	1.04	1.80
- yet to be paid in cash	4.90	-
-- On purpose other than (i) above		
- in cash	2.38	1.72
- yet to be paid in cash	-	-

ii. Details of Unspent balance

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Opening balance of Unspent amount	3.42	1.25
Closing balance of Unspent amount	4.90	3.42

iii. The Various heads which the CSR expenditure were incurred in cash is detailed as follows :-

(₹ in Crore)

Particulars	Relevant clause of Schedule VII to the Companies Act, 2013	For the Year ended March 31, 2021	For the Year ended March 31, 2020
(i) Eradicating Hunger and Poverty, Health Care and Sanitation	Clause (i)	0.90	0.85
(ii) Education and Skill Development	Clause (ii)	7.23	2.49
(iii) Empowerment of Women and other Economically Backward Sections	Clause (iii)	0.19	0.17
(iv) Art & Culture	Clause (v)	-	-
(v) Sports	Clause (vii)	-	0.01
(vi) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government	Clause (ix)	-	-

Notes forming part of the Standalone Financial Statement

Note 46 - Related Party Disclosures:

A. List of Related Parties with whom transactions have taken place and relationships:

I) Enterprises where control exists: Subsidiaries -	1 Dhampur International Pte Limited
	2 E-HAAT Limited
	3 DETS Limited
	4 Dhampur Bio Organics Limited (Formerly known as RMSD Enterprises Private Limited)(w.e.f March 31, 2021)
II) Key Management Personnel (KMP)	1 Mr.Vijay Kumar Goel, Chairman
	2 Mr. Ashok Kumar Goel, Vice Chairman
	3 Mr. Gaurav Goel, Managing Director
	4 Mr. Gautam Goel, Managing Director
	5 Mr. Sandeep Sharma, Chief Operating Officer & Director
	6 Mr. Nalin Gupta, Joint Chief Financial Officer
	7 Mr. Susheel Mehrotra, Chief Financial Officer (w.e.f. February 02,2021)
	8 Mrs Aparna Goel, Company Secretary
	9 Mr. Priya Brat, Independent Director
	10 Mr. M. P. Mehrotra, Independent Director
	11 Mr. Harish Saluja, Independent Director (ceased w.e.f. September 02, 2020)
	12 Mr. Ashwani Kumar Gupta, Independent Director
	13 Ms Nandita Chaturvedi, Independent Director
	14 Mr. Rahul Bedi, Independent Director (ceased w.e.f. September 02, 2020)
	15 Mr. Satpal Arora, Independent Director (w.e.f. July 30, 2020)
	16 Mr. Yashwardhan Poddar, Independent Director (w.e.f. July 30, 2020)
III) Relatives of Key Management Personnel (with whom transactions entered into)	Mrs Deepa Goel (Relative of Mr.Vijay Kumar Goel)
	Mrs Vinita Goel (Relative of Mr. Ashok Kumar Goel)
	Mrs Priyanjali Goel, Ms. Ishira Goel (Relatives of Mr. Gaurav Goel)
	Mrs Bindu Vashist Goel (Relative of Mr. Gautam Goel)
	Mrs Poonam Sharma, Mr. Rahul Sharma, Ms. Sona Sharma (Relative of Mr. Sandeep Sharma)
	Mrs Rakhi Gupta, Mr. Sidharth Gupta, Mr. Sanjay Gupta (Relative of Mr. Nalin Gupta)
	Mrs Namita Gupta (Relative of Mr. Ashwani Kumar Gupta)
	Master Advay Goel (Relative of Mrs Aparna Goel)
	Mrs Shakuntala Brat & Ms. Anu Mahendru (Relative of Mr. Priya Brat)
	Mr Mayank Goel (Relative of Mrs Aparna Goel)
	Mrs Shubra Agarwal (Relative of Mr.Vijay Kumar Goel)
IV)Enterprises which have significant influence and also owned or significantly influenced by Key Management Personnel	1 Goel investments Limited
	2 Ujjwal Rural Services Limited
	3 Saraswati Properties Limited
	4 Gaurav Goel, H.U.F
	5 Gautam Goel, H.U.F
	6 Nalin Kumar Gupta (HUF)
	7 Sandeep Sharma (HUF)
	8 Dhampur Sugar Mill Provident Fund
	9 Pushp Niketan School Samiti
	10 Academy of Modern Learning Turst
	11 Shudh Edible Products Limited
	12 Sonitron Limited
	13 M/s Venus India Asset-Finance Pvt. Ltd.

Notes forming part of the Standalone Financial Statement

Note 46 - Related Party Disclosures: (contd)

B. Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as on March 31, 2021

(₹ In Crore)

S.No.	Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
	Transactions during year ended 31.03.2021		
1	Loans/advances given	1.10	11.07
	E-HAAT Limited	1.10	11.07
2	Loans taken	35.00	-
	Goel Investment Limited	15.00	-
	Venus India Asset-Finance Pvt. Ltd.	20.00	-
3	Unsecured Deposits Taken (Fixed Deposit)	5.26	5.25
	Mr. Ashok Kumar Goel	-	1.43
	Mr Ashwani Kumar Gupta	1.00	-
	Mr. Sandeep Sharma	0.07	-
	Relative of KMP	4.19	3.82
4	Unsecured Deposits Matured (Fixed Deposit)	2.49	4.38
	Mr. Ashok Kumar Goel	-	1.09
	Sandeep Sharma (HUF)	-	0.05
	Mr. Priya Brat	-	0.24
	V.K. Goel (HUF)	-	0.15
	A.K. Goel (HUF)	-	0.17
	Gaurav Goel (HUF)	-	0.17
	Gautam Goel (HUF)	0.17	-
	Relative of KMP	2.32	2.51
5	Sale of Goods	33.83	8.48
	Dhampur International Pte Limited	33.83	8.48
6	Purchase of Goods	38.56	13.08
	Dhampur International Pte Limited	38.56	13.08
7	Rent paid	5.04	4.50
	Goel Investment Limited	0.12	0.12
	Saraswati Properties Limited	2.52	1.96
	Shudh Edible Products Limited	2.40	2.40
	Ujjwal Rural Services Limited	-	0.02
8	Remuneration (including Commission)	17.59	16.77
	Mr. Vijay Kumar Goel	4.00	3.88
	Mr. Ashok Kumar Goel	4.00	3.88
	Mr. Gaurav Goel	4.00	3.88
	Mr. Gautam Goel	4.00	3.88
	Mr. Sandeep Sharma	0.82	0.74
	Mr. Nalin Gupta	0.28	0.24
	Mr. Susheel Mehrotra	0.19	-
	Mrs Aparna Goel	0.16	0.13
	Relative of KMP	0.14	0.14
9	Sitting fees to Directors	0.12	0.11
10	Commission to Independent Directors	0.18	0.30
	Mr.M.P. Mehrotra	0.03	0.05

Notes forming part of the Standalone Financial Statement

Note 46 - Related Party Disclosures: (contd)

(₹ In Crore)

S.No.	Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
	Ms.Nandita Chaturvedi	0.03	0.05
	Mr.Ashwani Kumar Gupta	0.03	0.05
	Mr.Harish Saluja	0.03	0.05
	Mr.Priya Brat	0.03	0.05
	Mr.Rahul Bedi	0.03	0.05
11	Directors Perquisites	0.85	0.78
	Mr. Vijay Kumar Goel	0.32	0.20
	Mr. Ashok Kumar Goel	0.20	0.18
	Mr. Gaurav Goel	0.20	0.18
	Mr. Gautam Goel	0.00	0.13
	Mr. Sandeep Sharma	0.13	0.09
12	Interest expense	0.94	1.00
	Mr. Ashok Kumar Goel	0.14	0.14
	Mr. Priya Brat	-	0.02
	V.K. Goel (HUF)	-	0.02
	A.K. Goel (HUF)	-	0.02
	Gaurav Goel (HUF)	-	0.02
	Gautam Goel (HUF)	-	0.02
	Sandeep Sharma (HUF)	-	0.01
	Mr Ashwani Kumar Gupta	0.07	
	Mr. Sandeep Sharma	##	
	Goel Investment Ltd.	##	-
	Venus India Asset-Finance Pvt. Ltd.	0.01	-
	Relative of KMP	0.72	0.75
13	Consultancy Income	-	0.08
	DETS Limited	-	0.08
14	Expenses against reimbursement (Net)	0.10	0.31
	Pushp Niketan School Samiti	0.10	0.31
15	Contribution to Defined Contributions Plan	6.38	6.02
	Dhampur Sugar Mill Provident Fund	6.38	6.02
16	Corporate Social Responsibilities	2.29	2.49
	Academy of Modern Learning Trust	2.15	1.24
	Pushp Niketan School Samiti	0.14	1.25
17	Balance written off/(Written back)	0.50	10.62
	E-HAAT Limited	0.50	12.32
	DETS Limited	-	(1.70)
18	Investment in subsidiary	0.01	-
	Dhampur Bio Organics Limited (Formerly known as RMSD Enterprises Private Limited)	0.01	-
19	Security Deposits Given	-	0.15
	Saraswati Properties Limited	-	0.15
20	Land Purchase	1.75	-
	Goel Investment Limited	1.75	-

Notes forming part of the Standalone Financial Statement

Note 46 - Related Party Disclosures: (contd)

(₹ In Crore)

S.No.	Particulars	As at March 31, 2021	As at March 31, 2020
1	Deposits from Related Parties	10.51	7.74
	Mr. Ashok Kumar Goel	1.43	1.44
	Mr Ashwani Kumar Gupta	1.00	
	Mr. Sandeep Sharma	0.07	
	Gautam Goel (HUF)	-	0.17
	Relative of KMP	8.01	6.13
2	Unsecured Loans and Advances to related parties	2.30	1.70
	E-HAAT Limited	0.60	-
	DETS Limited	1.70	1.70
3	Investments	42.12	42.11
	Dhampur International Pte Limited	36.93	36.93
	E-HAAT Limited	3.77	3.77
	DETS Limited	1.41	1.41
	R M S D Private Limited	0.01	-
4	Receivables	12.34	2.08
	Dhampur International Pte Limited	12.13	2.08
5	Payables	4.09	0.76
	Goel Investment Limited	0.14	0.02
	Saraswati Properties Limited	0.81	0.04
	Shudh Edible Products Limited	1.82	0.36
	Ujjwal Rural Services Limited	0.02	0.03
	Mr. Ashok Kumar Goel	0.66	0.05
	Mr. Gaurav Goel	0.22	0.16
	Mr. Gautam Goel	0.31	0.09
	Mr. Vijay Kumar Goel	0.11	0.01
6	Security Deposits Receivables	2.06	1.86
	Goel Investment Limited	0.50	0.50
	Saraswati Properties Limited	1.05	1.05
	Shudh Edible Products Limited	1.20	1.20
	Ujjwal Rural Services Limited	0.05	0.05
	IndAS Impact	(0.74)	(0.94)
7	Expenses Recoverable (Net)	0.67	0.57
	Pushp Niketan School Samiti	0.67	0.57

*Key Managerial person

(₹ in Crore)

Particulars	2020-21	2019-20
Short term benefits	17.59	16.77
Defined Contribution Plan	0.02	0.02
Defined Benefit Plan	0.69	0.72
Total	18.30	17.51

Short term benefits Including bonus, sitting fee, commission on accrual basis and value of perquisites.

Reperesent amount below ₹50000/-

* As the liability for gratuity is provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

Notes forming part of the Standalone Financial Statement

Note 46 - Related Party Disclosures: (contd)

C. Terms and Conditions and Settlement

The transactions with the related parties are made on term equivalent to those that prevail in arm's length transactions. The assessment is under taken each financial year through examining the financial position of the related party and in the market in which the related party operates. Outstanding balances at the year end are un-secured and settlement occurs in cash.

Note 47 - Disclosures As Required By Indian Accounting Standard (Ind As) 108 Operating Segments

Identification of Segments

"The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Board of Director's (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'). The chief operational decision maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating Segments have been identified by the management and reported taking into account, the nature of products and services, the differing risks and returns, the organization structure, and the internal financial reporting systems."

Operating Segments

The Company is organized into four main business segments, namely:

- Sugar which consists of manufacture and sale of Sugar and its byproducts and,
- Chemicals/Distillery which consists of manufacture and sale of RS, SDS, ENA, Ethanol, Ethyl Acetate, IMFL, sanitizer etc.
- Power which consists of co-generation and sale of power
- Others which consists of sale of petrol and agricultural products

No operating segments have been aggregated in arriving at the aforesaid reportable segments of the Company

Geographical segments

Since the Company's activities/ operations are primarily within the country and considering the nature of products/ services it deals in, the risks and returns are same and as such there is only one geographical segment.

Segment Accounting Policies: In addition to the significant accounting policies applicable to the operating segments as set out in note 2, the accounting policies in relation to segment accounting are as under:

a) Segment revenue and results:

Revenue and expenses directly attributable to segments are reported under each reportable segment. Other expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenses (net of unallocated income).

b) Segment assets and liabilities:

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. Unallocated assets include deferred tax, investments, interest bearing deposits loans to subsidiary and income tax refund. Unallocated liabilities include interest bearing liabilities, tax provisions and deferred tax. Capital expenditure pertains to additions made to fixed assets during the year and includes capital work in progress.

c) Inter segment sales/transfer:

Transactions between segments are primarily for materials which are transferred at cost /market determined prices. These transactions are eliminated in consolidation.

Notes forming part of the Standalone Financial Statement

Note 47 - Disclosures As Required By Indian Accounting Standard (Ind As) 108 Operating Segments: (contd)

A. Summary of Segmental Information

(₹ in Crore)

Particulars	Sugar	Chemicals	Power	Others	Total
1. Segment Revenue (including Excise Duty)					
a) External Sales	3,245.54	843.12	108.71	20.00	4,217.37
Previous Year (March 31,2020)*	2,635.94	630.99	105.98	20.71	3,393.62
b) Inter Segment Sales	477.95	1.43	262.80	2.31	744.49
Previous Year (March 31,2020)*	352.85	1.09	257.72	1.74	613.40
c) Total Revenue	3,723.49	844.54	371.51	22.32	4,961.86
Previous Year (March 31,2020)*	2,988.79	632.07	363.70	22.46	4,007.02
2. Segment Results					
(Profit+)/Loss(-) before Tax and Interest from each segment)	120.62	199.82	122.21	1.54	444.19
Previous Year (March 31,2020)*	126.68	130.16	115.75	1.23	373.82
Less : Finance costs					79.67
Previous Year (March 31,2020)*					100.07
Less/ Add :Other Unallocable Expense/Income net off Unallocable Income/Expenses					59.49
Previous Year (March 31,2020)*					70.76
Net Profit(+)/loss(-) before Tax					305.03
Previous Year (March 31,2020)*					202.99
Less: Tax expense (Net)					86.17
Previous Year (March 31,2020)*					(8.38)
Net Profit(+)/Loss(-) after Tax					218.86
Previous Year (March 31,2020)*					211.37
3. Other Information					
a) Segment Assets	2,352.02	441.50	626.92	3.47	3,423.91
Previous Year (March 31,2020)*	2,718.80	371.12	671.70	3.83	3,765.45
Unallocable Assets					46.62
Previous Year (March 31,2020)*					77.42
Total Assets					3,470.50
Previous Year (March 31,2020)*					3,842.87
b) Segment Liabilities	633.77	38.47	9.43	0.07	681.74
Previous Year (March 31,2020)*	635.10	28.32	10.26	0.07	673.75
Unallocable Liabilities					1,225.90
Previous Year (March 31,2020)*					1,794.04
Total Liabilities					1,907.64
Previous Year (March 31,2020)*					2,467.79
c) Capital Expenditure	41.67	20.65	11.65	0.02	73.99
Previous Year (March 31,2020)*	37.61	30.93	0.51	-	69.05
d) Depreciation	39.01	20.14	17.90	0.05	77.10
Previous Year	38.87	18.05	18.39	0.08	75.39
e) Non Cash Expenditure other than Depreciation	1.71	5.83	4.88	-	12.42
Previous Year (March 31,2020)	0.45	8.54	-	-	8.99

* ended as at March 31, 2020.

Notes forming part of the Standalone Financial Statement

Note 47 - Disclosures As Required By Indian Accounting Standard (Ind As) 108 Operating Segments: (contd)

B. Geographical information : Segment Revenue & Non Current Assets by location

(₹ in Crore)

Particulars	Period	India	Outside India	Total
External Revenue	2020-21	3,748.67	468.70	4,217.37
	2019-20	3,182.81	210.81	3,393.62
Non Current Assets (other than financial assets)	31-Mar-21	1,657.95	-	1,657.95
	31-Mar-20	1,671.09	-	1,671.09

* Non-current assets exclude those relating to Investments and non-current financial assets.

