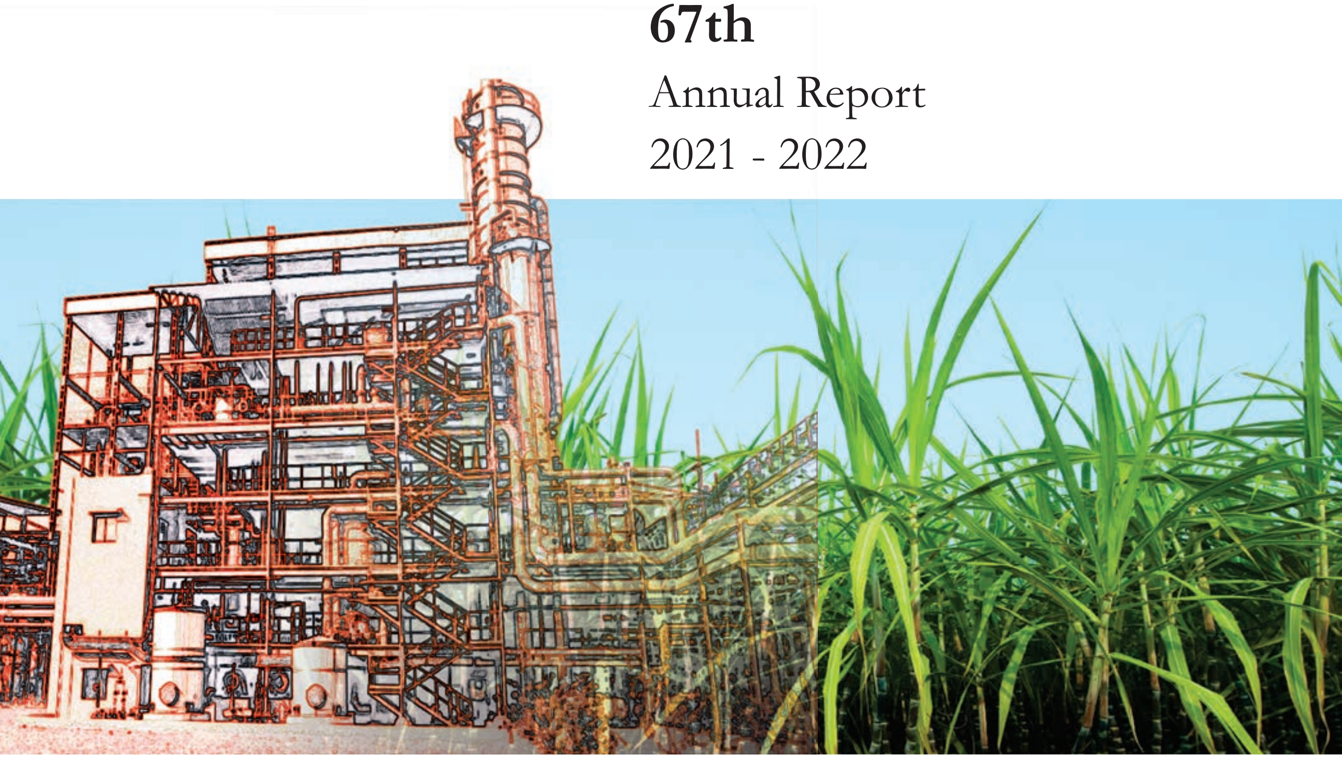
67th

Annual Report

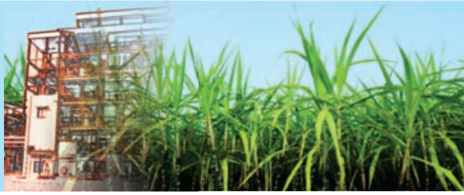
2021 - 2022



Godavari Biorefineries Ltd

Our Mission

- To be a world-class global organization.
- To be the leading integrated biorefinery.
- To continuously add value to every part of sugarcane and any other biomass that the company processes.
- To visualise, understand and meet customer needs and expectations.
- To provide superior returns to shareholders through efficient management, innovation and teamwork.
- To participate in, and contribute to the all-round development of the community in which the company operates.
- To be a place where individuals aspire to and can make a difference, where good performance is applauded and of which people are proud to be a part of.



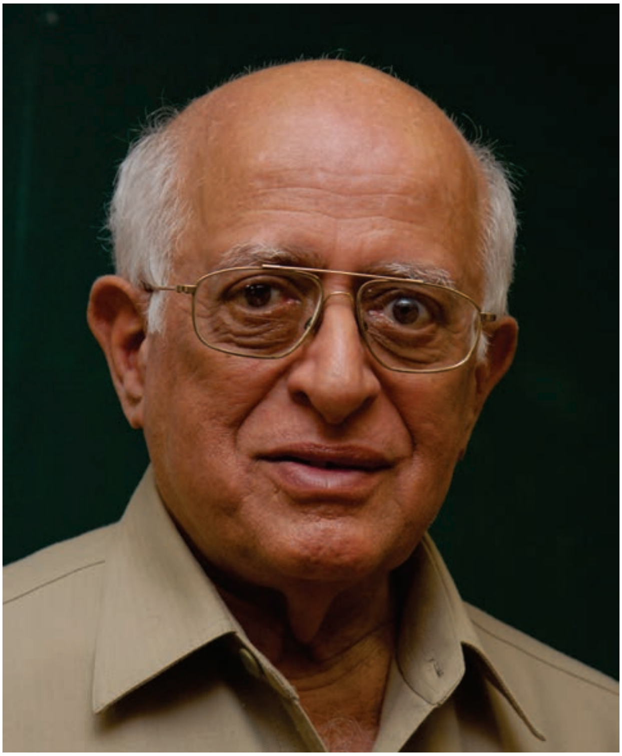
400 KLPD Distillery Plant

Pooja at Cane Carrier for ever Highest Cane Crushing

Our Founder

Our Founder
Padmabhushan Late Shri K. J. Somaiya
1902-1999

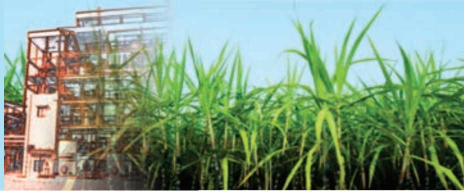
Our Mentor



Late Dr. Shantilal K. Somaiya

1927 - 2010

Bhoomi Pujan of Specialty Chemical Plant and Inauguration of our Research Laboratory



Bhoomi Pujan of Speciality Chemical Plant by Shri Subhash Desai, Hon'ble Cabinet Minister of Industries, Maharashtra

Inauguration of Research Laboratory

Speech by Shri. Subhash Desai, Hon'ble Cabinet Minister of Industries, Maharashtra

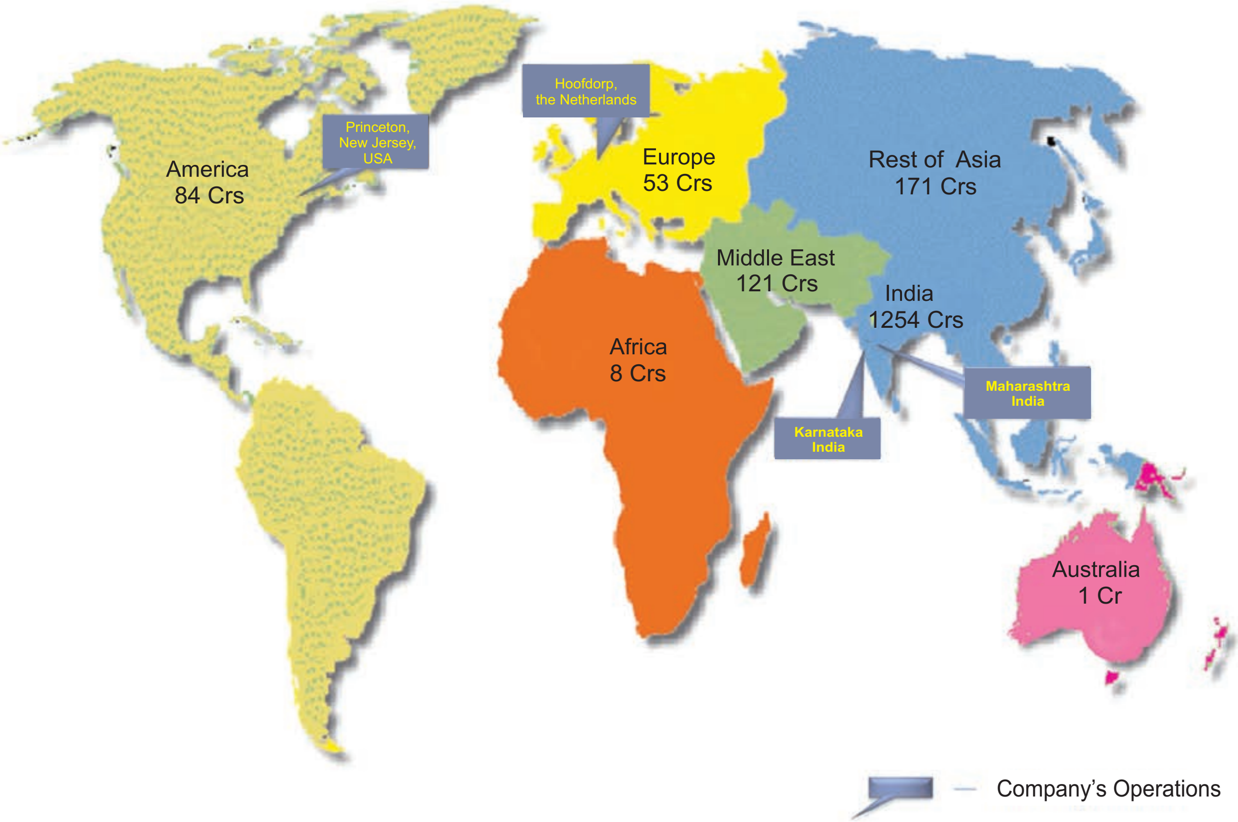
Visit of Shri. Subhash Desai, Hon'ble Cabinet Minister of Industries, Maharashtra at New Research lab

