

**86TH ANNUAL REPORT
2020 - 2021**

KESAR ENTERPRISES LIMITED

KESAR ENTERPRISES LIMITED

CONTENTS

Corporate Information	1
Notice of 86 th Annual General Meeting	2
Statutory Reports:	
Directors' Report	16
Secretarial Audit Report.....	24
Management Discussion and Analysis Report	30
Corporate Governance Report.....	35
Financial Statements:	
Independent Auditors' Report.....	54
Balance Sheet	64
Statement of Profit & Loss	65
Cash Flow Statement.....	66
Significant Accounting Policies	68
Statement of Changes in Equity.....	78
Notes forming part of Financial Statements.....	79
Other Financial Statistics:	
Statement of Production and Yield from Season 2000-01 to 2020-21	106
Financial Statistics from 2010-11 to 2020-21	107

KE KESAR ENTERPRISES LIMITED

(Incorporated under the Indian Companies Act VII of 1913)

CIN: L24116MH1933PLC001996

CORPORATE INFORMATION

Board Of Directors

Harsh R Kilachand
(Chairman & Managing Director)

Anilkumar S Ruia
(Independent Director)

Mahesh A Kuvadia
(Independent Director)

Ranjana Sinha
(Independent Director)

Dr. Narendra Mairpady
(Independent Director) Appointed w.e.f 13.11.2020

Rishabh Shah
(Independent Director) Appointed w.e.f 13.11.2020

Chief Financial Officer

Rohit Balu

Company Secretary & General Manager (Legal)

Gaurav Sharma

Statutory Auditors

V. C. Shah & Co.
Chartered Accountants

Secretarial Auditors

Ragini Chokshi & Co.
Company Secretaries

Internal Auditors

Chandabhoy & Jassoobhoy
Chartered Accountants

Bankers

Uttar Pradesh Co-operative Bank Ltd.
UCO Bank

Registered Office

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

Plant Location

Baheri, Dist. Bareilly (Uttar Pradesh)

Registrar & Transfer Agents

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

Email ID for Communication by shareholders

headoffice@kesarindia.com

Audit Committee

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

Stakeholders' Relationship Committee

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

Nomination and Remuneration Committee

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

Corporate Social Responsibility Committee

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

86th Annual General Meeting scheduled on Thursday, 26th August, 2021 at 3.00 p.m. through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)

Annual Report 2020-2021

Notice of 86th Annual General Meeting

NOTICE is hereby given that the 86th Annual General Meeting of the Members of **KESAR ENTERPRISES LIMITED** will be held on **Thursday, 26th August, 2021 at 3.00 p.m.** through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2021 and Statement of Profit & Loss for the period ended on that date together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Harsh R Kilachand (DIN: 00294835), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 142 and other applicable provisions, if any, of the Companies Act, 2013 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on the recommendation of the Audit Committee and the Board of Directors of the Company, audit fee of M/s. V.C. Shah & Co., Chartered Accountants (Firm Registration No. 109818W), who were appointed as Statutory Auditors of the Company at 85th Annual General Meeting (AGM) of the Company held on 11.09.2020 to hold office for a term of five (5) consecutive years, from the conclusion of the 85th AGM till the conclusion of the 90th AGM of the Company to be held in the calendar year 2025, at a fee of ₹ 8,50,000 per annum (excluding statutory levies and out-of-pocket expenses, if any), be and is hereby increased to ₹ 10,00,000 per annum (excluding statutory levies and out-of-pocket expenses, if any) effective from Financial Year 2021-22 onwards.”

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

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

“RESOLVED THAT pursuant to the provisions of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment(s) thereof, for the time being in force) and as recommended by the Audit Committee and approved by the Board of Directors, the remuneration of ₹ 90,000/- (Rupees Ninety Thousand Only) plus GST as applicable and reimbursement of actual travel and out of pocket expenses to Shri Rishi Mohan Bansal, Cost Accountant, Kanpur (Registration No.000022), to conduct the audit of the Cost Records of the Company relating to Sugar, Industrial Alcohol and Electricity divisions for the year ending 31st March, 2022, be and is hereby ratified.”

“RESOLVED FURTHER THAT Shri Gaurav Sharma, Company Secretary & General Manager (Legal) be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment(s) thereof, for the time being in force) and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as recommended by the Nomination & Remuneration Committee and the Board of Directors, Shri Mahesh A Kuvadia (DIN: 07195042) aged 67 years, who was appointed as an Additional Director in the category of an Independent Director by the Board of Directors at their meeting held on 30.06.2021 w.e.f. 11.07.2021 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing Shri Mahesh A Kuvadia as candidate for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for the 2nd Term of 5 (five) consecutive years with effect from 11.07.2021 and that he will not be liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment(s) thereof, for the time being in force) and the applicable

provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as recommended by the Nomination & Remuneration Committee and the Board of Directors, Dr. Narendra Mairpady (DIN: 00536905) aged 67 years, who was appointed as an Additional Director in the category of an Independent Director by the Board of Directors at their meeting held on 13.11.2020 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing Dr. Narendra Mairpady as candidate for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for the 1st Term of 5 (five) consecutive years with effect from 13.11.2020 and that he will not be liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment(s) thereof, for the time being in force) and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as recommended by the Nomination & Remuneration Committee and the Board of Directors, Shri Rishabh Shah (DIN: 00694160) aged 50 years, who was appointed as an Additional Director in the category of an Independent Director by the Board of Directors at their meeting held on 13.11.2020 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing Shri Rishabh Shah as candidate for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for the 1st Term of 5 (five) consecutive years with effect from 13.11.2020 and that he will not be liable to retire by rotation."

Registered Office:

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

By Order of the Board of Directors

Gaurav Sharma
Company Secretary &
General Manager (Legal)
Membership No. ACS 19509

30th June, 2021

Notes:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and Circular no. 02/2021 dated January 13, 2021 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID-19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue of the AGM.
2. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.kesarindia.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of Link Intime India Private Limited (**Agency appointed by the Company for the purpose of remote e-voting, e-voting at AGM and VC/OAVM facility for AGM**) i.e. <https://instavote.linkintime.co.in>.
3. The relevant details, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and Secretarial Standard on General Meetings issued by the

Annual Report 2020-2021

Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this AGM are also annexed to this Notice.

4. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Item No. 2 and the Special Business to be transacted at AGM is annexed to this Notice.
5. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Register of Members and Share Transfer Books of the Company shall remain closed from **Thursday, August 19, 2021 to Thursday, August 26, 2021** (both days inclusive) for the purpose of AGM.
7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to M/s. Link Intime India Private Limited, the Company's Registrar and Transfer Agents in case the shares are held by them in physical form.
8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agents, for assistance in this regard.
9. The Unclaimed Dividend up to the Financial Year 2010-11 have been transferred to the Investor Education and Protection Fund set up by the Central Government pursuant to Section 125 of the Companies Act, 2013. The Company has not declared any dividend after the Financial Year 2010-11.
10. In case of joint holders, only such joint holder whose name appears as the first holder in the order of names as per the Register of Members will be entitled to vote at AGM.
11. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
12. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
13. Any person, whose name appears in the Register of Member/ list of Beneficial Owners as on Cut-off date specified in this Notice, shall be entitled to vote by way of voting through remote e-voting or e-voting system at AGM on the items/ Resolutions set forth in this Notice. Process for e-voting is provided in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

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

The voting rights of the members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date.
14. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as of the Cut-off date may obtain the login ID and password by following the instructions provided under Note No. 19.
15. Ms. Ragini Chokshi, Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
16. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

17. The result declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.kesarindia.com and on the website of Link Intime India Pvt. Ltd. i.e. <https://instavote.linkintime.co.in> immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.
18. Members seeking any information/desirous of asking any questions at the AGM with regard to the accounts or any matter to be placed at the Meeting may send email to the Company at headoffice@kesarindia.com at least 7 days before the Meeting. The same will be replied by the Company suitably.
19. **Instructions for e-voting and attending the AGM through VC/OAVM**

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 the Companies (Management and Administration) Rules, 2014, and the provisions of Regulation 44 of the SEBI Listing Regulations, Members are provided with the facility to cast their vote on all items/resolutions set forth in this Notice, through remote e-voting (i.e. facility of casting votes by using an electronic voting system from a place other than the venue of AGM) or e-voting during the AGM, at Link Intime India Pvt. Ltd.’s e-voting platform. Members are provided with facility to attend the AGM through VC/OAVM facility provided by Link Intime India Pvt. Ltd.

The remote e-voting period will begin on **Monday, 23rd August, 2021 (09.00 a.m. IST)** and end on **Wednesday, 25th August, 2021 (05.00 p.m. IST)**. During this period, the Shareholders of the Company, holding shares either in physical form or in dematerialized form, **as on Thursday, 19th August, 2021 (the cut-off date)**, may cast their vote electronically. The e-Voting module shall be disabled by Link Intime India Pvt. Ltd. (LINKINTIME) for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the AGM.

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

Remote e-Voting Instructions for shareholders:

Pursuant to circular dated December 9, 2020 issued by SEBI on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only, post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> • If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. • After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • If the user is 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 • Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Annual Report 2020-2021

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> Existing users who have opted for Easi / Easiest, 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. 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, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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 where the E Voting is in progress.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME	<ol style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in <ul style="list-style-type: none"> Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: - <ol style="list-style-type: none"> User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. <ul style="list-style-type: none"> Shareholders/ members holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter). Click “confirm” (Your password is now generated). Click on ‘Login’ under ‘SHARE HOLDER’ tab. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon. E-voting page will appear. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

Institutional shareholders:

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

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

- o Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- o Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on ‘Submit’.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

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

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
 - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
 - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions (‘FAQs’) and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

Annual Report 2020-2021

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

Please refer to the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

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

1. Shareholders who would like to speak during the meeting must register themselves as Speaker by sending the request from their registered email id to headoffice@kesarindia.com from **August 18, 2021 (9:00 a.m. IST) to August 22, 2021 (5:00 p.m. IST)**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholders may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

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

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

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

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

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

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

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

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

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

ANNEXURE

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>
or
- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or <u>Run a temporary application</u> . Click on <u>Run a temporary application</u> , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

Annexure to Notice

Explanatory Statement as required under Section 102 of the Companies Act, 2013

Item No. 2 – Appointment of Shri Harsh R Kilachand as Director, who retires by rotation at this 86th Annual General Meeting (AGM)

Pursuant to Section 152 of the Companies Act, 2013, Shri Harsh R Kilachand, Chairman & Managing Director, being the only Non-Independent Director on the Board, shall retire by rotation at this 86th AGM and he being eligible, has offered himself for re-appointment.

Details as required to be given under Regulation 36 of SEBI Listing Regulations read with Secretarial Standard 2 issued by Institute of Company Secretaries of India are as under:

Name	Harsh R Kilachand
DIN	00294835
Date of Birth	04.05.1960 (61 years)
Nationality	Indian
Qualification	B.Com. from University of Bombay; and C.B.M. & P.D.B.M. from U.S.A.

Annual Report 2020-2021

Experience	<p>He had joined Kesar Enterprises Ltd. (KEL) on 8.8.1985 as “Executive”. He was entrusted with the duties of Administration & Co-ordination work of KEL and also to plan & supervise projects for modernisation and expansion of KEL’s activities. He contributed a lot in his first decade towards the growth of KEL. He had efficiently carried out the duties entrusted to him, including completion of the expansion & modernisation of Sugar Factory, Distillery, ENA & IMFL Plants, the Power Plant for Cogeneration and also a Second Storage Terminal at Kandla.</p> <p>On 6.3.1997, he was appointed as a “Joint Managing Director” of KEL. Subsequently, after the death of his father, w.e.f. 14.8.1997 he has been working as a Chairman & Managing Director of KEL.</p> <p>Since the demerger of Storage Division of KEL into Kesar Terminals & Infrastructure Ltd. [KTIL] i.e. from 14.09.2010, he has worked as the Executive Chairman of KTIL for almost 2 terms of 3 years each i.e. till 29.04.2016. He has been appointed again w.e.f. 20.12.2017 as Executive Chairman of KTIL. He has contributed a lot in the growth of KTIL. He could manage to get for KTIL a Composite Logistic Hub Project at Madhya Pradesh through its Special Purpose Vehicle Company viz. Kesar Multimodal Logistics Ltd. (KMLL). He is also a Non-Executive Chairman of KMLL.</p>
Shareholding in the Company	5,73,976 (5.69%) Equity Shares
Relationship with other Director (s) and Key Managerial Personnel	NIL
Other Directorships	<p>Kesar Terminals & Infrastructure Limited</p> <p>Kesar Multimodal Logistics Limited</p> <p>Kilachand Devchand Commercial Private Limited</p> <p>Seel Investment Private Limited</p> <p>Kesar Corporation Private Limited</p> <p>Indian Commercial Co. Private Limited</p> <p>Kilachand Devchand & Company Private Limited</p>
Number of Meetings of the Board attended during the financial year 2020-21	Members may kindly refer to Corporate Governance Report for details
Membership/ Chairmanship of Committees of other Boards	Members may kindly refer to Corporate Governance Report for details
Details of Remuneration drawn for the financial year 2020-21	NIL

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

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

The Board recommends the Ordinary Resolution set out at Sr.No.2 of the Notice for your approval.

Item No. 3 – Increase in Statutory Audit Fee

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

in view of enhanced reporting requirements by Statutory Auditors under law, the Audit committee, at its meeting held on June 30, 2021, considered increase in the fees of statutory Auditors. The Audit Committee, after due consideration, recommended to the Board of Directors, increase in fees of Statutory Auditors to ₹ 10,00,000/- per annum (excluding statutory levies and out-of-pocket expenses, if any) effective from Financial Year 2021-22. Based on the recommendation of the Audit Committee, the Board of Directors have approved the proposal to increase in fees of Statutory Auditors to ₹ 10,00,000/- per annum (excluding statutory levies and out-of-pocket expenses, if any) effective from Financial Year 2021-22 onwards, subject to approval by Members at this 86th Annual General Meeting by way of an ordinary resolution.

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

The Board recommends the Ordinary Resolution set out at Sr.No.3 of the Notice for your approval.

Item No. 4 – Ratification of Remuneration to Shri Rishi Mohan Bansal as Cost Auditor

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and payment of remuneration of ₹ 90,000/- (₹90000/- for previous year) to Shri Rishi Mohan Bansal, Cost Accountant, Kanpur (Regn. No.000022), for conducting audit of the cost records of the Company relating to Sugar, Industrial Alcohol and Electricity divisions for the financial year ending 31st March, 2022.

Pursuant to Section 148(3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Shri Rishi Mohan Bansal, Cost Auditor, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the Members of the Company at this AGM by way of an ordinary resolution.

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

The Board recommends the Resolution as set out at Sr.No.4 of the Notice for your approval.

Item No. 5 – Re-Appointment of Shri Mahesh A Kuvadia as an Independent Director

Shri Mahesh A Kuvadia (DIN: 07195042) was appointed as an Independent Director of the Company to hold office for the 1st Term of 5 (five) consecutive years effective from 11.7.2016 up to the conclusion of the 86th Annual General Meeting of the Company, at the AGM held on 11.08.2016.

Since tenure of Shri Kuvadia as independent director was to expire on 11.07.2021, he was appointed by the Board of Directors at its meeting held on 30.06.2021 as Additional Director (In the Category of Independent Director) w.e.f. 11.07.2021, based on due recommendation of Nomination and Remuneration Committee and after carrying out performance evaluation of Shri Mahesh A Kuvadia. The performance evaluation carried out by the Board included parameters such as sufficiency of knowledge of Shri Kuvadia to act as Independent Director, his ability to work with independent judgement and fulfilment of criteria of independence as specified under the Companies Act, 2013 and SEBI Listing Regulations. After due evaluation, he was found fit by the Board unanimously, for his re-appointment as Independent Director. At the aforesaid meeting of the Board of Directors, it was also resolved to recommend to the Members, the appointment of Shri Kuvadia as Independent Director for 2nd Term of 5 (five) consecutive years effective from 11.7.2021.

In pursuance of Section 149 read with Schedule IV of the Companies Act, 2013, the approval of shareholders is being sought by Special Resolution as Shri Mahesh A Kuvadia is proposed to be appointed as Independent Director for his 2nd Term.

His proposed re-appointment is justified, considering his vast knowledge and experience.

The Company has received from Shri Mahesh A Kuvadia (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 that he is not disqualified under section 164(2) of the Companies Act, 2013 read with the Companies (Appointment & Qualification of Directors) Rules, 2014; and (iii) Declaration that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Shri Mahesh A Kuvadia fulfils the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and SEBI Listing Regulations and is independent of the Management, and considering the experience and knowledge, his re-appointment as Independent Director shall be beneficial to the Company.

Annual Report 2020-2021

As a Non-Executive Independent Director, Shri Mahesh A Kuvadia will be entitled to receive sitting fee for attending Board/ Committee meeting(s) as approved by the Board of Directors from time to time. The draft letter of appointment of Shri Mahesh A Kuvadia, as an Independent Director setting out the terms and conditions is available for inspection at the Registered Office of the Company, by Members without any fee on all business days (except Saturdays, Sundays and Public Holidays) during 10.00 A.M. to 4.00 P.M. upto the date of this Annual General Meeting. The same is also available on the Company's website viz. www.kesarindia.com.

Brief resume of Shri Mahesh A Kuvadia, nature of his expertise in specific functional areas and names of companies in which he holds Directorship and Membership / Chairmanship of Board Committees, shareholding, relationship between Directors inter-se and other details as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 are given below:

Name	Shri Mahesh A Kuvadia
DIN	07195042
Date of Birth	01.11.1953
Nationality	Indian
Qualification	B. Com, LLB, FCS
Experience	Shri Mahesh A Kuvadia has vast experience with the Government of India in various Departments over the last 36 years. He retired as Regional Director, Ministry of Corporate Affairs (MCA). Shri Kuvadia has also served on the Boards of Ahmedabad, Rajkot and Vadodara Stock Exchanges as a Nominee Director of Government of India. He has also represented the Ministry as a member of "Frauds Committee" at United Kingdom.
Shareholding in the Company	NIL
Relationship with other Director (s) and Key Managerial Personnel	NIL
Date of First Appointment on the Board	11.07.2016
Other Directorships	Aishwarya Technologies And Telecom Limited IL & FS Solar Power Limited
Number of Meetings of the Board attended during the financial year 2020-21	Members may kindly refer to Corporate Governance Report for details
Membership/ Chairmanship of Committees of other Boards	Members may kindly refer to Corporate Governance Report for details
Details of Remuneration drawn for the financial year 2020-21	Members may kindly refer to Corporate Governance Report for details

Shri Mahesh A Kuvadia is interested in the resolution set out at Sr. No.5 of the Notice with regard to his re-appointment. The relatives of Shri Mahesh A Kuvadia, may be deemed to be interested in the resolution set out at Sr. No.5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

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

The Board recommends the Special Resolution set out at Sr. No.5 of the Notice for your approval.

Item No. 6 – Appointment of Dr. Narendra Mairpady as an Independent Director

Dr. Narendra Mairpady has been appointed as an Additional Director in the category of Independent Director, by the Board of Directors at their meeting held on 13.11.2020, based on the recommendation of the Nomination & Remuneration Committee. His term of appointment is upto the date of this meeting. He is 67 years of age.

Pursuant to Section 149 of the Companies Act, 2013 and SEBI Listing Regulations, as amended, Dr. Narendra Mairpady is proposed to be appointed as an Independent Director for the 1st term of 5 (five) consecutive years with effect from 13.11.2020. His proposed appointment is justified, considering his vast knowledge and experience.

The Company has received from Dr. Narendra Mairpady (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 that he is not disqualified under section 164(2) of the Companies Act, 2013 read with the Companies (Appointment & Qualification of Directors) Rules, 2014; and (iii) Declaration that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Dr. Narendra Mairpady fulfils the conditions for his appointment as an Independent Director as specified in the Act and SEBI Listing Regulations and is independent of the Management, and considering the experience and knowledge, his appointment as Independent Director shall be beneficial to the Company.

As a Non-Executive Independent Director, Dr. Narendra Mairpady will be entitled to receive sitting fee for attending Board/ Committee meeting(s) as approved by the Board of Directors from time to time. The draft letter of appointment of Dr. Narendra Mairpady, as an Independent Director setting out the terms and conditions is available for inspection at the Registered Office of the Company, by Members without any fee on all business days (except Saturdays, Sundays and Public Holidays) during 10.00 A.M. to 4.00 P.M. upto the date of this Annual General Meeting. The same is also available on the Company's website viz. www.kesarindia.com.