C. Information about major customer

Number of customers individually accounted for more than 10% of the revenue in the year ended March 31,2021 - NIL
(Previous year - NIL)

Note 48 - Employees benefits :

The required disclosures of employees benefits as per Indian Accounting Standard (Ind AS) -19 are given hereunder :-

(i) Defined contribution plan :

Details of contribution to defined contribution plan to Regional Provident Commissioner and the Central Provident Fund recognised as expense during the period are as under :

(₹ In Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Employer's Contribution to Provident Fund :	3.96	3.28
Employer's Contribution to Pension Fund :	3.64	3.52

(ii) Defined benefit plan :

(a) In respect of non funded defined benefit scheme of gratuity (Based on actuarial valuation) :

The gratuity plan is governed by the payment of Gratuity Act,1972. Under the said Act an employee who has completed five years of services is entitled to specific benefit. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

The Company is exposed to various risks

Interest Rate risk : The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Salary escalation risk : The present value of the defined benefit plan is calculated with the assumption of salary increase 0.50% per annum of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Actual mortality & disability : deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Notes forming part of the Standalone Financial Statement

Note 48 - Employees benefits : (contd)

The following tables summaries the components of net benefit expense recognised in the statement of Profit and Loss

a) Details of Non funded post retirement plans are as follows:

I. Expenses recognized in the statement of profit and loss:

(₹ in Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	1.88	1.82
Past service cost	-	-
Net interest on the net defined benefit liability	2.41	2.40
Curtailment/settlement	-	-
Expense recognised in the statement of profit and loss	4.29	4.22

II. Other comprehensive income

(₹ in Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Actuarial gain / (loss) arising from:		
. Change in financial assumptions	-	(1.79)
. Change in experience adjustments	0.30	(0.44)
Components of defined benefit costs recognized in other comprehensive income	0.30	(2.23)

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit & loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

III. Change in present value of defined benefit obligation:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation at the beginning of the year	34.87	31.42
Interest expense/income	2.41	2.39
Past service cost	-	-
Current service cost	1.88	1.82
Benefits paid	(3.13)	(2.99)
Actuarial (gain)/ loss arising from:		
. Change in financial assumptions	-	1.79
. Change in experience adjustment	(0.30)	0.44
Present value of defined obligation at the end of the year	35.73	34.87

IV. Net liability recognized in the Balance Sheet as at the year end:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation	35.73	34.87
Funded status (surplus / (Deficit))	(35.73)	(34.87)
Net liability recognized in balance sheet	35.73	34.87
Current liability (Short term)	2.93	2.49
Non- current liability (long term)	32.80	32.38

Notes forming part of the Standalone Financial Statement

Note 48 - Employees benefits : (contd)

V. Actuarial assumptions:

(₹ in Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Discount rate (per annum)%	6.90%	6.90%
Expected rate of salary increase %	5.00%	5.00%
Retirement / superannuation Age (year)	60	60
Mortality rates	100% of IALM (2012-14)	100% of IALM (2012-14)

VI. Maturity profile of defined benefit obligation:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Expected cash flows (valued on undiscounted basis):		
With in 0 to 1 Year	2.93	2.49
With in 1 to 2 Year	2.82	3.62
With in 2 to 3 Year	2.89	2.57
With in 3 to 4 Year	2.89	2.81
With in 4 to 5 Year	2.59	2.56
With in 5 to 6 Year	2.39	2.21
6 Year onwards	19.22	18.61
Total expected payments	35.73	34.87
The average duration of the defined benefit plan obligation at the end of the balance sheet date(in years)	11.05	11.63

VII. Sensitivity analysis on present value of defined benefit obligations:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
a) Discount rates		
0.50% increases	(1.42)	(1.21)
0.50% decreases	0.59	1.29
b) Salary growth rate :		
0.50% increases	1.52	1.30
0.50% decreases	(1.46)	(1.24)

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date.

All sensitives are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.

Notes forming part of the Standalone Financial Statement

Note 48 - Employees benefits : (contd)

The history of experience adjustments for non-funded retirement plans are as follows :

(₹ in Crore)

Particulars	Gratuity (Non funded)				
	2020-21	2019-20	2018-19	2017-18	2016-17
Present value of obligation as at the end of the year	35.73	34.87	31.41	30.04	27.49
Fair value of plan assets as at the end of the year	-	-	-	-	-
Net asset/(liability) recognized in the balance sheet	(35.73)	(34.87)	(31.41)	(30.04)	(27.49)
Net actuarial (gain)/loss recognized	0.30	(2.23)	0.01	0.64	3.57

b) In respect of funded defined contribution scheme of provident fund (Based on actuarial valuation) :

The Company's contribution to defined benefit plan to the irrecoverable trust, set up by the Company aggregating to ₹6.38 Crore (P. Y. ₹6.02 Crore) has been recognised in statement of profit and loss account. The Company is under obligation to mark-up any short fall in the fund.

The following table sets out the status of Provident Fund as per the actuarial valuation by the independent Actuary appointed by the Company:

A) Change in the present value of the defined contribution obligation:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2021
Opening defined contribution obligation at beginning of the year	73.05	66.92
Current service cost	2.48	2.48
Adjustment in defined contribution obligation in opening balance	0.23	0.55
Interest cost	5.55	5.12
Employee contribution	4.59	4.75
Actuarial (Gain)/loss	(0.13)	0.14
Benefits paid	(16.18)	(6.91)
Closing defined contribution obligation at end of the year	69.59	73.05

B) Change in plan assets:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2021
Opening fair value of plan assets as at beginning of the year	76.52	68.38
Adjustment in fair value of plan assets in opening balance	(0.73)	1.05
Expected return on plan assets	5.53	6.77
Contributions	7.08	7.23
Benefits paid	(16.18)	(6.91)
Actuarial gain/(loss) on plan assets	-	-
Closing fair value of plan assets as at end of the year	72.22	76.52

Notes forming part of the Standalone Financial Statement

Note 48 - Employees benefits : (contd)

C) Reconciliation of present value of the obligation and fair value of the plan assets:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Present value of funded obligation at end of the year	69.59	73.05
Fair value of plan assets at end of the year	72.22	76.52
Deficit/(surplus)	(2.63)	(3.47)
Net asset not recognised in balance sheet	(2.63)	(3.47)

D) Net cost recognized in the profit and loss account:

(₹ in Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	2.48	2.48
Interest cost	5.55	5.12
Expected return on plan assets	5.53	6.77
Interest shortfall reversed	0.02	(1.65)
Total costs of defined benefit plans included in "Employees Benefit Expenses"	2.48	2.48

E) Principal actuarial assumptions:

(₹ in Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
(i) Economic assumptions		
(a) Expected statutory interest rate	8.50%	8.50%
(b) Expected short fall in interest earnings on the fund	0.05%	0.05%
(ii) Demographic assumptions		
(a) Mortality	IALM (2012-14)	IALM (2006-08)
(b) Disability	None	None
(c) Withdrawal rate (Age related)		
Up to 30 years	3.00%	3.00%
Between 31 - 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
(d) Normal retirement age (in years)	60	60

The history of experience adjustments for funded retirement plans are as follows :

(₹ in Crore)

Particulars	Provident fund (Funded)				
	2020-21	2019-20	2018-19	2017-18	2016-17
Present value of obligation as at the end of the year	69.59	73.05	66.92	63.92	59.73
Fair value of plan assets as at the end of the year	72.22	76.52	68.38	64.84	61.09
Deficit/(Surplus)	(2.63)	(3.47)	(1.46)	(0.92)	(1.36)
Surplus not recognised in balance sheet	(2.63)	(3.47)	(1.46)	(0.92)	(1.36)

Notes forming part of the Standalone Financial Statement

Note 49 - Financial instruments - Accounting, classification and fair value measurement

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

Method and assumptions used to estimate fair values:

1. Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, loans and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities approximate their carrying amounts due to the short-term nature of these instruments.
2. Borrowings (non-current) consists of loans from banks and government authorities, other financial liabilities (non-current) consists of interest accrued but not due on deposits, Loans (non-current) consists of deposits given where the fair value is considered based on the discounted cash flow.
3. The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies and interest rate curves.

(₹ In Crore)

Particulars	Level	Carrying Value as of		Fair Value as of	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial Assets					
Fair value through OCI					
Derivative Assets					
- Foreign Currency Forward Contract	Level 2	1.52	-	1.52	-
Investments in equity instruments	Level 1	2.41	0.92	2.41	0.92
Amortised cost					
Investments	Level 3	10.88	26.37	10.88	26.37
Trade receivables	Level 3	307.47	309.16	307.47	309.16
Loans	Level 3	5.20	4.50	5.20	4.50
Cash and Bank Balances	Level 3	66.87	9.20	66.87	9.20
Others Financial Assets	Level 3	3.31	1.84	3.31	1.84
Total Financial Assets		397.66	351.99	397.66	351.99
Financial Liabilities					
Fair value through OCI					
Derivative Liabilities					
- Foreign Currency Forward Contract	Level 2	-	11.98	-	11.98
Amortised cost					
Borrowings	Level 3	1,141.67	1,734.00	1,141.67	1,734.00
Trade payables	Level 3	593.85	565.00	593.85	565.00
Lease Liabilities	Level 3	16.11	17.62	16.11	17.62
Other Financial Liabilities	Level 3	44.43	49.87	44.43	49.87
Total Financial Liabilities		1,796.06	2,378.47	1,796.06	2,378.47

Fair Value Hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below :-

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Notes forming part of the Standalone Financial Statement

Note 49 - Financial instruments - Accounting, classification and fair value measurement : (contd)

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)."

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date. In respect of investments as at the transaction date, the Company has assessed the fair value to be the carrying value of the investments as these companies are in their initial years of operations.

Note 50 - Financial Risk Management

The Company's activities are exposed to market risk, credit risk and liquidity risk. The Company principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company principal financial asset includes loan, trade and other receivables, and cash and other financial assets that arise directly from its operations.

I. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure, and inventories.

The sensitivity analysis in the following sections relate to the position as at March 31, 2021 and March 31, 2020. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2021 and March 31, 2020.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As the Company does not have exposure to any floating-interest bearing assets, or any significant long-term fixed interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates. Consequently, the Company's interest rate risk arises mainly from borrowings obligations with floating interest rates.

(₹ In Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed interest rate borrowing	109.74	55.51
Variable interest rate borrowing	1,031.93	1,678.49
Total	1,141.67	1,734.00
Loss due to increase in 0.5% Interest Rate on Variable interest Borrowing	(5.16)	(8.39)
Gain due to decrease in 0.5% Interest Rate on Variable interest Borrowing	5.16	8.39

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. a) The Company used foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management. The outstanding forward exchange contracts entered into by the company at the year end and thereafter disclosed.

Notes forming part of the Standalone Financial Statement

Note 50 - Financial Risk Management (contd)

(₹ In Crore)

Foreign currency exposure	As at March 31, 2021	
	₹ equivalent to Foreign Currency	
	EURO	USD
Trade Receivables	0.39	11.74
Trade Payables		
Hedged Portion		
Net Exposure to foreign currency risk assets/(liabilities)	0.39	11.74

(₹ In Crore)

Foreign currency exposure	As at March 31, 2020	
	₹ equivalent to Foreign Currency	
	EURO	USD
Trade Receivables	0.38	72.34
Trade Payables	-	-
Hedged Portion	-	70.64
Net Exposure to foreign currency risk assets/(liabilities)	0.38	1.70

Foreign currency sensitivity

5% increase or decrease in foreign exchange rates will have following impact of profit :-

(₹ In Crore)

Particulars	Increase / Decrease	₹ equivalent to Foreign Currency		
		EURO	USD	Total
As at March 31, 2021				
Net Exposure to foreign currency risk gain/(loss)	5%	0.02	0.59	0.61
	-5%	(0.02)	0.59	(0.61)
As at March 31, 2020				
Net Exposure to foreign currency risk gain/(loss)	5%	0.02	0.08	0.10
	-5%	(0.02)	(0.08)	(0.10)

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

Notes forming part of the Standalone Financial Statement

Note 50 - Financial Risk Management (contd)

Impact of Hedging Activities

(i) Disclosure of effects of Hedge Accounting on Financial Position

March 31, 2021

(₹ In Crore)

Type of Hedge Risks	Nominal Value of Hedged Instruments *		Carrying Amount of Hedging Instrument #		Hedge Maturity	Hedge Ratio	Changes in Fair Value of Hedging Instrument	Changes in Value of Hedged Item used as the basis for recognising hedge effectiveness
	Asset	Liabilities	Asset	Liabilities				
Cash Flow Hedge								
Foreign exchange risk								
(i) Foreign Exchange Forward Contracts	93.35		91.88		Oct-2020 to May-2021	1:1	(1.47)	1.47

March 31, 2020

(₹ In Crore)

Type of Hedge Risks	Nominal Value of Hedged Instruments *		Carrying Amount of Hedging Instrument #		Hedge Maturity	Hedge Ratio	Changes in Fair Value of Hedging Instrument	Changes in Value of Hedged Item used as the basis for recognising hedge effectiveness
	Asset	Liabilities	Asset	Liabilities				
Cash Flow Hedge								
Foreign exchange risk								
(i) Foreign Exchange Forward Contracts	263.07	-	278.35	-	Oct-2019 to May-2020	1:1	15.28	(15.28)

* Nominal value is the INR value of the instrument based on spot rate of the first hedge

Carrying value is the INR value of the instrument based on the spot rate of the reporting date

Notes forming part of the Standalone Financial Statement

Note 50 - Financial Risk Management (contd)

(ii) Disclosure of effect of hedge accounting on financial performance

Movement in cash flow hedging reserve

(₹ In Crore)

Risk Category	Foreign Currency Risk Foreign Exchange Forward Contract	
	As at March 31, 2021	As at March 31, 2020
Derivative Instrument		
Cash Flow Hedge Reserve		
Opening Balance	(5.72)	(0.08)
Gain/(loss) recognised in other comprehensive income during the year	4.58	(8.79)
Amount reclassified to Profit and loss during the year	5.72	0.08
Tax impact of above	(3.60)	3.07
Closing Balance	0.98	(5.72)

(c) Regulatory risk

Sugar industry is regulated both by Central Government as well as State Government. Central and State Governments policies and regulations affects the Sugar industry and the Company's operations and profitability. Distillery business is also dependent on the Government policy.

(d) Commodity price risk

Sugar industry being cyclical in nature, realisations get adversely affected during downturn. Higher cane price or higher production than the demand ultimately affect profitability. The Company has mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products.

II. 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's sugar sales are mostly on cash. Power and ethanol are sold to state government entities, thereby the credit default risk is significantly mitigated.

The impairment for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on The Company's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date.

Financial assets are written off when there is no reasonable expectation of recovery, however the Company continues to attempt to recover the receivables. Where recoveries are made, subsequently these are recognised in the statement of profit and loss. The Company major exposure of credit risk is from trade receivables, which are unsecured and derived from external customers.

Expected credit loss for trade receivable on simplified approach :

The ageing analysis of the trade receivables (gross of provision) has been considered from the date the invoice falls due:

(₹ In Crore)

Ageing	Carrying Value	Less than 6 months	More than 6 months	Total
As at March 31, 2020				
Gross Carrying Amount	309.16	248.94	60.22	309.16
Expected Credit Loss	-	-	-	-
Carrying Amount (net of impairment)	309.16	248.94	60.22	309.16

Notes forming part of the Standalone Financial Statement

Note 50 - Financial Risk Management (contd)

(₹ In Crore)

Ageing	Carrying Value	Less than 6 months	More than 6 months	Total
As at March 31, 2021				
Gross Carrying Amount	307.97	265.45	42.52	307.97
Expected Credit Loss	0.50	-	0.50	0.50
Carrying Amount (net of impairment)	307.47	265.45	42.02	307.47

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default data 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 forward-looking estimates are analysed. In case of probability of non collection, default rate is 100%. However, there is no material expected credit loss based on the past experience

The changes in loss allowance for trade receivables is as under :-

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	-	6.00
Provided during the year	0.50	-
Reversed during the year	0.00	-6.00
Closing Balance	0.50	-

There is no change in the loss allowances measured using expected credit loss model (ECL). The credit risk on cash and bank balances is limited because the counterparties and bank with credit ratings assigned by international credit rating agencies

III. Liquidity Risk

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's management is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ In Crore)

As at March 31, 2021	Carrying Amount	Less than One Year	More than one year and less than five year	More than 5 Years	Total
Borrowings	1,141.67	821.63	318.63	1.41	1,141.67
Trade payables	593.85	593.85	-	-	593.85
Lease Liabilities	16.11	5.04	11.07	-	16.11
Other Liabilities	44.43	44.43	-	-	44.43
Total	1,796.06	1,464.95	329.70	1.41	1,796.06

Notes forming part of the Standalone Financial Statement

Note 50 - Financial Risk Management (contd)

(₹ In Crore)

As at March 31, 2021	Carrying Amount	Less than One Year	More than one year and less than five year	More than 5 Years	Total
Borrowings	1,734.00	1,317.48	393.17	23.35	1,734.00
Trade payables	565.00	565.00	-	-	565.00
Lease Liabilities	17.62	4.53	13.09	-	17.62
Other Liabilities	61.85	61.85	-	-	61.85
Total	2,378.47	1,948.86	406.26	23.35	2,378.47

Note 51 - Capital Management

(a) Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's capital management is intended to maximize the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The primary objective of the Company's Capital Management is to maximize the shareholder's value. Management also monitors the return on capital. The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position. However, sugar being a seasonal industry, it is very highly capital and working capital intensive, therefore required to raise need based short term and long term debt for smooth running of the operations.