Felicitation of Shri Subhash Desai, Hon'ble Cabinet Minister of Industries, Maharashtra

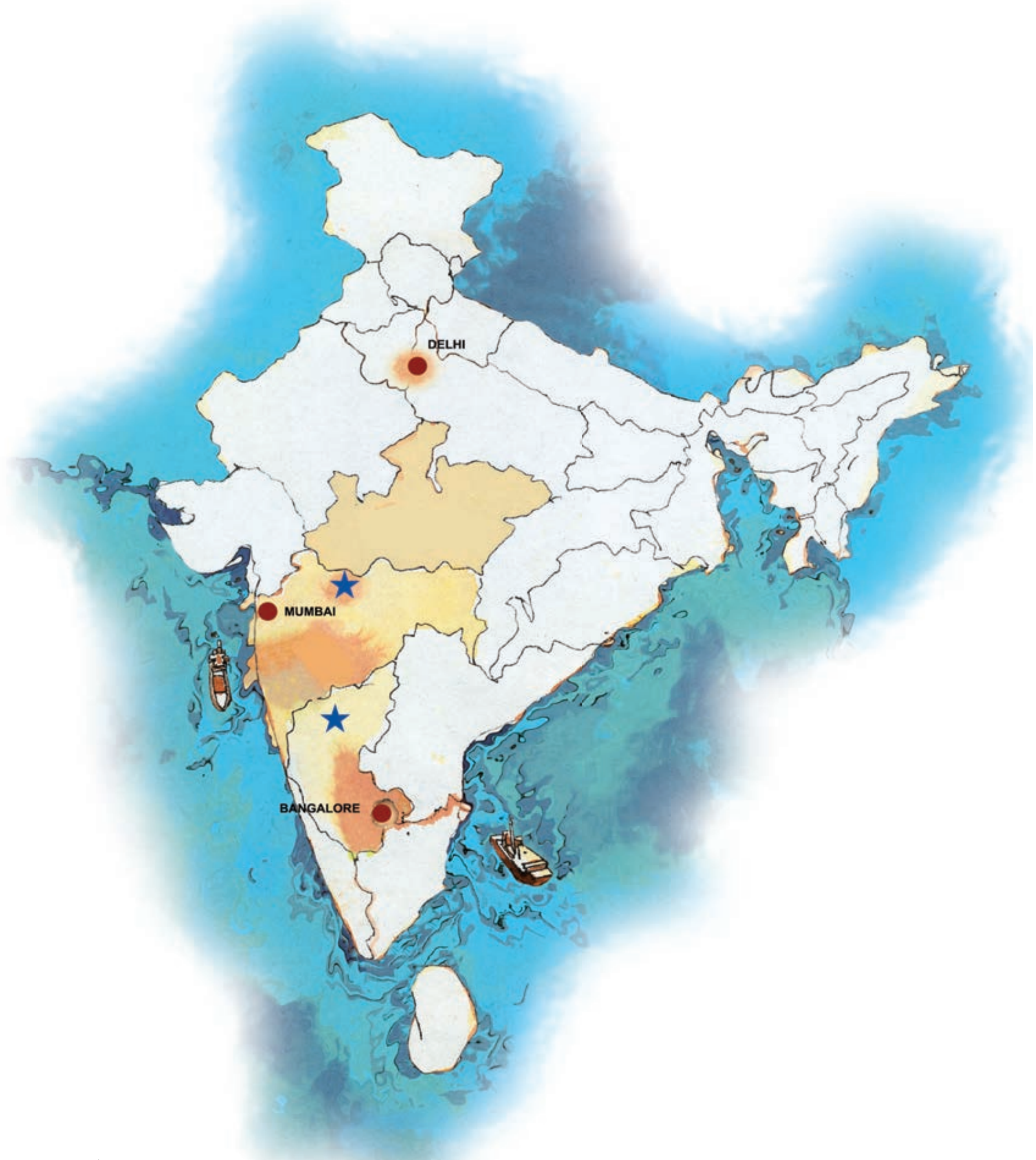
Effluent Treatment Plant visit

Visit of Shri Pralhad Joshi, Union Minister for Parliament Affairs, Coal and Mines

Godavari Biorefineries Ltd's Global Presence



Locations



Overseas Location
Godavari Biorefineries BV, Hoofddorp, the Netherlands
Cayuga Investment BV, Hoofddorp, the Netherlands
Godavari Biorefineries Inc, Princeton, New Jersey, USA

● Office Locations
★ Industry Locations

Awards

FICCI India at 75th Chemical and Petrochemical Industry Awards

SISSTA Best Performance Distillery Award

FKCCI Export Excellence Award

India Green Energy Award 2021 received by our CMD Shri Samir Somaiya in the hands of Hon'ble Union Minister for Road Transport Shri Nitin Gadkari.

Awards

केंद्रीय वस्तु एवं सेवा कर एवं केंद्रीय उत्पाद शुल्क आयुक्त कार्यालय, बेलगावी

OFFICE OF THE COMMISSIONER OF CENTRAL GST AND CENTRAL EXCISE, BELAGAVI.

राष्ट्र निर्माण में योगदान के लिए उनके द्वारा समर्पित सेवाओं की मान्यता में

करदाता पुरस्कार, वर्ष-2022

जी एस टी दिवस 2022 के उपलक्ष्य पर

एम/एस. गोदावरी बायोरिफाइनरीज लिमिटेड, बागलकोट, को दिया जाता है।

AWARD THIS

Taxpayer of the Year Award-2022

ON THE OCCASION OF GST DAY 2022

TO

M/S. GODAVARI BIOREFINERIES LIMITED, BAGALKOT

IN RECOGNITION OF THEIR
DEDICATED SERVICE
RENDERED TOWARDS BUILDING THE NATION

आयुक्त / COMMISSIONER
केंद्रीय वस्तु एवंसेवाकर एवं केंद्रीय उत्पादशुल्क, बेलगावी.
CENTRAL GST & CENTRAL EXCISE BELAGAVI.

Received Taxpayer of the year award 2022 on the occasion of GST day from the Office of the Commissioner of Central GST and Central Excise, Belagavi

SUPPORTED BY | ORGANISER | KNOWLEDGE PARTNER

IFGE

Ratings

INDIA GREEN ENERGY AWARDS

GODAVARI BIOREFINERIES LTD.

Has been awarded as the Winner

For

Category: "Outstanding Renewable Energy Generation Projects– Biofuel"

At

3rd India Green Energy Awards

October 20, 2021-New Delhi

Annasaheb M K Patil
Chairman

Sanjay Ganjoo
Director General

SUPPORTING PARTNER

India Green Energy Award

Our Launches

Tailoring centers

Scholarship cheque distribution

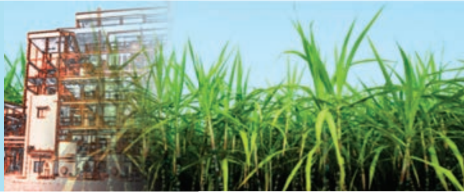
Sanitizer to DC

Help a Child Beneficiary

Handing over Food kit

Help a Child Workshop

Board of Directors



Mr. Samir S. Somaiya
Chairman and Managing Director

Dr. Sangeeta Srivastava
Executive Director

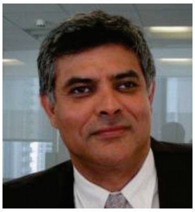
Mr. Bhalachandra R. Bakshi
Executive Director

Mr. Suhas U. Godage
Director - Works
(Sakarwadi Unit, Maharashtra)

Mr. Kailash Pershad
Independent
Non - Executive Director

Prof. Lakshmi Kantam Mannepalli
Independent
Non - Executive Director

Mr. Hemant Luthra
Independent
Non - Executive Director



Mr. Sanjay Puri
Independent
Non - Executive Director

Dr. Preeti Singh Rawat
Non - Executive Director

Mr. Nitin Mehta
Independent
Non - Executive Director

Board of Directors

Chairman & Managing Director

Mr. Samir S. Somaiya

Executive Director

Dr. Sangeeta Srivastava

Mr. Bhalachandra R. Bakshi

Non - Executive Director

Dr. Preeti Singh Rawat

Independent Directors

Prof. Lakshmi Kantam Mannepalli

Mr. Kailash Pershad

Mr. Hemant Luthra

Mr. Sanjay Puri

Mr. Nitin Mehta (from 1st July, 2021)

Director - Works

Mr. D. V. Deshmukh (upto 22th June, 2021)

Mr. Mohan Somanathan (upto 31st May, 2021)

Mr. Suhas Godage (from 8th September, 2021)

Investor Nominee Director

Mr. Uday Garg (upto 27th August, 2021)

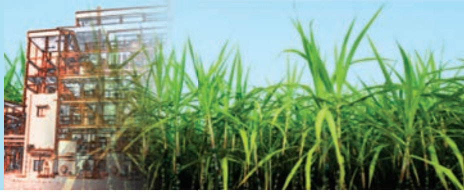
Chief Financial Officer

Mr. Naresh Khetan

Company Secretary

Ms. Swarna S. Gunware

Corporate Information



CORPORATE IDENTITY NUMBER

U67120MH1956PLC009707

REGISTERED OFFICE

Somaiya Bhavan,
45/47, Mahatma Gandhi Road,
Fort, Mumbai - 400 001. INDIA.
Tel +91-22 -61702100
Fax + 91-22-22047297

FACTORIES

Sameerwadi
(Via Mahalingpur),
Taluka Mudhol,
Dist. Bagalkot,
Karnataka - 587316.