Brief resume of Dr. Narendra Mairpady, nature of his expertise in specific functional areas and names of companies in which he holds Directorship and Membership / Chairmanship of Board Committees, shareholding, relationship between Directors inter-se and other details as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 are given below:

Name	Dr. Narendra Mairpady
DIN	00536905
Date of Birth	12.07.1954
Nationality	Indian
Qualification	Doctor Letters from Hindustan University, Chennai & Kalpagam University, Coimbatore Bachelor of Law from Mysore University CAIIB Institute of Banking, Finance Mumbai B.Com. from Mysore University
Experience	Dr. Narendra Mairpady is an eminent banking professional having more than 40 years of wide experience and exposure. He started his career as officer trainee with Corporation Bank. Later, he held the position of Chief General Manger in Corporation Bank from the January, 1975 till November, 2008. From November, 2008 till November, 2010, he was an Executive Director of Bank of India. In November, 2010, he was appointed as Chairman and Managing Director (CMD) of Indian Overseas Bank and retired as CMD in 2014. He has held membership in RBI's Technical Advisory Committee on Money, Forex and Government Securities Markets. He also held positions in various committees of Indian Bank's Association (IBA). He was also the Chairman of ASSOCHAM's National Council for Banking & Finance.
Shareholding in the Company	NIL
Relationship with other Director(s) and Key Managerial Personnel	NIL

Annual Report 2020-2021

Date of First Appointment on the Board	13.11.2020
Other Directorships	Adani Enterprises Limited Man Industries (India) Limited Fibre Foils Limited Viswaat Chemicals Limited Mahindra Rural Housing Finance Limited Mahindra First Choice Wheels Limited Vanaprastha Ashram
Number of Meetings of the Board attended during the financial year 2020-21	Members may kindly refer to Corporate Governance Report for details
Membership/ Chairmanship of Committees of other Boards	Members may kindly refer to Corporate Governance Report for details
Details of Remuneration drawn for the financial year 2020-21	Members may kindly refer to Corporate Governance Report for details

Dr. Narendra Mairpady is interested in the resolution set out at Sr. No.6 of the Notice with regard to his appointment. The relatives of Dr. Narendra Mairpady may be deemed to be interested in the resolution set out at Sr. No.6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

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

The Board recommends the Ordinary Resolution set out at Sr. No.6 of the Notice for your approval.

Item No. 7 – Appointment of Shri Rishabh Shah as an Independent Director

Shri Rishabh Shah has been appointed as an Additional Director in the category of Independent Director, by the Board of Directors at its meeting held on 13.11.2020, on the basis of recommendation of the Nomination & Remuneration Committee. His term of appointment is upto the date of this meeting. He is 50 years of age.

Pursuant to Section 149 of the Companies Act 2013 and SEBI Listing Regulations, as amended, Shri Rishabh Shah is proposed to be appointed as an Independent Director for the 1st term of 5 (five) consecutive years with effect from 13.11.2020. His proposed appointment is justified, considering his vast knowledge and experience.

The Company has received from Shri Rishabh Shah (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 that he is not disqualified under section 164(2) of the Companies Act, 2013 read with the Companies (Appointment & Qualification of Directors) Rules, 2014; and (iii) Declaration that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Shri Rishabh Shah fulfils the conditions for his appointment as an Independent Director as specified in the Act and SEBI Listing Regulations and is independent of the Management, and considering the experience and knowledge, his appointment as Independent Director shall be beneficial to the Company.

As a Non-Executive Independent Director, Shri Rishabh Shah will be entitled to receive sitting fee for attending Board/ Committee meeting(s) as approved by the Board of Directors from time to time. The draft letter of appointment of Shri Rishabh Shah, as an Independent Director setting out the terms and conditions is available for inspection at the Registered Office of the Company, by Members without any fee on all business days (except Saturdays, Sundays and Public Holidays) during 10.00 A.M. to 4.00 P.M. upto the date of this Annual General Meeting. The same is also available on the Company's website viz. www.kesarindia.com.

KESAR ENTERPRISES LIMITED

Brief resume of Shri Rishabh Shah, nature of his expertise in specific functional areas and names of companies in which he holds Directorship and Membership / Chairmanship of Board Committees, shareholding, relationship between Directors inter-se and other details as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 are given below:

Name	Rishabh Shah
DIN	00694160
Date of Birth	17.02.1971
Nationality	Indian
Qualification	B.A (Hons.), LL.B.
Experience	Shri Rishabh Shah is an experienced advocate practising in various areas including matters involving the Law of Contract, Partnership Act, Sale of Goods Act, Negotiable Instruments Act, Company Law, Securities Law, Banking Law, Property Laws, Intellectual Property Law, Insolvency Law, Arbitration etc. He is also empanelled as Arbitrator on BSE & NSE Arbitration Panel. He has over 25 years of experience representing major corporations as legal counsel.
Shareholding in the Company	NIL
Relationship with other Director(s) and Key Managerial Personnel	NIL
Date of First Appointment on the Board	13.11.2020
Other Directorships	Arshiya Limited Arshiya Rail Infrastructure Limited Arshiya Industrial & Distribution Hub Limited Arshiya Northern FTWZ Limited Arshiya Logistics Services Limited Arshiya Lifestyle Limited
Number of Meetings of the Board attended during the financial year 2020-21	Members may kindly refer to Corporate Governance Report for details
Membership/ Chairmanship of Committees of other Boards	Members may kindly refer to Corporate Governance Report for details
Details of Remuneration drawn for the financial year 2020-21	Members may kindly refer to Corporate Governance Report for details

Shri Rishabh Shah is interested in the resolution set out at Sr. No.7 of the Notice with regard to his appointment. The relatives of Shri Rishabh Shah may be deemed to be interested in the resolution set out at Sr. No.7 of the Notice, to the extent of their shareholding interest, if any, in the Company.

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

The Board recommends the Ordinary Resolution set out at Sr.No.7 of the Notice for your approval.

Registered Office:
Oriental House,
7, Jamshedji Tata Road,
Churchgate, Mumbai 400 020

By Order of the Board of Directors

Gaurav Sharma
Company Secretary &
General Manager (Legal)
Membership No. ACS 19509

30th June, 2021

Annual Report 2020-2021

Directors' Report

To

The Members,

Your Directors present the Annual Report of **Kesar Enterprises Limited** (the Company) along with the audited financial statements for the financial year ended March 31, 2021.

1. FINANCIAL HIGHLIGHTS

	(₹ in Lakhs)	
	Financial Year 2020-21	Financial Year 2019-20
Profit before Interest, Depreciation & Taxation	13,607.75	4,546.31
Less: Finance Cost	2,693.55	2,490.50
Profit before Depreciation & Taxation	10,914.20	2,055.81
Less: Depreciation and Amortisation Expense	1,931.15	1,826.47
Less: Taxation / Deferred Tax	---	---
Profit	8,983.05	229.34
Other Comprehensive Income		
Items that will not be reclassified to profit or loss:		
(i) Actual loss on defined benefit obligation	(44.34)	(51.35)
(ii) Effect of measuring investment at fair value	164.32	(468.52)
Total Comprehensive Income	9,103.03	(290.53)

For the Financial Year 2020-21, there is a profit of ₹ 8,983.05 lakhs as against a profit of ₹ 229.34 lakhs in the previous year. After taking into account the effect of other Comprehensive Income based on Ind-AS norms, there is a profit of ₹ 9,103.03 lakhs for the Financial Year 2020-21 as against a loss of ₹ 290.53 lakhs in the previous year. Increase in profit is mainly attributable to substantial increase in other income arising out of write back of ₹ 5,474.12 lakhs towards Loan amount and ₹ 4,818.51 lakhs towards Interest, consequent upon One Time Settlement (OTS) entered with erstwhile Allahabad Bank (Now, Indian Bank)

Over the last few years, the Sugar Industry has faced severe difficulties on account of high sugar cane prices set by the State Government, lower sugar prices and consequential inadequate recovery of cost of production. These factors have adversely affected the Company's operations and financial performance. Hence, the entire net worth of the Company is eroded and its current liabilities are in excess of current assets.

2. COVID-19

The COVID-19 pandemic has emerged as a global challenge, creating disruption across the world. Every business and every industry in India have been facing difficulties in continuing its operations, due to continuing impact of the pandemic.

With the continued support of the state administration and the employees, the Company has been able to run its operations with minimum disruption during the year under review. The Company is continuously monitoring and assessing the situation arising on account of COVID-19 pandemic and the Company anticipate no material impact of the pandemic on the financial statements for financial year 2020-21.

3. COMPANY'S OPERATIONAL PERFORMANCE (FINANCIAL YEAR 2020-21)

Sugar Division

The crushing for the Season 2020-21 started on 30-10-2020 i.e. 5 days earlier as compared to 04-11-2019 in the previous season and ended on 28-04-2021 i.e. 21 days before as against 19-05-2020 in the previous season.

During the season, the plant crushed 115.90 lakh quintals of sugarcane in 181 days as against 124.41 lakh quintals in 198 days in the previous season. The crushing was lower by 8.51 lakh quintals during the season due to lesser cane yield per hectare, as compared to previous year. This scenario prevailed almost in all the sugar factories of

the State of UP, especially in Central and Western part of the State. The overall sugar recovery was 11.01% as against 11.55% in the previous season. The fall in recovery was a common phenomenon experienced by all the sugar factories in the State of UP, during this season. However, in addition to the common drop in recovery, our mill had faced mechanical break-down of one mill for 60 days. This has also contributed to fall in the recovery, over previous season. During the season, the sugar production was 12.76 lakh quintals, the second highest in the history of the Company, as against 14.37 lakh quintals in the previous season.

For the sugar season 2020-21, the Central Government had announced a Fair & Remunerative Price [FRP] of sugarcane at Rs 285/- a quintal at a base recovery of 10%, with a premium of ₹ 2.85 per quintal for every 0.1% increase above 10% in the final recovery achieved by respective sugar factory. The UP Government had retained the State Advised Price (SAP) of Sugarcane at ₹ 315/- a quintal for normal variety and it has not changed since last 3 seasons, i.e. from season 2017-18 onwards.

During the last few years, the cost of production in the State of UP was the highest in the country, which rendered the UP Sugar Industry unviable, cash-starved and uncompetitive. There is an urgent need to rationalize the cane pricing policy in the State of UP and adopt a 'linkage formula' as recommended by the Rangarajan Committee linking sugar cane price to sugar realisation. This is the only long-term solution for stability & viability of the Sugar industry. ISMA and UPISMA are taking up this issue with Central Government regularly. But being a very sensitive issue, it is yet to be decided.

During the Season 2020-21, Molasses produced was 5.09 lakh quintals as against 5.21 lakh quintals in the previous season.

The UP Government had announced the Molasses Policy for 2020-21 (November-October), wherein the molasses reservation ratio for the country liquor manufacturers had been increased to 18.00% as against 17.00% in the previous season.

During the year under review, there is no significant increase in sugar price, and it has ranged almost in the same pattern of previous year, which is not remunerative. Although the Government had approved increase in Minimum Selling Price (MSP) for sugar, it did not introduce it, resulting into lower realisation.

Power Division

During the Sugar Season 2020-21, the Plant started on 27-10-2020 as against 30-10-2019 in the previous season and operated till 06-06-2021, as against 08-06-2020 of previous season. This was due to:

- a) Reduction in steam consumption of sugar plant to 42.85% on cane during season 2020-21 as against 44.29% on cane during previous season 2019-20. Due to reduction in steam consumption, bagasse production had increased;
- b) Moderate increase in Bagasse % cane to 28.45% during season 2020-21 from 28.41% during previous season 2019-20;
- c) Overall improvement in performance parameters of power plant.

The Plant consumed 3.20 lakh MT of bagasse and 0.40 lakh MT of alternate fuel to generate 1.61 lakh MW power as against 3.40 lakh MT of bagasse and 0.37 lakh MT of alternate fuel to generate 1.65 lakh MW power in the previous Season. The total power exported to the grid of Uttar Pradesh Power Corporation Limited (UPPCL) up to 06.06.2021 was 1.09 lakh MW amounting to ₹ 40.97 Crores as against 1.08 lakh MW amounting to ₹ 40.50 Crores in the previous Season.

The Uttar Pradesh Electricity Regulatory Commission vide notification dated 25th July, 2019 reduced the power purchase rates of bagasse-based power plants with effect from 01.04.2019 from ₹ 5.86 per unit to ₹3.76 per unit. The sugar industry has filed a writ petition to challenge such reduction in power rates before the Hon'ble High Court, which has been admitted.

Spirits Division

During the year, Distillery plant was operated under lesser capacity of 30 KLPD, as per the guidelines of Pollution Control Board for the whole operational period, under bio-compost mode. As mentioned in the last report, we have closed the distillery operation for the season 2019-20 on 08th June, 2020. For the season 2020-21, we have started the plant on 12th November, 2020 and continuously operated the plant at 30 KLPD capacity till 05th June, 2021. Below given are the comparative figures of two seasons:

Annual Report 2020-2021

Product	UoM	Season	
		2020-21	2019-20
Molasses Consumed	Lakh Qtl	2.44	2.35
Rectified Spirit (RS)	Lakh BL	56.01	55.57
Ethanol	Lakh BL	52.26	51.32
ENA	Lakh BL	1.84	-
DS / SDS	Lakh BL	0.35	2.89

Also, with respect to Ethanol supply to various Oil Marketing Companies (OMCs), we have already completed supply of 41.49 L BL of ethanol till end of May, 2021 as against our committed supply of 60.00 L BL for the Ethanol Year (E/Y) 2020-21 (For the period from December, 2020 To November, 2021). This was against total supply of 47.74 L BL of ethanol during the previous E/Y 2019-20.

4. EXPECTATIONS FROM FINANCIAL YEAR 2021-22

Sugar Division

The crushing for the Season 2021-22 is expected to start in the last week of October, 2021.

During the Financial Year 2021-22, the sugar price is expected to be steady due to government intervention. This may result into the Company generating better operational margin gradually. The industry outlook is positive in the short term and long term with sugar prices expected to be stable as there is lot of focus on reducing / curtailing sugar production, and to manufacture Ethanol directly from sugar syrup, besides diverting from C Heavy to B Heavy molasses.

Spirits Division

The project of installation of incineration boiler, though originally planned to be completed by end of December, 2020, has got delayed due to first wave of COVID-19 and liquidity crunch. When it started gaining momentum, it again got affected on account of second wave of COVID-19. However, with its reducing trend from June, 2021 onwards, we are hopeful of completing the project by September, 2021.

Once, incineration boiler is commissioned, the Company will start running the Distillery at its present installed capacity of 45 KLPD. The Company is also planning to enhance the capacity of Distillery from 45 KLPD to 125 KLPD. This has been planned to tap the opportunity of producing Ethanol from B Heavy Molasses which is one of the best advantageous propositions. Ethanol production will be increased by the Company in two phases. In first phase, it is expected to be increased to 80 KLPD soon.

Power Division

The Cogen Power Plant will restart in the last week of October, 2021.

5. DIVIDEND

Considering the financial position of the Company, your directors have not recommended any dividend for the financial year 2020-21.

6. TRANSFER TO RESERVES

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

7. SHARE CAPITAL

As on March 31, 2021, the Paid-up Share Capital of the Company was ₹1007.97 lakhs. During the year under review, the Company has not issued any shares. The Company has no Employee Stock Option Scheme in existence.

8. DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) in preparation of the annual accounts for the financial year ended on March 31, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit for that period;

- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) the Directors had prepared the Annual Accounts for the financial year ended on March 31, 2021 on a going concern basis.
- v) the Directors had laid down proper internal financial controls in place and that such internal financial controls were adequate and were operating effectively.
- vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. NUMBER OF MEETINGS OF THE BOARD

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

The intervening gap between the meetings did not exceed one hundred and twenty (120) days as stipulated in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**Listing Regulations**).

10. AUDIT COMMITTEE

As on March 31, 2021, the Audit Committee comprised of four (4) members, including three (3) Independent Directors. Further details of the Audit Committee are provided in the Corporate Governance Report, which forms part of this report. During the year under review, there were no instances where recommendations of the Audit Committee were not accepted by the Board.

11. DIRECTORS & KEY MANAGERIAL PERSONNEL

As on March 31, 2021, 83% of the Board comprised of Independent Directors. List of Directors as on March, 31, 2021 is provided in Corporate Governance Report, forming part of this Report.

During the year under review, Dr. Narendra Mairpady (DIN: 00536905) and Shri Rishabh Shah (DIN: 00694160) were appointed as Additional Directors (in the category of Independent Directors) by the Board of Directors at their meeting held on November 13, 2020, based on the due recommendation made by the Nomination and Remuneration Committee at its meeting held on November 13, 2020, to hold office up to the date of 86th Annual General Meeting (AGM). Both the Directors are now proposed to be appointed as Independent Directors for a complete term of five (5) years at the ensuing 86th AGM. Resolutions seeking the Shareholders' approval for their appointment along with other required details form part of Notice of 86th AGM. The Board of Directors are of the opinion that both the Directors meet the conditions specified under the Act and the Listing Regulations, and have the required integrity, expertise and experience, for being appointed as Independent Directors. There were no other changes in the Board of Directors during the year under review, except for appointments stated above.

Pursuant to Section 152 of the Act, Shri Harsh R Kilachand (DIN: 00294835), Chairman & Managing Director, being the only Non-Independent Director on the Board, shall retire by rotation at the 86th AGM and he being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment along with other required details forms part of Notice of 86th AGM.

Shri Mahesh A Kuvadiah (DIN: 07195042) was appointed as an Independent Director of the Company to hold office for the 1st Term of 5 (five) consecutive years effective from 11.7.2016 up to the conclusion of the 86th Annual General Meeting of the Company, at the AGM held on 11.08.2016. Since tenure of Shri Kuvadiah as independent director was to expire on 11.07.2021, he was appointed by the Board of Directors at its meeting held on 30.06.2021 as Additional Director (In the Category of Independent Director) w.e.f. 11.07.2021, based on due recommendation of Nomination and Remuneration Committee and after carrying out performance evaluation of Shri Mahesh A Kuvadiah. At the said meeting of the Board of Directors, it was also resolved to recommend to the Members, the appointment of Shri Kuvadiah as Independent Director for 2nd Term of 5 (five) consecutive years effective from 11.7.2021. In pursuance of Section 149 read with Schedule IV of the Companies Act, 2013, the approval of shareholders is being sought by Special Resolution as Shri Mahesh A Kuvadiah is proposed to be appointed as Independent Directors for his 2nd Term. The concerned resolution along with explanatory statement forms part of Notice of AGM.

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

Annual Report 2020-2021

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

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any.

Pursuant to the provisions of Section 203 of the Act, Shri Harsh R Kilachand, Chairman & Managing Director, Shri Rohit Balu, Chief Financial Officer and Shri Gaurav Sharma, Company Secretary & General Manager (Legal) are the Key Managerial Personnel of the Company as on March 31, 2021. During the year under review, the Board of Directors at its meeting held on November 13, 2020, appointed Shri Gaurav Sharma as Company Secretary & General Manager (Legal) in place of Shri D J Shah, who retired from the services of the Company w.e.f. November 13, 2020. There were no other changes in the Key Managerial Personnel during the year under review.

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

12. DETAILS OF FAMILIARISATION PROGRAMMES

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

13. BOARD EVALUATION

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

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

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

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

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

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

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

14. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

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

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

15. CORPORATE SOCIAL RESPONSIBILITY

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

In view of losses incurred by the Company for past many years, the Company was not required to spend any amount during the financial year 2020-21 in terms of provisions of Section 135. However, during the year under review, the Company voluntarily donated ₹ 10 lakhs to 'Uttar Pradesh Covid Care Fund'. The Company also donated ₹ 11 lakhs to Bhartiya Janta Party, Uttar Pradesh to strengthen their fight against the COVID-19 pandemic, during the year under review.

16. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

17. RISK MANAGEMENT

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

18. STATUTORY AUDITORS & SECRETARIAL AUDITORS

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

The Board of Directors had, at its meeting held on August 07, 2020, appointed M/s. Ragini Chokshi & Co., Practicing Company Secretaries as secretarial auditors of the Company to undertake the secretarial audit for the financial year 2020-21, in terms of the provisions of Section 204 of the Act.

19. STATUTORY AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT

The Statutory Auditors have submitted their Report for the year ended on March 31, 2021, which has been taken on record by the Board of Directors. There is no qualification, reservation or adverse remark in the Statutory Auditors' Report. No frauds have been reported by the Statutory Auditors during the financial year 2020-21.

The Secretarial Auditors have also submitted their Report for the year ended on March 31, 2021. There are certain observations/adverse remarks made in their report. Response to the said observations/adverse remarks are as follows:

1. In respect of observation made in report i.e. credit facilities availed by the Company with UCO Bank having been classified as Non-Performing Assets, your directors have to state that the Company has been making continuous efforts to arrive at settlement with UCO Bank through a One Time Settlement (OTS).
2. In respect of observation made in report i.e. the audited financial results for the year ended March 31, 2020 having been submitted with the Stock Exchange (BSE Limited) by the Company with a delay of 7 days beyond the time limit prescribed under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/106 dated June 24, 2020, your directors have to state that delay in submission of the audited financial results for the year ended March 31, 2020 was due to delay in finalisation and audit of the accounts, caused by lockdown restrictions and other administrative issues, arose out of on-going COVID-19 pandemic.
3. In respect of observation made in report i.e. the Company having only four Directors from April 01, 2020 to November 12, 2020 as against the requirement of having at least 6 directors as required under Regulation 17(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your directors have to state that process for search, identification and selection of suitable candidates for their appointment as two additional directors got delayed due to lockdown restrictions imposed by the Central Government and State Governments due to COVID-19 pandemic. The Board of Directors complied with this requirement of having 6 directors on the Board, by appointing two additional directors at its meeting held on November 13, 2020.

No frauds have been reported by the Secretarial Auditors during the financial year 2020-21.

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

20. COST AUDIT

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

Pursuant to Section 148 of the Act, the Board of Directors have appointed Shri Rishi Mohan Bansal, Cost Accountant as Cost Auditor of the Company to conduct the audit of cost records maintained by the Company relating to Sugar, Industrial Alcohol and Electricity Divisions for the year ended on March 31, 2021. The Cost Audit Report when received from the Cost Auditor for year ended on March 31, 2021, shall be considered and examined by the Board and submitted to Central Government within stipulated time.