The Company monitors capital using a gearing ratio calculated as below:

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Debt	1,141.67	1,734.00
Less: cash and cash equivalents & bank balances	59.12	2.69
Net debt	1,082.55	1,731.31
Equity	1,562.89	1,375.08
Gearing Ratio { net debt / (equity + net debt)}	41%	56%

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2021 and March 31, 2020.

Notes forming part of the Standalone Financial Statement

Note 51 - Capital Management (contd)

(b) Dividends

	(₹ in Crore)	
	Recognized in the year ending	
	For the year ended March 31, 2021	For the year ended March 31, 2020
(i) Dividends Recognized		
Final dividend for the year ended March 31, 2020 of ₹ Nil/- per equity share (March 31, 2019 ₹3/- per equity share)	-	19.92
Interim dividend for the year ended March 31, 2021 of ₹6/- per equity share (March 31, 2020 ₹6/- per equity share)	39.83	39.83
(ii) Dividend proposed but not recognised in the books of accounts*		
In addition to the above dividends, for the year ended March 31, 2021 the directors have recommended the payment of a final dividend of ₹ NIL /-equity share. (March 31, 2020 ₹ Nil/- per equity share)	-	-

Note : 52

The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable.

Note : 53 - COVID 19

The COVID-19 outbreak has developed rapidly in 2020, and the macroeconomic impact of the Covid -19 pandemic was felt across the economy and business segments. Consequent to the significant opening up of the economic activity in the country, and Governments support to the sugar industry, the demand for the company's products has improved significantly as compared to that during the initial phases of Covid-19 including the lockdown period. All the business segments of the Company have substantially recovered as at year end, without any material impact.

In preparation of these financial statements, the Company has taken into account the possible impact of COVID-19, including internal and external factors known up to the date of approval of these Financials, to assess and finalise the carrying amount of its assets and liabilities. Accordingly, as of date, no material impact is anticipated in the aforesaid carrying amounts.

However, the ongoing impact of COVID-19 on our business continues to evolve and be unpredictable and may be different from that estimated. The Company will continue to closely monitor any material changes in future economic conditions and developments.

Notes forming part of the Standalone Financial Statement

Note : 54 - Events occurring after the balance sheet date:

No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements.

Note : 55

The financial statements were approved for issue by the Board of Directors on April 24, 2021.

The accompanying notes from 1 to 55 form an integral part of the financial statements

For Atul Garg & Associate

Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196

Place: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP

Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986

Place: New Delhi
Date: April 24, 2021

For and on behalf of the Board of Directors

V. K. Goel
Chairman
(DIN 00075317)

M. P. Mehrotra
Director
(DIN 00016768)

A. K. Goel
Vice Chairman
(DIN 00076553)

Susheel Mehrotra
CFO

Gaurav Goel
Managing Director
(DIN 00076111)

Nalin Kumar Gupta
Joint CFO

Gautam Goel
Managing Director
(DIN 00076326)

Aparna Goel
Company Secretary

MITTAL GUPTA & CO.

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To

The Members of

Dhampur Bio Organics Limited

(Formerly RMSD Enterprises Private Limited)

Opinion

We have audited the accompanying financial statements of **Dhampur Bio Organics Limited (Formerly RMSD Enterprises Private Limited)** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period ended on that date, and a summary of the 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, 2021, the loss and total comprehensive loss, changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



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Management's Responsibility for the Financial Statement

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, total 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 are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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.

A further description of our responsibilities for the audit of financial statements is included in Annexure "A" of this Auditors report of Dhampur Bio Organics Limited (Formerly RMSD Enterprises Private Limited) for the financial year ending March 31, 2021.



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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure – 'B' a statement on the matters specified in paragraphs 3 and 4 of the Order;
2. As required by Section 143(3) of the Act, 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 Flow dealt with by this Report are in agreement with the relevant 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 Rule 7 of the Companies (Accounts) Rules, 2014 as amended.
 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - g) 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 financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.



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iii) As explained, there has been no amount required to be transferred to the Investor Education and Protection Fund by the Company.

FOR MITTAL GUPTA & CO.

Chartered Accountants

FRN 018746

(Akshay Kumar Gupta)

Partner

Membership No. 070744

Place: Kanpur

Date: 24.04.2021

MITTAL GUPTA & CO.

Chartered Accountants

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ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to in the auditor's report of Dhampur Bio Organics Limited (Formerly RMSD Enterprises Private Limited) for the year ended March 31, 2021.

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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements 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 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



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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.

FOR MITTAL GUPTA & CO.

Chartered Accountants

FRN 0187



(Akshay Kumar Gupta)

Partner

Membership No. 070744

Place: Kanpur

Date: 24.04.2021

MITTAL GUPTA & CO.

Chartered Accountants

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ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure – 'B' referred to in our Independent Auditors' Report of even date to the members of the Dhampur Bio Organics Limited (Formerly RMSD Enterprises Private Limited) on the financial statements for the year ended March 31, 2021:

- i) The Company is not having any property, plant & equipment. Accordingly, the paragraph 3(i) of the order is not applicable to the company.
- ii) The company is not carrying any inventories. Accordingly, the paragraph 3(ii) of the order is not applicable to the company.
- iii) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company has not granted any loans to companies, firms, LLP or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), 3(iii) (b) and 3(iii) (c) of the Order are not applicable to the company.
- iv) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company has not granted any loans or made any investments, or provided any guarantee or security to the parties covered under section 185 and 186 of the Companies Act 2013. Accordingly, the provisions of clause 3(iv) of the said order are not applicable to the Company.
- v) According to the information and explanations given to us, in our opinion, the Company has not accepted any deposits from the public within the meaning of section 73, 74, 75 and 76 of the Act read with the Companies (Acceptance & Deposit) Rules 2014 and other relevant provisions of the Act, to the extent notified. Accordingly, the provisions of clause 3(v) of the said order are not applicable to the Company.
- vi) The Central Government has not prescribed maintenance of Cost Records U/s-148 (1) of the Act, in respect of activities of the company.
- vii) In respect of statutory dues:
 - a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Income-tax, Tax deducted at sources, Tax collected at source, Sales Tax, value added tax (VAT), Goods and Service Tax (GST), Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it, with the appropriate authorities though there has been slight delay in few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
 - b) According to the records of the company and information and explanations given to us, there are no outstanding statutory dues that have not been deposited on account of any dispute.
- viii) According to the information and explanations given to us, the Company has not taken any loans or borrowings from any financial institutions or banks or government or debenture holders as at the balance sheet date. Accordingly, the provision of paragraphs 3(viii) of the said order are not applicable to the company.



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Chartered Accountants

Regd. Off : 14-Ratan Mahal, 15/197-Civil Lines, Kanpur-208001.

Phone :0512-2303235, 2303234 # E –mail : mgco@mgcoea.in

- ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of paragraph 3(ix) of the Order are not applicable to the company.
- x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the Company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi) According to the information and explanations given to us and based on our examinations of the records, the Company has not paid/provided managerial remuneration to any director during the year. Accordingly, the provisions of section 197 read with Schedule V to the Act are not applicable to the company.
- xii) As the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) are not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the transactions with related parties are in compliance with the provisions of sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly Convertible Debenture during the year under review. Accordingly, the provision of Clause 3(xiv) of the Order is not applicable to the company.
- xv) The Company has not entered into any non- cash transactions with its directors or persons connected with him. Accordingly, the provision of Clause (xv) of the Order is not applicable to the company.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provision of Clause (xvi) of the Order is not applicable to the company.

FOR MITTAL GUPTA & CO.

Chartered Accountants

FRN 01874

(Akshay Kumar Gupta)

Partner

Membership No. 070744

Place: Kanpur

Date: 24.04.2021



MITTAL GUPTA & CO.

Chartered Accountants

Regd. Off : 14-Ratan Mahal, 15/197-Civil Lines, Kanpur-208001.

Phone :0512-2303235, 2303234 # E -mail : mgco@mgcoca.in

ANNEXURE 'C' TO THE INDEPENDENT AUDITOR'S REPORT

(The Annexure – 'C' referred to in our Independent Auditors' Report to the members of the Dhampur Bio Organics Limited (Formerly RMSD Enterprises Private Limited) on the financial statements for the year ended March 31, 2021)

Report on the Internal Financial Controls with reference to financial statement under Clause (i) of Sub-Section 3 of Section 143 of the Act.

1. We have audited the internal financial controls with reference to financial statements of RMSD Enterprises Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on internal control with reference to financial statements criteria established by the company considering the essential components of the 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 (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 fraud 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

3. Our responsibility is to express an opinion on the Company's internal financial control with reference to financial statements 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") and the standards on auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls with reference to financial statements, both applicable to an audit of internal financial controls with reference to financial statements and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error.



MITTAL GUPTA & CO.

Chartered Accountants

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Phone :0512-2303235, 2303234 # E -mail : mgco@mgco.in

5. 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A Company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 Ind AS financial statements in accordance with generally accepted accounting principles and that receipts and expenditure of the company are being made only in accordance of authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use, or dispositions of the company's assets that could have a material effect on Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of inherent limitations of internal financial controls with reference to financial statements, 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 internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements 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.

FOR MITTAL GUPTA & CO.

Chartered Accountants

FRN 01874

(Akshay Kumar Gupta)

Partner

Membership No. 070744

Place: Kanpur

Date: 24.04.2021



DHAMPUR BIO ORGANICS LIMITED
(Formerly known as RMSD Enterprises Private Limited)
CIN No :- U15100UP2020PLC136939
BALANCE SHEET AS AT MARCH 31, 2021

		(Amount in INR)	
S. No.	Particulars	Note No.	As at March 31, 2021
	ASSETS		
(1)	Non - current assets		
	(a) Property, plant and equipment		-
	(b) Other intangible assets		-
	(c) Financial assets		-
	(i) Loans		-
	(ii) Others financial assets		-
	(d) Deferred tax asset (net)		-
	(e) Income tax assets (net)		-
	(f) Other non - current assets		-
	Total Non - current assets		-
(2)	Current assets		
	(a) Inventories		-
	(b) Financial assets		-
	(i) Trade receivables	3	34,159
	(ii) Cash and cash equivalents		-
	(iii) Loan receivables		-
	(iv) Other financial assets		-
	(c) Other assets		-
	(d) Assets held for disposal		-
	Total current assets		34,159
	Total assets		34,159
	Equity and liabilities		
(1)	EQUITY		
	(a) Share Capital	4	1,00,000
	(b) Other equity	5	(77,641)
	Total Equity		22,359
(2)	LIABILITIES		
	Non - current liabilities		
	(a) Financial liabilities		-
	(i) Borrowings		-
	(b) Other Liabilities		-
	Total Non - current liabilities		-
(3)	Current liabilities		
	(a) Financial liabilities		-
	(i) Borrowings		-
	(ii) Trade payables	6	-
	- Due of MSME		-
	- Due of other than MSME		11,800
	(iii) Other Financial Liabilities		-
	(b) Other Liabilities		-
	Total current liabilities		11,800
	Total Equity and liabilities		34,159

The accompanying notes from 1 to 18 form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date
For Mittal Gupta & Co.
Chartered Accountants
Firm Registration No: 018746

(Akshay Kumar Gupta)
Partner
M.No.-070744

Place : Kanpur
Date : April 24, 2021



For and on behalf of the Board of Directors

(Mukul Sharma)
Director
DIN-00078995

Place : New Delhi
Date : April 24, 2021

(Nalin Kumar Gupta)
Director
DIN-01670036



DHAMPUR BIO ORGANICS LIMITED
(Formerly known as RMSD Enterprises Private Limited)
CIN No :-U15100UP2020PLC136939
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2021

		(Amount in INR)	
S. No.	Particulars	Note No.	Period Ended March 31 2021
(1)	Revenue from operations		-
	Other income		-
	Total Income		-
(2)	Expenses		
	Purchase of Stock-in-Trade		-
	Changes in inventories of finished goods, stock - in - trade and work - in - progress		-
	Employee benefits expenses		-
	Finance costs		-
	Depreciation and amortization expenses		-
	Other expenses	7	77,641
	Total Expenses		77,641
(3)	Profit / (loss) before exceptional items and tax		(77,641)
(4)	Exceptional items		-
(5)	Profit / (loss) before tax		(77,641)
(6)	Tax expense		
	(a) Current tax		-
	(b) Deferred tax		-
(7)	Profit / (loss) for the period		(77,641)
	Other comprehensive income/(losses)		
	(i) Items that will not be reclassified to profit & loss :		-
	(ii) Income tax relating to item that will not be reclassified to profit & loss		-
	(ii) Items that will be reclassified to profit & loss		-
(8)	Total Other comprehensive income		-
(9)	Total comprehensive income		(77,641)
(10)	Earnings per equity share of face share of Rs 10/- each		
(11)	Basic & Diluted Earning Per Share (Rs)	8	(18.05)

The accompanying notes from 1 to 18 form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date
For Mittal Gupta & Co.
Chartered Accountants
Firm Registration No: 01874C

(Akshay Kumar Gupta)
Partner
M.No.-070744

Place : Kanpur
Date : April 24, 2021

For and on behalf of the Board of Directors

(Mukul Sharma)
Director
DIN-00078995

Place : New Delhi
Date : April 24, 2021

(Nalin Kumar gupta)
Director
DIN-01670036



DHAMPUR BIO ORGANICS LIMITED
(Formerly known as RMSD Enterprises Private Limited)
CIN No :-U15100UP2020PLC136939
STATEMENT OF CASH FLOW FOR THE PERIOD ENDED MARCH 31, 2021

		(Amount in INR)
Particulars		Period ended March 31, 2021
A Cash flow from operating activities		
Net Profit / (loss) before exceptional items and tax		(77,641)
Adjustments to reconcile profit before exceptional items and extra ordinary items and tax to net cash flow provided by operating activities :		
Depreciation and impairment of property, plant and equipment		-
Balance written off		-
Interest costs		-
Operating profit before working capital adjustments		(77,641)
Working capital adjustments		
(Increase) / Decrease in trade receivables		-
(Increase) / Decrease in inventories		-
(Increase) / Decrease in non current and other current financial Assets		-
(Increase) / Decrease in non current and other current assets		-
Increase / (Decrease) in trade and other payables		11,800
Increase / (Decrease) in other financial current liabilities		-
Increase / (Decrease) in other current liabilities		-
Cash generated from operations		(65,841)
Tax paid / (received)		-
Net cash generated from operating activities		(65,841)
B Investing activities		
Sale of property, plant and equipment		-
Net cash flow from / (used in) investing activities		-
C Financing activities		
Proceeds from issue of equity shares		1,00,000
Net cash flow from / (used in) financing activities		1,00,000
Net increase in cash and cash equivalents (A+B+C)		34,159
Opening cash & cash equivalents		-
Closing cash and cash equivalents		34,159

Notes:

- The above cash flow statement has been prepared under the indirect method set out in Indian Accounting Standard (Ind AS) 7
- Figures in brackets indicate cash outflow from respective activities.
- Cash and cash equivalents as at the Balance Sheet date consists of :

Particulars	Period ended March 31, 2021
Balances with banks :	
- On current account	-
Cash on hand	34,159
Total	34,159

- Disclosure requirement as per Ind AS 7 (Amended) Statement Of Cash Flow related to changes in Liabilities arising from Financing Activities is not applicable to the Company

The accompanying notes form an integral part of the financial statements

This is the Statement of Cash Flow referred to in our report of even date

For Mittal Gupta & Co.
Chartered Accountants
Firm Registration No: 008720

(Akshay Kumar Gupta)
Partner
M.No.-070744

Place : Kanpur
Date : April 24, 2021



For and on behalf of the Board of Directors

(Mukul Sharma)
Director
DIN-00078995

(Nalin Kumar Gupta)
Director
DIN-01670036

Place : New Delhi
Date : April 24, 2021



Notes to the Financial Statements for the year ended March 31, 2021

1. Background

Dhampur Bio Organics Limited ("the Company") is a unlisted public company (formerly known as RMSD Enterprises Private Limited) domiciled in India and incorporated under the provisions of the Companies Act, 2013. Its shares are unlisted. The CIN No. of the company is U15100UP2020PLC136939. These financial statements of the Company for the period ended March 31, 2021 are approved and authorized for issue by the Company's Board of Directors on 24.04.2021.