Sakarwadi
(Stn Kanhegaon),
Dist Ahmednagar,
Maharashtra - 413708.

AUDITORS

Verma Mehta & Associates
(Chartered Accountants)

COST AUDITORS

B J D Nanabhoy & Co.
(Cost Accountants)

SOLICITORS & ADVOCATES

Economic Law Practice

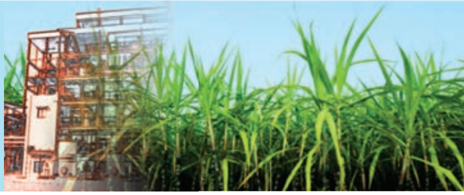
REGISTRAR AND TRANSFER AGENT

Link Intime India Pvt. Ltd.
C-101, 247 Park, LBS Marg,
Vikhroli (West), Mumbai - 400083
Tel: +91 22 49186000
Fax: +91 22 49186060
Email: rnt.helpdesk@linkintime.co.in

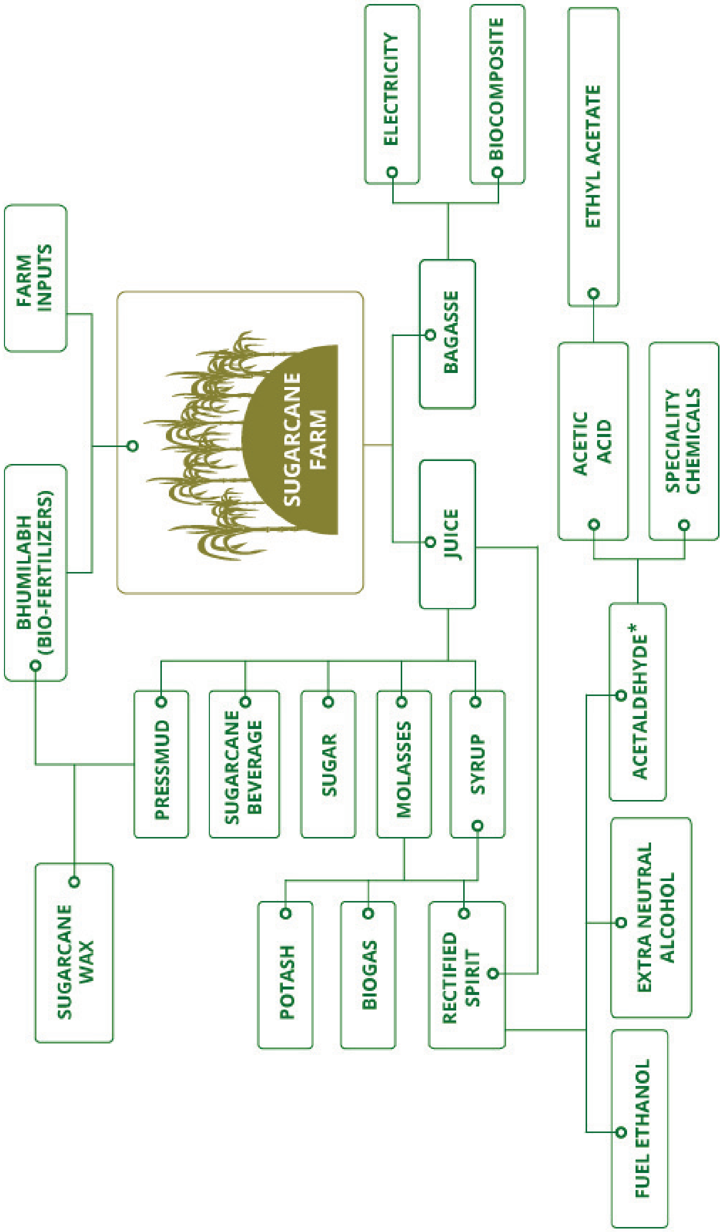
BANKS AND INSTITUTIONS

Bank of Baroda
Bank of India
Council for Scientific and Industrial Research
IndusInd Bank Limited
SVC Co-operative Bank Ltd.
Union Bank of India

Contents



GBL’s Value Chain



*Acetaldehyde & Downstream derivatives are manufactured using Bio-ethanol at our Sakarwadi, Maharashtra facility

Chairman's Outlook

Dear Shareholders,

The Coronavirus did not end. It continues to affect lives and livelihoods. In the last year, we saw through the second and then the third wave. Although cases are currently lower in India, cases continue to be high in the USA, and also in China where a lockdown was imposed affecting global supply chains. The vaccinations in India have reduced the number of cases in the country. We do hope that it stays this way.

The Russia - Ukraine war has also created disruptions in the world economy. Energy and food prices have gone up. Ukraine supplies food to much of the world. The war has disrupted this supply. Similarly, global sanctions on Russia have caused energy prices to steeply rise.

Last year was a good year for IPOs. There were over many IPOs in the calendar year 2021. With the greater push on ethanol and the company's continuing thrust on specialty chemicals, Godavari Biorefineries filed a DRHP. SEBI has given its final observation on our DRHP at the end of November 2021 and we have one year to do the IPO. The Russia-Ukraine war, the consequent inflation and the tightening of rates by the US Fed has dampened the global equity market sentiment. We are hopeful that the sentiment will change and we are able to continue with our plans to make the public offering.

Sugar and Ethanol

The Government of India is continuing its push for the production of ethanol for fuel blending using sugarcane juice or B Heavy molasses. This policy meets three goals:

1. It supplements energy security.
2. Addresses climate change
3. Ensures stability in farmer incomes

As I mentioned last year, we had increased the capacity of our ethanol production to 400 klpd. To aid in the Government's policy initiative, your company is further expanding its ethanol capacity to 600 klpd. The feedstock for this capacity increase will be met by a corresponding increase in sugarcane crushing capacity. Almost all of the increase in sugarcane crushing will go to make ethanol. As a result more than 45% of our sugar in sugarcane will be diverted to make ethanol. This degree of optionality is only with Brazilian mills. This capacity increase is expected to be ready when the company commences crushing for the 2022-23 sugarcane season.

The Government has advanced the target date for 20% blending to 2025. The Government released its policy document 'Roadmap for Ethanol Blending' in mid 2021. In this, the Government estimates that over 10 billion litres of ethanol will be needed for 20% blending. These 10 billion litres will come from 15 billion liters of ethanol capacity (since ethanol is also used as a chemical feedstock, in pharmaceuticals, and in the potable industry). To meet this goal, the Government estimates more than 7.5 billion litres of capacity will come from the sugar industry and 7.5 billion liters from grain based ethanol.

We plan to also add grain as a feedstock to supplement its operations in the 'off-season' to take advantage of the market opportunity created above.

The Indian economy continues to produce more sugarcane and consequently, more sugar than it can consume. In the current sugar season, India is likely to produce over 35.5 million tons of sugar (after deducting the sugar that was not produced since it was diverted to making ethanol). India exported over 9 million tons of sugar on the back of strong international markets.

In view of the disruptions in energy and food supply chains caused by the Russia-Ukraine war, the Government of India has imposed restrictions and controls on the export of sugar. As a result we have to now apply for permits to export sugar. India will continue to make more sugar than it needs, and in the current geopolitical environment, the price of sugar is expected to remain high, so India will continue to need to export sugar in the coming year. We believe that the sugar export controls are being imposed to ensure that India continues to have enough sugar to meet its own needs.

Chemicals

Chemicals are the largest portion of our product mix at over 35% of our business and are a growth opportunity. We have identified new specialty chemicals to make and/or expand. Our strategy is to add value to our feedstock, and its related biomass. To convert biomass into value added products, chemically, physically or biologically.

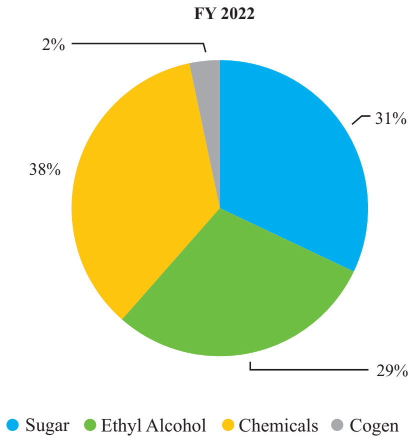
We continue to make more value added chemicals from renewable resources. The world is looking at renewable and sustainable ways of making products. Climate change needs to be combated. Godavari Biorefineries has been a pioneer in the use of Sustainable and Renewable Resources to produce chemicals. Our close cooperation with many of the large companies to develop and produce products for them is helping us sustain and grow our pipeline for new products. Customers have expressed renewed and strong interest in sourcing products that are renewable, sustainable, and adhering to the 'green chemistry' principles.