Annual Report 2020-2021

Based on recommendation of the Audit Committee, the Board of Directors have, at their meeting held on June 30, 2021, appointed Shri Rishi Mohan Bansal, Cost Accountant as Cost Auditor of the Company to conduct the audit of cost records maintained by the Company relating to Sugar, Industrial Alcohol and Electricity Divisions for the year ending on March 31, 2022. In pursuance of Section 148 (3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, a resolution seeking to ratify the payment of remuneration to the Cost Auditor for the financial year ended on March 31, 2022 forms part of Notice of 86th AGM.

21. VIGIL MECHANISM

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

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

22. TRANSACTIONS WITH RELATED PARTIES

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for the financial year 2020-21 and hence, does not form part of this report.

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

23. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

24. DEPOSITS FROM PUBLIC

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

25. CREDIT FACILITIES

The Credit Facilities availed by the Company with UCO Bank have been classified as Non-Performing Asset (NPA). The Company has been making efforts to settle with UCO Bank through a suitable One Time Settlement (OTS).

26. INSURANCE

The Company has taken adequate insurance for all its properties.

27. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on <http://www.kesarindia.com/communications.html>

28. PREVENTION OF INSIDER TRADING

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

29. POLICY FOR PREVENTION OF SEXUAL HARASSMENT

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

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

30. COMPLIANCE WITH SECRETARIAL STANDARDS

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

31. MATERIAL CHANGES & COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR & DATE OF THIS REPORT

In the opinion of the Board of Directors, there are no material changes & commitments affecting the financial position of the Company between the end of financial year 2020-21 and date of this report.

32. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

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

33. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

34. PARTICULARS OF EMPLOYEES

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

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

35. MANAGEMENT DISCUSSION & ANALYSIS REPORT AND CORPORATE GOVERNANCE REPORT

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

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

36. ACKNOWLEDGEMENTS

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

The Directors mourn the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

By Order of the Board of Directors

HARSH R KILACHAND
Chairman & Managing Director
DIN: 00294835

30th June, 2021

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE PERIOD 01-04-2020 TO 31-03-2021

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year **1st April, 2020 to 31st March, 2021**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year **1st April, 2020 to 31st March, 2021** according to the applicable provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder and amendments thereto;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment - (No event during the reporting period).
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments made from time to time - **(No event during the reporting period)**.
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **(No event during the reporting period)**.
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **(No event during the reporting period)**.
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the companies act and dealing with client. - **(Not Applicable during the reporting period)**.
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **(No event during the reporting period)**.
 - h. Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018- **(No event during the reporting period)**.

(vi) Other laws applicable specifically to the Company namely:-We are of the opinion that the Company has complied with the following laws specifically applicable to the Company:

1. The Essential Commodities Act, 1955
2. The Sugar Cess Act, 1982
3. The Electricity Act, 2003
4. The U.P. Sugarcane (Regulation Supply & Purchase) Act, 1953
5. The U.P. Sugarcane Supply and Purchase Order, 1954
6. The U.P. Sugar (Control) Order, 1966
7. The U.P. Sugar Wages Board Act, 1991
8. The Sugar Control Order, 1966
9. The Sugarcane Control Order, 1966
10. Indian Boilers Act, 1923
11. Food Safety and Standards Act, 2006

We have relied on the representation made by the Company and its Officers for the systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We have also examined compliances with the applicable clauses of the following:

- (a) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.
- (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement entered into by the Company with Stock Exchange.

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

1. The credit facilities have been classified as Non-Performing Assets (NPA) by the Banks. However, during the year under review, the Company has offered UCO Bank a onetime settlement offer. UCO bank asked the company to increase the settlement amount substantially and has also served a notice purportedly under the rule 21(6A) (b) of IBC 20 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. The Company has replied appropriately to the said demand notice.
2. The Company submitted with the Stock Exchange (BSE Limited), the audited financial results for the year ended March 31, 2020 with a delay of 7 days beyond the time limit prescribed under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/106 dated June 24, 2020.
3. As required under Regulation 17(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company was required to have at least six directors on the Board. However, the Company had only four Directors from April 01, 2020 to November 12, 2020. At the meeting of Board of Directors held on November 13, 2020, the Company appointed two additional directors, which increased the strength of the Board of Directors to six.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except for instance mentioned above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

During the reporting period, following changes took place in the Board of Directors of the Company.

1. Dr. Narendra Mairpady (DIN: 00536905) was appointed as Additional Director (in the category of Independent Director) by the Board w.e.f. November 13, 2020 and recommended by the Board for his appointment as Independent Director for a term of 5 years at the ensuing AGM.
2. Mr. Rishabh Shah (DIN: 00694160) was appointed as Additional Director (in the category of Independent Director) by the Board w.e.f. November 13, 2020 and recommended by the Board for his appointment as Independent Director for a term of 5 years at the ensuing AGM.

Annual Report 2020-2021

Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes.

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

We further report that during the audit period, the company has no specific events or actions which might have a bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Ragini Chokshi & Co.
(Company Secretaries)

Makarand Patwardhan
(Partner)

C.P. No: - 9031

ACS No: -11872

UDIN: A011872C000523229

Place: Mumbai

Date: 26/06/2021

Annexure –A

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

Our report of the even date is to be read along with this letter.

1. The maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records.

We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

- a. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- b. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- c. The compliance of the provision of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
- d. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Ragini Chokshi & Co.
(Company Secretaries)

Makarand Patwardhan
(Partner)

C.P. No: - 9031

ACS No: -11872

UDIN: A011872C000523229

Place: Mumbai

Date: 26/06/2021

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

(1) Conservation of energy:

Having invested around ₹11.30 Cr during the previous year 2019-20 and with a further investment of around ₹ 50.0 lakhs during the financial year 2020-21, the Company was able to achieve considerable reduction in steam consumption over previous year. The steam consumption as a % on cane which was 44.29% during the season 2019-20, has come down to 42.85% during the current season 2020-21.

A. POWER AND FUEL CONSUMPTION			2020-21	2019-20
1. ELECTRICITY				
a	Purchased			
	Unit	Kwh	Nil [®]	3,46,178
	Total Amount	₹	Nil	46,72,043
	Rate/Unit	₹	Nil	13.50
b	Own Generation			
	i) Through Diesel Generator			
	Unit	Kwh	27,395	20,353
	Units Per Ltr. Of Diesel Oil	Kwh	2.86	2.95
	Rate / Unit	₹	23.77	22.24
	ii) Through Steam Turbine			
	Unit	Kwh	16,53,77,225	17,08,07,942
	Units Per M. T. of Steam	Kwh	176.36	184.00
	Rate / Unit *	₹	2.78	3.88
2. Coal				
	Quantity	M.T.	-	-
	Cost	₹	-	-
	Average Rate	₹	-	-
3. Bagasse (Own)				
	Quantity	M.T.	3,70,435	3,31,344
	Cost *	₹	-	-
	Average Rate *	₹ (M.T.)	-	-
4. Other Fuel (Outside)				
	Quantity	M.T.	29,608	41,354
	Cost	₹	1,48,60,153	4,80,25,927
	Average Rate	₹	502	1,161
5. Rice Husk				
	Quantity	M.T.	-	-
	Cost-	₹	-	-
	Average Rate-	₹	-	-
6. Cane Trash				
	Quantity-	M.T.	-	-
	Cost-	₹	-	-
	Average Rate-	₹	-	-
7. H. S. DIESEL				
	Quantity	Ltr.	9,580	6,900
	Cost	₹	6,51,190	4,52,651
	Average Rate	₹	67.97	65.60

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

Annual Report 2020-2021

@ Power purchase represents the unit of power imported at the plant during the peak-load hours. Up to the Financial Year 2019-20, the Company was not allowed to use banked energy during peak hours (i.e. from 5:00 PM to 11:00 PM), and the units consumed during the peak hours were billed on the Company, which we treated as power purchased. However, with the change in the power consumption policy, as per UPERC – CRE Regulations 2019 dated 25th July 2019, with effect from January 2020, the Company is allowed to withdraw banked energy even during peak-hours and thereby we were not required to pay for “power purchases” during the financial year 2020-21 and hence it is Nil.

Consumption per unit of production

Product (Sugar)		2020-21	2019-20
Electricity	Kwh / M.T.	265.81	260.32
Bagasse / Rice Husk / Cane Trash	M.T. / M.T.	-	-
Diesel Oil	Ltr. / M.T.	-	-
Product (Industrial Alcohol)			
Electricity	Kwh /000’ Ltrs	500.75	447.80
Coal	Qtls./000’ Ltrs	-	-
Bagasse (Pith)	M.T./000’ Ltrs	-	-
Rice Husk	Ltr./000’ Ltrs	-	-
Diesel Oil	Ltr. / 000’Ltrs	-	-

(2) Absorption of technology, research and development

a. Research and Development

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

b. Benefits Derived

Expenditure on R & D	2020-21	2019-20
a) Capital	-	-
b) Recurring	-	-

For and on behalf of the Board of Directors
of Kesar Enterprises Limited

Harsh R Kilachand
Chairman & Managing Director
DIN: 00294835

Date: 30/06/2021

Annexure III

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

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2020-21:

Executive Director	
* Shri Harsh R Kilachand	NIL
Non-Executive Director	
Shri Mahesh A Kuvadia	1.07:1
Shri Anilkumar S Ruia	1.07:1
Mrs. Ranjana Sinha	0.96:1
Dr. Narendra Mairpady (w.e.f. 13.11.2020)	0.20:1
Shri Rishabh Shah (w.e.f. 13.11.2020)	0.20:1

2. The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year 2020-21:

Executive Director	
* Shri Harsh R Kilachand	NIL
Non-Executive Director	
Shri Mahesh A Kuvadia	21.67%
Shri Anilkumar S Ruia	40.38%
Mrs. Ranjana Sinha	106.25%
Dr. Narendra Mairpady (w.e.f. 13.11.2020)	NA [^]
Shri Rishabh Shah (w.e.f. 13.11.2020)	NA [^]
Key Managerial Personnel	
Shri Rohit Balu, Chief Financial Officer	4.84%
Shri Gaurav Sharma, Company Secretary (w.e.f. 13.11.2020)	NA ^{^^}
Shri D J Shah, Company Secretary (up to 13.11.2020)	NA ^{^^}

* Shri Harsh R Kilachand had stopped drawing remuneration from the Company voluntarily, since March, 2014 in view of the heavy losses suffered by the Company for the last few years.

[^] Dr. Narendra Mairpady and Shri Rishabh Shah were appointed as Directors during the financial year 2020-21.

^{^^} Shri Gaurav Sharma was appointed as Company Secretary w.e.f. 13.11.2020, in place of Shri D J Shah, who retired from the employment of the Company w.e.f. 13.11.2020.

3. The percentage increase in the median remuneration of employees in the financial year was 6.41%
4. The Company has 252 permanent employees on the rolls of the Company as on March 31, 2021.
5. Average percentile increase in remuneration of employees (other than Directors), during the year under review was 5.39%, whereas average percentile increase in remuneration of Directors including Non-Executive Directors during the year under review was 56.10%. Increase in remuneration of Directors was on account of increase in sitting fees payable to Non-Executive Directors only (Shri Harsh R Kilachand, Chairman and Managing Director did not draw any remuneration during the year). Further, while calculating average percentile increase in remuneration of Directors, sitting fees paid to Dr. Narendra Mairpady and Shri Rishabh Shah for the financial year 2020-21 have not been considered as they were appointed as Directors during the financial year 2020-21 only.
6. It is affirmed that the remuneration paid is as per the remuneration policy of the Company.

**For and on behalf of the Board of Directors
of Kesar Enterprises Limited**

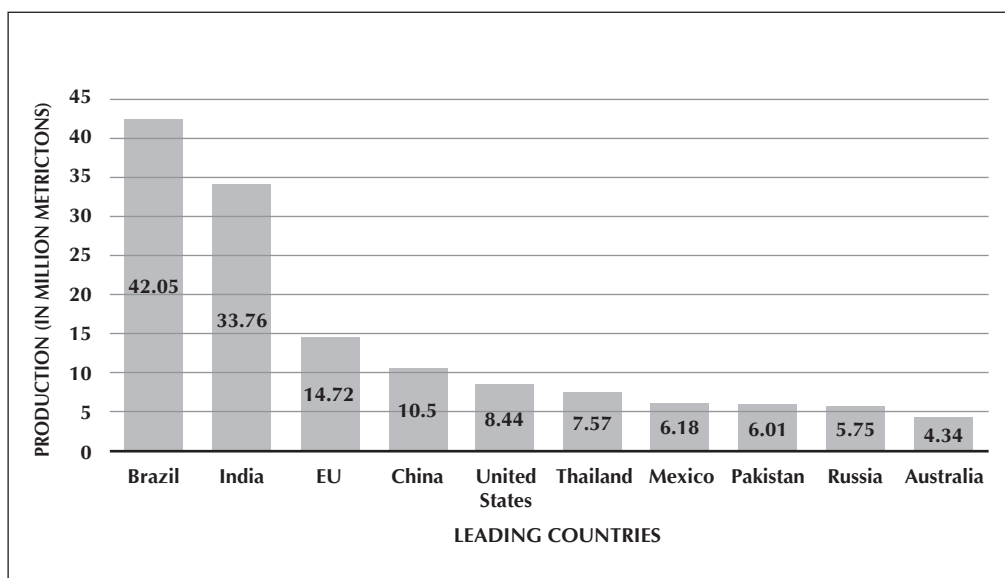
**Harsh R Kilachand
Chairman & Managing Director
DIN: 00294835**

Date: 30/06/2021

Management Discussion and Analysis Report

GLOBAL TREND – SUGAR INDUSTRY:

In 2020/2021, the global sugar production amounted to roughly 179 million metric tons, while in 2019/2020, global sugar production was approximately 166.18 million metric tons. India is the second largest producer of sugar in the world, Brazil being largest producer of sugar. Sugar production worldwide in 2020/2021 by leading countries was as follows:



(Source: <https://www.statista.com/statistics/495973/sugar-production-worldwide/>)

INDIAN SUGAR INDUSTRY:

Sugar mills across the country have produced 305.68 lac tons of sugar between October 01, 2020 and May 31, 2021. This is 35.63 lac tons higher than 270.05 lac tons produced at the same time last year. As compared to 18 sugar mills which were crushing sugarcane on May 31, 2020, only 7 sugar mills were crushing sugarcane on May 31, 2021 this year primarily in two States i.e. U.P. and Tamil Nadu.

U.P. sugar mills have produced 110.16 lac tons of sugar as on May 31, 2021, which is 15.30 lac tons lower than the production of 125.46 lac tons produced by them last year on the corresponding date. Out of 120 mills which operated this year, 116 mills have ended their crushing and only 4 mills continued their operations as compared to 14 mills which operated last year on the corresponding date. Current crushing season in the Western region of the State of U.P. got prolonged by a few days as most of the Gur / Khandsari units closed their operations due to lockdown restrictions, due to which some of the cane that would have gone to them, got diverted to the sugar mills.

In Maharashtra, crushing season has concluded and the mills of the State have produced 106.28 lac tons of sugar, which is about 44.59 lac tons higher as compared to 61.69 lac tons produced in 2019-20 Sugar Season. In Karnataka, all the operating mills had closed their crushing operations by April 15, 2021 and have produced 41.67 lac tons of sugar as compared to 33.80 lac tons produced last year same period. Till May 31, 2021, sugar production in Tamil Nadu was 6.52 lac tons, compared with 5.90 lac tons produced on the corresponding date last year.

The remaining States of Gujarat, Andhra Pradesh, Telangana, Bihar, Uttarakhand, Punjab, Haryana, Madhya Pradesh, Chhattisgarh, Rajasthan and Odisha concluded their crushing operations for the current season and have collectively produced 41.05 lac tons till May 31, 2021.

(Source: <https://www.indiansugar.com/EventDetails.aspx?Nid=8287>)

India's sugar production is forecast to rise 13% year on year to 31 million mt in the October 01 2020 - September 30, 2021 marketing year, mainly due to increased cane acreage in key producing western and southern regions.

(Source: <https://www.spglobal.com/platts/en/market-insights/latest-news/agriculture/102020-indias-isma-forecasts-2020-21-sugar-output-rising-13-on-year-to-31-mil-mt>)

Sugar demand may cross 260 lakh tonnes in the 2020-21 marketing year as against 253 lakh tonnes in the previous year. In addition to higher domestic sales of 8–10 lakh tonnes in the current year till the end of September, 2021, over last season, sugar exports in the current year is expected to be around 70 lakh tonnes, which gives the industry the confidence that the closing balance of September, 2021 will be about 20 – 25 lakh tonnes less than the closing balance of last season.

(Source: <https://www.livemint.com/news/india/sugar-production-up-13-so-far-this-market-year-at-307-lakh-ton-isma-11623938117785.html>)

The Indian government's plan to gradually increase ethanol blending in gasoline, as a way to cut pollution and reduce its oil import bill, could be the largest change in the global sugar market since Europe's sugar reform.

India's ethanol program will lead the government to end sugar export subsidies and erase exportable sugar volumes from the country, currently the second-largest producer after Brazil. India's plan to push for a 20% ethanol blend to gasoline as soon as 2023, compared to only around 5% currently, will lead to the production of 6 billion liters of ethanol from sugar cane juice and molasses, reducing local sugar production by more than 6 million tonnes.

By 2025, India will swing from making at most 33 million tonnes of sugar a year to 27 million tonnes. With consumption today at around 25 million tonnes and likely to grow in the future, India will no longer be a major surplus sugar producer and exporter.

(Source: <https://www.indiansugar.com/NewsDetails.aspx?nid=49926>)

Sugar mills across the country have contracted orders to supply 302.3 crore litres of ethanol to oil marketing companies (OMCs). This is 70 per cent more than the 178 crore litres supplied in the previous season. According to the Indian Sugar Mills Association (ISMA), 117.72 crore litres of ethanol have already been delivered for the country's ethanol blending programme. Nearly 77 per cent of this quantity was produced from sugarcane juice and B-heavy molasses. India's ethanol marketing season extends from December to November next year.

(Source: <https://www.thehindubusinessline.com/economy/agri-business/sugar-mills-get-orders-to-supply-302-cr-litres-of-ethanol/article34473783.ece>)

OPERATIONAL HIGHLIGHTS (2020-21):

Sugar Division

- During the season 2020-21, the plant crushed 115.90 lakh quintals of sugarcane as against 124.41 lakh quintals in the previous season. The crushing was lower by 8.51 lakh quintals during the season due to lesser cane yield per hectare, as compared to previous year. Another reason for lower crushing was that Khandhari units ran through their full season unlike last season.
- The overall sugar recovery was 11.01% as against 11.55% in the previous season. The fall in recovery was a common phenomenon experienced by all the sugar factories in the State of UP, during this season. Recovery fell also due to mechanical problem in the plant for 60 days where plant was running at high losses.
- During the Season 2020-21, Molasses produced was 5.09 lakh quintals as against 5.21 lakh quintals in the previous season.
- There was no significant increase in sugar price and it has ranged almost in the same pattern of previous year, which is not remunerative. Although the Government had approved increase in Minimum Selling Price (MSP) for sugar, it did not introduce it, resulting into lower realisation.

Power Division

- The Plant consumed 3.20 lakh MT of bagasse and 0.40 lakh MT of alternate fuel to generate 1.61 lakh MW power as against 3.40 lakh MT of bagasse and 0.37 lakh MT of alternate fuel to generate 1.65 lakh MW power in the previous Season.
- The total power exported to the grid of Uttar Pradesh Power Corporation Limited (UPPCL) upto 06.06.2021 was 1.09 lakh MW amounting to ₹ 40.97 crore as against 1.08 lakh MW amounting to ₹ 40.50 Crores in the previous Season.

Annual Report 2020-2021

Spirits Division

- During this year, Distillery plant was operated under lesser capacity of 30 KLPD, as per the guidelines of Pollution Control Board for the whole operational period, under bio-compost mode.
- The Company completed supply to OIL Marketing Companies (OMCs), totalling to 41.49 L BL of ethanol till end of May 2021 as against our committed supply of 60.00 L BL for the Ethanol Year (E/Y) 2020-21 (For the period from December, 2020 to November, 2021). This was against total supply of 47.74 L BL of ethanol during the previous E/Y 2019-20.

OUTLOOK FOR 2021-22:

- During the Financial Year 2021-22, the sugar price is expected to be steady due to government intervention. This may result into the Company generating better operational margin gradually. The Government may increase MSP for sugar, which is long pending, as there could be an increase in sugarcane price in the coming season.
- The Company is planning to enhance the capacity of Distillery from 45 KLPD to 125 KLPD. This has been planned to tap the opportunity of producing Ethanol from B Heavy Molasses which is one of the best advantageous propositions.
- Ethanol production will be increased by the Company in two phases. In first phase, it is expected to be increased to 80 klpd soon.

FINANCIAL REVIEW:

- After taking into account the effect of other Comprehensive Income based on Ind-AS norms, there is a profit of ₹ 9,103.03 lakhs for the Financial Year 2020-21 as against a loss of ₹ 290.53 lakhs in the previous year. Increase in profit is mainly attributable to substantial increase in other income arising out of write back of ₹ 5,474.12 lakhs towards Loan amount and ₹4,818.51 lakhs towards Interest, consequent upon One Time Settlement (OTS) entered with erstwhile Allahabad Bank (Now, Indian Bank).
- The Company generated EBIDTA of ₹ 13,607.75 lakhs as against ₹ 4,546.31 lakhs last year. Increase in EBIDTA was also mainly attributable to substantial increase in other income arising out of write back of ₹ 5,474.12 lakhs towards Loan amount and ₹4,818.51 lakhs towards Interest as explained above.
- During the Financial year 2020-21, the Company did not raise any funds by issue of equity shares or any debt securities. There was no change in Paid-up Share Capital of the Company during the year.
- During the Financial Year 2020-21, the Company did not borrow any funds from Banks / Financial Institutions.