2.1 Basis of preparation and presentation

i) Statement of Compliance

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and relevant amendment rules thereafter and accounting principles generally accepted in India.

These financial statements have been prepared and presented in accordance with Ind AS 105 as applicable for discontinuing operations using the significant accounting policies and measurement basis summarized below. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use. In those cases the new accounting policy is adopted in accordance with the transitional provisions stipulated in that Ind AS and in absence of such specific transitional provision, the same is adopted retrospectively for all the periods presented in these financial statements.

ii) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

iii) Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) that are measured at fair value and less cost of sale wherever require. The methods used to measure fair values are discussed further in notes to financial statements.

iv) Functional and presentation currency

These financial statements are presented in Indian rupees (INR), which is company functional currency.

v) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013 based on the nature of services

rendered and time between the acquisition of asset for providing services and their realization in cash and cash equivalents.

2.2 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 satisfies any of the following criteria:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

A liability is treated as current when it satisfies any of the following criteria:

- Expected to be settled in the company's normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities

2.3 Use of Estimates and management judgements

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the company to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets, liabilities and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date.

The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The areas involving critical judgment are as follows:

i) Provision and contingencies:

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change.

ii) Estimation of current tax and deferred tax

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions

Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies

2.4 Significant Accounting Policies

A. Financial Instruments

a) Financial Asset

i) Classification

The company classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and contractual cash flow characteristics of the financial asset.

ii) 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 profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

The financial assets include trade and other receivables, loans and advances, cash and bank balances.

iii) Subsequent Measurement

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

- At amortized cost,

- At fair value through other comprehensive income (FVTOCI), and
- At fair value through profit or loss (FVTPL).

iv) De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized when:

- The right to receive cash flows from the assets have expired or
- The company has transferred substantially all the risks and rewards of the assets, or
- The company has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the assets

b) Financial liabilities

i) Classification

Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual agreements and the definitions of a financial liability and equity instrument.

ii) Initial recognition and measurement

The company recognizes financial liability when it becomes a party to the contractual provision of the instrument. All financial liabilities are recognized initially at fair value minus, for financial liability not subsequently measured at FVTPL, transaction costs that are directly attributable to the issue of financial liability.

iii) Subsequent Measurement

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

iv) Financial liability at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gain and losses are recognized in statement of profit and loss when the liabilities are derecognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and transaction cost. Their amortization is included as finance cost in the statement of profit and loss.

This category generally applies to loans & borrowings.

v) Financial liability at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designed as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gain or loss arises on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability.

c) Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognized at the proceeds received, net of direct issue cost.

Repurchase of the company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue, or cancellation of the company's own equity instruments.

i) De-recognition

A financial liability is derecognized 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 amount recognized in the Statement of Profit and Loss.

ii) Offsetting of financial instrument

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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.5 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cheques on hand, deposits held at call with banks, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less that are readily convertible to cash and which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flow, cash and cash equivalents consist of cash and short term deposits, net of outstanding bank overdraft as they being considered as integral part of the company's cash management.

B. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue from sale of goods is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration, the company expect to receive in exchange of those products or services. Revenue is excluding estimated discount and pricing incentives, rebates, other similar allowances to the customers and also excluding value added taxes, goods and other taxes and amounts collected on behalf of third parties or government, if any.

Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

C. Expenses

All expenses are accounted for on accrual basis.

D. Taxes

a) Income tax

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

b) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

c) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- Temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. In case of a history of continuous losses, the company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/

reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized, or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Minimum Alternate Tax (MAT) credits is recognized as deferred tax assets in the Balance Sheet only when the asset can be measured reliably and to the extent there is convincing evidence that sufficient taxable profit will be available against which the MAT credits can be utilized by the company in future.

E. Earnings per share

Basic earnings per share are calculated by dividing the profit/loss for the year (before other comprehensive income), attributable to the equity shareholders, by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the profit/(loss) for the year (before other comprehensive income), adjusting the after tax effect of interest and other financing costs associated with dilutive potential equity shares, attributable to the equity shareholders, by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

F. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. Provisions are not recognized for future operating losses

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

A contingent asset is not recognized but disclosed, when 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 entity.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

G. Cash Flow Statement

Cash flows are stated using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of incomes and expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

DHAMPUR BIO ORGANICS LIMITED
(Formerly known as RMSD Enterprises Private Limited)
Notes forming part of the Standalone Financial Statements

Note 3: Cash and cash equivalents

(Amount in INR)

Particulars	As at March 31, 2021
Balances with banks :	
-In Current Account	-
Cash in Hand	34,159
Total	34,159

Note 4: Share capital

Particulars	As at March 31, 2021	
	No. of Shares	(Amount in INR)
Equity shares		
Authorised Share Capital		
Equity shares of ₹ 10/- each fully paid-up	1,00,000	10,00,000
Issued , subscribed and paid-up		
Equity shares of ₹ 10/- each fully paid-up	10,000	1,00,000
TOTAL		1,00,000

4.1.The reconciliation of the number of shares outstanding is set out below.

Particulars	As at March 31, 2021	
	No. of Shares	(Amount in INR)
Authorised Equity shares		
Shares outstanding at the beginning of the year	-	-
Add : Addition during the year	1,00,000	10,00,000
Shares outstanding at the end of the year	1,00,000	10,00,000

Particulars	As at March 31, 2021	
	No. of Shares	(Amount in INR)
Issued , subscribed and paid-up shares equity shares		
At the beginning of the year	-	-
Add : Addition during the year	10,000	1,00,000
Outstanding at the end of the year	10,000	1,00,000

4.2. The details of shareholders holding more than 5% shares is set out below:

Name of shareholders	As at March 31, 2021	
	No. of Shares	(Amount in INR)
Dhampur Sugar Mills Limited (Holding Company)	10,000	100.00%

4.3. - Terms/right attached to equity shares

(i) The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend 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.

(ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 5 - Other Equity

Particulars	As at March 31, 2021
Retained Earnings	
Opening Balance	-
Add: Profit /(Loss) for the year	(77,641)
	(77,641)
Other Comprehensive Income	
Opening balance	-
Add: Other Comprehensive Income /(loss) for the Year	-
Closing balance	-
TOTAL	(77,641)

i) Retained earnings represents the undistributed loss/ amount of accumulated loss of the Company.

DHAMPUR BIO ORGANICS LIMITED
(Formerly known as RMSD Enterprises Private Limited)
Notes forming part of the Standalone Financial Statements

Note 6 - Trade Payables

(Amount in INR)

Particulars	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	-
Total outstanding dues of Creditors other than MSME	11,800
Total	11,800

Following are the relevant disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at March 31, 2021
a) The principal amount remaining unpaid to suppliers as at the end of period	Nil
b) The interest due thereon remaining unpaid to suppliers as at the end of period	Nil
c) The amount of interest paid by the Company in terms of Section 16, along with the amount of payments made to the micro and small enterprise beyond the appointed date during the period	Nil
d) The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the period but without adding the interest specified under this Act.	Nil
e) The amount of interest accrued during the year and remaining unpaid at the end of the period	Nil
f) The amount of further interest remaining due and payable even in succeeding years	Nil

The above mentioned outstanding's are in normal course of business and the information regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 7 - Other expense

Particulars	For the Period ended March 31, 2021
Audit Fees	11,800
Preliminary Expenses	65,841
Total	77,641

DHAMPUR BIO ORGANICS LIMITED
(Formerly known as RMSD Enterprises Private Limited)
Notes forming part of the Standalone Financial Statements

Note 8 - Earnings per Share (EPS) :

(Amount in INR)

Particulars	For the Period Ended March 2021
i) Net Profit/ Loss(-) available to Equity Shareholders (Used as numerator for calculating EPS)	(77,641)
ii) Weighted average No.of Equity Shares outstanding during the period: (Used as denominator for calculating EPS) - for Basic & Diluted EPS	4,301
iii) Earning per Share - Basic & Diluted	(18.05)
(Equity Share of Face value of ₹ 10 each)	

Note 9 - Payment to auditor

(Amount in INR)

Particulars	For the Period Ended March 2021
Statutory Audit Fees	10,000
Reimbursement Exps. Including GST	1,800
Total	11,800

Note 10 - Contingent Liabilities

(Amount in INR)

Particulars	As at March 31, 2021
Contingent Liabilities :	
Claims against the Company not acknowledged as debts	Nil
Guarantees	Nil
Other Contingent Liabilities	Nil
Commitments :	
Estimated amount of contracts remaining to be executed on Capital Account not provided for	Nil
Uncalled liabilities on shares and other investments partly paid	Nil
Other Commitments	Nil

DHAMPUR BIO ORGANICS LIMITED
(Formerly known as RMSD Enterprises Private Limited)
Notes forming part of the Standalone Financial Statements

“11” Related Party Disclosures as required under Ind AS 24:-

A.	Related Parties	Name of Party
i.	Holding Company	a) Dhampur Sugar Mills Limited
ii.	Subsidiary Company	NIL
iii.	Associate Company	NIL
iv.	Key Management Personnel (KMP)	a) Mr. Mukul Sharma (Director)
		b) Mr. Nalin Kumar Gupta (Director)
		c) Mr. Sumit Gupta
		d) Mrs. Rekha Gupta

- B.** Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as on March 31, 2021 - Nil

DHAMPUR BIO ORGANICS LIMITED
(Formerly known as RMSD Enterprises Private Limited)
Notes to Financial Statements as at March 31, 2021

12 Financial Instruments - Accounting, classification and Fair Value Measurements

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2(l) to the financial statements.

A. Financial instruments by category- Assets and Liabilities

The criteria for recognition of financial instruments is explained in accounting policies fo the Company.

As at March 31, 2021

(Amount in Rs)

Particulars	Refer Note No.	Carrying Value			Total
		Amortised Cost	FVTPL	FVTOCI	
Financial Asset					
Cash and cash equivalent	3	34,159	-	-	34,159
Total Financial Assets		34,159	-	-	34,159
Financial Liabilities					
Trade payables	6	11,800	-	-	11,800
Total Financial Liabilities		11,800	-	-	11,800

B. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Method and assumptions used to estimate fair values:

Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, loans and other current financial assets, trade and other payables and other current financial liabilities carried at amortized cost is not materially different from its carrying cost, largely due to the short-term maturities of these instruments.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Note 13 : FINANCIAL RISK MANAGEMENT

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is governed by Financial Guidelines which are approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the company.

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial asset includes trade and other receivables, and cash and others financial assets that arise directly from its operations.

The Company's activities are exposed to market risk, credit risk and liquidity risk.

I. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations with floating interest rates.

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no foreign transactions and hence no foreign currency risk is involve in it.

(c) Regulatory risk

The Company is a trading company and do not involve any specific regulatory risk.

(d) Commodity price risk

Commodity price risk is the price uncertainty that adversely impacts the financial results of those who both use and produce commodities. The Company is a trading company and do not involve any specific Commodity price risk.

II. Credit risk

Credit risk arises from the loss that counter party fails to repay debt according to the contractual terms or obligations. Company is exposed to credit risk from trade receivables and deposits with banks. To manage this, Company periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Company for extension of credit to customer. Outstanding customer receivables are regularly monitored. Concentrations of credit risk are limited as a result of the Company's large and diverse customer base. The ageing of the trade receivables is given below:

The Company major exposure of credit risk is from trade receivables, which are unsecured and derived from external customers.

Expected credit loss for trade receivable on simplified approach :

The ageing analysis of the trade receivables (gross of provision) has been considered from the date the invoice falls due:

(Amount in Rs)	
Particulars	As at March 31, 2021
Upto 6 months	-
More than 6 months	-
TOTAL	-

III. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of loans taken from Related Parties and other financial institutions.

Liquidity risk is the risk that a company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. Since, the Company is making continuous losses, presently it monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

As at March 31, 2021	Carrying Amount	Less than 1 Year	1 to 5 Years	More 5 Years	Total
Trade and other payables	11,800	11,800	-	-	11,800
Total	11,800	11,800	-	-	11,800

DHAMPUR BIO ORGANICS LIMITED
(Formerly known as RMSD Enterprises Private Limited)
Notes forming part of the Standalone Financial Statements

Note 14 : Capital Management

(a) Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2021.

DHAMPUR BIO ORGANICS LIMITED
(Formerly known as RMSD Enterprises Private Limited)
Notes forming part of the Standalone Financial Statements

Note 15- In the opinion of the Board, current assets and loans and advances have realisable value in the ordinary course of business at least equal to the value at which they are stated in the balance sheet.

Note 16- Details of loan and advances given and investment made as required to be disclosed as per provisions of Section 186 (4) of the Companies Act, 2013 have been disclosed under the respective head. The company has not given any guarantee in respect of loan taken by others.

Note 17- The company is yet to start its business activity as on 31.03.2021 hence there is no reportable business segment as per Indian Accounting Standard – IndAS 108 “ Segment Reporting”.

Note 18- This is the first accounting year of the company hence Previous year's figures have not been given.
The accompanying notes from 1 to 18 form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date
For Mittal Gupta & Co.
Chartered Accountants
Firm Registration No: 018744

(Akshay Kumar Gupta)
Partner
M.No.-070744

Place : Kanpur
Date : April 24, 2021



For and on behalf of the Board of Directors

(Mukul Sharma)
Director
DIN-00078995

(Nalin Kumar Gupta)
Director
DIN-01670036

Place : New Delhi
Date : April 24, 2021



Annexure 11

ATUL GARG & ASSOCIATES
Chartered Accountants
418 Plaza Kalpana, 24/147A Birhana Road
Kanpur-208001

T R CHADHA & CO LLP
Chartered Accountants
B-30, Connaught Place, Kuthiala Building
New Delhi-110001

Independent Auditor's Review Report on quarterly and year to date unaudited consolidated financial results of Dhampur Sugar Mills Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**To the Board of Directors of
Dhampur Sugar Mills Limited**

1. We have reviewed the accompanying Statement Unaudited Consolidated Financial Results of **Dhampur Sugar Mills Limited** ('the Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') for the quarter ended September 30, 2021 and year to date from April 1, 2021 to September 30, 2021 being submitted by the company pursuant to requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended to date ("the regulation").
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with circular no. CIR/CFD/CMD/1/44/2019 dated March 29, 2019, issued by the SEBI under Regulations 33(8) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2018 as amended, to the extent applicable.

4. The Statement includes the results of the Parent and the following subsidiaries:
 - a. Dhampur International Pte Limited
 - b. EHAAT Limited
 - c. DETS Limited
 - d. Dhampur Bio Organics Limited
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 33 of Listing Regulations (as amended) including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matters

6. We did not review the interim financial statements of three subsidiaries out of four Companies viz EHAAT Limited, DETS Limited and Dhampur Bio Organics Limited (erstwhile RMSD Enterprises Private Limited included in the consolidated unaudited financial results whose interim financial statements reflect total asset of Rs 276.41 lakhs as at September 30, 2021, total revenue of Rs Nil, total net loss after tax and comprehensive income of Rs. Nil for the quarter ended on September 30, 2021 respectively as considered in



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T R CHADHA & CO LLP
Chartered Accountants
B-30, Connaught Place, Kuthiala Building
New Delhi-110001

the consolidated unaudited financial results. These interim financial statements and other financial information have been reviewed by other firms of Chartered accountants whose reports have been furnished to us by the Management and our conclusion on the statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the report of such other firms of chartered accountants and the procedures performed by us as stated in paragraph 3 above.

7. The interim financial statement of the subsidiary Dhampur International Pvt Limited included in the unaudited consolidated financial results whose interim financial statements reflects total asset of Rs 909.76 lakhs as at September 30,2021, total revenue of Rs 84.06 lakhs, total net loss after tax and comprehensive income of Rs. 78.33 lakhs for the quarter ended on September 30,2021 respectively are certified by the Management. According to the information and explanations given to us by the Management, these interim financial results and other financial information are not material to the Parent.

For Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

FIZA
GUPTA

Fiza Gupta
Partner
Membership No. 429196

Place of signature: Kanpur
Date: November 10, 2021
UDIN: 21429196AAAAEQ2639

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028



Neena Goel
Partner
Membership No. 057986

Place of signature: New Delhi
Date: November 10, 2021
UDIN: 21057986AAAAPP3648



DHAMPUR SUGAR MILLS LIMITED

Regd. Office : Distt. Bijnor, Dhampur (U.P.) - 246761

CIN - L15249UP1933PLC000511, Phone No - 011-30659400, 30659453

Email : investordesk@dhampur.com, Website - www.dhampur.com

Statement of Consolidated Unaudited Financial Results for the Quarter and Six Months ended September 30, 2021

(₹ in Lacs)

Sl. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30-Sep-21 (Unaudited)	30-Jun-21 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-21 (Unaudited)	30-Sep-20 (Unaudited)	31-Mar-21 (Audited)
1.	Income from Operations						
	(a) Revenue from operations	81,825.69	88,028.35	95,589.28	1,69,854.04	2,05,456.42	4,23,149.56
	(b) Other income	287.00	342.63	210.58	629.63	603.67	1,747.03
	Total income from operations (a + b)	82,112.69	88,370.98	95,799.86	1,70,483.67	2,06,060.09	4,24,896.59
2.	Expenses						
	(a) Cost of materials consumed	6,148.34	55,013.86	3,538.88	61,162.20	71,582.57	2,80,868.29
	(b) Purchases of stock-in-trade	601.79	1,098.28	1,971.52	1,700.07	4,564.43	8,455.05
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	53,909.59	4,007.11	72,913.66	57,916.70	87,959.71	33,245.79
	(d) Excise duty on sales	5,571.04	6,948.57	2,459.34	12,519.61	4,424.17	7,490.43
	(e) Employees benefits expense	3,082.89	3,675.93	3,125.17	6,758.82	6,775.26	14,710.72
	(f) Finance costs	1,778.70	2,600.64	2,107.03	4,379.34	4,708.79	7,987.63
	(g) Depreciation and amortisation expense	1,599.51	2,003.97	1,606.77	3,603.48	3,591.67	7,770.57
	(h) Other expenses	5,909.29	7,032.07	4,370.39	12,941.36	11,552.01	32,841.84
	Total expenses (a to h)	78,601.15	82,380.43	92,092.76	1,60,981.58	1,95,158.61	3,93,370.32
3.	Profit / (Loss) before share of profit/(loss) of an associate / a joint venture and exceptional items and tax (1-2)	3,511.54	5,990.55	3,707.10	9,502.09	10,901.48	31,526.27
4.	Share of profit/(loss) of an associate / a joint venture	-	-	-	-	-	-
5.	Profit/(Loss) before exceptional items and tax (3+4)	3,511.54	5,990.55	3,707.10	9,502.09	10,901.48	31,526.27
6.	Exceptional items	-	-	-	-	-	-
7.	Profit / (Loss) after exceptional items and before tax (5-6)	3,511.54	5,990.55	3,707.10	9,502.09	10,901.48	31,526.27
8.	Tax expense						
	Current tax	596.00	1,079.00	663.00	1,675.00	1,932.50	5,641.19
	Deferred tax	288.24	551.63	264.69	839.87	768.34	2,976.48
9.	Net Profit / (Loss) for the period from continuing operations (7-8)	2,627.30	4,359.92	2,779.41	6,987.22	8,200.64	22,908.60
10.	Profit/(Loss) from discontinued operation before tax	(1.87)	(1.19)	35.97	(3.06)	95.68	(12.07)
	Tax expense/(credit) on discontinued operations	-	-	-	-	-	-
11.	Profit/(Loss) from discontinued operations after tax	(1.87)	(1.19)	35.97	(3.06)	95.68	(12.07)
12.	Net profit/(loss) for the period/year (9+11)	2,625.43	4,358.73	2,815.38	6,984.16	8,296.32	22,896.53
13.	Other Comprehensive Income (OCI)						
	a) i Items that will not be reclassified to profit or loss						
	- Remeasurement benefits (losses) on defined benefit obligation	-	-	-	-	-	30.28
	- Gain (loss) on fair value of equity investments	19.84	326.86	13.64	346.70	98.40	173.55
	ii Income tax relating to items that will not be reclassified to profit or loss	(4.76)	(31.31)	(2.31)	(36.07)	(6.09)	(25.54)
	b) i Items that will be reclassified to profit or loss	22.78	(160.50)	(23.09)	(137.72)	864.15	1,031.71
	ii Income tax relating to items that will be reclassified to profit or loss	-	52.94	-	52.94	(307.03)	(359.98)
	Total Other Comprehensive Income	37.86	187.99	(11.76)	225.85	649.43	850.02
14.	Total Comprehensive Income for the period (12+13)	2,663.29	4,546.72	2,803.62	7,210.01	8,945.75	23,746.55
15.	Total Comprehensive Income for the period attributable to:						
	- Owners of the Company	2,663.29	4,546.72	2,803.98	7,210.01	8,946.46	23,769.55
	- Non-Controlling Interest	-	-	(0.36)	-	(0.71)	(23.00)
	Profit for the period attributable to:						
	- Owners of the Company	2,625.43	4,358.73	2,815.74	6,984.16	8,297.03	22,919.53
	- Non-Controlling Interest	-	-	(0.36)	-	(0.71)	(23.00)
	Other Comprehensive Income for the period attributable to:						
	- Owners of the Company	37.86	187.99	(11.76)	225.85	649.43	850.02
	- Non-Controlling Interest	-	-	-	-	-	-
16.	Paid-up equity share capital (Face Value per Share ₹ 10/-Each)	6,638.76	6,638.76	6,638.76	6,638.76	6,638.76	6,638.76
17.	Other equity						1,49,361.00



18.	i.) Earnings per equity share (EPS) from continuing operations (weighted average) (of ₹ 10/- each) (not annualised) :						
	a) Basic (₹ per share)	3.96	6.57	4.18	10.53	12.35	34.54
	b) Diluted (₹ per share)	3.96	6.57	4.18	10.53	12.35	34.54
	ii.) Earnings per equity share (EPS) from discontinued operations (weighted average) (of ₹ 10/- each) (not annualised) :						
	a) Basic (₹ per share)	-	-	0.05	-	0.14	(0.02)
	b) Diluted (₹ per share)	-	-	0.05	-	0.14	(0.02)
	iii.) Earnings per equity share (EPS) from total operations (weighted average) (of ₹ 10/- each) (not annualised) :						
	a) Basic (₹ per share)	3.95	6.57	4.23	10.52	12.49	34.52
	b) Diluted (₹ per share)	3.95	6.57	4.23	10.52	12.49	34.52

(₹ in Lacs)

Statement of consolidated segment wise revenue, results, assets and liabilities							
Sl. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30-Sep-21 (Unaudited)	30-Jun-21 (Unaudited)	30-Sep-20 (Unaudited)	Sep-21 (Unaudited)	Sep-20 (Unaudited)	31-Mar-21 (Audited)
1	Segment Revenue						
	a) Sugar	57,352.07	68,625.65	78,965.27	1,25,977.72	1,79,751.06	3,72,348.65
	b) Power	1,374.49	8,028.53	426.11	9,403.02	10,470.87	37,150.57
	c) Chemicals / Ethanol	30,224.30	27,797.80	21,322.39	58,022.10	38,677.45	84,454.36
	d) Others	270.83	523.37	2,614.45	794.20	4,786.69	10,883.98
	Total	89,221.69	1,04,975.35	1,03,328.22	1,94,197.04	2,33,686.07	5,04,837.56
	Less : Inter segment/Intra company revenue	7,396.00	16,947.00	7,738.94	24,343.00	28,229.65	81,688.00
	Total Revenue from continuing operations	81,825.69	88,028.35	95,589.28	1,69,854.04	2,05,456.42	4,23,149.56

2	Segment Results (Net Profit / (Loss) before Tax, finance costs and unallocable items) - Continuing Operations						
	a) Sugar	571.71	852.51	3,428.28	1,424.22	6,950.78	12,062.02
	b) Power	(460.76)	2,824.51	(484.43)	2,363.75	2,943.58	12,221.02
	c) Chemicals / Ethanol	6,244.45	6,077.14	3,982.06	12,321.59	7,738.11	19,982.25
	d) Others	(165.86)	(126.48)	(111.17)	(292.34)	(95.46)	(401.02)
	Total	6,189.54	9,627.68	6,814.74	15,817.22	17,537.01	43,864.27
	Less : Finance costs	1,778.70	2,600.64	2,107.03	4,379.34	4,708.79	7,987.63
	Less : Other unallocable expenses net off unallocable income	899.30	1,036.49	1,000.61	1,935.79	1,926.74	4,350.37
	Net Profit / (Loss) before Tax from continuing operations	3,511.54	5,990.55	3,707.10	9,502.09	10,901.48	31,526.27

3	Segment Assets						
	a) Sugar	1,56,149.70	2,17,833.00	1,89,224.71	1,56,149.70	1,89,224.71	2,35,201.81
	b) Power	56,753.91	63,783.75	63,922.06	56,753.91	63,922.06	62,691.75
	c) Chemicals / Ethanol	43,381.26	44,513.89	37,179.02	43,381.26	37,179.02	42,936.62
	d) Others-Continuing Operations	1,054.16	2,136.66	503.76	1,054.16	503.76	2,174.71
	e) Others-Discontinued Operation	95.58	95.64	200.00	95.58	200.00	95.39
	f) Unallocable	5,569.39	4,152.86	5,996.45	5,569.39	5,996.45	3,980.72
	Total	2,63,004.00	3,32,515.80	2,97,026.00	2,63,004.00	2,97,026.00	3,47,081.00

4	Segment Liabilities						
	a) Sugar	14,660.98	40,339.96	55,257.92	14,660.98	55,257.92	63,376.89
	b) Power	1,847.93	1,134.80	1,395.42	1,847.93	1,395.42	943.14
	c) Chemicals / Ethanol	6,794.52	6,399.65	2,186.92	6,794.52	2,186.92	3,847.37
	d) Others - Continuing Operations	100.40	55.23	1,530.66	100.40	1,530.66	31.60
	e) Others-Discontinued Operation	15.97	15.35	61.00	15.97	61.00	14.00
	f) Unallocable	76,332.20	1,23,709.72	91,464.08	76,332.20	91,464.08	1,22,862.00
	Total	99,752.00	1,71,654.71	1,51,896.00	99,752.00	1,51,896.00	1,91,075.00



Statement of Consolidated Assets and Liabilities		(₹ in Lacs)	
Particulars	As at 30.09.2021 (Unaudited)	As at 31.03.2021 (Audited)	
1 ASSETS			
(A) Non - current assets			
(a) Property, plant and equipment	156293	159322	
(b) Right-of-use-assets	1567	1843	
(c) Capital work - in - progress	13124	2124	
(d) Goodwill	1	1	
(e) Other intangible assets	228	248	
(f) Biological assets	#	#	
(g) Financial assets			
(i) Investments	601	260	
(ii) Loans	262	290	
(h) Deferred tax assets (Net)	-	-	
(i) Other non - current assets	2492	2425	
Sub total (Non current assets)	174568	166513	
(B) Current assets			
(a) Inventories	69091	129255	
(b) Biological assets	171	104	
(c) Financial assets			
(i) Investments	-	-	
(ii) Trade receivable	10671	29668	
(iii) Cash and cash equivalents	836	7241	
(iv) Bank balances other than (iii) above	1171	775	
(v) Loans	585	798	
(vi) Others financial assets	189	488	
(d) Other current assets	5626	12144	
Sub total (Current assets)	88340	180473	
(e) (i) Assets classified as held for sale - continuing operation	-	-	
(e) (ii) Assets classified as held for sale - discontinued operation	96	95	
Total assets	263004	347081	
2 EQUITY AND LIABILITIES			
(A) Equity			
(a) Equity share capital	6645	6645	
(b) Other equity	156607	149361	
Equity attributable to the owners of the parent	163252	156006	
Non-controlling interest	-	-	
Sub total (Total equity)	163252	156006	
Liabilities			
(B) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	30206	32013	
(ii) Lease liabilities	921	1107	
(b) Other non - current liabilities	487	921	
(c) Provisions	3449	3280	
(d) Deferred tax liabilities (net)	4192	3369	
Sub total (Non-current liabilities)	39255	40690	
(C) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	38476	82169	
(ii) Trade payables			
(A) total outstanding due of micro enterprises and small enterprises; and	1147	464	
(B) total outstanding due of creditors other than micro enterprises and small enterprises	10040	58921	
(iii) Lease liabilities	504	517	
(iv) Other financial liabilities	4545	4449	
(b) Other current liabilities	4083	2482	
(c) Provisions	1221	904	
(d) Current tax liabilities (net)	465	465	
Sub total (Current liabilities)	60481	150371	
(e) Liabilities associated with group of assets classified as held for sale - discontinued operation	16	14	
Total Equity & Liabilities	263004	347081	



Consolidated Statement of Cash Flow		₹ in Lacs	
Sr No.	Particulars	Six Months Ended	
		September 30, 2021	September 30, 2020
		Unaudited	Unaudited
A	Cash flow from operating activities of continuing operations		
	Net Profit before tax from continuing operations	9,502	10,901
	Adjustments for :-		
	Depreciation /amortization expense	3,603	3,591
	Finance cost	4,379	4,709
	Transfer to storage fund for molasses	25	25
	Deferred government grant	(191)	(19)
	Finance income	(152)	(52)
	Dividend income	-	(3)
	Foreign currency fluctuation	-	(281)
	Profit on sale of investment	(18)	-
	Provision for doubtful debts	-	25
	Fair value gain on re-measurement of biological assets through profit or loss	(95)	(105)
	Liabilities/ Provisions no longer required written back	(11)	(99)
	Bad-debts written off	344	14
	Provision for employee benefits	479	451
	Operating profit before working capital changes of continuing operations	17,865	19,157
	Adjustments for Working capital changes of continuing operations :-		
	Trade receivables	18,653	12,761
	Other financial assets	425	(39)
	Other assets	(671)	(1,350)
	Government grants	7,230	(8,710)
	Inventories	60,164	87,237
	Trade and other financial liabilities	(48,257)	(10,895)
	Provisions and other liabilities	1,537	933
	Cash generated from continuing operations	56,946	99,094
	Direct taxes paid (Net of refunds)	(1,977)	(723)
	Net cash from operating activities from continuing operation	54,969	98,371
	Net cash from operating activities from discontinuing operation	(106)	(59)
	Net cash from operating activities from total operation	54,863	98,312
B	Cash flows from Investing activities of continuing operations		
	Purchase of property, plant and equipment (Net)	(11,169)	(3,474)
	(Purchase)/Sale of financial instruments	24	78
	Interest received	115	125
	Purchase/maturity of fixed deposits (Net)	(400)	(61)
	Dividend received	-	3
	Sale of property, plant and equipment	142	-
	Net cash flow from/(used in) investing activities of continuing operations	(11,288)	(3,329)
	Net cash from investing activities from discontinuing operation	-	-
	Net cash from investing activities from total operation	(11,288)	(3,329)
C	Cash flows from Financing activities of continuing operations		
	Proceeds/(repayments) from /of long term borrowings	(12,951)	(8,113)
	Proceeds/(repayments) from /of short term borrowings	(32,592)	(80,113)
	Payment of Lease Liabilities	(186)	(265)
	Dividend including dividend distribution tax	-	(6)
	Finance cost paid	(4,251)	(5,724)
	Net cash flow from/(used in) financing activities of continuing operations	(49,980)	(94,221)
	Net cash flow from / (used in) financing activities from discontinuing operation	-	60
	Net cash flow from / (used in) financing activities from total operation	(49,980)	(94,161)
	Net increase in cash and cash equivalents (A+B+C)	(6,405)	822
	Opening cash & cash equivalents (including opening cash & cash equivalents of discontinued operations)	7,241	993
	Closing cash and cash equivalents	836	1,815
	Closing cash and cash equivalents of continuing operations	832	1,807
	Closing cash and cash equivalents of discontinuing operation	4	8



Notes:

1

The management has considered the possible impact of COVID-19 in preparation of the above financial results of the quarter, including internal and external factors known upto the date of approval of these results, to assess and finalise the carrying amount of its assets and liabilities. Accordingly as on date, no material impact is anticipated in the aforesaid carrying amounts. However, the impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes in future economic conditions.

2

a. The Management of M/s E Haat Ltd., a wholly owned subsidiary engaged in the business of E-Commerce, has decided to close down its operations in the quarter ended March 2020. Accordingly, the financials of the subsidiary company have been consolidated and presented as "Discontinued Operations" in the above consolidated financial results.

b. The financial performance of the E Haat Ltd, a wholly owned subsidiary are presented below:-

Particulars	Quarter Ended			Six Months Ended		Year Ended
	30-Sep-21 (Unaudited)	30-Jun-21 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-21 (Unaudited)	30-Sep-20 (Unaudited)	31-Mar-21 (Audited)
Financial Performance						
Revenue	-	-	37.15	-	98.51	98.51
Expenses	1.87	1.19	1.18	3.06	2.83	110.58
Profit (Loss) before tax	(1.87)	(1.19)	35.97	(3.06)	95.68	(12.07)
Tax Expense	-	-	-	-	-	-
Profit (Loss) from discontinued operations	(1.87)	(1.19)	35.97	(3.06)	95.68	(12.07)
Cash Flow Information						
Net cash flows from operating activities	(0.06)	(1.00)	(58.81)	(1.06)	(59)	(112.15)
Net cash flows from investing activities	-	-	-	-	-	-
Net cash flows from financing activities	-	-	60	-	60	110.00
Net Cash Inflow(Outflow) from discontinued operations	(0.06)	(1.00)	1.19	(1.06)	1	(2.15)

3

These results have been prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time. The above Consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 10th November, 2021. The statutory auditors have carried out a limited review of these financial results.