We are continuing our dialogue with them. Customers globally are demanding more sustainable and renewable products with a lower carbon footprint. In turn, companies are taking a fresh look at their supply chains to adapt to this new reality and mitigate climate change. This past year, I am pleased to say that the company has obtained various environmental clearances to make a variety of chemicals from ethanol. These clearances have been obtained for both sites, Sakarwadi and Sameerwadi. These clearances will help us to continue on in our journey of creating a world class cascading biorefinery and make chemicals that these customers need. I am pleased to say that we have already started selling some of these new chemicals to our customers overseas. This business is poised for growth.

To combat higher energy and feedstock prices, we are further integrating our sites at Sakarwadi and Sameerwadi. Some of our boilers at Sakarwadi are being retrofitted to be able to take bagasse as a feedstock and bagasse at Sameerwadi is being made into pellets. This will help us use our surplus bagasse at Sameerwadi as a fuel source at Sakarwadi. Similarly, some of our ethanol production at Sameerwadi will be used to make chemicals at Sakarwadi. Both these measures will help us stay competitive in the current economic landscape.

As a result of our efforts, we continue to make a diversified product mix. The chart below shows the distribution of our business by product in 2022. The ethanol and chemical business now comprise more than 65% of the business and are both sectors that are posed for growth.

Your Company plans to implement the production of SOP (Sulphate of Potash) which is a valuable fertilizer to the farmer as it improves the quality and crop yields. SOP is considered a premium-quality potash that makes plants more resilient to drought, frost, insects and even disease. Our researchers have been able to extract potash from the waste of the incinerator boiler. A successful commissioning of the same will result in a circular economy in Potash. Farm, process, extract, recycle and so on.



We continue to work closely with the farmer. We are inextricably linked together. Our aim is to see that the farmer and the farm are healthy. To do this, we continue to work on introducing drip irrigation, intercropping, soil testing, subsequent supply of quality inputs, supply of tissue culture plantlets, and agronomic practices for achieving high yield. We collaborate with KIAAR, K J Somaiya Institute of Applied Agriculture Research, to demonstrate new techniques that would improve productivity, optimize resource use, and maintain soil fertility. Our experiments on using older and traditional techniques and modern science with KIAAR have shown good results.

Cancer Biology

Our Cancer biology molecules for breast cancer will be going for clinical trials (Phase 1) in August 2022. These are safety and efficacy trials in cancer patients. The results of these trials will be available before the end of FY 2023. This is indeed a major development. Very few Indian companies have been able to take a molecule from discovery through preclinical trials to now clinical trials. We hope that our phase 1 trials are successful before we embark on future strategies for commercialisation.

Research

Research underpins our work. I am happy to add, the Honourable Cabinet Minister of Industries Shri Subhash Desai laid the Foundation Stone for the expansion of our specialty chemicals facility on the 15th of April, 2022. He also inaugurated our new Research laboratory at Sakarwadi. This was converted from an old warehouse to a very modern research laboratory.

Awards and Certifications

I am delighted to say that your company has been awarded the major following awards:

a) First Manufacturing unit in India having received the multi-site BonSucro Certification for Sakarwadi and Sameerwadi , from SCS Global Services, USA on 20th September, 2021

b) Silver Ecovadis Award on 8th October 2021 for holistic sustainability rating covers a broad range of non- financial management systems including Environmental, Labour & human Rights, Ethics and Sustainable procurement impacts

c) Outstanding export performance award by the Federation of Karnataka Chamber of Commerce & Industry (FKCCI) on 15th September, 2021

d) Silver Award for Best Distillery in Karnataka Region at the SISSTA's 50th Golden Jubilee Annual Convention on 1st and 2nd October, 2021.

e) 'Excellence in Manufacturing in Chemicals' at the FICCI-organised India @75: Chemical and Petrochemical Industry Awards 2021.

f) Recognised in the category 'Outstanding Renewable Energy Generation Projects in Public/Private Sector – Biofuel' at the 3rd India Green Awards by the Indian Federation of Green Energy (IFGE).

g) Received Taxpayer of the year Award 2022 on the occasion of GST on 1st July, 2022 from the Office of the Commissioner of Central GST and central Excise, Belagavi

In closing, these are difficult times. We have created optionality between sugar and ethanol by participating in the ethanol blending programme announced by the Government of India. We have further created optionality by being able to use our surplus bagasse as a fuel for our chemical business. This optionality allows us to better manage risk in the food and energy markets.

Samir Somaiya

Chairman and Managing Director

(2021-2022)

Board's Report

Dear Shareholders,

Your Directors have pleasure in presenting the Sixty Seventh (67th) Annual Report on the business and operations of the Company and the audited financial statements for the year ended 31st March, 2022.

FINANCIAL PERFORMANCE:

The financial results for the year ended 31st March, 2022 and the corresponding figures for the last year ended are as under:

₹ in Lakhs

Particulars	Standalone		Consolidated	
	2021-2022	2020-2021	2021-2022	2020-2021
Sales	1,69,080	1,52,626	1,70,233	1,53,817
Profit / (Loss) before Depreciation, Interest and Tax	13,665	16,176	14,102	16,583
Finance costs	6,003	7,164	6,044	7,238
Profit / (Loss) after Interest but before Depreciation and Tax	7,662	9,012	8,058	9,345
Depreciation & Amortization	4,750	4,673	4,803	4,713
Profit / (Loss) Before Tax	2,912	4,339	3,255	4,632
Taxes (Income)/Expense	1,279	1,883	1,309	1,917
Profit / (Loss) After Tax (before Other Comprehensive Income)	1,633	2,456	1,946	2,715

STANDALONE DIVISION WISE SALES TURNOVER:

₹ in Lakhs

DIVISIONS	2021-2022	2020-2021
Sugar	52,037	49,315
Cogeneration	3,632	4,052
Chemicals	64,350	53,644
Distillery	49,061	45,616
Total	1,69,080	1,52,626

REVIEW OF OPERATIONS

On a standalone basis, your Company has achieved sales turnover of ₹169,080 Lakhs for the financial year 2021-22 as compared to the turnover of ₹ 152,626 Lakhs in the previous year, an increase of 9.73% over previous year. On a consolidated basis, the turnover in the current year was ₹ 170,233 Lakhs.

On a standalone basis, your company has reported profit after tax of ₹1,633 Lakhs as against the profit of ₹ 2,456 Lakhs (As per IND AS) in the previous financial year 2020-21. On a consolidated basis, the profit was ₹ 1,946 Lakhs for the current year.

TRANSFER TO RESERVES:

During the financial year under review, your Directors do not recommend transfer of any amount to the general reserve of the Company.

DIVIDEND:

To strengthen the financial position of the Company and to augment the working capital, your Directors do not recommend any dividend to the shareholders for the financial year ended 31st March, 2022.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors' state that:

a) In the preparation of the annual accounts for the year ended 31st March, 2022 the applicable accounting standards have been followed with no material departures;

b) they have 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 as at 31st March, 2022 and of the profit of the company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual financial statements on a "Going Concern" basis;

e) Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

f) 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.

INDIAN SUGAR INDUSTRY OUTLOOK

Sugar Season (SS) 2021-22 (October -September) started with an All India Opening stock of 82 Lakh MT as on 1st October 2021. Production during SS 2021-22 is expected to be 355 Lakh MT. This sugar production is approximately 43 Lakh MT more than the previous sugar season of 2020-21. The sugar diverted for the ethanol blending programme is over and above this sugar availability.

Domestic sugar consumption is expected to be 270 Lakh MT and sugar exports about 90 Lakh MT. Thus the expected sugar stock as of September 2022 would be about 77 Lakh MT.

Indian Sugar Production, Supply and Distribution (Figure in Lakh MT)

(In Lakhs tons)

Sugar Balance Sheet for Sugar Season	2021-22 (E)	2020-21
Opening stock as on 1st October	82	107
Production during the season	355	312
Imports	0	0
Total Availability	437	419
Off-take for		
i) Internal Consumption	270	265
ii) Exports	90	72
Total off-take	360	337
Closing stock as on 30th September	77	82

Source: Indian Sugar Mills Association (ISMA) (E) - Estimated

Closing sugar stock as % of off-take is estimated to be at about 21.39 %. Sugar industry is facing the cost of carrying on staggering sugar stocks which put pressure on the domestic sugar prices. Moreover, this trend of increased sugarcane production and sugar production is expected to remain high for next 2 years until full additional ethanol capacity comes on stream, which would consume the excess sugar production over the domestic consumption of sugar.

Policy Initiatives by Government of India

The Indian Government Single Policy of National Biofuel Policy in 2018 and policy document 'Roadmap for Ethanol Blending' in mid 2021 has transformed the fortunes of the sugar industry as under:

- Reduce Over capacity of sugar production
- Creation of newer revenue (Ethanol)
- Long Term Appetite for Bio fuel
- Increased Liquidity to pay cane farmers on time
- Cane development program for advanced cane variety
- To produce more ethanol to utilize corn and grain in addition to sugarcane and molasses.
- Interest subvention scheme for molasses and grain-based distilleries
- Ethanol price is linked with cane price rise.
- Reduce Carbon Footprint
- Risk averse to cyclical weather with alternative fuel.
- Long Term Sustainability

- Further the Cabinet Committee on Economic Affairs left the purchase price to the oil public sector undertakings to determine the price for ethanol produced from second generation sources (broken unused rice, wheat and corn).
- The Government of India advanced the target for 20% ethanol blending in petrol (also called E20) from 2030 to 2025.
- E20 is expected to be rolled out from April 2023, expected to moderate the country's oil imports and carbon footprints and a gradual roll out of ethanol blended fuel to achieve E-10 fuel supply.
- Ethanol production is in line with the Ethanol Blending Programme (EBP) of the government.