SEGMENT-WISE FINANCIAL PERFORMANCE:

Segment-wise reporting of performance of the Company's primary business segments (Sugar, Power and Spirits) is provided in Note No. 41 to Financial Statements.

OPPORTUNITIES & THREATS:

Sugar

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

Power

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

UPPCL is likely to reduce the power rate further to ₹ 3.36 per unit w.e.f. April, 2022, which will have adverse effect on revenues.

Spirits

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

RISKS AND CONCERNS:

Raw Material Risk

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

Price Risk

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

Regulatory Risk

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

INTERNAL CONTROL SYSTEM:

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

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

Based on its evaluation [as defined in section 177 of Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015], the audit committee has concluded that, as of March 31, 2021, the company's internal financial controls were adequate and operating effectively.

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

Particulars	March 31, 2021	March 31, 2020	Remarks/Reason for change
Debtors Turnover Ratio (times)	13.24	10.12	There has been significant change due to fall in sugar recovery from sugar cane, marginal reduction in sugar realisation, reduction in sale of Power and reduction in sale of REC certificates.
Inventory Turnover Ratio (times)	There is no significant change and hence, details are not disclosed.		
Interest Coverage Ratio (times)	0.51	1.09	There has been significant change due to fall in sugar recovery from sugar cane, marginal reduction in sugar realisation, reduction in sale of Power and reduction in sale of REC certificates.
Debt Equity Ratio	There is no significant change and hence, details are not disclosed.		
Current Ratio (times)	There is no significant change and hence, details are not disclosed.		
Operating Profit Margin (%)	2.64%	5.29%	There has been significant change due to fall in sugar recovery from sugar cane, marginal reduction in sugar realisation, reduction in sale of Power and reduction in sale of REC certificates.
Net Profit Margin (%)	(2.39)%	0.44%	There has been significant change due to fall in sugar recovery from sugar cane, marginal reduction in sugar realisation, reduction in sale of Power and reduction in sale of REC certificates.

Annual Report 2020-2021

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

Particulars	March 31, 2021	March 31, 2020	Remarks/Reason for change
Return on Net Worth	(38%)	(5.00%)	There has been significant change due to fall in sugar recovery from sugar cane, marginal reduction in sugar realisation, reduction in sale of Power and reduction in sale of REC certificates.

**Ratios as at March 31, 2021 have been calculated excluding the impact of write back of loans and interest from Allahabad Bank, so as to make them comparable to those of last year.*

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:

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

CAUTIONARY STATEMENT:

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

Corporate Governance Report

1. Company's philosophy on Corporate Governance

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

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

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

2. Board of Directors

As on 31.03.2021, the Composition of the Board of Directors is in conformity with the stipulation laid down in the Code of Corporate Governance prescribed by the Securities and Exchange Board of India (SEBI) (Listing Obligations & Disclosure Requirements) Regulations, 2015 [**'LODR Regulations'**] as amended from time to time.

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

The Composition and Category of Directors is as follows:

Name of Director	Category
Shri Harsh R Kilachand*(DIN:00294835)	Chairman & Managing Director
Shri Anilkumar S Ruia (DIN:00296622)	Independent Director
Shri Mahesh A Kuvadiah (DIN:07195042)	Independent Director
Mrs. Ranjana Sinha (DIN: 06989942)	Independent Director
Dr. Narendra Mairpady^ (DIN: 00536905)	Additional Director (Category - Independent Director w.e.f.13.11.2020)
Shri Rishabh Shah^ (DIN: 00694160)	Additional Director (Category - Independent Director w.e.f.13.11.2020)

* Shri Harsh R Kilachand is Promoter of the Company.

^ Dr. Narendra Mairpady and Shri Rishabh Shah were appointed as Additional Directors in the category of Independent Director, by the Board of Directors at their meeting held on 13.11.2020.

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

Annual Report 2020-2021

Details of skills/ expertise/ competencies identified by the Board for its effective functioning, and currently available with the Board:

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

Details of Board Meetings held:

During the year, 5 Board Meetings were held on 25.05.2020, 07.08.2020, 10.09.2020, 13.11.2020 and 12.02.2021. The gap between any two consecutive meetings of the Board of Directors was not more than 120 days.

Directors' Attendance and Directorships Held:

Attendance of each Director at the Board Meetings held during the financial year 2020-21 and at the last Annual General Meeting held on 11.09.2020 and the details of other Directorships & Chairmanship/ Membership of Committees held by each Director in various Companies are as under:

Name of the Director	Number of Board Meetings attended during the FY 2020-2021	Whether attended last AGM held on 11.09.2020	Number of Directorships in other Public Companies	Number of Committee positions held in other Public Companies \$		Directorship in other listed entity (Category of Directorship)
				Chairman	Member*	
Shri Harsh R Kilachand (DIN:00294835)	5	Yes	2	0	3	Kesar Terminals & Infrastructure Limited (Whole-time Director)
Shri Anilkumar S Ruia (DIN:00296622)	5	Yes	3	3	3	Kesar Terminals & Infrastructure Limited (Independent Director)
Shri Mahesh A Kuvadiah (DIN:07195042)	5	Yes	2	0	2	Aishwarya Technologies and Telecom Limited (Independent Director)
Mrs. Ranjana Sinha (DIN: 06989942)	5	Yes	0	0	0	NIL
Dr. Narendra Mairpady (DIN: 00536905)	1	NA**	7	1	3	Adani Enterprises Ltd. (Independent Director) Man Industries (India) Ltd. (Independent Director)
Shri Rishabh Shah (DIN: 00694160)	1	NA**	6	1	4	Arshiya Limited (Independent Director)

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

* Membership includes Chairmanship.

** Dr. Narendra Mairpady and Shri Rishabh Shah were not Directors on the date of AGM; Both were appointed as Additional Directors w.e.f. 13.11.2020.

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

Details of equity shares of the Company held by the Directors as on March 31, 2021:

Name of the Director	No. of Shares held
Shri Harsh R Kilachand (DIN:00294835)	573976
Shri Anilkumar S Ruia (DIN:00296622)	1000
Shri Mahesh A Kuvadiah (DIN:07195042)	NIL
Mrs. Ranjana Sinha (DIN: 06989942)	NIL
Dr. Narendra Mairpady (DIN: 00536905)	NIL
Shri Rishabh Shah (DIN: 00694160)	NIL

Annual Report 2020-2021

Relationship between the Directors inter-se: Nil

The details of Familiarization Programmes imparted to Independent Directors are disclosed on the website of the Company viz. www.kesarindia.com.

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

3. Audit Committee

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

(a) Terms of Reference:

Terms of Reference of the Committee comprise of the following:

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

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

(b) Composition:

The Audit Committee consists of the following Directors:

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

(c) Meetings & Attendance:

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

Date of Meeting	Attendance at Meetings			
	Shri Anilkumar S Ruia	Shri Mahesh A Kuvadia	Mrs. Ranjana Sinha	Shri Harsh R Kilachand
07.08.2020	✓	✓	✓	✓
10.09.2020	✓	✓	✓	✓
13.11.2020	✓	✓	✓	✓
12.02.2021	✓	✓	✓	✓
Total	4 out of 4	4 out of 4	4 out of 4	4 out of 4

(d) Other Details:

- During the year under review, the gap between two meetings of the Committee did not exceed one hundred and twenty days.
- Committee invites such of the executives of the Company it considers appropriate, representatives of the statutory auditors and internal auditors, to be present at its meetings.

Annual Report 2020-2021

- The Company Secretary acts as the Secretary of the Audit Committee.
- Shri Gaurav Sharma, who was appointed as Company Secretary & General Manager (Legal) w.e.f. 13.11.2020, is the Compliance Officer to ensure compliance and effective implementation of the Code for Prevention of Insider Trading formulated by the Company.
- Committee is apprised on matters relating to the Code for Prevention of Insider Trading at regular intervals.
- Reports of Internal Auditors are placed before the Audit Committee along with the comments of the Management on the action taken to remedy issues/discrepancies observed in such reports.
- Shri Anilkumar S Ruia, Chairman of Audit Committee attended the previous AGM of the Company, which was held on 11.09.2020.

4. Nomination & Remuneration Committee

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

(a) Terms of Reference:

Terms of Reference of the Committee comprise of the following:

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

(b) Composition:

The Committee consists of the following Directors:

Name	Category
Shri Anilkumar S Ruia <i>(Independent Director)</i>	Chairman
Shri Mahesh A Kuvadiah <i>(Independent Director)</i>	Member
Mrs. Ranjana Sinha <i>(Independent Director)</i>	Member
Shri Harsh R Kilachand <i>(Chairman & Managing Director)</i>	Member

(c) Meetings & Attendance:

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

Date of Meeting	Attendance at Meetings			
	Shri Anilkumar S Ruia	Shri Mahesh A Kuvadiah	Mrs. Ranjana Sinha	Shri Harsh R Kilachand
10.09.2020	✓	✓	✓	✓
13.11.2020	✓	✓	✓	✓
Total	2 out of 2	2 out of 2	2 out of 2	2 out of 2

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

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

(e) **Other Details:**

- The Company Secretary acts as the Secretary of the Nomination and Remuneration Committee.
- Shri Anilkumar S Ruia, Chairman of Nomination and Remuneration Committee attended the previous AGM of the Company, which was held on 11.09.2020.
- The Company does not have any Employee Stock Option Scheme in existence.

5. **Stakeholders' Relationship Committee**

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

(a) **Terms of Reference:**

Terms of Reference of the Committee comprise of the following:

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

(b) **Composition:**

The Committee consists of the following Directors:

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

(c) **Meetings & Attendance:**

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

Annual Report 2020-2021

Date of Meeting	Attendance at Meetings		
	Shri Mahesh A Kuvadia	Shri Anilkumar S Ruia	Shri Harsh R Kilachand
12.02.2021	✓	✓	✓
Total	1 out of 1	1 out of 1	1 out of 1

(d) Other Details:

- The Company Secretary acts as the Secretary of the Committee.
- Shri Gaurav Sharma designated as Company Secretary and General Manager (Legal) acts as Compliance Officer.
- The details of investor complaint(s) during the year 2020-21 are as follows:

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

- Shri Mahesh A Kuvadia, Chairman of Stakeholders' Relationship Committee attended the previous AGM of the Company, which was held on 11.09.2020.

6. Share Transfer Committee

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

There were no pending requests for share transfers as on March 31, 2021.

7. Risk Management Committee

Though the Company was not mandatorily required to constitute Risk Management Committee, in terms of Regulation 21 of LODR Regulations, the Board had constituted Risk Management Committee consisting of the following*:

Name	Category
Shri Mahesh A Kuvadia (Independent Director)	Chairman
Shri Harsh R Kilachand (Chairman & Managing Director)	Member

* Risk Management Committee has been dissolved by the Board of Directors at their meeting held on June 30, 2021

8. Corporate Social Responsibility Committee

The Committee has been constituted in terms of provisions of Section 135 of the Companies Act, 2013.

(a) Terms of Reference:

Terms of Reference of the Committee comprise of the following:

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

(b) **Composition:**

The Committee consists of the following directors:

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

9. Remuneration Policy for Directors

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

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

b) Remuneration to Non- Executive / Independent Director:

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

Remuneration of Executive and Non-Executive Directors:

Shri Harsh R Kilachand stopped drawing remuneration from the Company voluntarily from March, 2014 onwards, in view of the heavy losses suffered by the Company for the last few years. His employment with the Company is terminable in accordance with General Rules of the Company applicable to employees.

The details of remuneration* paid to the Non-Executive Directors for attending meetings of Board of Directors and various committees thereof including separate meeting of Independent Directors during the financial year ended on 31.3.2021 are as under:

Name	Sitting Fees (Rs.)
Shri Anilkumar S Ruia	3,65,000
Shri Mahesh A Kuvadia [^]	3,65,000
Mrs. Ranjana Sinha	3,30,000
Dr. Narendra Mairpady **	70,000
Shri Rishabh Shah **	70,000

* No other remuneration except the sitting fees as mentioned above were paid to Non-Executive Directors.

[^]Shri Mahesh A Kuvadia was also paid ₹ 2000/- towards reimbursement of conveyance expenses incurred by him for attending the meetings of Board of Directors and Committees thereof during the year 2020-21.

**appointed w.e.f. 13.11.2020

Annual Report 2020-2021

10. General Body Meetings

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

AGM	Financial Year ended	Date	Location	Time
AGM	31.03.2020	11.09.2020	Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)	3:30 p.m
AGM	31.03.2019	20.09.2019	M C Ghia Hall, Bhogilal Hargovindas Building, Kaikhushru Dubash Marg, Mumbai 400001	3:30 p.m
AGM	31.03.2018	14.08.2018	M C Ghia Hall, Bhogilal Hargovindas Building, Kaikhushru Dubash Marg, Mumbai 400001	3:30 p.m

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

Date of AGM	Particulars of Special Resolution passed thereat
11.09.2020	Resolution under Section 149, 152 read with Schedule IV of the Companies Act, 2013 relating to appointment of Mrs. Ranjana Sinha (DIN: 06989942), as an Independent Director for the 1 st term of 5 years.
20.09.2019	Resolution under Section 196 & 197 read with Schedule V for appointment of and payment of remuneration to Shri Harsh R Kilachand as Chairman & Managing Director for a period of 3 years from 14.08.2019 to 13.08.2022.
14.08.2018	a) Resolution under Section 149, 152 read with Schedule IV relating to appointment of Shri Anilkumar S Ruia aged 75 years, as an Independent Director for the 2 nd term of 5 years. b) Resolution under Section 196, 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 relating to ratification for appointment of Shri D J Shah as a Whole-Time Director without any remuneration for a period from 27.01.2018 to 30.04.2018.

(c) No Resolution was passed during the Financial Year 2020-21 through Postal Ballot.

(d) No Special Resolution requiring Postal Ballot is being proposed at the ensuing Annual General Meeting.

11. Disclosures

- a. All transactions entered into during the Financial Year 2020-21 with Related Parties as defined under the Companies Act, 2013 or under the LODR Regulations were in the ordinary course of business and on an arms' length basis. There was no Material Related Party transaction, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements. The Company has given in the notes forming part of Financial Statements, a list of related parties and the transactions entered into with them.
- b. The Company has been generally in compliance with all relevant provisions of laws applicable to the Company and there have been no instances of non-compliance by the Company on any matter related to capital markets during the last three years except:
 - (i) in Financial Year 2018-2019, where there was delay by 14 days in submission of financial results for the year ended 31.03.2018 to Stock Exchanges, due to time taken in understanding and implementation of requirement of IND-AS then newly introduced, for which the Company had paid the required fine imposed by National Stock Exchange of India Limited.
 - (ii) In Financial Year 2020-2021, there was delay by 7 days in submission of Financial Results for the year ended 31.03.2021 due to on-going COVID-19 pandemic and lockdown imposed by the Government in view of the pandemic. BSE sent the Company notice and imposed fine against the Company for the delayed submission of results. The Company made a representation/request to BSE, seeking waiver of fine. BSE considered our representation/request and vide, email dated January 08, 2021, informed us that our request for waiver of fine has been approved.

- (iii) In Financial Year 2020-2021, as the Company fell within top 2000 listed entities as on March 31, 2020, the Company was required to have at least 6 directors with effect from April 01, 2020, in view of Regulation 17 of the LODR Regulations, 2015. However, the Company was not able to comply with the said requirement due to lockdown imposed by the Central Government and then, the State Government from time to time due to COVID-19 Pandemic and also prevailing pandemic situation. The Board of Directors of the Company, at their meeting held on November 13, 2020, appointed two additional directors, thereby making the total number of directors to six. However, for the non-compliance, BSE sent the Company notice and imposed fine. Against imposition of fine, the Company has made representation to BSE. The said representation is pending with BSE for its consideration, as on date of approval of this report by the Board of Directors.
- c. The Company has laid down procedures to inform Board members about risk assessment and minimization. These procedures are periodically reviewed to ensure control of risk through a properly defined framework.
- d. **Whistle Blower Policy / Vigil Mechanism:**
- In staying true to our values of Strength, Performance and Passion, the Company is committed to the highest standards of Corporate Governance and Stakeholder responsibility. The Company has a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. We confirm that during the Financial Year 2020-21, no Employee of the Company was denied access to the Audit Committee.
- The Whistle Blower Policy is available on the website of the Company, www.kesarindia.com
- e. A Certificate from the Chairman & Managing Director and Chief Financial Officer (CFO), as required under Regulation 17(8) of the LODR Regulations was placed before the Board of Directors of the Company and annexed to this report as **“Annexure A”**.
- f. Management Discussion & Analysis Report is a part of the Annual Report.
- g. The Company has complied with all applicable mandatory requirements of the LODR Regulations except those mentioned above.
- h. A certificate from M/s. Ragini Chokshi & Co, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance is annexed to this Report as **“Annexure B”**.
- i. A certificate from M/s. Ragini Chokshi & Co, Practicing Company Secretaries confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority is annexed to this Report as **“Annexure C”**.
- j. Declaration by the Chairman and Managing Director stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of the Board of Directors and Senior Management, is annexed to this Report as **“Annexure D”**.
- k. During the Financial Year 2020-21, there was no instance recorded where the board had not accepted any recommendation of/ submission by any committee of the Board, which was mandatorily required for the approval of the Board of Directors.
- l. During the year under review, the Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).
- m. The Company does not have commodity price activities and commodity hedging activities.
- n. The details of total fee paid/payable by the Company to the Statutory Auditors and all entities in the network firm / network entity of which the statutory auditor is a part, for Financial Year 2020-21, are as follows:

Type of Service	Fee paid (Rs. In Lakhs)
Audit Fee	8.50
Fee for Consultancy Services	1.00
Out of Pocket Expenses	0.73
Total	10.23

Annual Report 2020-2021

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

Pursuant to Regulation 23 of the LODR Regulations, the Company has formulated a 'Policy on Materiality of and dealing with Related Party Transactions', which is hosted on the Company's website viz. www.kesarindia.com.

- p. There were no complaints received by the Company during the year, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- q. During the year, the Company has complied with all mandatory requirements specified in Regulation 17 to 27 and clause (b) to (i) of Regulation 46(2) of the LODR Regulations except that mentioned above.
- r. In compliance of the discretionary requirements as specified in Part E of Schedule II of the LODR Regulations, the Internal Auditors of the Company report to the Audit Committee of the Board of Directors.
- s. As on March 31, 2021, the Company has not issued any debt instrument or fixed deposit programme, hence, there is no requirement of obtaining credit rating in this regard.

12. Means of communication

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

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

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

13. General Shareholder information

A	Registered Office	Kesar Enterprises Limited Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai-400020.
B	Plant Locations	Sugar, Power and Spirits Divisions at Baheri, Dist. Bareilly, U. P.
C	Annual General Meeting	
	Date	Thursday, August 26, 2021
	Time	03:00 pm
	Venue	The Company is conducting annual general meeting (AGM) through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), pursuant to the circular issued by Ministry of Corporate Affairs (MCA) dated May 5, 2020 read with MCA Circular dated January 13, 2021. The registered office of the Company shall be deemed to be the venue of the AGM.
D	Financial Year	2020-21
E	Next Financial Year ending	31 st March, 2022
F	Next Annual General Meeting	By 30 th September, 2022
G	Financial Reporting for the year 2021-22	
	For 1st quarter ended 30th June, 2021	By 14 th August, 2021
	For 2nd quarter ending 30th September, 2021	By 14 th November, 2021
	For 3rd quarter ending 31st December, 2021	By 14 th February, 2022
	For 4th quarter ending 31st March, 2022	By 30 th May, 2022
H	Date of Book Closure	From Thursday, August 19, 2021 to Thursday, August 26, 2021 (Both days inclusive)

I	Listing on Stock Exchange	BSE Limited; The Company has paid annual listing fees due to BSE for the year 2020-21.
J	Stock Exchange Code Number	BSE Scrip Code: 507180
K	Demat ISIN number in NSDL & CDSL	INE133B01019
L	Address for correspondence by the Shareholders of the Company:	
	Registrar & Share Transfer Agent: M/s. Link Intime India Pvt. Limited C - 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400 083. Tel. No.: +91 22 49186000 Fax : +91 22 49186060 Email: rnt.helpdesk@linkintime.co.in Website: https://www.linkintime.co.in/	Kesar Enterprises Limited Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai- 400020. Tel No.: +91 22 22042396 / 22851737 Email: gauravsharma@kesarindia.com Website: www.kesarindia.com

Share Transfer System:

In terms of Regulation 40(1) of the LODR Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Chairman & Managing Director and Company Secretary are jointly authorised by the Board to approve transfers, which are noted at subsequent Board Meetings.