4

The Board of Directors of the Company in its meeting held on 07th June 2021 approved a Scheme of Arrangement for demerger of business of Asmoli Unit, Mansurpur Unit and Meerganj Unit into Dhampur Bio Organics Limited, the resulting company, which shall be listed on both the stock exchanges with a mirror shareholding. The Company has filed requisite application with National Company Law Tribunal, Allahabad Bench. Pending such approval and other compliances, the financial results of the company have been prepared without giving impact of the demerger scheme.

5

Sugar being a seasonal industry, the performance of the quarter may not be representative of the annual performance of the Company.

6

Pursuant to the provisions of listing regulation, the Management has decided to publish unaudited consolidated financial results in the newspapers. However the unaudited standalone financial results of the company for the quarter ended September 30, 2021 are available on the company's website www.dhampur.com. Standalone information is as under:

Sl. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30-Sep-21 (Unaudited)	30-Jun-21 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-21 (Unaudited)	30-Sep-20 (Unaudited)	31-Mar-21 (Audited)
a	Total revenue	82028.62	88370.50	94330.16	170399.12	203367.13	423350.72
b	Profit before tax	3585.48	6172.95	3817.99	9758.43	11062.87	30503.22
c	Profit after tax	2701.24	4542.32	2890.30	7243.56	8362.03	21885.55
d	Other comprehensive income (OCI)	42.85	183.19	20.85	226.04	626.44	824.50
e	Total comprehensive income	2744.09	4725.51	2911.15	7469.60	8988.47	22710.05

7

The Schedule III to the Companies Act 2013 vide notification dated 24th March 2021 issued by Ministry of Corporate Affairs (MCA) has been amended with effect from 1st April 2021 and these results have been presented giving effect to the said amendments. Accordingly, comparative figures of the previous year/periods have been regrouped wherever applicable to make them comparable with those of the current periods' figures.

For Dhampur Sugar Mills Limited

Place : New Delhi

Dated : 10th November , 2021

This is the statement referred to in our review report of even date

For T.R Chadha & Co LLP

Firm Registration No. 096711N/N500028

NEW DELHI

(Neena Goel)
Partner
M.No.057986
Chartered Accountants
Place : New Delhi

For Atul Garg & Associates

Firm Registration No. 001544C

FIZA GUPTA

(Fiza Gupta)
Partner
M.No. 429196
Chartered Accountants
Place : Kanpur

Dated : 10th November , 2021

To
The Board of Directors of
Dhampur Sugar Mills Limited

1. We have reviewed the Statement of Unaudited Standalone Financial Results of Dhampur Sugar Mills Limited ('the Company') for the quarter ended September 30, 2021 and year to date from April 1, 2021 to September 30, 2021 (hereinafter referred to as "Statement"), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended to date ("the Listing Regulation").
2. The statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in all material respects in accordance with applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Listing Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.


For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

**FIZA
GUPTA**

Fiza Gupta
Partner
Membership No. 429196

Place of signature: Kanpur
Date: November 10, 2021
UDIN: 21429196AAAAEP5405




Neena Goel
Partner
Membership No. 057986

Place of signature: New Delhi
Date: November 10, 2021
UDIN: 21057986AAAPO1501



DHAMPUR SUGAR MILLS LIMITED

Regd. Office : Distt. Bijnor, Dhampur (U.P.) - 246761

CIN - L15249UP1933PLC000511, Phone No - 011-30659400, 30659453

Email : investordesk@dhampur.com, Website - www.dhampur.com

Statement of Standalone Unaudited Financial Results for the Quarter and Six Months ended September 30, 2021

Sl. No.	Particulars	Quarter Ended			Six Months Ended		(₹ in Lacs)
		30-Sep-21 (Unaudited)	30-Jun-21 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-21 (Unaudited)	30-Sep-20 (Unaudited)	31-Mar-21 (Audited)
1.	Income from operations						
	(a) Revenue from operations	81,825.69	88,028.35	94,146.90	1,69,854.04	2,02,814.17	4,21,736.55
	(b) Other income	202.93	342.15	183.26	545.08	552.96	1,614.17
	Total Income from operations (a + b)	82,028.62	88,370.50	94,330.16	1,70,399.12	2,03,367.13	4,23,350.72
2.	Expenses						
	(a) Cost of materials consumed	6,148.34	55,013.86	3,538.88	61,162.20	71,582.57	2,84,724.49
	(b) Purchases of stock-in-trade	601.79	1,098.28	601.51	1,700.07	2,056.90	3,432.88
	(c) Changes in inventories of finished goods, work-in -progress and stock-in-trade	53,909.59	4,007.11	72,913.66	57,916.70	87,959.71	33,245.79
	(d) Excise duty on sales	5,571.04	6,948.57	2,459.34	12,519.61	4,424.17	7,490.43
	(e) Employees benefits expenses	3,032.34	3,614.90	3,020.82	6,647.24	6,569.48	14,277.63
	(f) Finance costs	1,778.08	2,599.08	2,093.82	4,377.16	4,692.29	7,966.52
	(g) Depreciation and amortisation expenses	1,565.43	1,991.01	1,591.72	3,556.44	3,561.59	7,710.23
	(h) Other expenses	5,836.53	6,924.74	4,292.42	12,761.27	11,457.55	32,399.53
	Total expenses (a to h)	78,443.14	82,197.55	90,512.17	1,60,640.69	1,92,304.26	3,91,247.50
3.	Profit / (Loss) before exceptional items and tax (1-2)	3,585.48	6,172.95	3,817.99	9,758.43	11,062.87	32,103.22
4.	Exceptional Items	-	-	-	-	-	(1,600.00)
5.	Profit / (Loss) after exceptional items and before tax (3-4)	3,585.48	6,172.95	3,817.99	9,758.43	11,062.87	30,503.22
6.	Tax expenses						
a	Current tax	596.00	1,079.00	663.00	1,675.00	1,932.50	5,641.19
b	Deferred tax	288.24	551.63	264.69	839.87	768.34	2,976.48
7.	Profit / (Loss) for the period (5-6)	2,701.24	4,542.32	2,890.30	7,243.56	8,362.03	21,885.55
8.	Other Comprehensive Income (OCI)						
a i	Items that will not be reclassified to profit or loss						
	- Remeasurement benefits (losses) on defined benefit obligation	-	-	-	-	-	30.28
	- Gain (loss) on fair value of equity investments	47.61	313.07	23.16	360.68	60.92	149.59
ii	Income tax relating to items that will not be reclassified to profit or loss	(4.76)	(31.31)	(2.31)	(36.07)	(6.09)	(25.54)
b i	Items that will be reclassified to profit or loss	-	(151.51)	-	(151.51)	878.64	1,030.15
ii	Income tax relating to items that will be reclassified to profit or loss	-	52.94	-	52.94	(307.03)	(359.98)
	Total Other Comprehensive Income	42.85	183.19	20.85	226.04	626.44	824.50
9.	Total Comprehensive Income for the period (7+8)	2,744.09	4,725.51	2,911.15	7,469.60	8,988.47	22,710.05
10.	Paid-up equity share capital (Face value per Share ₹ 10/- each)	6,638.76	6,638.76	6,638.76	6,638.76	6,638.76	6,638.76
11.	Other equity	-	-	-	-	-	1,49,644.00
12.	Earnings per equity share (EPS)						
	(of ₹ 10/- each) (not annualised) :						
a)	Basic (₹ per share)	4.07	6.84	4.36	10.91	12.60	32.97
b)	Diluted (₹ per share)	4.07	6.84	4.36	10.91	12.60	32.97



Statement of standalone segment wise revenue, results, assets and liabilities							(₹ in Lacs)
Sl. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30-Sep-21 (Unaudited)	30-Jun-21 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-21 (Unaudited)	30-Sep-20 (Unaudited)	31-Mar-21 (Audited)
1	Segment Revenue						
	a) Sugar	57,352.07	68,625.65	78,965.27	1,25,977.72	1,79,751.06	3,72,348.65
	b) Power	1,374.49	8,028.53	426.11	9,403.02	10,470.87	37,150.57
	c) Chemicals / Ethanol	30,224.30	27,797.80	21,322.39	58,022.10	38,677.45	84,454.36
	d) Others	270.83	523.37	210.13	794.20	809.79	2,231.97
	Total	89,221.69	1,04,975.35	1,00,923.90	1,94,197.04	2,29,709.17	4,96,185.55
	Less : Inter segment revenue	7,396.00	16,947.00	6,777.00	24,343.00	26,895.00	74,449.00
	Total Revenue from Operations	81,825.69	88,028.35	94,146.90	1,69,854.04	2,02,814.17	4,21,736.55
2	Segment Results (Net Profit / (Loss) before Tax, finance costs and unallocable items)						
	a) Sugar	571.71	852.51	3,428.28	1,424.22	6,950.78	12,062.02
	b) Power	(460.76)	2,824.51	(484.43)	2,363.75	2,943.58	12,221.02
	c) Chemicals / Ethanol	6,244.45	6,077.14	3,982.06	12,321.59	7,738.11	19,982.25
	d) Others	(92.54)	54.36	(13.49)	(38.18)	33.43	154.04
	Total	6,262.86	9,808.52	6,912.42	16,071.38	17,665.90	44,419.33
	Less : Finance costs	1,778.08	2,599.08	2,093.82	4,377.16	4,692.29	7,966.52
	Less : Other unallocable expenses net off unallocable income	899.30	1,036.49	1,000.61	1,935.79	1,910.74	5,949.59
	Net Profit / (Loss) before Tax	3,585.48	6,172.95	3,817.99	9,758.43	11,062.87	30,503.22
3	Segment Assets						
	a) Sugar	1,56,149.70	2,17,833.00	1,89,224.71	1,56,149.70	1,89,224.71	2,35,201.81
	b) Power	56,753.91	63,783.75	63,922.06	56,753.91	63,922.06	62,691.75
	c) Chemicals / Ethanol	43,381.26	45,744.31	38,296.54	43,381.26	38,296.54	44,149.62
	d) Others	387.16	369.45	335.94	387.16	335.94	347.37
	e) Unallocable	6,556.97	4,872.83	5,990.75	6,556.97	5,990.75	4,662.45
	Total	2,63,229.00	3,32,603.34	2,97,770.00	2,63,229.00	2,97,770.00	3,47,053.00
4	Segment Liabilities						
	a) Sugar	14,660.98	40,339.96	55,257.92	14,660.98	55,257.92	63,376.89
	b) Power	1,847.93	1,134.80	1,395.42	1,847.93	1,395.42	943.14
	c) Chemicals / Ethanol	6,794.52	6,399.65	3,304.44	6,794.52	3,304.44	3,847.37
	d) Others	5.26	4.04	3.76	5.26	3.76	7.32
	e) Unallocable	76,137.31	1,23,700.72	91,285.46	76,137.31	91,285.46	1,22,589.28
	Total	99,446.00	1,71,579.17	1,51,247.00	99,446.00	1,51,247.00	1,90,764.00

2



Statement of Assets and Liabilities		(₹ in Lacs)	
Particulars	As at 30.09.2021 (Unaudited)	As at 31.03.2021 (Audited)	
1 ASSETS			
(A) Non - current assets			
(a) Property, plant and equipment	1,56,313	1,59,189	
(b) Right-of-use-assets	1,568	1,809	
(c) Capital work - in - progress	13,124	2,124	
(d) Other intangible assets	228	248	
(e) Biological assets	#	#	
(f) Financial assets			
(i) Investments	1,689	1,329	
(ii) Loans	-	-	
(iii) Other Financial assets	262	290	
(g) Deferred tax assets (Net)	-	-	
(h) Other non - current assets	2,492	2,425	
Sub total (Non current assets)	1,75,676	1,67,414	
(B) Current assets			
(a) Inventories	69,091	1,29,255	
(b) Biological assets	171	104	
(c) Financial assets			
(i) Trade receivable	10,721	30,747	
(ii) Cash and cash equivalents	367	5,912	
(iii) Bank balances other than (ii) above	1,171	775	
(iv) Loans	230	230	
(v) Others financial assets	184	483	
(d) Other current assets	5,618	12,133	
Sub total (Current assets)	87,553	1,79,639	
(e) Assets classified as held for sale	-	-	
Total assets	2,63,229	3,47,053	
2 EQUITY AND LIABILITIES			
(A) Equity			
(a) Equity share capital	6,645	6,645	
(b) Other equity	1,57,138	1,49,644	
Sub total (Equity)	1,63,783	1,56,289	
Liabilities			
(B) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	30,206	32,004	
(ii) Lease liabilities	921	1,107	
(b) Other non - current liabilities	487	921	
(c) Provisions	3,449	3,280	
(d) Deferred tax liabilities (net)	3,943	3,120	
Sub total (Non-current liabilities)	39,006	40,432	
(C) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	38,477	82,163	
(ii) Trade payables			
(A) total outstanding due of micro enterprises and small enterprises; and	1,147	464	
(B) total outstanding due of creditors other than micro enterprises and small enterprises	10,035	58,921	
(iii) Lease liabilities	504	504	
(iv) Other financial liabilities	4,509	4,443	
(b) Other current liabilities	4,082	2,468	
(c) Provisions	1,221	904	
(d) Current tax liabilities (net)	465	465	
Sub total (Current liabilities)	60,440	1,50,332	
Total Equity & Liabilities	2,63,229	3,47,053	

2



Standalone Statement of Cash Flow		(₹ in Lacs)	
Particulars	Six Months Ended		
	September 30, 2021	September 30, 2020	
	Unaudited	Unaudited	
A Cash flow from operating activities			
Net Profit before tax	9,758	11,063	
Adjustments for :-			
Depreciation /amortization expense	3,556	3,561	
Finance cost	4,377	4,692	
Transfer to storage fund for molasses	25	25	
Deferred government grant	(191)	(19)	
Finance income	(139)	(32)	
Foreign exchange fluctuation	-	(314)	
Provision for employee benefits	479	451	
Fair value gain on re-measurement of biological assets through profit or loss	(95)	(105)	
Liabilities/ Provisions no longer required written back	(11)	(99)	
Bad-debts written off	341	14	
Provision for doubtful debts	-	25	
Operating profit before working capital changes	18,100	19,262	
Adjustments for Working Capital changes :-			
Trade receivables	19,685	8,344	
Other financial assets	516	296	
Other assets	(674)	(1,351)	
Government grants	7,230	(8,710)	
Inventories	60,164	87,237	
Trade and other financial liabilities	(48,322)	(7,319)	
Provisions and other liabilities	1,550	727	
Cash generated from operations	58,249	98,486	
Direct taxes paid (Net of refunds)	1,977	(723)	
Net cash generated from operating activities	56,272	97,763	
B Cash flows from Investing activities			
Purchase of property, plant and equipment (Net)	(11,169)	(3,472)	
Loan to subsidiaries	-	(60)	
Interest received	(15)	97	
Purchase/maturity of fixed deposits (Net)	(400)	(61)	
Net cash flow from/(used in) investing activities	(11,584)	(3,496)	
C Cash flows from Financing activities			
Proceeds/(repayments) from /of long term borrowings	(17,170)	(8,280)	
Payment of Lease Liabilities	(121)	(252)	
Interest paid on Lease Liabilities	(65)	-	
Receipt of long term borrowing	3,911	-	
Proceeds/(repayments) from /of short term borrowings	(32,591)	(80,113)	
Dividend including dividend distribution tax	-	(6)	
Finance cost	(4,197)	(5,671)	
Net cash flow from/(used in) financing activities	(50,233)	(94,322)	
Net increase in cash and cash equivalents (A+B+C)	(5,545)	(55)	
Opening cash & cash equivalents	5,912	269	
Closing cash and cash equivalents	367	214	



Notes	
1	The management has considered the possible impact of COVID-19 in preparation of the above financial results of the quarter, including internal and external factors known upto the date of approval of these results, to assess and finalise the carrying amount of its assets and liabilities. Accordingly as on date, no material impact is anticipated in the aforesaid carrying amounts. However, the impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes in future economic conditions.
2	These results have been prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time. The above standalone financial results were reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 10th November, 2021. The statutory auditors have carried out a limited review of these financial results.
3	The Board of Directors of the Company in its meeting held on 07th June 2021 approved a Scheme of Arrangement for demerger of business of Asmoli Unit, Mansurpur Unit and Meeraganj Unit into Dhampur Bio Organics Limited, the resulting company, which shall be listed on both the stock exchanges with a mirror shareholding. The Company has filed requisite application with National Company Law Tribunal, Allahabad Bench. Pending such approval and other compliances, the financial results of the company have been prepared without giving impact of the demerger scheme.
4	Sugar being a seasonal industry, the performance of the quarter may not be representative of the annual performance of the Company.
5	The Schedule III to the Companies Act 2013 vide notification dated 24th March 2021 issued by Ministry of Corporate Affairs (MCA) has been amended with effect from 1st April 2021 and these results have been presented giving effect to the said amendments. Accordingly, comparative figures of the previous year/periods have been regrouped wherever applicable to make them comparable with those of the current periods' figures.