These measures have helped the Indian sugar industry to reduce the financial stress caused by high sugarcane price and excess sugarcane and sugar production.

India is anticipated to retain its position as the largest consumer and one of the largest producers of sugar in the world. It has emerged as one of the largest exporters of sugar. The Government's role in sugarcane pricing to safeguard farmer and miller interests as well as fixing the minimum domestic sugar prices catalyzed sectoral development **(Source: Economic Times, apps.fas.usda.gov)**. India's total exports in the 2021-22 season was estimated at 90 lakh tons compared to 71.91 lakh tons in the previous year. Raw exports increased year on year to Malaysia, Bangladesh, Far East and also the Middle East with a large part of the Indian surplus now exported. Total acreage under sugarcane in the country was placed at nearly 54.55 lakh hectares in 2021-22 Sugar Season (SS), 3% higher than the 2020-21 sugar season cane area of nearly 52.88 lakh hectares. Uttar Pradesh, Maharashtra and Karnataka accounted for 85% of India's total sugar production. India has withdrawn its sugar export subsidies for the marketing year 2021-22. Despite the retraction of subsidies, India's sugar export is now estimated at 9 million tons on account of lower global supplies and rising sugar realizations.

Karnataka's sugarcane area marginally increased to 5.11 lakh hectares in 2021-22 SS compared to 5.01 lakh hectares in 2020-21 SS. Sugar production was estimated at around 60 lakh tons, after diversion of sugar to ethanol. Overall the Indian economy is projected to grow 8% in FY23 (World Bank estimate), buoyed by tailwinds of consistent agricultural performance, flattening of the COVID-19 infection curve, increase in Government spending, favorable reforms and an efficient roll-out of the vaccine leading to a revival in economic activity.

Performance of Sameerwadi Integrated Unit of Sugar, Ethanol / Distillery and Co-generation

Due to good rain and favorable weather conditions for the sugar cane the Sugar Season (SS) 2021-22 looks better than the previous SS 2020-21. During SS of 2021-22, your company has crushed 22.48 lakh MT cane which is 12.40%, higher than the 2020-21 SS of 20.00 lakh MT. For SS 2021-22 was recovery was 11.60%, and for SS 2020-21 was 11.40%.

In view of excess sugar availability in the country and possibility of carrying high sugar inventory, the Government of India announced a preferential price for ethanol based on sugarcane juice/syrup and B-Heavy molasses to be supplied to Oil Marketing Companies under EBP. Your company decided to convert part of sugar in the form of sugarcane syrup and B Heavy molasses into ethanol. This policy helped us in converting about 36.14% of equivalent sugar into ethanol during SS 2021-22.Your Company was, in fact, one of the very few Indian sugar companies who successfully converted sugarcane syrup into ethanol this season at such a large capacity, we are one of the largest suppliers of ethanol (sugar cane syrup to ethanol) to oil marketing companies for blending with petrol.

Apart from reducing net sugar production, it also helped in improving the cash flows for the company due to higher monthly sugar sales release orders and immediate sales of ethanol to the OMCs. This policy of ours has helped us in reducing our sugar inventory as on 31st March 2022. We are planning to continue with this policy in the SS 2022-23. We plan to also add grain as a feedstock to supplement its operations in the 'off-season' to take advantage of the market opportunity created above.

In fact, the company are implementing our ethanol expansion project, which will help us in further reducing the sugar inventory during the next year. This policy would also help us in reducing the share of sugar in our total turnover and thus reduce the risks attached to the volatile sugar market.

The Company continues to work closely with the farmer to see that the farmer and the farm are healthy. To do this, the Company continues to work on introducing drip irrigation, intercropping, soil testing, subsequent supply of quality inputs, supply of tissue culture plantlets, and agronomic practices for achieving high yield. The Company collaborated with K J Somaiya Institute of Applied Agriculture Research (KIAAR) , to demonstrate new techniques that would improve productivity, optimize resource use, and maintain soil fertility. The Company experiments on using older and traditional techniques and modern science with KIAAR have shown good results.

The Company met its sugar export obligation stipulated by the Government under MAEQ Scheme for SS 2020-21 and MAEQ Scheme for SS 2021-22. The company's sugar sales realization per unit continued to be better in view of the wide acceptability of our sugar quality in different market segments including institutional customers, whole-sale trade, retail and Export market. We are planning to consolidate our position in these markets by adding new customers.

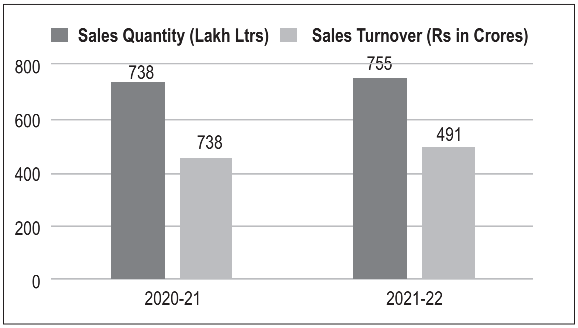
Jivana- Our Retail Brand:

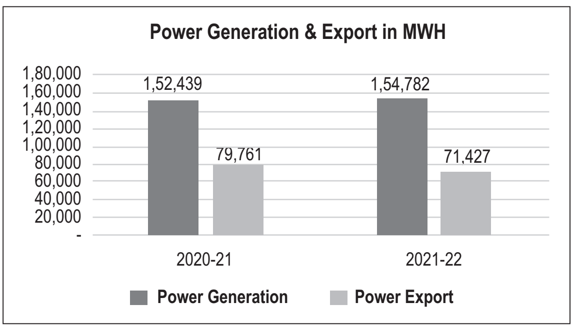
Our Company is selling white refined sugar, brown sugar, jaggery, sugarcane concentrate, salt and turmeric under the brand name "Jivana". We are aligning our marketing policies to help us to become more competitive. We have added new product ranges of Atta (Flour) and Besan (Gram Flour) in our retail brand "Jivana" this year. We are planning to add jaggery cubes in the current year.

DISTILLERY DIVISION:

Sameerwadi Distillery manufactures various grades of Ethanol. The distillery services requirements of various customers from Beverage industry, Fuel Ethanol industry, Pharmaceuticals and Flavor & Fragrance industry.

The total sales of Distillery division for the year 2021-22 were ₹ 49,061 Lakhs against last year's sale of ₹ 45,616 Lakhs an increase of 7.6% over previous year. This increase in sales and production was due to increase in distillery capacity from 320 KLPD to 400 KLPD and modification of the fermentation process from continuous to multi continuous fermentation by which alcohol % increased from 7.5 to 9.5% and conversion of sugar into ethanol. Our distillery is one of the few Indian distilleries who successfully converted sugar syrup/Cane Juice into ethanol and were the major suppliers to Oil Marketing Companies for blending with petrol.





COGENERATION/POWER DIVISION:

Power Purchase Agreement with Karnataka Power Transmission Corporation Ltd (KPTCL) was upto 1st January, 2022. Thereafter the Company is exporting power under bilateral trade where the payments receipts against power exports are immediate.

Cogeneration division has Generated 1,54,782 Mwhr and Exported 71,427 Mwhr in the current year as compared to the power Generation of 1,52,439 and Exported 79,761 Mwhr in the previous year.

For the period prior to January, 2022, the power distribution companies to whom we are exporting power coming under jurisdiction of KPTCL continue to deny the company payments for power exports as per Power Purchase Agreements (PPAs) rates as stipulated by Karnataka Electricity Regulatory Commission (KERC).

The company has moved the Karnataka High Court for implementation of the PPAs signed by all these power distribution companies. One of the ESCOM has preferred an appeal for lower tariff which was dismissed by the division bench of the High Court on 24th February, 2022. The company has also raised the issue with the Government of Karnataka, who have been promising implementation of PPAs signed with the Karnataka sugar industry.

CHEMICAL DIVISION:

Chemical division located at Sakarwadi in Maharashtra has recorded sales of ₹ 64,350 Lakhs for the FY 2021-22 against the previous year net sales of ₹ 53,644 Lakhs i.e. increase in sales turnover of about 20%. This increase is primarily on account of increase in volume as well as increase in prizes of Ethyl Acetate and MPO. In spite of COVID Pandemic, Your Company had achieved better turnover during 2021-22. Ethyl Acetate market has been very volatile basically due to an abrupt increase in Acetic Acid price. This has also reduced exports of Ethyl Acetate.

The Company has identified new specialty chemicals to make and/or expand is to add value to Company's feedstock, and its related biomass. To convert biomass into value added products, chemically, physically or biologically.

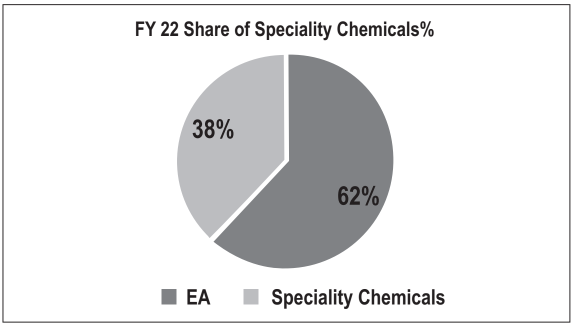
Your Company has been a pioneer in the use of Sustainable and Renewable Resources to produce chemicals and close cooperation with many of the large companies to develop and produce products for them is helping the Company to sustain and grow the pipeline for new products. Customers have expressed renewed and strong interest in sourcing products that are renewable, sustainable, and adhering to the 'green chemistry' principles and low carbon footprint.