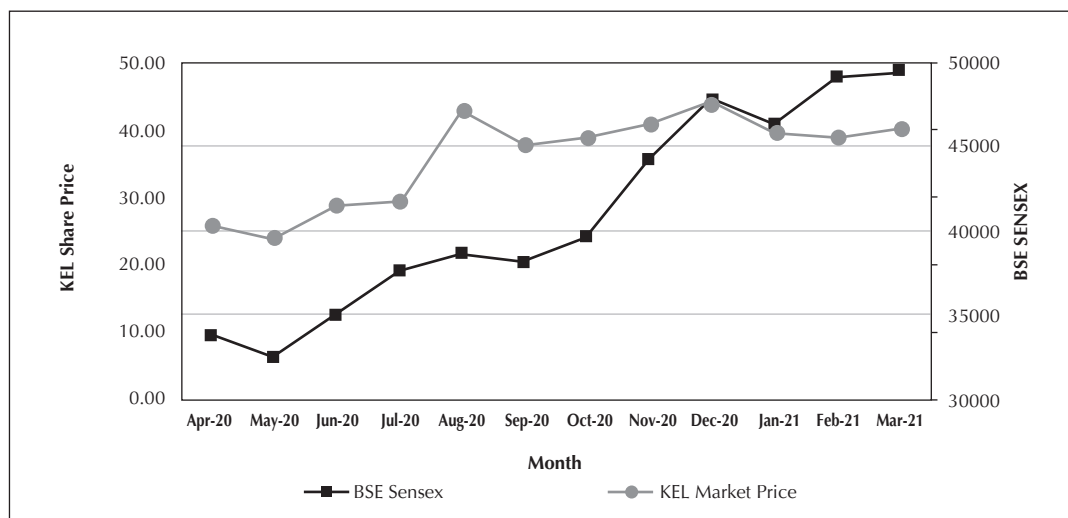
Stock Market Data:

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

Month	BSE	
	High Price	Low Price
April 2020	34.75	23.00
May 2020	26.95	21.75
June 2020	33.70	24.75
July 2020	30.75	25.80
August 2020	48.50	28.70
September 2020	45.00	35.10
October 2020	45.50	36.00
November 2020	45.00	36.30
December 2020	51.00	36.30
January 2021	47.95	38.00
February 2021	42.00	34.60
March 2021	60.00	38.80

Performance of the share price of the Company (KEL) in comparison to the BSE Sensex:

Annual Report 2020-2021



Distribution of shareholding as on 31st March, 2021:

Shareholding in Nominal Value of '	Shareholders		Share Amount	
	Holders	% of Holders	In Rs.	% to Total
Upto - 5,000	4069	88.322	4814140	4.776
5,001 -10,000	282	6.121	2219930	2.202
10,001 - 20,000	128	2.778	1936550	1.921
20,001 - 30,000	36	0.781	908880	0.902
30,001 - 40,000	20	0.434	720700	0.715
40,001 - 50,000	12	0.260	551990	0.548
50,001 - 1,00,000	29	0.629	2238690	2.221
1,00,001 - and above	31	0.673	87405940	86.715
Total	4607	100.000	100796820	100.000

Categories of Shareholders as on 31st March, 2021:

As on 31.03.2021, about 97.58% of the total shareholding in the Company representing 98,36,255 shares stood converted into dematerialized form.

Sr. No.	Category	No. of Shares Held	No. of Shares in Dematerialised Form	% of Shareholding
A.	PROMOTERS & PROMOTER GROUP			
	Indian Promoters	71,12,875	71,03,792	70.57
	Foreign Promoters	-	-	-
	Sub Total:	71,12,875	71,03,792	70.57
B.	NON-PROMOTERS HOLDING			
1	INSTITUTIONAL			
	a. Mutual Funds & UTI	1,200	-	0.01
	b. Banks, Financial Institutions, Insurance Companies	4,06,822	4,06,127	4.04
	c. FIs	-	-	-
	Sub Total:	4,08,022	4,06,127	4.05

Sr. No.	Category	No. of Shares Held	No. of Shares in Dematerialised Form	% of Shareholding
2	OTHERS:			
	a. Private Corporate Bodies	7,23,093	7,21,403	7.17
	b. Indian Public (Individuals/HUF)	17,91,554	15,60,795	17.77
	c. NRI's/ OCB's	17,320	17,320	0.17
	d. Clearing Members	26,818	26,818	0.27
	e. NBFCs	-	-	-
	Sub Total:	25,58,785	23,26,336	25.38
	GRAND TOTAL:	1,00,79,682	98,36,255	100.00

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

Guidance to Shareholders:

- Section 72 of the Companies Act, 2013 provides facility for making nominations by shareholders in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his / her nominee without having to go through the process of obtaining succession certificate / probate of the will etc. it would therefore be in the best interest of shareholders holding shares in physical form registered as a sole holder to make such nominations. Shareholders, who have not availed of the nomination facility, are requested to avail the same by submitting the nomination form. This form will be made available on request. Shareholders holding shares in demat form are advised to contact their DPs for making nominations.
- As per Regulation 40 of the LODR Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agents, for assistance in this regard.
- Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company's Registrar and Transfer Agents in case the shares are held by them in physical form.
- The details of the last dividend transferred to "Investor Education and Protection Fund" (IEPF) in terms of Section 125 of the Companies Act, 2013 [erstwhile Section 205C of the Companies Act, 1956] are as under:

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

Annual Report 2020-2021

Annexure A to Corporate Governance Report

CERTIFICATION

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

Regulations, 2015

The Board of Directors

Kesar Enterprises Limited

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

1. We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31st March, 2021 and that to the best of our knowledge and belief :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, there are no transactions entered into by the Company during the financial year 2020-21, which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit committee that:
 - (i) there have been no significant changes in internal control over financial reporting during the year;
 - (ii) there have been no significant changes in Accounting Policies during the year; and
 - (iii) there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over Financial Reporting.

Rohit Balu
Chief Financial Officer

Harsh R Kilachand
Chairman & Managing Director
DIN: 00294835

Mumbai,
30th June, 2021

Annexure B to Corporate Governance Report

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of

Kesar Enterprises Limited

We have examined the compliance of conditions of Corporate Governance by Kesar Enterprises Limited ('the Company'), for the year ended on March 31, 2021, as stipulated in Regulation 17 to 27, Clauses (b) to (i) of Regulation 46 (2) and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for the purpose of the review and the information and explanations given to us by the Company during the course of such review.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has in all material respect complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 except that:

- **As required under Regulation 17(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company was required to have at least six directors on the Board. However, the Company had only four Directors from April 01, 2020 to November 12, 2020. At the meeting of Board of Directors held on November 13, 2020, the Company appointed two additional directors, which increased the strength of the Board of Directors to six.**

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

For Ragini Chokshi & Co.
(Company Secretaries)

Makarand Patwardhan
(Partner)

C.P. No: 9031

ACS No.: 11872

UDIN: A011872C000523240

Place: Mumbai

Date: 26.06.2021

Annual Report 2020-2021

Annexure C to Corporate Governance Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members,

KESAR ENTERPRISES LIMITED

Oriental House,
7, Jamshedji Tata Road,
Churchgate, Mumbai – 400020.

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2021** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment
1.	HARSH RAJNIKANT KILACHAND	00294835	14.8.2010
2.	ANILKUMAR SUSHILKUMAR RUIA	00296622	30.4.2018
3.	RANJANA ASHOK SINHA (W)	06989942	20.9.2019
4.	MAHESH AMBALAL KUVADIA	07195042	11.7.2016
5.	NARENDRA MAIRPADY	00536905	13.11.2020
6.	RISHABH SHAH PANKAJ	00694160	13.11.2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Ragini Chokshi & Co.
(Company Secretaries)

Makarand Patwardhan
(Partner)

C.P. No: 9031

ACS No.: 11872

UDIN: A011872C000523231

Place: Mumbai
Date: 26.06.2021

Annexure D to Corporate Governance Report

DECLARATION

I hereby confirm that the Company has obtained from all the Members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct for Directors and Members of Senior Management Personnel during the Financial Year 2020-21.

Mumbai
30th June, 2021

Harsh R Kilachand
Chairman & Managing Director
DIN: 00294835

Annual Report 2020-2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Kesar Enterprises Limited
Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Kesar Enterprises 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 year then ended, and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2021, its 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 in accordance with 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 Ind AS 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 Ind AS financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 50 in the Ind AS financial statements. For the reason stated in the said note, the management has a reasonable expectation that the Company has adequate resources to continue its operational existence for the foreseeable future, the Ind AS financial statements has been prepared on going concern basis, despite accumulated losses resulting in erosion of its net worth.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key Audit Matter	How our audit addressed the key audit matter
Valuation of Inventory As on March 31, 2021, the Company has inventory of sugar with the carrying value ₹ 7,275.50 Lakhs. The inventory of sugar is valued at the lower of cost and net realizable value.	Principle Audit Procedures We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory of sugar. Assessing the appropriateness of Company's accounting policy for valuation of finished goods and compliance of the policy with the requirements of the prevailing accounting standards. We considered various factors including the actual selling price prevailing around and subsequent to the year-end, minimum selling price, monthly quota and other notifications of the Government of India, initiatives taken by the Government with respect to sugar industries.

Key Audit Matter	How our audit addressed the key audit matter
<p>We considered the inventory valuation of sugar as a key audit matter given the relative size of the balance in the financial statements and significant judgment involved in the consideration of factors such as minimum sale price, monthly quota, fluctuation in selling prices and the related notifications of the Government in determination of net realizable value.</p> <p>(Refer Note 8 to the financial Statements)</p>	<p>Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at net realizable value where the cost was higher than the net realizable value.</p> <p>Based on the above procedures performed, the management's determination of the net realizable value of the inventory of sugar as at the year end and comparison with cost for valuation of inventory, is considered to be reasonable.</p>
<p>Regulations – Litigations and claims</p> <p>The Company is exposed to various laws and regulations. In this regulatory environment, there is an inherent risk of litigations and claims. Consequently, provisions and contingent liabilities disclosures may arise from direct and indirect tax proceedings, legal proceedings, including regulatory and other government / department proceedings, as well as investigations by authorities.</p> <p>As at March 31, 2021, the Company's has ascertained contingent liabilities of ₹ 6,926.19 Lakhs.</p> <p>Management applies significant judgement in estimating the likelihood of the future outcome in each case when considering whether, and how much, to provide or in determining the required disclosure for the potential exposure of each matter. This is due to the highly complex nature and magnitude of the legal matters involved along with the fact that resolution of tax and legal proceedings may span over multiple years, and may involve protracted negotiation or litigation. These estimates could change substantially over time as new facts emerge and each legal case progress.</p> <p>We determined this matter to be a key audit matter due to the inherent complexity and magnitude of potential exposures across the Company and the judgment necessary to estimate the amount of provisions required or determine the required disclosure.</p>	<ul style="list-style-type: none"> • Our Audit approach in relation to the matter involved the following: • Review the outstanding litigations against the Company for consistency with the previous years. Enquire and obtain explanations for movement during the year. • Reading the latest correspondence between the Company and the various tax/legal authorities for significant matters. • Examined selectively the Company's legal expenses and read fully the minutes of the board meetings, in order to ascertain all cases have been identified. • With respect to tax matters, involving our tax specialists, and discussing with the Company's personnel dealing with tax matters, their views and strategies on significant cases, as well as the related technical grounds relating to their conclusions based on applicable tax laws and precedence. • Assessing the decisions and rationale for provisions held or for decisions not to record provisions or make disclosures. • For those matters where management concluded that no provisions should be recognised, by considering the adequacy and completeness of the Company's disclosures. • For complex regulatory litigations, reviewing the relevant correspondence by the company, by studying the matters in the light of past precedence and views of company's legal advisor as made available by the company.

Emphasis of Matter

We draw attention to,

- a) Note 48 (a) to the accompanying Ind AS financial statements. The Company has entered into one time settlement with lender Allahabad bank (now Indian Bank) in December, 2019. The Company has paid the entire settlement amount and lender bank has confirmed the same. The appropriate accounting treatment has been made in the books of accounts.
- b) Note 52 to the accompanying Ind AS financial statements, which describes the uncertainties and the management's assessment of the financial impact on the Company due to COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon the circumstances as they evolve in the subsequent period.

Our opinion is not modified in respect of these matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, Management Discussion & Analysis and Corporate Governance Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Annual Report 2020-2021

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS 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 Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 this Ind AS 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 Ind AS 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 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current year 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.

Other Matter

The management has performed the year end physical verification of the inventory at their plant as per the process followed by them periodically. In view of the lockdown restriction imposed by the Government, our attendance at the physical inventory verification done by the management was impracticable. Consequently, we have performed alternate audit procedures to obtain comfort over the existence and condition of inventory at year end, as per the guidance provided in SA-501 "Audit Evidence – Specific considerations for selected items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on this Ind AS financial statements.

Our opinion is not modified in respect of this matter.

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 "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, 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), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e. The matter described under the Material Uncertainty Related to Going Concern and Emphasis of Matter section above, in our opinion, may have an adverse effect on the functioning of the Company;
 - f. On the basis of the written representations received from the directors as on March 31, 2021, and 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;
 - g. 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 B";
 - h. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

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

Annual Report 2020-2021

i. 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 on its financial position in its Ind AS financial statements – Refer Note 36 on Contingent Liabilities to the Ind AS financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Viral J. Shah
Partner

Membership No.: 110120
UDIN: 21110120AAAACO9373

Place: Mumbai
Date: June 30, 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Kesar Enterprises Limited on the Ind AS financial statements for the year ended March 31, 2021]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, the fixed assets of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company except for the details given below:

(₹ In lakhs)

Land/ Building	Total number of cases	Leasehold/ Freehold	Gross Block as on March 31, 2021	Net Block as on March 31, 2021	Remarks
Land	6	Freehold	368.13	368.13	Mutation pending with Local Authority

- (ii) According to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records as at the yearend were not material and have been properly dealt with in the books of account wherever necessary.
- (iii) 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 Act. Accordingly, clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Act. Further, the Company has complied with the provisions of section 186 of the Act.
- (v) In our opinion, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and rules thereunder. We have broadly reviewed such records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax (GST), customs duty, cess and any other material statutory dues applicable to it, except that there has been slight delay in few cases.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues with respect to income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty which have not been deposited on account of any dispute, except for details given below:

Annual Report 2020-2021

Sr. No.	Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
1	Central Sales Tax Act, 1956	Central Sales Tax	51.06	1989-90, 1996-97 to 1997-98 and 2002-03 to 2004 05	High Court, Allahabad
2	U.P. Tax on Entry of Goods into Local Area Act ,2007	Entry Tax	1,777.87	2001-02 to 2010-11 and 2013-14 to 2014-15 and 2016-17	D.C. (A) – Bareilly
3	U. P. Trade Tax Act, 1948	Trade Tax	4.35	1987-88 to 1989-90 and 1991-92 to 1997-98, 2008-09	High Court, Allahabad
4	Central Excise Act, 1944	CENVAT Credit of Steel Materials	1.44	2012-2013	AC AEX Bareilly
5	Central Excise Act, 1944	CENVAT Credit on Sale of Bagasse	2.79	2015-16	AC AEX Bareilly
6	Central Excise Act, 1944	CENVAT Credit on Molasses Received	3,286.21	2012-2013	Commissioner CEX Meerut
7	Central Excise Act, 1944	Wrong Reversal of CENVAT Credit	240.30	2007 to 2016-17	A.E.C. (U.P.)
8	Central Excise Act, 1944	Wrong Reversal of CENVAT Credit	24.14	2004-2005	CESTAT, New Delhi
9	Central Excise Act, 1944	CENVAT Credit on Steel Materials	3.35	2014-15	AC AEX Bareilly
10	Central Excise Act, 1944	CENVAT Credit on Steel Materials	6.67	2011-12	Add Commissioner CEX Meerut
11	Central Excise Act, 1944	CENVAT Credit on Steel Materials	10.46	2012-2013	Joint Commissioner CEX Meerut
12	Central Excise Act, 1944	CENVAT Credit on Steel Materials Received	5.13	2012-2013	AC AEX Hapur
13	Central Excise Act, 1944	CENVAT Credit availed on Molasses	634.45	2012-2013	AC AEX Bareilly
14	Central Excise Act, 1944	Demand of reversal of CENVAT Credit Steel materials	3.48	2008-2009	Dy Comm CEX Bareilly
15	Central Excise Act, 1944	Demand on Service Tax on Commission	148.15	2014-15	AC AEX Hapur
16	Central Excise Act, 1944	Denial of CENVAT on MOLASSES Received	273.85	2015-2016	AC AEX Bareilly
17	Central Excise Act, 1944	Excise Duty - Sale of Bagasse & Press Mud	17.04	2007-08	A.E.C. (U.P.)
18	Central Excise Act, 1944	Shortage of Sugar/Molasses/ Scrap	308.62	2011-12 & 2012-13	A.E.C. (U.P.)
19	Central Excise Act, 1944	Wrong Reversal of CENVAT Credit- Iron & Steel, Welding Electrodes	5.49	2005-2006	Supreme Court
20	Central Excise Act, 1944	Excise Duty - Spirits	1.08	2005-06	Supreme Court
21	Central Excise Act, 1944	Arrears of Overtime of Excise Personnel	15.72	2006-07, 2007-08 & 2008-09	High Court, Allahabad
22	Central Excise Act, 1944	License Fee Payable	0.48	2007-08	A.E.C. (U.P.)
23	Central Excise Act, 1944 & Central Excise Rules, 2002	Demand of reversal of CENVAT Credit Steel materials/Welding Electrode	19.94	2005-2006 to 2008-2009 and 2011-2012	CESTAT, Allahabad

(viii) During the year, the Company has not defaulted in repayment of loans or borrowings to financial institution, bank, government or dues to debenture holder except for details given below

(₹ In lakhs)

Particulars	Amount of default as at March 31, 2021 (Less than 12 months) (Excluding Interest)	Amount of default as at March 31, 2021 (more than 12 months) (Excluding Interest)
Banks	1,574.00	7,689.15
Government- (Sugar Development Fund)	90.78	3,044.49

- (ix) The Company did not raise moneys by way of initial public offer, further public offer (including debt instruments) and term loan during the year.
- (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 explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) The Company has not paid / provided managerial remuneration to its director's during the year. Therefore, the provisions of clause 3(xi) of the Order are not applicable to the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.
- (xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, 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 during the year and hence provisions of section 192 of the Act are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Viral J. Shah
Partner
Membership No.: 110120
UDIN: 21110120AAAACO9373

Place: Mumbai
Date: June 30, 2021

Annual Report 2020-2021

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(i) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Kesar Enterprises Limited on the Ind AS financial statements for the year ended March 31, 2021]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Kesar Enterprises 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

The Company's management is responsible for establishing and maintaining internal financial controls 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 (the "Guidance Note") 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 frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the 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 the 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

In our opinion, the Company has, in all material respects, adequate internal financial controls 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 controls stated in the Guidance Note issued by the ICAI.