For Dhampur Sugar Mills Limited


V. K. Goel
Chairman



Place : New Delhi

Dated : 10th November , 2021

This is the statement referred to in our review report of even date
For T R Chadha & Co LLP For Atul Garg & Associates
Firm Registration No. 006711N/N500028 Firm Registration No. 001544C



(Neena Goel)
Partner
M.No.057986
Chartered Accountants
Place : New Delhi

FIZA
GUPTA

Digitally signed by FIZA GUPTA
DN: cn=FIZA GUPTA, c=IN, email=
Fiza.Gupta@atulgarg.com,
serialNumber=1, uri=http://www.atsign.in
Date: 2021.11.10 10:37:10 +05'30'

(Fiza Gupta)
Partner
M.No. 429196
Chartered Accountants
Place : Kanpur

Dated : 10th November , 2021



Mittal Gupta & Co.

Chartered Accountants

14 Ratan Mahal 15/197 Civil Lines, Kanpur -208001

Tel: 0512-2303234, 2303235, 4009111 E-mail: mgco@mgco.in

Independent Auditor's Review Report on unaudited standalone quarterly and year to date unaudited standalone financial results of Dhampur Bio Organics Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

To

The Board of Directors of
Dhampur Bio Organics Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Dhampur Bio Organics Limited ('the Company') for the quarter ended September 30, 2021 and year to date from April 1, 2021 to September 30, 2021(hereinafter referred to as "Statement"), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended to date ("Listing Regulation").
2. The statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standard on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in all material respects in accordance with applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Mittal Gupta & Co.

Chartered Accountants

Firm Registration No. 071426

Ajay Kumar Rastogi
Ajay Kumar Rastogi

Partner

Membership No. 071426



Place of signature: Kanpur

Date: 10th November 2021

UDIN: 21071426AAAAAT4903

DHAMPUR BIO ORGANICS LIMITED
(Formerly known as RMSD Enterprises Private Limited)
CIN No :-U15100UP2020PLC136939
BALANCE SHEET AS AT SEPTEMBER 30, 2021

(Amount in INR)

S. No.	Particulars	Note No.	As at Sep 30, 2021	As at March 31, 2021
	ASSETS			
(1)	Non - current assets			
	(a) Property, plant and equipment		-	-
	(b) Other intangible assets		-	-
	(c) Financial assets			
	(i) Loans		-	-
	(ii) Others financial assets		-	-
	(d) Deferred tax asset (net)		-	-
	(e) Income tax assets(net)		-	-
	(f) Other non - current assets		-	-
	Total Non - current assets		-	-
(2)	Current assets			
	(a) Inventories		-	-
	(b) Financial assets			
	(i) Trade receivables		-	-
	(ii) Cash and cash equivalents	3	4,14,634	34,159
	(iii) Loan receivables		-	-
	(iv) Other financial assets	4	39,600	-
	(c) Other assets	5	8,589	-
	(d) Assets held for disposal		-	-
	Total current assets		4,62,823	34,159
	Total assets		4,62,823	34,159
(1)	Equity and liabilities			
	EQUITY			
	(a) Share Capital	6	1,00,000	1,00,000
	(b) Other equity	7	(1,37,177)	(77,641)
	Total Equity		(37,177)	22,359
(2)	LIABILITIES			
	Non - current liabilities			
	(a) Financial liabilities			
	(i) Borrowings		-	-
	(b) Other Liabilities		-	-
	Total Non - current liabilities		-	-
(3)	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	8	5,00,000	-
	(ii) Trade payables	9	-	-
	- Due of MSME		-	-
	- Due of other than MSME		-	-
	(iii) Other Financial Liabilities	10	-	11,800
	(b) Other Liabilities		-	-
	Total current liabilities		5,00,000	11,800
	Total Equity and liabilities		4,62,823	34,159

The accompanying notes from 1 to 11 form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date For and on behalf of the Board of Directors

For Mittal Gupta & Co.

Chartered Accountants

Firm Registration No: 01874C

(Ajay Kumar Rastogi)

Partner

M.No.-071426



(Mukul Sharma)

Director

DIN-00078995

Place : New Delhi

Date : 10.11.2021

(Nalin Kumar gupta)

Director

DIN-01670036



Place : Kanpur

Date : 10.11.2021

DHAMPUR BIO ORGANICS LIMITED
(Formerly known as RMSD Enterprises Private Limited)
CIN No :-U15100UP2020PLC136939

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

(Amount in INR)

S. No.	Particulars	Note No.	Half Year Ended September 30 2021	Qtr Ended September 30 2021	Period Ended June 30 2021	Period Ended March 31 2021
(1)	Revenue from operations		-	-	-	-
	Other income		-	-	-	-
	Total Income		-	-	-	-
(2)	Expenses					
	Purchase of Stock-in-Trade		-	-	-	-
	Changes in inventories of finished goods, stock - in - trade		-	-	-	-
	and work - in - progress		-	-	-	-
	Employee benefits expenses		-	-	-	-
	Finance costs		-	-	-	-
	Depreciation and amortization expenses		-	-	-	-
	Other expenses	11	59,536	11,820	47,717	77,641
	Total Expenses		59,536	11,820	47,717	77,641
(3)	Profit / (loss) before exceptional items and tax		(59,536)	(11,820)	(47,717)	(77,641)
(4)	Exceptional items		-	-	-	-
(5)	Profit / (loss) before tax		(59,536)	(11,820)	(47,717)	(77,641)
(6)	Tax expense					
	(a) Current tax		-	-	-	-
	(b) Deferred tax		-	-	-	-
(7)	Profit / (loss) for the period		(59,536)	(11,820)	(47,717)	(77,641)
	Other comprehensive income/(losses)					
	(i) Items that will not be reclassified to profit & loss :		-	-	-	-
	(ii) Income tax relating to item that will not be reclassified to profit & loss		-	-	-	-
	(ii) Items that will be reclassified to profit & loss		-	-	-	-
(8)	Total Other comprehensive income		-	-	-	-
(9)	Total comprehensive income		(59,536)	(11,820)	(47,717)	(77,641)
(10)	Earnings per equity share of face share of Rs 10/- each					
(11)	Basic & Diluted Earning Per Share (Rs)		(5.95)	(1.18)	(4.77)	(18.05)

The accompanying notes from 1 to 11 form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date For and on behalf of the Board of Directors
For Mittal Gupta & Co.
Chartered Accountants
Firm Registration No: 01874C

(Ajay Kumar Rastogi)
Partner
M.No.-071426



(Mukul Sharma)
Director
DIN-00078995

Place : New Delhi
Date : 10.11.2021

(Nalin Kumar Gupta)
Director
DIN-01670035



Notes to the Financial Statements for the quarter ended September 30, 2021

1. Corporate Information

Dhampur Bio Organics Limited ("DBOL" or "the Company") having CIN No. U15100UP2020PLC136939 is a unlisted public company domiciled in India and incorporated under the provisions of the Companies Act applicable in India and has its registered office at Asmoli, Uttar Pradesh, India.

2. Significant Accounting Policies:

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

i. Basis of preparation and presentation

a) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and relevant amendment rules thereafter and accounting principles generally accepted in India.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

b) Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, assets for defined benefit plans that are measured at fair value, assets held for sale which is measured at lower of cost and fair value less cost to sell as explained further in notes to standalone financial statements.

c) Functional and presentation currency

The financial statements are presented in Indian rupees (₹)

ii. 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 satisfies any of the following criteria:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting date, or



DHAMPUR BIO ORGANICS LIMITED
Notes forming part of the financial Statement

- Cash or cash equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

A liability is treated as current when it satisfies any of the following criteria:

- Expected to be settled in the company's normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

iii. Property, plant and equipment & capital work-in-progress

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is being recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs are included in the asset's carrying amount only when 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.

Freehold lands are stated at cost. All other items of property, plant and equipment are stated at cost, net of recoverable taxes less accumulated depreciation, and impairment loss, if any.

The cost of an asset includes the purchase cost of material, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. For this purpose, cost includes carrying value as Deemed cost on the date of transition. Interest on borrowings used to finance the construction of qualifying assets are capitalized as part of the cost of the asset until such time that the asset is ready for its intended use.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption. When parts of an item of PPE have different useful lives, they are accounted for as separate component.

The carrying amount of the replaced part is derecognized. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.



The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for a provision are met.

The cost and related accumulated depreciation are eliminated from the financial statement upon sale or retirement of the asset and resultant gain or loss are recognized in the Statement of Profit and Loss.

Assets identified and technically evaluated as obsolete are retired from active use and held for disposal are stated at the lower of its carrying amount and fair value less cost to sell.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

iv. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses. For this purpose, cost includes carrying value as Deemed cost on the date of transition.

Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the statement of profit and loss.

v. Depreciation and amortization

The classification of plant and machinery into continuous and non-continuous process is done as per their use and depreciation thereon is provided accordingly. Depreciation commences when the assets are available for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives as stated in Schedule II of the Companies Act, 2013.

The Company has used the following useful lives to provide depreciation on its tangible assets:

Intangible assets are amortized on a straight-line basis over the estimated useful economic life of the assets. The Company uses a rebuttable presumption that the useful life of intangible assets is ten years from the date when the assets is available for use.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year and are given effect to wherever appropriate.

vi. Foreign currency translations

Transactions and balances



Transactions in foreign currencies are initially recorded at the functional currency spot rate prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding at the balance sheet date are translated at the functional currency spot rate of exchange prevailing at the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

vii. Inventories

Raw material, process chemicals, stores and packing material are measured at weighted average cost.

Work in progress, traded and finished goods (other than by products and scraps) are measured at lower of cost or net realizable value.

By products and scrap are carried at estimated Net Realizable Value.

Cost of finished goods and work in progress comprises of raw material cost (net of realizable value of By-products), variable and fixed production overhead, which are allocated to work in progress and finished goods on full absorption cost basis. Cost of inventory also includes all other cost incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories.

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

viii. Revenue recognition

The Company derives revenue primarily from sale of sugar and other by-products produced from processing of sugar cane, sale of power and sale of chemicals.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration, the company expect to receive in exchange of those products or services. Revenue is inclusive of excise duty and excluding estimated discount, pricing incentives, rebates, other similar allowances to the customers and excluding goods and service tax and other taxes and amounts collected on behalf of third parties or government, if any.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and



- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Contract Revenue

Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably subject to condition that it is probable that such cost will be recoverable. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

- i. the amount of revenue can be measured reliably;
- ii. it is probable that the economic benefits associated with the contract will flow to the Company;
- iii. the stage of completion of the contract at the end of the reporting period can be measured reliably;
- and
- iv. the costs incurred or to be incurred in respect of the contract can be measured reliably.

Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

Dividend income

Dividend income is recognised when the Company's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Insurance claims

Insurance claim are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Export incentives

Export incentives are accounted for in the year of exports based on eligibility and when there is no significant uncertainty in receiving the same.

Other incomes

All other incomes are accounted on accrual basis.

ix. Expenses



All expenses are accounted for on accrual basis.

x. Long term borrowings

Long term borrowings are initially recognised at net of material transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

xi. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial time to get ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs. Other borrowing costs are expensed in the period in which they are incurred. Transaction costs incurred for long term borrowing until are not material are expensed in the period in which they are incurred.

xii. Leases

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. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component based on the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.



The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

xiii. Provision for current and deferred tax

(i) Current income tax :

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.



Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and established provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

The Company Offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The Company will update the amount in the financial statement if facts and circumstance change as a result of examination or action by tax authorities.

(ii) Deferred tax:

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax is recognized in Statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Minimum Alternate Tax (MAT) credits is recognised as deferred tax assets in the Balance Sheet only when the asset can be measured reliably and to the extent there is convincing evidence that sufficient taxable profit will be available against which the MAT credits can be utilised by the company in future.

xiv. Impairment of non-financial assets

Goodwill and Intangible assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment.

Other intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The Carrying amount of assets is reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factor. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. Impairment is charged to the profit and loss account in the year in which an asset is identified as impaired.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been



determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

xv. Government grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Government grants related to assets, including non-monetary grants recorded at fair value, are treated as deferred income and are recognized and credited in the Statement of Profit and Loss on a systematic and rational basis over the estimated useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised 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.

xvi. Provisions, contingent liabilities and assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

A contingent asset is not recognised but disclosed, when probable 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 entity.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

xvii. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which are subject to an insignificant risk of changes in value.



xviii. Dividend payable

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholder's meeting and the Board of Directors respectively.

xix. Non-current assets (or disposal group) held for sale and discontinued operations:

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

xx. Equity Issue Expenses

Expenses incurred on issue of equity shares are charged in securities premium account in the year in which it is incurred.

xxi. 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.

A. Financial assets

Initial recognition and measurement

All financial assets, except trade receivables are initially recognized at fair value. Trade receivables are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value of the financial assets, as appropriate, on initial recognition.

Subsequent measurement

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

a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial assets give rise to



cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost is determined using the Effective Interest Rate (EIR) method. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income for these financial assets is included in other income using the effective interest rate method.

c) Financial assets at fair value through profit or loss (FVTPL)

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.

In addition, the Company may elect to classify a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

d) Equity investments

All equity investments, except investments in subsidiaries are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. 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 profit and loss.

Equity investments in subsidiaries are carried at cost except for the equity investments in subsidiaries as at the transition dates which are carried at deemed cost being fair value as at the date of transition.

Impairment of financial assets:

The company assesses on a forward looking basis the expected credit losses associated with the assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in 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 entity reverts to recognising impairment loss allowance based on 12-month ECL.

For trade receivables, the company applies the simplified approach permitted by Ind AS 109 "Financial Instruments" which requires expected lifetime losses to be recognised from initial recognition of receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed

Derecognition of financial assets:

The Company derecognizes a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

B. Financial liabilities

Initial recognition and measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method or at FVTPL.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by considering 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 statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial liabilities:

A financial liability (or part of a financial liability) is derecognized from the Company's Balance Sheet when, and only when the obligation specified in the contract is discharged or cancelled or expires.

C. Offsetting of financial instruments



Financial assets and financial liabilities including derivative instruments 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.

xxii. Derivative Financial Instruments and Hedge Accounting

The Company uses various derivative financial instruments to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedge which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or is treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a Non-Financial Assets or Non-Financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

A. Cash Flow Hedge: The Company designates derivative contracts or non-derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognized asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of Other Comprehensive Income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

B. Fair Value Hedge: The Company designates derivative contracts or non-derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used for amortizing Statement of Profit and Loss over the period of maturity.

xxiii. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:



- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

xxiv. Employees benefits

a) Short-term obligations

Short-term obligations for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service up to the end of the reporting period are recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled.

b) Post-employment obligations

i. Defined contribution plans

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make contribution at a specified percentage of the covered employee's salary. The contributions, as specified under Defined Contribution Plan to Regional Provident Commissioner and the Central Provident Fund recognised as expense during the period in the statement of profit and loss.

ii. Defined benefit plans



- **Non-funded defined benefits plans:** The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of the company. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company.

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation.

The service cost and net interest on the net defined benefit liability/(asset) is included in employees benefits expenses in the statement of profit and loss.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

Re-measurement gain and loss arising from experience adjustments and change actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. Re-measurements are not classified to the Statement of Profit and Loss in subsequent periods.

- **Funded defined benefits plans:** The Company also made contribution to the provident fund set up as irrevocable trust. The Company is generally liable for monthly contributions and any shortfall in the fund assets based on the government specified minimum rates of return or pension and recognises such contributions and shortfall, if any, as an expense in the year incurred.

c) Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method for the unused entitlement that has accumulated as at the balance sheet date.

The benefits are discounted using the market yields as at the end of the balance sheet date that has terms approximating to the terms of the related obligation.

Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit or loss.

d) Voluntary retirement scheme

Compensation to employees who have opted for retirement under the "Voluntary Retirement scheme" is charged to the profit and loss account in the year of retirement.

The Company required to use updated actuarial assumptions to remeasure net defined benefit liability or assets on amendments, curtailment or settlement of defined benefit plan.