The company has obtained various environmental clearances to make a variety of chemicals from ethanol for both sites, Sakarwadi and Sameerwadi and continue the company's journey of creating a world class cascading biorefinery and make chemicals that these customers need.

To combat higher energy and feedstock prices, both the sites at Sakarwadi and Sameerwadi are integrated. The boilers at Sakarwadi are being retrofitted to be able to take bagasse as a feedstock and bagasse at Sameerwadi is being made into pellets and optimum use of surplus bagasse at Sameerwadi as a fuel source at Sakarwadi and similarly part of ethanol production at Sameerwadi will be used to make chemicals at Sakarwadi. Both these measures will help the company to stay competitive in the current economic landscape.

Your Company plans to implement the production of SOP (Sulphate of Potash) which is a valuable fertilizer to the farmer as it improves the quality and crop yields. SOP is considered a premium-quality potash that makes plants more resilient to drought, frost, insects and even disease. Our researchers have been able to extract potash from the waste of the incinerator boiler. A successful commissioning of the same will result in a circular economy in Potash. Farm, process, extract, recycle and so on.

The company has steadily increased the share of specialty chemicals in its chemical portfolio. In FY22, specialty chemicals comprised close to 40% of the sales of the chemical division. The graph below shows the same.



CANCER BIOLOGY

Cancer biology molecules for breast cancer will be going for clinical trials (Phase 1) in August, 2022. These are safety and efficacy trials in cancer patients. The results of these trials will be available before the end of FY 2023. This is indeed a major development. Very few Indian companies have been able to take a molecule from discovery through preclinical trials to now clinical trials. The Company hopes that phase 1 trials are successful before the Company embarks on future strategies for commercialisation.

REDUCTION IN DEBT

The expansion of the Company's ethanol capacity has reduced the burden of working capital and consequently reduced debt over the last couple of years. With these new strategies in operations of the company of reducing exposure to the volatile sugar market, increasing the ethanol production and driving the growth of chemical division through specialty chemicals we are confident of achieving substantial improvement in the financial performance of the Company.

CHANGE IN NATURE OF BUSINESS

There is no change in the nature of the business of the Company during the financial year under review.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

As on 31st March, 2022, your Company has four (direct and indirect) subsidiaries (one in India and three overseas), the Company does not have any joint venture or associate companies or LLPs.

i. Solar Magic Private Limited (CIN: U01100MH1998PTC113856)

The subsidiary is engaged in the business of, inter alia, trading in fertilizers, material for pipes and drip irrigation and manufacturing of sugarcane seedlings and turmeric powder.

ii. Cayuga Investments B.V. (KVK NO: 34319213)

The Subsidiary is engaged in the business of, inter alia, participating in, managing, financing and rendering services to businesses, companies and other legal entities which operate in the field of processing and trading of chemicals, alcohol, sugar and its allied products.

a. Godavari Biorefineries B.V., Netherlands (KVK NO : 34325188)

The Step Down Subsidiary of Godavari Biorefineries Limited is engaged in the business of, inter alia, participating, managing, financing and rendering services to businesses, companies and other legal entities which operate in the field of processing and trading of chemicals, alcohol, sugar and its allied products.

b. Godavari Biorefineries Inc., USA (EIN : 30-0546856)

The Company is engaged in the business of, inter alia, acting as intermediaries and consultants to provide support services. Further, they are engaged in the business of energy/food products, fuels and chemicals from renewable sources.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company and its subsidiaries, prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, forms part of the Annual Report and are reflected in the consolidated financial statements of the Company. In compliance with section 129 of the Companies Act, 2013 a statement containing requisite details including financial highlights of the operation of all the subsidiaries in Form AOC-1 is annexed to Financial Statements.

MATERIAL CHANGES & COMMITMENTS

There have been no material changes and commitments that have occurred after close of the financial year till the date of this report, which affect the financial position of the Company other than those disclosed in this report. Based on the internal financial control framework and compliance systems established in the Company, the work performed by Statutory, Internal, Secretarial Auditors and reviews performed by the management and/or relevant Audit and other Committees of the Board, your Board is of the opinion that the Company's internal financial controls were adequate and working effectively during financial year 2021-22.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

BOARD MEETINGS

During the financial year under review, five meetings of the Board of Directors were held, in accordance with the provisions of the Companies Act, 2013 and rules made thereunder, on 16th April, 2021, 5th June, 2021, 8th September, 2021, 16th December, 2021 and 11th March, 2022. The Directors actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time. The maximum gap between any two Board Meetings was in compliance with provisions of the Companies Act, 2013. Particulars of Directors, their attendance at the Board Meetings held during the Financial Year 2021-22 are as under:

Name of the Director	Category of the Director	Number of Board Meetings entitled to attend	Number of Board Meetings attended during the FY 2021-22
Mr. Samir S. Somaiya (DIN: 00295458)	Chairman & Managing Director	5	5
Dr. Sangeeta Srivastava (DIN: 00480462)	Executive Director	5	5
Mr. Bhalachandra Bakshi (DIN: 03538688)	Executive Director	5	5
[1]Mr. Mohan Somanathan (DIN: 03184356)	Director – Works (Sakarwadi Unit)	1	1
[2]Mr. D.V. Deshmukh (DIN: 06841056)	Director – Works (Sakarwadi Unit)	2	1
Mr. Kailash Pershad (DIN: 00503603)	Independent, Non-Executive	5	5
Prof. Lakshmi Kantam Mannepalli (DIN: 07831607)	Independent, Non- Executive Director	5	5
Dr. Preeti Singh Rawat (DIN: 07154417)	Non-Independent, Non-Executive	5	5
Mr. Hemant Luthra (DIN: 00231420)	Independent, Non-Executive	5	5
Mr. Sanjay Puri (DIN: 08789423)	Independent, Non-Executive	5	5
[3]Mr. Nitin Mehta (DIN: 09174633)	Independent, Non-Executive	3	3
[4]Mr. Uday Garg (DIN: 03285941)	Nominee Director Non-Executive	2	1
[5]Mr. Suhas Uttam Godage (DIN: 09227610)	Additional Executive Director (Works-Sakarwadi)	3	3

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors, upon recommendation of the Nomination and Remuneration Committee, appointed Mr. Suhas Godage as a Whole-Time Director designated as Additional Executive Director (Works-Sakarwadi) on the Board of the Company with effect from 8th August, 2021 till 31st March, 2024.

The Board of Directors, upon recommendation of the Nomination and Remuneration Committee, appointed Mr. Nitin Mehta as an Independent Director on the Board of the Company with effect from 1st July, 2021.

Mr. Mohan Somanathan, retired as the Whole-time Director designated as Director (Works- Sakarwadi) of the Company from closure of business hours on 31st May, 2021. The Board places on record the immense contributions made by Mr. Mohan Somanathan to the Company.

Mr. D.V. Deshmukh, Director- Works, Sakarwadi passed away due to covid on 22nd June, 2021. The Board placed on record the condolences to the family of Mr. D.V. Deshmukh.

Mr. Uday Garg resigned from the post of Nominee Director with effect from 27th August, 2021 due to preoccupation. The Board appreciated and placed on record the services rendered by Mr. Uday Garg to the Company during his tenure with the Company.

At the 66th Annual General Meeting (AGM) held on 5th July, 2021, the shareholders of the Company approved the following:

1. Appointment of Mr. Nitin Mehta as an Independent Director of the Company for a term of five years w.e.f. 1st July, 2021.
2. Appointment of Mr. Samir Somaiya as a Managing Director wef 1st April, 2021 for a period of three years.
3. Appointment of Mr. B. R. Bakshi as a Whole Time Director, designated as Executive Director, for a period of three years with effect from 1st April, 2021.
4. Appointment of Mr. D.V. Deshmukh as a Whole-time Director, designated as Director (Works- Sakarwadi), for a period of three years with effect from 1st April, 2021.
5. Re-appointed Dr. Preeti Rawat who retires by rotation and being eligible, offered herself for re- appointment.

[1]Mr. Mohan Somanathan retired w.e.f. 31st May, 2021
[2]Mr. DV Deshmukh ceased to be director due to his sad demise on 22nd June, 2021
[3]Mr. Nitin Mehta appointed as Additional Independent Director w.e.f. 1st July, 2021
[4]Mr. Uday Garg resigned w.e.f. 27th August, 2021
[5]Mr. Suhas Godage appointed as Whole time Director designated as Additional Executive Director (Works-Sakarwadi) w.e.f. 8th August, 2021.

The Board of Directors, upon recommendation of the Nomination and Remuneration Committee, appointed Mr. Suhas Godage as a Whole-Time Director (Additional) designated as Director (Works-Sakarwadi) on the Board of the Company with effect from 8th August, 2021 who shall hold the office up to the date of ensuing Annual General Meeting.

Further, Pursuant to Section 160 of the Companies Act, 2013, and on the basis of recommendation of Nomination and Remuneration Committee, your Directors recommend the appointment of Mr. Suhas Godage as a Whole-Time Director designated as Director (Works-Sakarwadi) with effect from 8th August, 2021 till 31st March, 2024.