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

Viral J. Shah
Partner
Membership No.: 110120
UDIN: 21110120AAAACO9373

Place: Mumbai
Date: June 30, 2021

Annual Report 2020-2021

BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars	Note No.	(₹ in Lakhs)	
		As at 31 st March, 2021	As at 31 st March, 2020
I ASSETS			
1 Non - Current Assets			
(a) Property, Plant & Equipments	2	43,175.02	46,147.76
(b) Capital Work - in - Progress	2	1,678.16	480.19
(c) Right - of - use asset		89.03	107.78
(d) Intangible Assets	2	7.48	7.48
(e) Financial Assets			
(i) Investments	3	352.80	187.98
(ii) Loans	4	0.00	0.00
(iii) Others	5	259.93	196.29
(f) Deferred Tax Assets (Net)	6	16.94	16.94
(g) Other Non-Current Assets	7	981.84	473.52
2 Current Assets			
(a) Inventories	8	9,116.79	9,398.18
(b) Financial Assets			
(i) Investments	9	840.61	0.00
(ii) Trade Receivables	10	3,489.42	4,783.17
(iii) Cash and Cash Equivalents	11	2,534.27	942.96
(iv) Bank Balance other than Cash and Cash Equivalents	12	17.12	17.12
(v) Loans	13	5.72	5.88
(c) Other - Current Assets	14	292.39	330.39
Total Assets		<u><u>62,857.52</u></u>	<u><u>63,095.64</u></u>
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	15	1,007.97	1,007.97
(b) Other Equity	16	12,380.55	4,322.02
2 Liabilities			
A Non - Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	2,109.07	3,795.84
(ii) Lease Liability	18	89.72	103.03
(iii) Others	19	888.86	888.86
(b) Provisions	20	950.17	839.67
(c) Other Non - Current Liabilities	21	47.80	46.80
B Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	2,640.50	2,640.50
(ii) Lease Liability	23	6.50	9.68
(iii) Trade Payables	24		
- Total outstanding dues of micro enterprises and small enterprises		18.03	19.81
- Total outstanding dues of creditors other than micro enterprises and small enterprises		20,145.44	17,930.50
(iv) Others	25	21,961.12	30,337.16
(b) Other Current Liabilities	26	452.99	995.40
(c) Provisions	27	148.50	144.24
(d) Current Tax Liabilities (Net)	28	10.30	14.16
Total Equity & Liabilities		<u><u>62,857.52</u></u>	<u><u>63,095.64</u></u>
Significant Accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

Viral J. Shah
Partner
Membership No. 110120

Place: Mumbai
Date: 30th June, 2021

For and on behalf of the Board of Directors

H R KILACHAND
Chairman & Managing Director
DIN:00294835

A S RUIA
Independent Director
DIN: 00296622

ROHIT BALU
Chief Financial Officer

GAURAV SHARMA
Company Secretary
& General Manager (Legal)

Place: Mumbai
Date: 30th June, 2021

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2021

Particulars	Note No.	For the year ended on 31 st March, 2021	For the year ended on 31 st March, 2020
(₹ in Lakhs)			
I. Revenue from Operations	29	54,745.92	51,792.49
II. Other Income	30	10,692.24	281.85
III. Total Income (I + II)		<u>65,438.16</u>	<u>52,074.34</u>
IV. Expenses			
Cost of Materials Consumed	31	44,526.86	39,113.12
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	32	531.84	1,980.60
Employee Benefits Expense	33	3,047.21	2,654.54
Finance Costs	34	2,693.55	2,490.50
Depreciation and Amortization Expense	2	1,931.15	1,826.47
Other Expenses	35	3,724.50	3,779.76
Total Expenses		<u>56,455.11</u>	<u>51,844.99</u>
V Profit before Exceptional Items & Tax (III- IV)		8,983.05	229.34
VI Exceptional Items		0.00	0.00
VII Net Profit Before Tax (V-VI)		8,983.05	229.34
VIII Tax Expense:			
(a) Current Tax		0.00	0.00
(b) Deferred Tax		0.00	0.00
IX Profit for the Year (VII-VIII)		<u>8,983.05</u>	<u>229.34</u>
X Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss.			
(i) Actuarial loss on defined benefit obligation		(44.34)	(51.35)
(ii) Income tax relating to defined benefit plans that will not be reclassified to profit or loss.		0.00	0.00
(iii) Effect of measuring investment at fair value		164.32	(468.52)
(iv) Income tax relating to above items		0.00	0.00
(b) Items that will be reclassified to profit or loss.			
(i) Actuarial loss on defined benefit obligation		0.00	0.00
(ii) Effect of measuring investment at fair value		0.00	0.00
(iii) Income tax relating to above items		0.00	0.00
XI Total Comprehensive Income for the Year (IX-X)		<u>9,103.03</u>	<u>(290.53)</u>
Earnings Per Equity Share:			
Basic (₹)	44	89.12	2.28
Diluted (₹)		89.12	2.28
[Nominal Value of Equity Share ₹ 10/- (P.Y. ₹ 10/-)]			
Significant Accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

Viral J. Shah
Partner
Membership No. 110120

For and on behalf of the Board of Directors

H R KILACHAND
Chairman & Managing Director
DIN:00294835

A S RUIA
Independent Director
DIN: 00296622

ROHIT BALU
Chief Financial Officer

GAURAV SHARMA
Company Secretary
& General Manager (Legal)

Place: Mumbai
Date: 30th June, 2021

Place: Mumbai
Date: 30th June, 2021

Annual Report 2020-2021

CASH FLOW STATEMENT

FOR THE YEAR ENDED ON 31ST MARCH, 2021

(₹ in Lakhs)

PARTICULARS

**For the Year ended
31st March, 2021**

**For the Year ended
31st March, 2020**

A CASH FLOW FROM OPERATING ACTIVITIES:

NET PROFIT BEFORE TAX 8,983.05 229.34

Non cash/ Ind-As/ other adjustments to reconcile profit before tax to net cash flows:

Depreciation and Amortization Expense 1,931.15 1,826.47

Dividend Income 0.00 (23.41)

Interest Income (35.94) (32.55)

Interest and Finance Charges 2,693.55 2,490.51

Loss /(Profit) on sale /Discard of Property, Plant & Equipment (net) 149.74 (58.73)

Profit on sale of Investments (net) (1.42) (72.18)

Fair Value (gain)/ loss on Investments (2.82) 0.00

Credit Balances Written Back (107.91) (49.44)

Interest waiver under One Time Settlement (OTS) Write Back (4,818.51) 0.00

Principal Loan waiver under One Time Settlement (OTS) Write Back (5,474.12) 0.00

Allowance for bad and doubtful debts (24.54) 11.98

OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES **3,292.23** **4,321.99**

Movements in working Capital

Increase / (Decrease) in Inventories 281.39 2,047.91

Increase / (Decrease) in Trade Receivables 1,327.85 663.53

(Increase) / Decrease in Financial Assets - Loans (current) 0.16 (0.69)

Increase / (Decrease) in Financial Assets - Bank Balance 0.00 148.13

(Increase) / Decrease in Financial Assets - Other (Non-current) (508.33) (211.91)

(Increase) / Decrease in Other Current Assets 37.99 (127.32)

Increase /(Decrease) in Trade Payables 2,321.11 260.27

Increase / (Decrease) in Other Current Liabilities (584.44) 722.39

Increase / (Decrease) in Current Liabilities Provisions (Employee Benefits) 4.26 16.51

Increase / (Decrease) in Other Non - Current Liabilities 1.00 (4.50)

Increase / (Decrease) in Non - Current Liabilities Provisions 117.50 89.85

CASH GENERATED FROM OPERATIONS **6,290.72** **7,926.16**

Taxes (Paid)/ Refunds (3.86) (1.76)

NET CASH GENERATED FROM OPERATING ACTIVITIES **6,286.86** **7,924.40**

B. CASH FLOW FROM INVESTING ACTIVITIES :

Purchase of Property, Plant & Equipment including Intangible Assets & CWIP (1,319.02) (2,091.48)

Sale of Property, Plant & Equipment 1.50 1.34

Sale/ (Purchase) of Investments (Excluding Diminution) (Net) (840.61) 253.06

Profit / (Loss) on Sale of Investments (4.24) 0.00

Sale/(Purchase) of other Investments (Net) (0.50) (0.01)

Proceeds from / (Invested in) Fixed Deposits (54.34) (145.35)

Interest Received 9.56 11.43

Dividend Received 0.00 23.41

NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES **(2,207.65)** **(1,947.60)**

KESAR ENTERPRISES LIMITED

PARTICULARS	For the Year ended 31 st March, 2021	For the Year ended 31 st March, 2020
(₹ in Lakhs)		
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Repayment of Borrowings	(2,397.07)	(4,466.39)
Payment of Lease Liabilities	(47.16)	(20.93)
Interest Paid	(43.67)	(711.33)
NET CASH USED IN FINANCING ACTIVITIES	(2,487.90)	(5,198.65)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	1,591.31	778.15
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	942.96	164.81
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	2,534.27	942.96
COMPONENT OF CASH AND CASH EQUIVALENTS		
Cash on Hand	3.96	7.35
Balance with Bank on Current Account	2,530.31	935.61
TOTAL CASH AND CASH EQUIVALENTS AT END OF THE YEAR	2,534.27	942.96

Note 1 : The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind-AS 7) - Statement of Cash Flow.

Note 2 : The Amendments to Ind As 7 Cash Flow statements require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash flows changes, suggesting inclusion of reconciliation between the opening and closing balance in balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendment has become effective from 1st April, 2017 and the required disclosure is made below. There is no other impact on financial Statements due to this amendment.

Reconciliation of Opening and Closing of Finance Activities of Cash Flow Statements:

(₹ in Lakhs)

PARTICULARS	As at March 31, 2020	Net Cash Flow	Non Cash Changes		As At March 31, 2021
			Fair Value Changes	Current/ Non Current Classification	
Borrowings Non current	3,795.84	(3,465.13)	(19.16)	1,797.52	2,109.07
Other Financial Liabilities	17,862.93	(9,679.01)	0.00	3,238.77	11,422.69
Borrowings current	2,640.50	0.00	0.00	0.00	2,640.50

Note : Figures in brackets are outflows.

The accompanying notes are an integral part of the financial statements
Significant Accounting policies 1

As per our report of even date

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

Viral J. Shah
Partner
Membership No. 110120

Place: Mumbai
Date: 30th June, 2021

For and on behalf of the Board of Directors

H R KILACHAND
Chairman & Managing Director
DIN:00294835

ROHIT BALU
Chief Financial Officer

Place: Mumbai
Date: 30th June, 2021

A S RUIA
Independent Director
DIN: 00296622

GAURAV SHARMA
Company Secretary
& General Manager (Legal)

Annual Report 2020-2021

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

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

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

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

(b) Basis of Measurement

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

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

(c) Current versus non-current classification

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

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

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

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

(e) Use of Estimates

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

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

Key accounting estimates

i) Income taxes:

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

ii) Defined Benefit Obligation:

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the

determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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

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

iii) Fair value measurement of financial instruments:

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

iv) Property, plant and equipment and intangible assets:

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

v) Provision for litigations and contingencies:

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

vi) Provision for expected credit losses of trade receivables:

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

(f) Amendments issued by MCA, applicable from 1st April, 2021:

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

Annual Report 2020-2021

- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

(g) Revenue Recognition

The Company derives revenue primarily from sale of manufactured goods.

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

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

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

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

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

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

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

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

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

(h) Property Plant and Equipment

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

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

(i) Depreciation is provided in following manner:

- (i) Premium on Leasehold Land is amortised over the period of lease.
- (ii) Depreciation on the Bio-Gas Plant, Power Generation Plant, Plant & Machinery installed for Expansion and Modernisation (Sugar & Spirit Division) has been provided on a Straight Line Method based on

remaining useful life of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.

- (iii) Depreciation on Assets taken on lease has been provided on a Straight Line Method based on remaining useful life of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.
- (iv) For all other assets, depreciation is provided on a Written Down Value Method based on remaining useful life of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.
- (v) The estimated useful life of the property, plant and equipments are as given below :

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

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

The Company as a Lessee

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

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

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

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

Annual Report 2020-2021

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

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

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

The Company as a lessor

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

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

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

(m) Impairment of Non-Financial Assets

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

(n) Financial Instruments

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

Part I - Financial Assets

i) Initial recognition and measurement

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

ii) Subsequent measurement

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

- Financial Asset at amortised cost:

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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

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

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

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

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

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

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

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

Equity investments

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

iii) De-recognition

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

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

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

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

Annual Report 2020-2021

iv) Impairment of financial assets

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

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

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

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

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

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

Part II - Financial Liabilities

i) Initial recognition and measurement

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

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

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

ii) Subsequent measurement

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

Financial liabilities at fair value through Statement of Profit and Loss

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

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

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are

recognised in the Statement of Profit and Loss when the liabilities are de-recognised as well as through the EIR amortisation process.

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

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

Financial guarantee contracts

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

iii) De-recognition

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

iv) Offsetting of financial instruments

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

(o) Inventories

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

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

(p) Foreign Currency Transactions

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

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

(q) Intangible assets - Research & Development Expenditure

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

(r) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss after tax for the year attributable to

Annual Report 2020-2021

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

(s) Provisions

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

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

(t) Tax Expense

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

- Current tax

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

- Deferred tax

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

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

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

- Minimum Alternate Tax (MAT)

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

(u) Segment Reporting

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

(v) **Employee Benefits**

Short Term Employee Benefits

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

Post-Employment Benefits

Defined Contribution Plans

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

Defined Benefit Plans

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

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

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

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

(w) **Contingent Liabilities and Contingent Assets**

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

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

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

(x) **Cash and cash equivalents**

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

(y) **Government grants and subsidies**

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

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

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

Annual Report 2020-2021

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

Particulars	(₹ in Lakhs)							Total Equity	
	Equity Share Capital	Capital Reserve	Securities Premium Reserve	Revaluation Reserves	Reserves and Surplus	Other Equity	Comprehensive Income		Other Total Equity
As at April 1, 2019	1,007.97	67.90	801.05	26,174.91	73.20	5,236.68	(28,504.01)	4,603.87	5,611.84
Profit for the Year							229.34	229.34	229.34
Addition during the Year					8.69		(519.87)	(511.18)	(511.18)
Transfer to General Reserve				(786.14)				(786.14)	(786.14)
Transfer From Revaluation Reserve						786.14		786.14	786.14
As at March 31, 2020	1,007.97	67.90	801.05	25,388.77	81.89	6,022.82	(28,274.67)	4,322.02	5,329.99
Profit for the Year							8,983.04	8,983.04	8,983.04
Addition during the Year					9.55			119.98	129.53
Transfer to General Reserve				(726.69)				(726.69)	(726.69)
Deduction during the year				(1,054.04)				(1,054.04)	(1,054.04)
Transfer From Revaluation Reserve						726.69		726.69	726.69
As at March 31, 2021	1,007.97	67.90	801.05	23,608.04	91.44	6,749.51	(19,291.63)	354.25	12,380.55
									13,388.52

The accompanying notes are an integral part of the financial statements

As per our report of even date

For V. C. Shah & Co.

Chartered Accountants
ICAI Firm Registration No.109818W

Viral J. Shah

Partner
Membership No. 110120

Place: Mumbai
Date: 30th June, 2021

For and on behalf of the Board of Directors

H R KILACHAND
Chairman & Managing Director
DIN:00294835

A S RUJA
Independent Director
DIN: 00296622

ROHIT BALU
Chief Financial Officer
Place: Mumbai
Date: 30th June, 2021

GAURAV SHARMA
Company Secretary
& General Manager (Legal)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2021

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

(₹ In Lakhs)

Particulars/ Assets	Tangible Assets						Intangible Assets	Right of use Assets	Total Assets			
	Free hold Land	Lease hold Land Premium	Buildings	Plant & Equipments	Office Equipments	Vehicles				Furniture & Fixtures	Total	Computer Software
Gross Carrying amount												
Balance as at April 1, 2019	9,481.14	0.06	6,748.57	9,821.33	38,948.21	560.64	246.82	530.67	66,337.44	133.47	0.00	66,470.91
Additions	90.02	0.00	0.00	2,787.32	31.61	0.00	2.44	2,911.39	0.00	0.00	120.73	3,032.12
Deductions/ Disposals	26.00	0.00	0.00	0.00	4.69	0.00	2.28	32.97	0.00	0.00	0.00	32.97
Balance as at March 31, 2020	9,545.16	0.06	6,748.57	9,821.33	41,735.53	587.56	246.82	530.83	69,215.86	133.47	120.73	69,470.06
Additions	0.00	0.00	0.00	18.89	114.22	16.29	0.00	2.42	151.82	0.00	0.00	151.82
Deductions/ Disposals	0.00	0.00	0.00	246.86	2,497.52	278.58	0.45	77.31	3,100.72	0.00	14.50	3,115.22
Balance as at March 31, 2021	9,545.16	0.06	6,748.57	9,593.36	39,352.23	325.27	246.37	455.94	66,266.96	133.47	106.23	66,506.66
Accumulated Depreciation / Amortisation												
As at April 1, 2019	0.00	0.04	401.90	5,200.37	14,447.36	531.57	220.11	459.59	21,260.94	125.99	0.00	21,386.93
Depreciation charge for the year	0.00	0.00	56.68	439.96	1,274.27	17.23	5.10	20.28	1,813.52	0.00	12.95	1,826.47
Deductions/ Disposals	0.00	0.00	0.00	0.00	0.00	4.52	0.00	1.84	6.36	0.00	0.00	6.36
Balance as at March 31, 2020	0.00	0.04	458.58	5,640.33	15,721.63	544.28	225.21	478.03	23,068.10	125.99	12.95	23,207.04
Depreciation charge for the year	0.00	0.00	56.50	399.70	1,426.63	18.72	3.47	14.27	1,919.29	0.00	11.86	1,931.15
Deductions/ Disposals	0.00	0.00	0.00	150.79	1,397.09	274.13	0.45	72.99	1,895.45	0.00	7.61	1,903.06
Balance as at March 31, 2021	0.00	0.04	515.08	5,889.24	15,751.17	288.87	228.23	419.31	23,091.94	125.99	17.20	23,235.13
Net Carrying amount												
As at March 31, 2021	9,545.16	0.02	6,233.49	3,704.12	23,601.06	36.40	18.14	36.63	43,175.02	7.48	89.03	43,271.53
As at March 31, 2020	9,545.16	0.02	6,289.99	4,181.00	26,013.90	43.28	21.61	52.80	46,147.76	7.48	107.78	46,263.02
Capital Work in Progress												
As at March 31, 2021												1,678.16
As at March 31, 2020												480.19

Annual Report 2020-2021

3. INVESTMENTS

PARTICULARS

(₹ in Lakhs)

As at
31st March, 2021

As at
31st March, 2020

Investments in Equity Instruments

(a) In fully paid Equity Shares through FVTPL (Unquoted)

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

(Amount is less than Rs, 1,000/-)

Total

0.40

0.40

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

10,40,000 Shares of ₹ 5/- each (P.Y.: 10,40,000 Shares of ₹ 5/- each) of Kesar Terminals and Infrastructure Limited.	351.00	186.68
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(c) Investment in Government Security (At amortised Cost)

National Savings Certificates (Lodged as security deposit)	1.40	0.90
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Total

352.40

187.58

Total (a+b+c)

352.80

187.98

Aggregate amount of Unquoted Investment Carried at Cost	1.80	1.30
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Aggregate amount of Quoted Investment at Market Value	351.00	186.68
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Total

352.80

187.98

4. LOANS

Other Loans and Advances

Unsecured, considered good	0.00	0.00
Doubtful	4.00	47.00
	4.00	47.00
Less: Allowance for bad and doubtful loans and advances	4.00	47.00
	0.00	0.00
Total	0.00	0.00

5. OTHERS

(a) Fixed Deposits with Bank (Under lien for issuing various Bank Guarantees in favour of Government authorities)	229.09	174.75
(b) Interest Accrued on Bank Fixed Deposits	30.32	21.08
(c) Interest Accrued on Investments	0.52	0.46
Total	259.93	196.29

KESAR ENTERPRISES LIMITED

6. DEFERRED TAX ASSETS (NET) PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
MAT Credit entitlement	16.94	16.94
Total	16.94	16.94
7. OTHER NON-CURRENT ASSETS		
(a) Capital Advance	748.95	235.48
(b) Balance with Government Authorities	232.89	238.04
Total	981.84	473.52
8. INVENTORIES		
(a) Raw Materials and components		
(i) Malt Spirit	8.33	8.33
(b) Work-in-progress		
(i) Sugar	380.99	280.38
(ii) Molasses	34.44	41.51
	<u>415.43</u>	<u>321.89</u>
(c) Finished goods		
(i) Sugar	7,275.50	6,850.20
(ii) Spirits	103.23	482.81
(iii) Banked Power	1.32	27.70
	<u>7,380.05</u>	<u>7,360.71</u>
(d) By - Products		
(i) Molasses	407.95	801.18
(ii) Press Mud	0.00	0.91
(iii) Bagasses	328.17	578.76
	<u>736.12</u>	<u>1,380.85</u>
(e) Stores and spares	576.86	326.40
Total	9,116.79	9,398.18
9. CURRENT INVESTMENTS		
Investment in Mutual Funds (Unquoted)		
33,69,613 Units in HDFC Short Term Debt Fund Direct Plan Growth Option (P.Y. Nil)	840.61	0.00
Total	840.61	0.00
Aggregate amount of Unquoted Investment at Market Value	840.61	0.00
Aggregate Cost of Unquoted Investment	837.80	0.00
10. TRADE RECEIVABLES		
(a) Trade Receivables - considered good	3,578.90	4,906.37
(b) Trade Receivables - credit impaired	194.10	298.16
	<u>3,773.00</u>	<u>5,204.53</u>
Less: Allowance for bad and doubtful receivable	283.58	421.37
Total	3,489.42	4,783.16

Annual Report 2020-2021

11. CASH AND CASH EQUIVALENTS		(₹ in Lakhs)		
PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020		
Cash & Cash Equivalent				
(a) Balance with Bank-On Current Account	2,530.31	935.61		
(b) Cash on hand	3.96	7.35		
Total	2,534.27	942.96		
12. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS				
Bank Balance Other than Cash & Cash Equivalents				
Fixed deposit with Bank (More than 3 months & less than 12 months)	17.12	17.12		
Total	17.12	17.12		
13. LOANS				
(Unsecured, Considered good)				
Advances to Employees	5.72	5.88		
Total	5.72	5.88		
14. OTHER - CURRENT ASSETS				
(a) Security Deposits	21.58	20.53		
(b) Others (advance excise duty, advance to supplier & Others)	270.81	309.86		
Total	292.39	330.39		
15. EQUITY SHARE CAPITAL				
PARTICULARS	As at 31 st March, 2021		As at 31 st March, 2020	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of ₹ 10/- each	1,20,00,000	1,200.00	1,20,00,000	1,200.00
Preference Shares of ₹ 10/- each	1,00,00,000	1,000.00	1,00,00,000	1,000.00
Issued, Subscribed & Paid up				
Equity Shares of ₹ 10/- each	1,00,79,682	1,007.97	1,00,79,682	1,007.97
Total	1,00,79,682	1,007.97	1,00,79,682	1,007.97
(a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period				
Equity Shares Outstanding	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1,00,79,682	1,007.97	10,079,682	1,007.97
Shares Issued during the year	0.00	0.00	0.00	0.00
Shares bought back during the year	0.00	0.00	0.00	0.00
Shares outstanding at the end of the year	1,00,79,682	1,007.97	1,00,79,682	1,007.97
(b) Terms/rights 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 Dividends in Indian Rupees. The Dividend, if proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting except for interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their holdings.				
(c) Details of Shareholders holding more than 5% Shares in the Company				
Equity Shareholder				
Name of Shareholder	No. of % of Holding		No. of % of Holding	
	Shares held		Shares held	Holding
Kesar Corporation Pvt. Ltd.	24,72,155	24.53	24,62,695	24.43
Seel Investments Pvt. Ltd.	32,25,699	32.00	32,25,699	32.00
H R Kilachand	5,73,976	5.69	5,73,976	5.69

16. OTHER EQUITY

(₹ in Lakhs)

PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
(a) Capital Reserves	67.90	67.90
(b) 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.	801.05	801.05
(c) Revaluation Reserves		
Revaluation Reserve is created on revaluation of class of assets comprise of difference between book value and revalued value. The reserve is utilised in accordance with the provision of the Companies Act, 2013.		
Opening Balance	25,388.77	26,174.91
Less: Transfer to General Reserve	726.69	786.14
Less: Deduction during the year	1,054.04	0.00
Closing Balance	23,608.04	25,388.77
(d) Storage and Effluent Disposal Reserves:		
This Reserves has been created for provision and maintenance of adequate storage facility as required under Uttar Pradesh Sheera Niyrantran (Sansodhan) Adesh, 1974. (Refer Note No 38)		
(i) Storage Reserves for Alcohol:		
Opening Balance	5.40	5.26
Add: Current Period Transfer	0.42	0.15
Closing Balance	5.82	5.41
(ii) Storage Reserves for Molasses:		
Opening Balance	70.73	62.35
Add: Current Period Transfer	8.69	8.38
Closing Balance	79.42	70.73
(iii) Effluent Disposal Reserves		
Opening Balance	5.75	5.59
Add: Current Period Transfer	0.45	0.16
Closing Balance	6.20	5.75
(e) General Reserve		
This represents appropriation of profit after tax by the company.		
Opening Balance	6,022.82	5,236.68
Add: Transfer from Revaluation Reserve	726.69	786.14
Closing Balance	6,749.51	6,022.82
(f) Retained Earning		
This comprise company's Loss after taxes.		
Opening Balance	(28,274.67)	(28,504.01)
Add: Net Profit for the Year	8,983.04	229.34
Closing Balance	(19,291.63)	(28,274.67)
(g) Other Comprehensive Income (OCI)		
Opening Balance	234.27	754.14
Other Comprehensive Income	119.98	(519.87)
Closing Balance	354.25	234.27
Total	12,380.55	4,322.02

Annual Report 2020-2021

NON CURRENT LIABILITIES

FINANCIAL LIABILITIES

17. BORROWINGS

PARTICULARS

(a) Secured Borrowings

Term Loans from Banks & other

(1) Sugar Development Fund (Modernisation Loan) (As appearing in the books)

90.78

181.55

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

Terms of Repayments:

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

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

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

1,888.29

3,463.45

Cash Credit Limits converted to Working Capital Term Loan

Security: Secured by pledge of Stocks of Sugar and further secured by second pari passu charge on Fixed Assets of Sugar Division

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

Rate of Interest: Simple Interest @ 10.25% annually

Total Secured Borrowings

1,979.07

3,645.00

(Out of the total secured borrowings of ₹ 8,353.11 Lakhs (P.Y. ₹ 8,983.11 Lakhs), borrowings of ₹ 6,374.05 Lakhs (P.Y. ₹ 5,338.11 Lakhs) having current maturities, have been disclosed in Note No: 25 (a))

(b) Unsecured Borrowings

Loans from Related Parties

130.00

150.84

(Refer Note No 42)

Total Unsecured Borrowings

130.00

150.84

Total

2,109.07

3,795.84

18. LEASE LIABILITY	(₹ in Lakhs)	
PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Lease Liability	89.72	103.03
Total	<u>89.72</u>	<u>103.03</u>
19. OTHERS LONG TERM LIABILITIES		
Interest Payable on U P Co Op Bank - Working Capital Term Loan	888.86	888.86
Total	<u>888.86</u>	<u>888.86</u>
20. PROVISIONS		
Provision for Employees Benefits		
(i) Leave Encashment (Non funded)	122.98	92.80
(ii) Gratuity (Funded)	827.19	746.87
Total	<u>950.17</u>	<u>839.67</u>
21. OTHER NON CURRENT LIABILITIES		
Deposits from Dealers & Customers (Repayable on cancellation of distributionship and Interest at Rate of 9% p.a.)	47.80	46.80
Total	<u>47.80</u>	<u>46.80</u>
FINANCIAL LIABILITIES		
22. BORROWINGS		
Unsecured loans from Banks		
From UCO Bank (as appearing in books) Rate of Interest :7%	2,640.50	2,640.50
Total	<u>2,640.50</u>	<u>2,640.50</u>

Details of Default in repayment of Principal Instalment & Interest

PARTICULARS	As on March 31, 2021	As on March 31, 2020
	Banks	Banks
0-90 Days	0.00	0.00
90-180 Days	0.00	0.00
More Than 180 Days	2,640.50	2,640.50
Total	<u>2,640.50</u>	<u>2,640.50</u>

Annual Report 2020-2021

23. LEASE LIABILITY (CURRENT)		(₹ in Lakhs)	
PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020	
Lease Liability	6.50	9.68	
Total	6.50	9.68	
24. TRADE PAYABLES			
For goods and services received			
(a) Total outstanding dues of micro enterprises and small enterprises (Refer note no. 39)	18.03	19.81	
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	20,145.44	17,930.50	
Total	20,163.47	17,950.31	
25. OTHERS			
(a) Current maturities of Long Term Debts			
Current maturities of Long Term Debts - Secured Borrowings (As appearing in the books) (Refer Note No 17) (Refer Note No. 1 & 2 below)	6,374.04	5,338.11	
(b) Recalled Long Term Borrowings including Interest (Secured) (As appearing in the books) (Refer Note No 3 & 4 below)	9,604.21	16,163.84	
(c) Recalled Short Term Borrowings including Interest (Secured) (As appearing in the books) (Refer Note No. 3 below)	0.00	4,293.19	
(d) Interest accrued but not due on Borrowings	235.07	228.85	
(e) Interest accrued and due on Borrowings	4,741.55	3,295.65	
(f) Payables for Capital Goods	321.64	290.88	
(g) Payables for Other Contractual Obligations	327.18	369.60	
(h) Payable to Related Party (Refer Note No 42)	286.43	268.96	
(i) Others Payables	71.00	88.08	
Total	21,961.12	30,337.16	

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

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

Terms of Repayments:

Tranche I: Repayable in 10 half yearly installments of ₹159.77 Lakhs each, starting from July 4, 2014 to January 4, 2019.
Tranche II: Repayable in 10 half yearly installments of ₹158.47 Lakhs each, starting from March 2015 to September 2019.

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

Security: Secured by pledge of Stocks of Sugar and further secured by second pari passu charge on Fixed Assets of Sugar Division

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

(3) Allahabad Bank (Cogen Term Loan & Cash Credit)

The Company had entered into a One Time Settlement (OTS) with the Allahabad Bank (now Indian Bank) and has paid the entire OTS amount during the year as per sanction terms. The bank has issued a letter confirming no outstanding amount towards the OTS. (Refer Note No 48 (a))

(4) UCO Bank (Cogen Term Loan)

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

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

Personal Guarantee: Personal Guarantee of Shri H R Kilachand

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

Details of Default in repayment of Principal Instalment & Interest (₹ in Lakhs)

Particulars	As on March 31, 2021		
	Banks	Others	Total
0-90 days	1,446.68	154.05	1,600.73
90-180 days	621.97	154.12	776.09
More than 180 days	11,255.21	5,482.16	16,737.37
Total	13,323.86	5,790.33	19,114.19

Details of Default in repayment of Principal Instalment & Interest

Particulars	As on March 31, 2020		
	Banks	Others	Total
0-90 days	326.10	145.88	471.98
90-180 days	325.75	145.37	471.12
More than 180 days	21,127.40	4,726.66	25,854.06
Total	21,779.25	5,017.91	26,796.56

26. OTHER CURRENT LIABILITIES

PARTICULARS

	As at 31 st March, 2021	As at 31 st March, 2020
(a) Advance received from Customers	375.27	923.66
(b) Statutory Dues	77.72	71.74
Total	452.99	995.40

27. PROVISIONS

Provision for Employees Benefits

(a) Gratuity (Funded)	107.75	105.58
(b) Leave Encashment (Unfunded)	40.75	38.66
Total	148.50	144.24

28. CURRENT TAX LIABILITIES (NET)

Provision of Income Tax [Net of Advance Payment of Income Tax ₹ 121.17 Lakhs (P.Y. ₹ 134.24 Lakhs)]	10.30	14.16
Total	10.30	14.16

Annual Report 2020-2021

29. REVENUE FROM OPERATIONS

(₹ in Lakhs)

PARTICULARS

For the year ended
on 31st March, 2021

For the year ended
on 31st March, 2020

(a) Sale of Products

Manufactured Goods

(i) Sugar	45,625.61	44,436.30
(ii) Power	4,034.32	4,401.15
(iii) Spirits	3,083.99	1,048.20
(iv) By - Products	1,354.96	988.01

Total (a)

54,098.88

50,873.66

(b) Other Operating Revenue

(a) Sale of Exports Quota	57.50	0.00
(b) Scrap Sale	48.41	57.80
(c) Sale of Renewable Energy Certificate (REC)	11.83	435.61
(d) Sale of Pesticide	504.42	412.26
(e) Sundry Income	24.88	13.16

Total (b)

647.04

918.83

Total (a+b)

54,745.92

51,792.49

30. OTHER INCOME

(a) Dividend Income	0.00	23.41
(b) Interest Income		
(i) On Fixed Deposits	17.32	15.10
(ii) Others	18.62	17.45
(c) Excise Duty Refund	206.53	0.00
(d) Rent	44.99	45.52
(e) Credit Balance Written Back	107.91	49.44
(f) Profit on Sale of Property, Plant and Equipment (Net)	0.00	58.73
(g) Net Gain on sale of Financial Asset	1.42	72.18
(h) Net Gain arising on Financial Asset measured at FVTPL	2.82	0.00
(i) Interest waiver under One Time Settlement (OTS) Write Back refer Note No 48 (a)	4,818.51	0.00
(j) Principal Loan waiver under One Time Settlement (OTS) Write Back refer Note No 48 (a)	5,474.12	0.00

Total

10,692.24

281.83

31. COST OF MATERIAL CONSUMED

(₹ in Lakhs)

PARTICULARS

For the year ended
on 31st March, 2021

For the year ended
on 31st March, 2020

(i) Raw Materials Consumed

(a) Sugar Cane

Opening Stock	0.00	0.00
Add: Purchases	43,843.63	38,127.79
Less: Closing Stock	0.00	0.00
Consumption	43,843.63	38,127.79

(b) Molasses & Spirits

Opening Stock	8.34	8.70
Add: Purchases	0.00	24.84
Less: Closing Stock	8.34	8.34
Consumption	0.00	25.20

(c) Raw Materials Consumed for Power

	232.00	587.99
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(ii) Packing Material Consumed

	451.23	372.14
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Total

44,526.86

39,113.12

32. CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS

(a) Opening Stock

Finished Goods	7,495.39	9,351.05
Work- in - Progress	321.88	512.26
By Products	1,246.17	1,180.71
	9,063.44	11,044.02

(b) Closing Stock

Finished Goods	7,380.06	7,360.71
Work-in-Progress	415.42	321.87
By Products	736.12	1,380.86
	8,531.60	9,063.44

Net

531.84

1,980.58

33. EMPLOYEE BENEFIT EXPENSES

(a) Salaries and Wages	2,721.98	2,342.04
(b) Gratuity expenses	97.02	91.68
(c) Contribution to Provident fund	176.43	180.12
(d) Contribution to Superannuation scheme	10.47	8.29
(e) Staff Welfare	41.31	32.41
Total	3,047.21	2,654.54

Annual Report 2020-2021

34. FINANCE COSTS

PARTICULARS

(₹ in Lakhs)

	For the year ended on 31 st March, 2021	For the year ended on 31 st March, 2020
(a) Interest Expense		
(i) On Term Loan	1,778.95	1,553.21
(ii) On Cash Credit	583.21	607.19
(iii) On Short Term Borrowings	282.53	288.03
(b) Others Financial charges	48.86	42.08
Total	2,693.55	2,490.51

35. OTHER EXPENSES

(a) Stores and Spares	947.83	852.03
(b) Power and Fuel	74.14	102.95
(c) Repairs		
(i) Plant and Equipments	1,135.56	1,197.18
(ii) Building	112.06	110.51
(iii) Others	103.06	84.07
(d) Rent	3.94	3.38
(e) Insurance	68.51	42.33
(f) Rates and Taxes	64.30	203.14
(g) Commission and Brokerage	84.67	82.64
(h) Legal Charges	119.97	254.44
(i) Penalty & Fine	0.00	0.05
(j) Loading and Unloading Charges	394.59	307.03
(k) Travelling Expenses	44.21	82.37
(l) Transportation and Freight & Forwarding	11.35	29.72
(m) Security and Other Labour Charges	97.98	80.84
(n) Donation	32.00	0.00
(o) Storage and Effluent Disposal Reserves	9.56	8.68
(p) Directors Sitting Fees	12.00	7.20
(q) Auditors Remuneration		
(i) Audit Fees	8.50	8.50
(ii) Other Matter	1.00	0.50
(iii) Out of Pocket Expenses	0.73	0.95
(r) Cost Audit Fees	1.15	1.00
(s) Allowance for bad and doubtful debts	(33.73)	11.98
(t) Bad Debts /Advances written off	9.19	0.01
(u) Loss on Sale / Discarded of Fixed Assets	149.74	0.00
(v) Miscellaneous Expenses	272.19	308.27
Total	3,724.50	3,779.77

36. Contingent Liabilities

	(₹ in Lakhs)	
PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
Claims / demands against the Company under litigation:		
(i) Claims against the company not acknowledged as debts in respect of criminal and civil cases ₹ 4.75 Lakhs (Previous Year ₹ 6.86 Lakhs)		
(ii) Disputed sales tax, entry tax, trade tax and excise duty cases under appeal:		
Central Sales Tax	65.57	74.44
Entry Tax (U.P.)	1,838.20	1,394.89
Trade Tax (U.P.)	13.64	92.49
Excise Duty	4,992.59	5,067.52
Others	16.21	17.28
Total	6,926.21	6,646.62

37. Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for

Towards Property, Plant and Equipment	1,618.52	2,556.31
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38. Alcohol and Molasses Storage Reserves and Effluent Disposal Reserves amounting to ₹ 91.43 Lakhs (P.Y. ₹ 81.86 Lakhs) are not deposited with a Scheduled Bank since it is reserved by the Company for utilization for provision and maintenance of adequate storage facilities as required under Uttar Pradesh Sheera Niyantaran (Sansodhan) Adesh, 1974.

39. Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2021 is given below: -

	(₹ in Lakhs)	
PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier	18.03	19.81
The amount of Principal and interest paid beyond the appointed day	62.32	212.05
The amount of interest due and payable on delayed payments	0.65	0.63
The amount of interest accrued and remaining unpaid	0.65	0.63
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	0.00	0.00

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

Annual Report 2020-2021

40. Employee Benefit

Defined Contribution Plans

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

(₹ in Lakhs)

PARTICULARS	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
Employer's Contribution to Provident Fund	176.43	180.12
Employer's Contribution to Super Annuation Fund	10.47	8.29

Defined Benefit Plan

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

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

(a) The amounts recognized in the balance sheet:

PARTICULARS

Defined Benefit (Gratuity) Plan

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
Present Value of funded obligations	(949.66)	(887.02)
Fair Value of plan assets	14.72	34.57
Net liability (Amount shown in Balance Sheet as Liabilities)	<u>(934.94)</u>	<u>(852.45)</u>

(b) The amounts recognized in the statement of profit and loss:

Current service cost	38.88	34.00
Interest on obligation	58.14	57.68
Past Service Cost	0.00	0.00
Expected return on plan assets	0.00	0.00
Net actuarial losses / (gains) recognized in year	0.00	0.00
Plan assets (Contributions) / transfers by employer	0.00	0.00
Total included in employee benefit expense	<u>97.02</u>	<u>91.68</u>

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

Opening defined benefit obligation	887.02	788.25
Service costs	38.88	34.00
Interest costs	60.50	59.83
Past Service Costs	0.00	0.00
Benefit Directly paid by Employer	0.00	0.00
Benefits paid	(81.46)	(44.73)
Actuarial (Gain)/Losses on Obligation – Due to Change in Financial Assumptions	22.61	34.69
Actuarial (Gain)/Losses on Obligation – Due to Experience	22.11	14.98
Closing defined benefit obligation	<u>949.66</u>	<u>887.02</u>

(d) **Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof :**

(₹ in Lakhs)

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 st March, 2021	For the year ended on 31 st March, 2020
Opening fair value of plan assets	34.58	28.33
Expected return on plan assets	2.36	2.15
Contributions	58.86	50.50
Benefits paid	(81.46)	(44.73)
Return on Plan Assets	0.38	(1.68)
Closing defined benefit obligation	<u>14.72</u>	<u>34.57</u>

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

(e) **The amount recognized in the other comprehensive Income (OCI):**

Actual (Gains) / Losses on Obligation	44.72	49.67
Return Plan Assets	(0.38)	1.68
Net actuarial losses / (gains) recognized in OCI	<u>44.34</u>	<u>51.35</u>

(f) **The Reconciliation of Balance Sheet in the statement:**

Opening net Liability	852.45	759.91
Expenses recognized in Statement of Profit and Loss	97.02	91.68
Expenses recognized in OCI	44.34	51.35
Benefit Directly Paid By Employer	0.00	0.00
Employers Contribution	(58.86)	(50.50)
Net Liability/(Assets) Recognised in the Balance Sheet	<u>934.95</u>	<u>852.44</u>

(g) **The amount recognized Interest Cost in the statement:**

Present Value of Benefit Obligation	887.02	788.25
Fair Value of Plant Assets	(34.57)	(28.34)
Net Liability / (Assets) At the Beginning	852.45	759.91
Interest Cost	60.50	59.83
Interest Income	(2.36)	(2.15)
Net Interest cost for Current Period	<u>58.14</u>	<u>57.68</u>

(h) **The amount of Expenses recognized in the statement of Profit and Loss:**

Current Service Cost	41.76	38.88
Interest Cost	57.71	58.14
Expenses Recognised	99.47	97.02

Annual Report 2020-2021

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

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 st March, 2021	For the year ended on 31 st March, 2020
Discount rate	6.33%	6.82%
Salary escalation rate	6.00%	6.00%
Expected return on plan assets	6.33%	6.82%
Rate of Employees Turnover	2.00%	2.00%

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

(₹ in Lakhs)

PARTICULARS	Defined Benefit (Gratuity) Plan				
	For the year ended on 31 st March, 2021	For the year ended on 31 st March, 2020	For the year ended on 31 st March, 2019	For the year ended on 31 st March, 2018	For the Period of Fifteen Months ended on 31 st March, 2017
Defined benefit obligation	949.66	887.02	788.25	764.89	713.94
Plan assets	14.72	34.57	28.34	52.74	80.94
Surplus/ (deficit)	(934.94)	(852.45)	(759.91)	(712.15)	(633.00)

(k) Experience Adjustment:

PARTICULARS	Defined Benefit (Gratuity) Plan				
	For the year ended on 31 st March, 2021	For the year ended on 31 st March, 2020	For the year ended on 31 st March, 2019	For the year ended on 31 st March, 2018	For the Period of Fifteen Months ended on 31 st March, 2017
On plan Liability (Gains)/ Losses	22.11	14.98	34.67	57.60	(40.73)
On plan Assets Gains/ (Losses)	0.38	(1.68)	(1.61)	(1.76)	(12.27)

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

Projected Benefits Payable in Future Years From the Date of Reporting

PARTICULARS	For the year ended on 31 st March, 2021	For the year ended on 31 st March, 2020
1 st Following Year	144.08	109.18
2 nd Following Year	46.27	51.88
3 rd Following Year	122.48	87.48
4 th Following Year	102.35	123.66
5 th Following Year	120.33	91.99
Sum of Years 6 to10	499.84	524.60

(ii) Other Employee Benefit

The liability for leave entitlement as at March 31, 2021 is ₹ 163.73 Lakhs (P.Y. ₹ 131.46 Lakhs) disclosed under Long Term Provision (Refer Note No. 20) and Short-Term Provision (Refer Note No. 27)

(iii) Sensitivity Analysis

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

Gratuity

A quantitative sensitivity analysis for significant assumed as at March 31 2021 and March 31, 2020

(₹ in Lakhs)

PARTICULARS	For the year ended on 31 st March, 2021	For the year ended on 31 st March, 2020
Projected Benefit Obligation on Current Assumptions	949.66	887.02
Delta Effect of +1% Change in Rate of Discounting	(45.04)	(44.57)
Delta Effect of -1% Change in Rate of Discounting	49.69	49.11
Delta Effect of +1% Change in Rate of Salary Increase	47.97	47.87
Delta Effect of -1% Change in Rate of Salary Increase	(44.85)	(44.83)
Delta Effect of +1% Change in Rate of Employee Turnover	0.47	1.76
Delta Effect of -1% Change in Rate of Employee Turnover	(0.55)	(1.92)

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

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

Interest Risk Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability

Investment Risk The present value of defined benefit plan liability calculated using a discount rate which is determined by reference to marker yields as at the end of the reporting period on government bonds. If the return on plant assets is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Assets Liability Matching Risk The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules,1962, this generally reduces ALM risk.

Annual Report 2020-2021

Mortality Risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Concentration Risk	Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

(iv) Leave Encashment (Non-funded)

The Company has recognised ₹ 57.94 Lakhs (P.Y. ₹ 45.24 Lakhs) in statement of Profit and Loss based on actuarial valuation.