The Company adopted amendment to Ind AS 19 as required by said notification to determine:



DHAMPUR BIO ORGANICS LIMITED
Notes forming part of the financial Statement

- Current Service Costs and net interest for the period after remeasurement using the assumptions used for remeasurement and
- Net interest for the remaining period based on the remeasured net defined benefit liability or asset.

xxv. Operating segments

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Un-allocable".

Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Un-allocable".

xxvi. Cash flow statement

Cash flows are stated using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of incomes and expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xxvii. Earnings per share

Basic earnings per share are calculated by dividing the profit/(loss) for the year (before other comprehensive income), attributable to the equity shareholders, by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the profit/(loss) for the year (before other comprehensive income), adjusting the after tax effect of interest and other financing costs associated with dilutive potential equity shares, attributable to the equity shareholders, by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

xxviii. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On July 24, 2020, the MCA has issued amendments to certain Ind AS. The amendments are effective from annual reporting periods beginning on or after April 1, 2020. The company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2020:

- Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Error: Refined definition of term "Materiality"- 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary



DHAMPUR BIO ORGANICS LIMITED
Notes forming part of the financial Statement

users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.'

- **Ind AS 103, Business Combinations:** Revised definition of a 'business' and introduction of an optional concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business.

- **Ind AS 109, Financial Instruments:** Modification to some specific hedge accounting requirements to provide relief to the potential effects of uncertainty caused by the interest rate benchmark (IBOR) reform.

- **Ind AS 116 Leases:** Practical expedient which permits lessees not to account for COVID-19 related rent concessions as a lease modification. However, in case a lessee has not yet approved the financial statements for issue before the issuance of the amendments, then the same may be applied for annual reporting periods beginning on or after 1 April 2019.

- **Ind AS 10 - "Events after the Reporting Period":** Disclosure for nature of the event and an estimate of its financial effect / not being able to make such an estimate will be required for all non- adjusting events.

- **Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets:** A management decision to restructure, taken before the end of the reporting period does not give rise to a constructive obligation at the end of the reporting period unless the entity has, before the end of the reporting period, started to implement the restructuring plan or announced the main features of the restructuring plan to those affected by it.

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

New and revised IFRS Standards in issue but not yet effective:

Indian Accounting Standards (Ind AS) are derived from IFRS Standards issued by the International Accounting Standards Board (IASB). IFRS Standards are being issued/revised by the IASB from time to time. The Ind AS needs to be issued/revised corresponding to the IFRS Standard in order to remain converged with IFRS. The IASB had issued new and revised IFRS standards which are in issue but not effective. Once they are notified by MCA, Company would analysis the impact on adoption.

1) **Use of estimates and management judgments**

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the company to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets, liabilities and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date.

The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected

The areas involving critical judgement are as follows:

i. **Useful lives of property plant and equipment / intangible assets**



Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

ii. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

iii. Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

iv. Provision for income taxes and deferred tax assets

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions

Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

v. Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

vi. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.



The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

vii. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted price in markets, then fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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.



DHAMPUR BIO ORGANICS LIMITED

(Formerly known as RMSD Enterprises Private Limited)

Notes forming part of the Standalone Financial Statements

Note 6: Share capital

Particulars	As at September 30, 2021		As at March 31, 2021	
	No. of Shares	(Amount in INR)	No. of Shares	(Amount in INR)
Equity shares				
Authorised Share Capital				
(Equity shares of ₹ 10/- each)				
Equity shares of ₹ 10/- each fully paid-up	1,00,000	10,00,000	1,00,000	10,00,000
Issued, subscribed and paid-up				
Equity shares of ₹ 10/- each fully paid-up	10,000	1,00,000	10,000	1,00,000
TOTAL		1,00,000		1,00,000

Note 7 - Other Equity

Particulars	As at September 30, 2021	As at March 31, 2021
Retained Earnings		
Opening Balance	(77,641)	-
Add: Profit/(Loss) for the year	(59,536)	(77,641)
	(1,37,177)	(77,641)
Other Comprehensive Income		
Opening balance	-	-
Add: Other Comprehensive Income/(loss) for the Year	-	-
Closing balance	-	-
TOTAL	(1,37,177)	(77,641)

i) Retained earnings represents the undistributed loss/ amount of accumulated loss of the Company.



DHAMPUR BIO ORGANICS LIMITED
(Formerly known as RMSD Enterprises Private Limited)
Notes forming part of the Standalone Financial Statements

Note 3: Cash and cash equivalents

(Amount in INR)

Particulars	As at September 30, 2021	As at March 31, 2021
Balances with banks : -In Current Account	3,80,475	-
Cash in Hand	34,159	34,159
Total	4,14,634	34,159

Note 4 - Other Financial Assets

Particulars	As at September 30, 2021	As at March 31, 2021
GST Receivable Security Deposit	39,600	-
Total	39,600	-

Note 5 - Other Current Assets

Particulars	As at September 30, 2021	As at March 31, 2021
GST Receivable	8,589	-
Total	8,589	-

Note 8 - Financial Liabilities "Borrowings":

Particulars	As at September 30, 2021	As at March 31, 2021
Unsecured Deposit from related party (DSML-Asmoli)	-	-
Loan from related party (DSML-Asmoli)	5,00,000	-
Total	5,00,000	-

Note 9 - Trade Payables

Particulars	As at September 30, 2021	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of Creditors other than MSME	-	-
Total	-	-

Following are the relevant disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at September 30, 2021	As at March 31, 2021
a) The principal amount remaining unpaid to suppliers as at the end of period	Nil	Nil
b) The interest due thereon remaining unpaid to suppliers as at the end of period	Nil	Nil
c) The amount of interest paid by the Company in terms of Section 16, along with the amount of payments made to the micro and small enterprise beyond the appointed date during the period	Nil	Nil
d) The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the period but without adding the interest specified under this Act.	Nil	Nil
e) The amount of interest accrued during the year and remaining unpaid at the end of the period	Nil	Nil
f) The amount of further interest remaining due and payable even in succeeding years	Nil	Nil

The above mentioned outstanding's are in normal course of business and the information

Note 10 - Other Financial Liabilities

Particulars	As at September 30, 2021	As at March 31, 2021
Audit fees payable	-	11,800
Total	-	11,800



DHAMPUR BIO ORGANICS LIMITED**(Formerly known as RMSD Enterprises Private Limited)****Notes forming part of the Standalone Financial Statements****Note 11 - Other expense**

Particulars	For the Half year ended September 30 ,2021	For the Period ended June 30 ,2021	For the Period ended March 31 ,2021
Legal Expenses	47,717	47,717	
Audit Fees			11,800
Bank Charges	620		
Rates & Taxes	11,200		
Preliminary Expenses			65,841
Total	59,536	47,717	77,641



Annexure-12

**Pre and Post (Expected) Scheme Shareholding Pattern of the Demerged Company as on
30th September, 2021**

SHAREHOLDING PATTERN					
S. No.	Description	Pre-arrangement		Post arrangement	
		No. of Shares	%	No. of Shares	%
(A)	Shareholding of Promoter and Promoter Group				
(1)	Indian				
(a)	Individuals/ Hindu Undivided Family	4979279	7.50	4979279	7.50
(b)	Central Government /State Government(s)	0	0	0	0
(c)	Financial Institutions / Banks	0	0	0	0
(d)	Any Other (specify)				
	i) Bodies Corporate(Persons acting in Concert)	23287669	35.08	23287669	35.08
	Sub-Total (A)(1)	28266948	42.58	28266948	42.58
(2)	Foreign				
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals	4318689	6.51	4318689	6.51
(b)	Government	0	0	0	0
(c)	Institutions	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0
(e)	Any Other (specify)				
	i) Bodies Corporate	0	0	0	0
	Sub-Total (A)(2)	4318689	6.51	4318689	6.51
	TOTAL Shareholding of Promoter and Promoter Group(A) = (1) + (2)	32585637	49.08	32585637	49.08
(B)	Public Shareholding				
(1)	Institutions				
(a)	Mutual Funds/UTI	465	0	465	0
(b)	Venture Capital Funds	0	0	0	0
(c)	Alternate Investment Funds	73561	0.11	73561	0.11
(d)	Foreign Venture Capital Investors	0	0	0	0
(e)	Foreign Portfolio Investors	3507345	5.28	3507345	5.28
(f)	Financial Institutions / Banks	334	0	334	0
(g)	Insurance Companies	313803	0.47	313803	0.47
(h)	Provident Funds/ Pension Funds	0	0	0	0
(i)	Any Other (specify)	0	0	0	0
	Sub-Total (B)(1)	3895508	5.87	3895508	5.87
(2)	Central Government/ State Government(s)/ President	6	0	6	0
(3)	Non-Institutions	0	0		

(a)	Individuals - i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	12081746	18.20	12081746	18.20
	Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	13887152	20.92	13887152	20.92
(b)	NBFCs registered with RBI	0	0	0	0
(c)	Employee Trusts	0	0	0	0
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0
(e)	Any Other (specify)				
	i) Bodies Corporate	1819634	2.74	1819634	2.74
	ii) Non Resident Indians	301204	0.45	301204	0.45
	iii) Non Resident Non Repatriates	131804	0.20	131804	0.20
	iv) Overseas corporate bodies	0	0	0	0
	v) Foreign Nationals	1000	0	1000	0
	vi) Trust	0	0	0	0
	vii) Foreign Portfolio Investor(Individual)	0	0	0	0
	viii) Clearing Member	328600	0.49	328600	0.49
	ix) Foreign Body	0	0	0	0
	x) Unclaimed or Suspense or Escrow Account	0	0	0	0
	xi) Resident HUF	1139538	1.72	1139538	1.72
	xii) Custodian	0	0	0	0
	xiii) Director & Relatives	0	0	0	0
	xiv) Employees / Office Bearers	0	0	0	0
	xv) IEPF	215761	0.33	215761	0.33
	Sub-Total (B)(3)	29906439	45.05	29906439	45.05
	TOTAL Public Shareholding(B) = B(1) + B(2) + B(3)	33801953	50.92	33801953	50.92
(C)	Non Promoter- Non Public				
(1)	Custodian/DR Holder				
(a)	Name of DR Holder (if available)	0	0	0	0
	Sub-Total (C)(1)	0	0	0	0
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	0	0	0	0
	Sub-Total (C)(2)	0	0	0	0
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	0	0	0	0
	Total A+B+C	66387590	100	66387590	100

**Pre and Post (Expected) Scheme Shareholding Pattern of the Resulting Company as on
30th September, 2021**

SHAREHOLDING PATTERN					
S. No.	Description	Pre-arrangement		Post arrangement	
		No. of Shares	%	No. of Shares	%
(A)	Shareholding of Promoter and Promoter Group				
(1)	Indian				
(a)	Individuals/ Hindu Undivided Family	0	0	4979279	7.50
(b)	Central Government /State Government(s)	0	0	0	0
(c)	Financial Institutions / Banks	0	0	0	0
(d)	Any Other (specify)				
	i) Bodies Corporate(Persons acting in Concert)	10000	100	23287669	35.08
	Sub-Total (A)(1)	10000	100	28266948	42.58
(2)	Foreign				
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals	0	0	4318689	6.51
(b)	Government	0	0	0	0
(c)	Institutions	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0
(e)	Any Other (specify)				
	i) Bodies Corporate	0	0	0	0
	Sub-Total (A)(2)	0	0	4318689	6.51
	TOTAL Shareholding of Promoter and Promoter Group(A) = (1) + (2)	10000	100	32585637	49.08
(B)	Public Shareholding				
(1)	Institutions				
(a)	Mutual Funds/UTI	0	0	465	0
(b)	Venture Capital Funds	0	0	0	0
(c)	Alternate Investment Funds	0	0	73561	0.11
(d)	Foreign Venture Capital Investors	0	0	0	0
(e)	Foreign Portfolio Investors	0	0	3507345	5.28
(f)	Financial Institutions / Banks	0	0	334	0
(g)	Insurance Companies	0	0	313803	0.47
(h)	Provident Funds/ Pension Funds	0	0	0	0
(i)	Any Other (specify)	0	0	0	0
	Sub-Total (B)(1)	0	0	3895508	5.87
(2)	Central Government/ State Government(s)/ President	0	0	6	0
(3)	Non-Institutions				
(a)	Individuals - i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	0	0	12081746	18.20

	Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	0	0	13887152	20.92
(b)	NBFCs registered with RBI	0	0	0	0
(c)	Employee Trusts	0	0	0	0
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0
(e)	Any Other (specify)				
	i) Bodies Corporate	0	0	1819634	2.74
	ii) Non Resident Indians	0	0	301204	0.45
	iii) Non Resident Non Repatriates	0	0	131804	0.20
	iv) Overseas corporate bodies	0	0	0	0
	v) Foreign Nationals	0	0	1000	0
	vi) Trust	0	0	0	0
	vii) Foreign Portfolio Investor(Individual)	0	0	0	0
	viii) Clearing Member	0	0	328600	0.49
	ix) Foreign Body	0	0	0	0
	x) Unclaimed or Suspense or Escrow Account	0	0	0	0
	xi) Resident HUF	0	0	1139538	1.72
	xii) Custodian	0	0	0	0
	xiii) Director & Relatives	0	0	0	0
	xiv) Employees / Office Bearers	0	0	0	0
	xv) IEPF	0	0	215761	0.33
	Sub-Total (B)(3)	0	0	29906439	45.05
	TOTAL Public Shareholding(B) = B(1) + B(2) + B(3)	0	0	33801953	50.92
(C)	Non Promoter- Non Public				
(1)	Custodian/DR Holder				
(a)	Name of DR Holder (if available)	0	0	0	0
	Sub-Total (C)(1)	0	0	0	0
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)	0	0	0	0
	Sub-Total (C)(2)	0	0	0	0
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	0	0	0	0
	Total A+B+C	10000	100	66387590	100

The inter se shareholding of 'Promoters and Promoter Group' in the Demerged Company and the Resulting Company will change following completion of the Share Transfers proposed to be undertaken by GT Promoter Group and GV Promoter Group respectively, pursuant to and as an integral part of the Scheme, as per Option 1 as set out in paragraph 49(c) of the explanatory statement.

The pre- and post-shareholding of the Promoter Groups in the Demerged Company and the Resulting Company following the said Share Transfers shall be as under:

Promoter Group	Shareholding in DSML/Demerged Company		Shareholding in DBOL/Resulting Company	
	Pre	Post	Pre	Post
GV Promoter Group	1,62,50,136 Equity Shares, 24.478 %	3,25,00,273 Equity Shares, 48.95 %	1,62,50,136 Equity Shares, 24.478 %	Nil
GT Promoter Group	1,62,50,137 Equity Shares, 24.478 %	Nil	1,62,50,137 Equity Shares, 24.478 %	3,25,00,273 Equity Shares, 48.95 %
Shareholding of Promoter Groups	3,25,00,273 Equity Shares, 48.95 %	3,25,00,273 Equity Shares, 48.95 %	3,25,00,273 Equity Shares, 48.95 %	3,25,00,273 Equity Shares, 48.95 %

The Pre and Post (Expected) Scheme Capital Structure of Demerged Company and Resulting Company as follows:

The Pre-Scheme Capital Structure of the Demerged Company:

Authorized Share Capital	Amount (Rs.)
11,38,26,000 Equity Shares of Rs. 10 each	113,82,60,000
69,17,400 Preference Shares of Rs.100 each	69,17,40,000
TOTAL	183,00,00,000
Issued & Subscribed	
6,67,13,086 Equity Shares of Rs.10 each	66,71,30,860
Paid up	
6,63,87,590 Equity Shares of Rs. 10 each fully paid up	66,38,75,900
3,25,496 Forfeited Shares (to the extent paid up)	6,52,480
Paid Up Capital	66,45,28,380

The Post-Scheme Capital Structure of the Demerged Company:

Authorized Share Capital	Amount (Rs.)
9,15,00,000 Equity Shares of Rs. 10 each	91,50,00,000
TOTAL	91,50,00,000
Issued & Subscribed	
6,67,13,086 Equity Shares of Rs.10 each	66,71,30,860
Paid up	
6,63,87,590 Equity Shares of Rs. 10 each fully paid up	66,38,75,900
Paid Up Capital	66,38,75,900

The Pre-Scheme Capital Structure of the Resulting Company:

Authorised Share Capital	Amount (Rs)
1,00,000 Equity Shares of Rs. 10 each	10,00,000
Total	10,00,000
Issued, Subscribed and Paid-up Share capital	Amount (Rs)
10,000 shares of Rs.10 each	1,00,000
Total	1,00,000

The Post-Scheme Capital Structure of the Resulting Company:

Authorised Share Capital	Amount (Rs)
9,16,00,000 Equity Shares of Rs.10 each	91,60,00,000
Total	91,60,00,000
Issued, Subscribed and Paid-up Share capital	Amount (Rs)
6,63,87,590 shares of Rs.10 each	66,38,75,900
Total	66,38,75,900