The Board is of the opinion that Mr. Suhas Godage, possesses requisite qualification, experience, expertise and holds high standards of integrity.

Pursuant to the provisions of Section 152(6) (e) of the Companies Act, 2013 and the Articles of Association of the Company, Dr. Sangeeta Srivastava will retire by rotation at the 67th AGM and being eligible, has offered herself for re-appointment.

As on the date of this report the Board of Directors comprises Ten (10) Directors including five (5) Independent Non-Executive Directors, Four (4) Executive Directors and one (1) Non-Executive Director. Independent Directors provide their declarations both at the time of appointment and annually confirming that they meet the criteria of independence as prescribed under Companies Act, 2013. The Company's policy on appointment and remuneration of directors is available on https://godavaribiorefineries.com/our-company-investors

In compliance with the section 203 of the Companies Act, 2013, Mr. Samir S. Somaiya, Chairman & Managing Director, Mr. Naresh S. Khetan, Chief Financial Officer and Ms. Swarna S. Gunware, Company Secretary of the Company continue as Key Managerial Personnel of the Company.

DECLARATION FROM INDEPENDENT DIRECTORS

The Independent Directors have submitted a declaration that each of them meet the criteria of independence as provided in sub section (6) of Section 149 of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as Independent Director during the year.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the field of finance, strategy, auditing, tax, risk advisory, financial services and infrastructure and sugar industry and they hold the highest standards of integrity.

In compliance with the rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 all the independent directors have registered themselves with the Indian Institute of Corporate Affairs. Since majority of the independent directors of the Company have served as directors or key managerial personnel in listed companies or in an unlisted public company having a paid-up share capital of ₹10 crore or more for a period not less than 10 years, they are not required to undertake the proficiency test as per rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and of individual directors. In a separate meeting of independent directors, performance of non-independent directors, performance of the Board as a whole, performance of the Committee(s) of the Board and performance of the Chairman was evaluated, taking into account the views of other directors. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

BOARD COMMITTEES

In compliance with the requirements of Companies Act, 2013 your Board had constituted various Board Committees including Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee. The Company has also constituted IPO Committee to oversee IPO process of Company.

Audit Committee:

Currently the Audit Committee of the Board comprises of six (5) Members including Mr. Hemant Luthra, as Chairman, Mr. Kailash Pershad, Mr. Sanjay Puri, Prof. Lakshmi Kantam Mannepalli and Mr. Samir S. Somaiya as its Members.

During the financial year under review, four meetings of the members of the Committee were held on 5th June, 2021, 8th September, 2021, 16th December, 2021 and 11th March, 2022.

Nomination & Remuneration Committee:

The Nomination and Remuneration Committee comprises Mr. Kailash Pershad as Chairman, Mr. Hemant Luthra, Prof. Lakshmi Kantam Mannepalli, Mr. Sanjay Puri and Dr. Preeti Singh Rawat as its Members.

During the financial year under review, three meetings of the members of the Committee were held on 5th June, 2021, 8th September, 2021 and 7th March, 2022.

Stakeholders Relationship Committee:

During the year the Stakeholders Relationship Committee comprised of Mr. Hemant Luthra, Chairman, Mr. Kailash Pershad, Prof. Lakshmi Kantam Mannepalli, Prof. Preeti Singh Rawat and Mr. Bhalachandra Bakshi, as its Members.

During the financial year under review, one meeting of the members of the Committee was held on 31st March, 2022.

Risk Management Committee

The Risk Management Committee comprises of Mr. Sanjay Puri, Independent Director as Chairman, Prof. Lakshmi Kantam Mannepalli, Mr. Hemant Luthra, Mr. Samir Shantilal Somaiya, Mr. Bhalachandra Bakshi, Dr. Sangeeta Arunkumar Srivastava, Mr. Suhas Uttam Godage and Mr. Nitin Mehta as its Members.

During the financial year under review, one meeting of the members of the Committee was held on 11th March, 2022.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises Prof. Lakshmi Kantam Mannepalli, Independent Director as Chairperson, Mr. Hemant Luthra, Mr. Bhalachandra Bakshi and Mr. Suhas Uttam Godage as its Members.

During the financial year under review, four meetings of the members of the Committee were held on 5th June, 2021, 13th July, 2021, 19th November, 2021 and 7th March, 2022.

IPO Committee

The IPO Committee comprises Mr. Samir Somaiya, Chairman, Dr. Sangeeta Srivastava and Mr. Hemant Luthra as its Members.

During the financial year under review, four meetings of the members of the Committee were held on 8th July, 2021, 2nd August, 2021, 24th September, 2021 and 16th December, 2021.

COMPLIANCE WITH SECRETARIAL STANDARD

The Company is in compliance with Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

NOMINATION AND REMUNERATION POLICY

The Nomination and remuneration policy of the Company as formulated under section 178(3) of the Companies Act, 2013 containing criteria for determining qualifications, positive attributes, independence of a director and remuneration of directors and Key Managerial Personnel of the Company is uploaded on the website of the Company, https://godavaribiorefineries.com/our-company-investors

VIGIL MECHANISM

As per section 177, Rule 7 of the Companies Act, 2013 a comprehensive Vigil Mechanism Policy has been approved and implemented within the organization. The policy enables the employees and directors to report instances of any unethical act or suspected incidents of fraud or violation of Companies Code of Conduct or ethics policy. This Policy safeguards whistleblowers from reprisals or victimization, (copy of which is uploaded on the website of the Company, https://godavaribiorefineries.com/our-company-investors

SHARE CAPITAL

As on 31st March, 2022, The Authorized Capital of the Company is ₹ 100 Crores divided into 8,20,00,000 (Eight Crores Twenty Lakhs) Equity Shares of ₹ 10 each and 18,00,000 (Eighteen Lakh) Preference Shares of ₹ 100 each.

As on March 31, 2022, the issued, subscribed and paid up share capital of your Company stood at ₹ 41,94,30,230 (Rupees Forty One Crores Ninety Four Lakhs Thirty Thousand Two Hundred Thirty Only) comprising 4,19,43,023 (Four Crores Nineteen Lakhs Forty Three Thousand and Twenty Three only) Equity shares of ₹ 10 each.

In the last AGM held on 5th July, 2021 the members approved by passing the special resolution for proposal to raise an amount upto ₹ 370 Crores by way of an initial public offering (the "IPO") of its equity share and consequently listing the Equity Shares on certain stock exchanges in India. The IPO may comprise a fresh issuance of Equity Shares by the Company and an offer for sale of Equity Shares by certain existing shareholders of the Company.

The Company had filed DRHP with the SEBI on 24th September, 2021 and SEBI had issued final observations on 26th November, 2021.

DEPOSITS

Pursuant to section 73 of the Companies Act, 2013 read with Rule 2 (e) of Companies (Acceptance of Deposits) Rules, 2014 your Company has obtained consent of the members to accept Public Deposits at its Annual General Meeting held on 30th September, 2016 and started accepting the deposits after due compliance of the provisions laid down in the Act.

Your company continues to receive/renew the fixed deposits in accordance with Section 73 of the Companies Act, 2013 read with Rule 2 (e) of Companies (Acceptance of Deposits) Rules, 2014 mainly from the Cultivators who supply cane to the company, re-imposing the faith they have in the company, a relationship built over more than three decades of sustained business and the mutual trust between the cultivators and the management of the company.

The details of deposits covered under Chapter V of the Act are as under:

(Amount in ₹)

Balance at the beginning of the year	Deposit accepted during the year	Amount repaid during the year	Balance at the end of the year	Amount remaining with Company (Matured but Not Claimed)	Interest paid during the FY
39,82,80,000	33,45,45,500	14,59,30,500	58,68,95,000	23,35,000	6,07,28,690

There has been no default in repayment of deposits or payments of interest thereon during the year.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is committed to conduct its business in a socially responsible, ethical and environmentally friendly manner and to continuously work towards improving the quality of life of the communities in its operational areas.

In compliance with the requirements of section 135 read with Schedule VII of the Companies Act 2013, the Board had constituted CSR Committee, which is responsible for fulfilling the CSR objectives of your Company comprising of Prof. M. Lakshmi Kantam, Independent Director as Chairman, Mr. Hemant Luthra, Mr. Bhalachandra Bakshi and Mr. Suhas Uttam Godage as its Members.

The Annual Report on the CSR activities carried out by Company is included in this Director Report as **Annexure I**

RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. Details of contract/arrangement/transaction with related parties which are specified under the provisions of the Section 188(1) of the Companies Act, 2013 in form AOC-2 is annexed herewith as **Annexure II**.

For the details of all contracts/arrangements/transactions entered by the Company with related parties during the financial year, your Directors draw attention of the members to the notes to account which set out related party disclosures.

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

Information in accordance with the provisions of section 134(3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is annexed as **Annexure III** to this report.

RESEARCH AND DEVELOPMENT

Research & Development continues to be a strong backbone for the continuous innovation and business plans of your Company. It focuses on the key areas of:

i) new process development, exploring new value added products out of sugarcane biomass

ii) continuous improvement in the existing processes for value creation and to achieve sustainable growth and

iii) continuous improvement in the products quality as perceived by the customer

The detailed disclosure is annexed to this report as **Annexure III.**

AUDITORS

Statutory Auditor: Pursuant to Section 139 of the Companies Act, 2013 and the rules made there under, the Company had appointed M/s Verma Mehta & Associates, Chartered Accountants, (Firm Registration No. 112118W) for a tenure of five years from the conclusion of 63rd Annual General Meeting till the conclusion of the 68th AGM, as Statutory Auditors of the Company at the Annual General Meeting held on 26th September, 2018.