41. Segmental Reporting Disclosures under Ind-AS 108

Business Segments:

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

- Sugar
- Power
- Spirits

Financial Information about the primary business segment:

Figures for the year ended 31st March, 2021 indicated in bold. Previous Year figures indicated in the row below:

PARTICULARS	(₹ in Lakhs)			
	Sugar	Power	Spirits	Total
(a) Revenue from Operations				
Sales (Including Inter Division/ Segment Revenue and Net of Intra Division Revenue)	55,981.82	11,533.92	3,085.25	70,600.99
Other Income	53,160.18	10,209.92	1,047.90	64,418.00
	4,431.43	4,980.98	798.56	10,210.97
	80.20	7.35	15.36	102.91
Less: Inter Segment Revenue	8,367.31	7,487.76	0.00	15,855.07
	7,261.03	5,373.17	0.00	12,634.20
Add: Unallocable Income				481.27
				178.93
Total Revenue				65,438.16
				52,065.64
(b) Segmental Results				
Segmental Result before Interest, Exceptional Items & Tax	3,462.29	7,060.60	1,397.80	11,920.69
Less: Finance Cost	1,881.31	1,163.69	67.34	3,112.34
				2,693.55
				2,490.51
Less: Unallocable Expenses Net of Unallocable Income				244.12
				392.49
Less: Exceptional Items				-
				-
Profit /(Loss) Before Tax	2543.78	5321.75	1,397.04	8,983.05
	947.28	(357.88)	65.94	229.34
Less: Current Tax				-
				-

KESAR ENTERPRISES LIMITED

PARTICULARS	Sugar	Power	Spirits	Total
Less: Deferred Tax				-
				-
Profit / (Loss) after Tax				8,983.05
				229.34
Other Comprehensive Income				119.98
				(519.87)
Profit / (Loss) after Other Comprehensive Income				9,103.03
				(290.53)
(c) Segmental Assets and Liabilities				
(i) Segmental Assets	25,302.61	21,043.41	10,153.53	56,499.55
	25,932.48	24,088.28	10,052.00	60,072.76
Unallocable Assets/ Investments				6,357.97
				3,022.88
Total Assets				62,857.52
				63,095.64
(ii) Segmental Liabilities	32,128.87	15,363.93	261.92	47,754.72
	33,000.28	21,387.30	930.80	55,358.38
Share Capital & Other Equity				13,388.52
				5,329.99
Unallocable Liabilities				1,714.28
				2,407.27
Total Liabilities				62,857.52
				63,095.64
(d) Capital Expenditure and Depreciation				
(i) Capital Expenditure including Capital Work in Progress	152.89	0.00	1,598.88	1,751.77
	1,290.22	0.67	2,088.26	3,379.15
Unallocable				78.21
				12.43
Total				1,829.98
				3,391.58
(ii) Depreciation/ Amortization	755.00	751.23	371.63	1,877.87
	724.80	767.16	277.98	1,769.94
Unallocable Depreciation				53.28
				56.53
Total Depreciation/ Amortization				1,931.15
				1,826.47
(iii) Significant non-cash expenditure other than Depreciation/ Amortization				-
				-

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

Annual Report 2020-2021

42. Related Party Disclosures as per Indian Accounting Standard 24

Names of related parties and nature of related party relationships:

a) Key Management Personnel and their relatives:

Mr. H R Kilachand	Chairman & Managing Director
Mr. M A Kuvadia	Independent Director
Mr. A S Ruia	Independent Director
Dr. Narendra Mairpady	Independent Director (From 13.11.2020)
Mr. Rishabh Shah	Independent Director (From 13.11.2020)
Mrs. Ranjana Sinha	Independent Director
Mr. D J Shah	Company Secretary (CS) (Up to 13 th Nov 2020- Close of Business Hours)
Mr. Gaurav Sharma	Company Secretary (CS) (From 13 th Nov 2020 Close of Business Hours)
Mr. Rohit Balu	Chief Financial Officer (CFO)

Relatives of Key Management Personnel:

Mr. Rohan H Kilachand	Son of Chairman & Managing Director
Ms. Rohita H Kilachand	Daughter of Chairman & Managing Director
Mrs. Nidhi R Kilachand	Daughter in Law of Chairman & Managing Director

b) Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence:

Kesar Terminals & Infrastructure Limited
Kesar Multimodal Logistics Limited
Kesar Corporation Pvt. Ltd.
Seel Investments Pvt. Ltd.
Kilachand Devchand & Co. Pvt. Ltd.
Kilachand Devchand Commercial Pvt. Ltd.
Indian Commercial Co. Pvt. Ltd.
India Carat Pvt. Ltd.

c) Others

H R Kilachand (HUF)
Harsh Family Trust
Rajnikant Kilachand (HUF)

KESAR ENTERPRISES LIMITED

Disclosure of transactions between the Company and related parties and the status of outstanding balance as on 31st March, 2021 indicated in bold. Previous Year figures indicated in the row there below in brackets:

(₹ in Lakhs)							
Nature of Transaction	Kesar Terminals & Infrastructure Ltd	Kesar Multimodal Logistics Ltd	Kilachand Devchand & Co. Pvt. Ltd.	Seel Investment Pvt. Ltd	Kesar Corporation Pvt. Ltd.	Indian Commercial Co. Pvt. Ltd.	KMP
Expenses	4.81	1.80	7.48			1.73	
Reimbursement	(2.89)	(1.19)	(10.93)			(1.39)	
Dividend Received	0.00						
	(23.40)						
Loan Repaid				40.00			
				(0.00)			
Rent Paid/Provided			17.38				
			(17.38)				
Sitting Fees (Refer note below)							12.00
							(7.20)
Remunerations (Refer note below)							83.12
							(88.95)
Closing Balance							
Payables			285.62				
			(268.96)				
Investments	351.00						
	(186.68)						
Loans				90.00	40.00		
				(115.35)	(31.49)		

Note:

Sitting Fees

(₹ in Lakhs)		
Name of the Directors	For the year ended on 31 st March, 2021	For the year ended on 31 st March, 2020
Mr. M A Kuvadia	3.65	2.60
Mr. A S Ruia	3.65	3.00
Mrs. Ranjana Sinha	3.30	1.60
Dr. Narendra Mairpady	0.70	0.00
Mr. Rishabh Shah	0.70	0.00
Total	12.00	7.20

Remuneration paid to Key Management Personnel (KMP)

Name of the Persons	For the year ended on 31 st March, 2021	For the year ended on 31 st March, 2020
Mr. D J Shah	34.20	50.06
Mr. Gaurav Sharma	8.15	0.00
Mr. Rohit Balu	40.77	38.89
Total	83.12	88.95

Annual Report 2020-2021

43. Financial Risk Management

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

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

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

Credit Risk

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

Trade receivables

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

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

Particulars	(₹ in Lakhs)	
	For the year ended on 31 st March, 2021	For the year ended on 31 st March, 2020
(a) Ageing		
0-180 Days	3,578.90	4,906.37
More than 180 days	194.10	298.16
Total	3773.00	5,204.53
(b) Movement in expected credit loss allowance on trade receivables		
Balance at the beginning of the year	421.37	439.41
Add: - Additional provision made	0.00	0.00
Less: - Provision reversed	(137.79)	(18.04)
Balance at the end of the year	283.58	421.37

Financial instruments and cash deposits

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

Equity price risk

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

Equity Price sensitivity	(₹ in Lakhs)	
	Impact on profit before tax	
	Current Year	Previous Year
Equity Prices (quoted) – increase by 10%	35.10	18.67
Equity Prices (quoted) – decrease by 10%	(35.10)	(18.67)

Interest rate risk

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

Interest rate sensitivity

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

Particulars	(₹ in Lakhs)	
	Impact on profit before tax	
	Current Year	Previous Year
Interest rate – increase by 100 basis points (100 bps)	(127.25)	(208.32)
Interest rate – decrease by 100 basis points (100 bps)	127.25	208.32

Liquidity Risk

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

The table below provides details regarding the maturities of significant financial liabilities as of March 31, 2021 and March 31, 2020.

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
Year ended March 31, 2021				
Borrowing (Refer Note No. 17, 19 & 22)	2,640.50	2,997.93	0.00	5,638.43
Trade Payables (Refer Note No. 24)	20,163.47	0.00	0.00	20,163.47
Other Financial Liabilities (Refer Note No. 25)	21,961.11	0.00	0.00	21,961.11
Year ended March 31, 2020				
Borrowing (Refer Note No. 17, 19 & 22)	2,640.50	4,684.70	0.00	7,325.20
Trade Payables (Refer Note No. 24)	17,950.31	0.00	0.00	17,950.31
Other Financial Liabilities (Refer Note No. 25)	30,337.15	0.00	0.00	30,337.15

Capital Management

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

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

Annual Report 2020-2021

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Net Debt		
Borrowing	17,061.12	25,188.13
Equity		
Equity share capital	1,007.97	1,007.97
Other Equity	12,380.55	4,322.02
Debt /Equity Ratio	1.27	4.73

44. Financial Instruments by category

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

(₹ in Lakhs)

Particulars	March 31, 2021			March 31, 2020		
	Amortised cost	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL
Financial Assets						
Non-Current Investments						
-Equity instruments	1.80	351.00		1.30	186.68	
-Loans	0.00			0.00		
-Other Financial Assets	259.93			196.29		
-Current Investments			840.61			0.00
-Trade Receivable	3,489.43			4,783.17		
-Cash and Cash equivalent	2,534.27			942.96		
-Bank Balance	17.12			17.12		
-Loans	5.72			5.88		
-Other Current Asset	272.39			330.39		
Total financial Asset	6,580.66	351.00	840.61	6,277.11	186.68	0.00
Financial Liabilities						
-Long Term Borrowings	2,109.06			3,795.84		
-Non Current Lease Liability	89.72			103.03		
-Other Non-Current Liabilities	888.86			888.86		
- Current Lease Liability	6.50			9.68		
-Other Non-current liabilities	47.30			46.80		
-Short Term Borrowings	2,640.50			2,640.50		
-Trade payable	20,163.47			17,950.31		
-Other Financial Liabilities	21,961.12			30,337.15		
-Other Current Liabilities	452.99			995.40		
Total financial liabilities	48,359.52			56,767.57		

45. Fair Value Hierarchy

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

(₹ in Lakhs)

Particulars	Level 1	
	As at March 31, 2021	As at March 31, 2020
	Financial assets: Investments in equity shares (Quoted) at FVTOCI	351.00
Financial assets: Investments in Mutual Fund (Unquoted) at FVTPL	840.61	0.00

46. Disclosure in respect of Earnings per Share in accordance with Ind-AS 33

Particulars	For the year ended on 31 st March, 2021	For the year ended on 31 st March, 2020
Profit /(Loss) after tax (₹ in Lakhs)	8,983.05	229.34
Nominal value of equity shares (₹)	10.00	10.00
Weighted average no. of equity shares (Basic)	1,00,79,682	1,00,79,682
Earnings per equity share (Basic) (₹)	89.12	2.28
Weighted average no. of equity shares (Dilutive)	1,00,79,682	1,00,79,682
Earnings per equity share (Dilutive) (₹)	89.12	2.28

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

Following are the changes in the carrying value of right of use assets: (₹ in Lakhs)

Particulars	Lease Asset 2020-21	Lease Asset 2019-20
Gross carrying amount		
Opening gross carrying amount	120.73	0.00
Additions	0.00	120.73
Disposals and transfers	14.50	0.00
Closing gross carrying amount	106.23	120.73
Accumulated depreciation		
Opening accumulated depreciation	12.95	0.00
Depreciation charged	11.86	12.95
Disposals and transfers	7.61	0.00
Closing accumulated depreciation	17.20	12.95
Net carrying amount	89.03	107.78

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

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

Following are the changes in the carrying value of Lease Liability: (₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at beginning of the year	112.71	0.00
Additions	0.00	120.73
Finance cost accrued during the period	11.74	12.91
Deletions	(8.33)	0.00
Less: Payment of lease liabilities	(19.90)	(20.93)
Balance as at end of the year	96.22	112.71

Annual Report 2020-2021

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

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Less than one year	6.50	9.68
One to five years	13.60	25.63
More than five years	76.12	77.40
Total	96.22	112.71

Rental expense recorded for short-term leases (less than one year) was ₹ 3.94 lakhs and ₹ 3.38 lakhs for the year ended March 31, 2021 and March 31, 2020 respectively.

48. (a) The Company had entered into a One Time Settlement (OTS) with the Allahabad Bank (now Indian Bank) in December 2019 and has paid the entire OTS amount of ₹ 5,500.00 Lakhs as per sanction terms. The bank has issued a letter to the Company confirming that there is no outstanding amount towards the OTS as at 31st March 2021 and accordingly, the Company has given the accounting effect in the books by writing back ₹ 5,474.12 Lakhs on account of principal amount and ₹ 4,818.51 Lakhs on account of accrued Interest. Pursuant to the payment of OTS amount, the Company is in the process of complying with the other procedural formalities for release of the Bank's charge on the assets of the Company.
- (b) UCO Bank has classified the Company's account as NPA and has issued a notice under the SARFAESI Act, 2002 and the Insolvency and Bankruptcy Code (IBC) for the recovery of its dues. The said notices have been duly replied by the Company. UCO Bank had also filed an application with DRT, New Delhi for the recovery of its dues and the same is pending before DRT. The Company is in the process of arriving at a settlement with UCO Bank for which the Company has given a proposal for an One Time Settlement (OTS) of its dues.
49. Sugar cane purchase price are unchanged for the season 2020-2021 and is accounted at State Advisory Price (SAP) ₹ 325/- per quintal for early, ₹ 315/- per quintal for general and ₹ 310/- per quintal for rejected varieties declared for Sugar Season 2020-2021, by the State Government of Uttar Pradesh.
50. The Company has incurred substantial losses in the earlier years, mainly attributable to high sugarcane prices and relatively lower and unviable Sugar prices. The Company is hopeful for the revival of the Sugar Industry in Uttar Pradesh in view of various steps taken by Uttar Pradesh State Government and Central Government. Also, One Time Settlement (OTS) has been arrived at with Allahabad bank by virtue of which the company expects substantial reduction in finance costs in subsequent financial years with resultant improvement in profitability and the net worth. Hence these Ind AS financial statement have been prepared on a going concern basis, despite accumulated losses resulting in erosion of its entire net worth.

51. INCOME TAX

a) Reconciliation of Tax Expenses and the Accounting Profit:

Particulars	(₹ in Lakhs)	
	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Profit before tax as per books	8,983.04	229.34
Tax effect @ 31.20%	2,802.71	71.55
Tax Difference on account of		
Ind-As impact of interest on Related party, Interest & Depreciation on lease assets, Gratuity Provision	10.44	27.80
Depreciation as per books & as per Income Tax Act.	132.26	104.57
Loss/ (Profit) on sale of Assets	46.72	3.82
Expenditure claimed U/S 43B on the basis of payments	686.32	648.79
Rent Expenditure claimed as per Income Tax Act.	(6.21)	(6.51)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Dividend Income (Exempted income)	(0.00)	(7.30)
Write back of Term Loans and outstanding Interest under One Time Settlement (OTS)	(2,158.68)	(0.00)
Set off of brought forwards Business Loss of the Earlier Years against current year Business Profit	(1,513.12)	(798.05)
Set off of Unabsorbed Depreciation of the Earlier Years against current year Capital Gains	(0.44)	(44.67)
Net Total Tax	0.00	0.00

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

52. The Company is continuously monitoring and assessing the situation arising on account of COVID-19 pandemic. The Company has considered both internal and external information available up to the date of approval of these financial statements and has assessed the recoverability of the carrying value of its assets as on 31st March, 2021. Based on the assessment, the Company does not anticipate any material impact of the pandemic on these financial statements.

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

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

54. The previous period figures have been regrouped and re-casted wherever necessary.

As per our report of even date

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

Viral J. Shah
Partner
Membership No. 110120

Place: Mumbai
Date: 30th June, 2021

For and on behalf of the Board of Directors

H R KILACHAND
Chairman & Managing Director
DIN:00294835

A S RUIA
Independent Director
DIN: 00296622

ROHIT BALU
Chief Financial Officer

GAURAV SHARMA
Company Secretary
& General Manager (Legal)

Place: Mumbai
Date: 30th June, 2021

Annual Report 2020-2021

STATEMENT SHOWING PRODUCTION AND YIELD IN SUGAR

SEASON	DURATION DAYS	CANE CRUSHED M. TONS	SUGAR PRODUCED M. TONS	RECOVERY % OF CANE CRUSHED
2000-2001	143	6,44,521.60	64,298.00	9.89
2001-2002	184	8,34,412.60	81,970.40	9.82
2002-2003	189	9,38,038.60	93,863.00	10.00
2003-2004	150	8,08,601.17	79,866.50	9.88
2004-2005	158	8,52,942.80	84,010.00	9.90
2005-2006	155	8,38,468.80	79,114.00	9.43
2006-2007	194	11,48,799.60	1,14,843.00	10.00
2007-2008	163	9,77,982.72	1,04,201.00	10.67
2008-2009	111	5,61,509.25	52,364.00	9.35
2009-2010	119	6,93,771.98	65,170.00	9.38
2010-2011	116	7,38,041.20	71,811.00	9.68
2011-2012	148	9,31,902.00	88,761.00	9.48
2012-2013	136	8,58,008.00	78,105.00	9.14
2013-2014	98	5,88,836.00	51,632.60	8.77
2014-2015 (upto December 2014)	30	1,87,040.00	17,960.40	9.60
2014-2015 (Jan 2015 to Mar 2015)	77	4,30,691.00	42,197.00	9.80
2015-2016	89	4,44,713.62	45,725.00	10.28
2016-2017	117	6,50,899.84	70,482.00	10.83
2017-2018	149	9,12,500.00	96,345.60	10.56
2017-2018 (April 2018)	30	1,47,434.00	16,293.00	11.05
2018-2019	150	9,09,880.00	98,604.80	10.84
2018-2019 (April 2019)	30	1,88,762.80	22,853.00	11.24
2019-2020	148	9,39,360.00	1,08,092.08	11.61
2019-2020 (April 2020)	49	3,04,739.40	34,635.50	11.35
2020-2021	153	9,90,280.00	1,07,041.00	10.93

STATEMENT SHOWING PRODUCTION AND YIELD IN DISTILLERY

Year	Production (Litres)	Yield per Quintal of Molasses (Litres)
2000-01	1,28,35,127	21.40
2001-02	1,22,80,300	21.00
2002-03	1,29,54,000	21.16
2003-04	1,15,52,050	24.12
2004-05	1,12,74,630	22.58
2005-06	1,47,65,450	22.98
2006-07	1,64,12,783	23.22
2007-08	1,62,74,637	22.70
2008-09	1,14,14,558	22.99
2009-10	74,58,803	23.12
2010-11	1,31,41,901	23.00
2011-12	1,12,23,029	22.60
2012-13	85,06,467	22.41
2013-14	1,15,75,401	22.76
2014-15 (upto December 2014)	12,38,192	22.24
2014-15 (Jan 15 to Mar 15)	2,38,074	23.55
2015-16	7,36,798	22.49
2016-17	0	0
2017-18	0	0
2018-19	0	0
2019-20	46,99,896	23.31
2020-21	58,55,431	23.08

FINANCIAL STATISTICS FROM 2010-2011 TO 2020-21

(₹ In Lakhs)

Period/ Year end position	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016 (15 Months)	2013-2014 (18 Months)	2012-2013	2011-2012	2010-2011
Period	1.4.20- 31.3.21	1.4.19- 31.3.20	1.4.18- 31.3.19	1.4.17- 31.3.18	1.4.16- 31.3.17	1.1.15- 31.3.16	1.7.13- 31.12.14	1.7.12- 30.6.13	1.7.11- 30.6.12	1.7.10- 30.6.11
Share Capital	1,007.97	1,007.97	1,007.97	1,007.97	1,007.97	1,007.97	999.92	862.02	679.02	679.02
Other Equity	12,380.55	4,322.02	4,603.86	9,337.10	14,694.45	4,084.82	9,392.57	*22,176.28	*23,733.70	2,518.53
Deferred Tax Liability/ Assets							(378.84)	(378.84)	(378.84)	24.84
Borrowings	17,061.12	25,188.13	28,748.67	30,119.89	30,819.79	31,422.45	33,832.45	43,090.64	34,956.36	20,824.08
Working Capital	(14,852.85)	(16,413.08)	(12,803.73)	(7,617.87)	(4,068.12)	(6,133.26)	(1,278.73)	17,132.52	11,276.43	14,819.70
Total Capital Employed	62,857.52	63,095.64	65,181.36	60,010.36	59,940.05	55,229.54	58,283.08	80,206.81	72,539.62	24,246.47
Gross Block	66,506.66	66,506.66	*67,894.67	*66,210.43	*66,027.66	*58,763.41	*58,652.13	*59,336.79	*37,767.26	15,183.32
Net Block	43,271.53	46,263.02	*46,507.74	*46,731.33	*47,100.91	*42,586.13	*44,997.85	*48,551.27	*28,857.03	5,795.90
Investments	352.80	187.98	656.49	60,010.36	2,037.23	54.46	54.95	54.95	54.95	52.70
Equity Shares										
Book Value (₹)	132.83	52.88	55.67	*102.63	*155.78	*50.53	*104.10	*267.26	*359.53	47.09
Face Value (₹)	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
For the Year										
Sales	54,745.92	51,792.49	40,311.20	31,370.74	38,978.81	37,734.84	74,954.17	47,254.60	46,303.48	49,620.98
Depreciation	1,931.15	1,826.47	1,913.45	1,819.14	1,897.64	2,582.51	2,354.74	1,461.63	558.29	583.10
Profit/(Loss) Before Tax	9,103.03	(290.53)	(4,737.16)	(5,359.71)	794.56	(4,905.21)	(12,001.95)	(1,668.20)	(937.97)	42.73
Profit/(Loss) After Tax	9,103.03	(290.53)	(4,737.16)	(5,359.71)	794.56	(5,322.23)	(12,001.95)	(1,668.20)	(1,998.50)	361.74
Equity Dividend %										10%
Equity Dividend (₹ in Lakhs)										67.90

* Including Revaluation Reserve.