The Report given by the Auditors on the Financial Statement of the Company for the financial year ended 31st March, 2022 is part of this Report. The report of the Statutory Auditors read together with notes to accounts are self explanatory and do not call for any further information and explanation under section 134 of the Companies Act, 2013. There are no qualifications, reservations or adverse remarks or disclaimers made by Statutory Auditors, in their report.

Secretarial Auditor: During the year, Secretarial Audit was carried out by Mr. Tushar Shridharani, Practicing Company Secretary having Membership No. FCS 2690 and COP No. 2190 in compliance with section 204 of the Companies Act, 2013. The report of the Secretarial Audit is annexed to this report as **Annexure IV**. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in his report.

Cost Auditors: As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has maintained required cost accounts and records and has been carrying out audit of cost records of the Company. In terms of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company has appointed M/s. B.J.D Nanabhoy & Co., Cost Accountants as the Cost Auditors of the Company having Firm Registration No. 000011 to conduct the Cost Audit for the financial year 2021-22. The Cost Auditor has given a Certificate to the effect that the appointment, if made, will be within the prescribed limits specified under Section 141 of the Companies Act, 2013. Further the remuneration payable to the cost auditor is placed before the Members for their ratification.

The Cost Audit Report for the financial year March, 2021 did not contain any qualification, reservation, adverse remark or disclaimer and the same has been filed with the Ministry of Corporate Affairs. The Cost Audit Report for the year end March, 2022 shall be filed in due course.

There has been no instance of fraud reported to the Audit Committee or Board of Directors by statutory auditors or secretarial auditor or cost auditor under section 143(12) during the financial year 2021-22.

RISK MANAGEMENT

The Board of Directors is overall responsible for identifying, evaluating and managing all significant risks faced by your Company. The Board has approved a Risk Management Policy, which acts as an overarching statement of intent and establishes the guiding principles by which key risks are managed across the organization. The Board monitors and reviews the implementation of various aspects of the Risk Management Policy through a duly constituted Risk Management Committee (RMC).

Your Company's risk management policies are based on the philosophy of achieving substantial growth while mitigating and managing risks involved.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder including constitution of the Internal Committee. During the year under review no complaint on sexual harassment was received.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees and investments by your Company to other bodies corporate or persons are given in notes to the financial statements.

PARTICULARS OF EMPLOYEES

The disclosures in terms of the provisions of section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with statement showing names and other particulars of the employees drawing remuneration in excess of the limits prescribed under the said rules is annexed to this report as **Annexure V.**

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Act, the Annual Return as on 31st March, 2022 is available on the website of the Company at https://godavaribiorefineries.com/our-company-investors

INTERNAL FINANCIAL CONTROLS & ITS ADEQUACY

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. Your Company has put in place an adequate system of internal financial control commensurate with its size and nature of business which helps in ensuring the orderly and efficient conduct of its business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention & detection of frauds, accuracy & completeness of accounting records and ensuring compliance with corporate policies. As a means to further strengthen the control environment, during the year, the processes were benchmarked with industry practices to identify the gaps, if any, and remedial measures were taken. During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls.

The Audit Committee reviews adherence to internal control systems and internal audit reports.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the continued support and cooperation by the Government Authorities, Banks, Financial Institutions, Ministry of Corporate Affairs, Reserve Bank of India, Securities and Exchange Board of India, the Stock Exchanges and Depositories, Sugarcane Growers, Suppliers, Customers, Investors and finally to all its members for the trust and confidence reposed on the Company.

The Board further wishes to record its sincere appreciation for the significant contributions made by employees at all levels for their competence, dedication and contribution towards the operations of the Company.

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
DIN - 00295458

Date: 18th May, 2022
Place: Mumbai

Godavari Biorefineries Ltd is doing activities for society on founder's philosophy "What we receive gives back multifold".

These activities are carried out mainly in our area of operation in Karnataka and Maharashtra. The Company's CSR activities are focused on different sectors with main emphasis on promotion of education, health, gender equality and empowering women.

Promotion of Education:

Help A Child To Study Project: We started a project called "Help a child to Study" in 2001 through which we are extending scholarships and necessary assistance in the form of laptops, text books, career guidance etc., to the needy and meritorious students. Most of the students provided with scholarship and other benefits are orphans, students with single parents, children of devadasi, children of alcoholic parents, children of daily wage laborers etc. Few of our beneficiaries do not even have electricity and live in huts.

Book Bank:

Help A Child provides more than 1000 text books of 11th and12th Science, Arts, Commerce and CET books on a returnable basis every year. Once the final exams are over, these books will be returned and again distributed to next batch students.

Relief to families of help a child beneficiaries affected from Covid 19:

Most of the families of, help a child to study project beneficiary, were affected with second wave of covid-19 as most of the student's family occupation is daily wages. Such families were provided with different daily use materials.

Career Counseling:

Workshops on personality development, resume writing, interview skills etc. were organized for final year degree students. These were organized to make the students aware about different job opportunities and courses available after degree as most of the students opt for only a few courses which is resulting in unemployment.

Supports to Somaiya Vidyavihar Schools:

The company supports Kannada, Marathi and English medium rural schools in Maharashtra and Karnataka. These schools operate and provide education in and around the community in which the Company's manufacturing locations are located. There are more than 5000 students in these schools.

Women Empowerment/ Tailoring classes:

When women are empowered, it has a multiplying positive impact on the health and progress of their families and communities. We run tailoring centers in different villages in Bagalkot and Belgaum Districts of Karnataka. Every year around a large group of women in the age group between 15 to 30 learn the art of tailoring and get the opportunity to become self-employed . This allows them to take care of their children while supplementing the family income thus earning a better livelihood for them and their children.

Second wave Pandemic activities

During the Covid-19, the Company has worked closely with those listed below to assist the fight against the pandemic:

a) Nearby panchayats

b) Police stations

c) Govt. hospitals

d) Govt. schools

e) Arranged for first and second dose of vaccinations

ANNEXURE – "I"

ANNUAL REPORT ON CSR ACTIVITIES

1. **Brief Outline on CSR Policy of the Company:**

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amendments thereto. Pursuant to provisions of Section 135 of the Companies Act, 2013, the Company has also formulated a Corporate Social Responsibility Policy which is available on the website of the Company at https://godavaribiorefineries.com/our-company-investors.

2. **Composition of CSR Committee:**

Sr. No.	Name of Directors	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Prof. Lakshmi Kantam Mannepalli	Chairperson	4	4
2.	Mr. Hemant Luthra	Member	4	4
3.	Mr. Bhalachandra Bakshi	Member	4	3
4.	Mr. Suhas Uttam Godage	Member	4	2

Any two Directors shall form the Quorum of the Committee.

3. **Provide web link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:**

The Company has framed a CSR Policy in compliance with the provisions of section 135 of the Companies Act, 2013 and the same is placed on the website of the Company and the web link for the same is https://godavaribiorefineries.com/our-company-investors.

4. **Provide the Details of impact assessment of CSR Projects out in pursuance of sub-rule (3) of rule 8 of the companies (Corporate Social responsibility Policy) Rules, 2014 if applicable (attach the report) –**

Not applicable for the financial year 2021 – 22

5. **Detail of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the (Companies Corporate Social Responsibility Policy) rule 2014, and amount required for set off for the financial year, if any:**

Sr. No.	Financial Year	Amount available for set-off from preceding financial year (₹ in Lakhs)	Amount required to be set off for financial year, if any (₹ in Lakhs)
Not Applicable			

6. **Average net profit of the Company as per section 135(5):** ₹ 1,607.06 Lakhs

7. (a) **Two percent of average net profit of the Company as per section** 135(5): ₹ 32.14 Lakhs
   (b) **Surplus arising out of the CSR Projects or Programs or Activities of the previous financial years.:** NIL
   (c) **Amount required to be set-off for the financial year, if any:** NIL
   (d) **Total CSR Obligation for the Financial Year [7a+7b-7c]:** ₹ 32.14 Lakhs

8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount spent for the financial year (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total amount transferred to unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of fund	Amount	Date of Transfer
₹ 112.00 Lakhs	Not Applicable				

(b) **details of CSR amount spent against on-going projects for the financial year:**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Sl No.	Name of the Project	Items from the list of activities in schedule VII to the Act	Local Area (yes/ No)	Location of the project (state and district)	Project duration	Amount allocated for the project (₹ in Lakhs)	Amount spent in the current financial Year (₹ in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	Mode of Implementation- Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
										Name	CSR Registration number.
Not Applicable											

(c) **Details of CSR amount spent against other than ongoing projects for the financial year:** (₹ in lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Amount spent for the project (₹ in Lakhs).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name.	CSR registration number.
1	Help a child	Education	Yes	Karnataka and Maharashtra	Bagalkot and Belgaum Mumbai and Ahmednagar	10.00	No	Somaiya Vidyavihar	CSR00005757
2	Hospital Management Information System	Healthcare	Yes	Maharashtra	Mumbai	72.00	No	KJ Somaiya Medical Trust	CSR00004527
3	Promoting Education	Education	Yes	Karnataka and Maharashtra	Bagalkot and Ahmednagar and Palghar	28.50	No	Somaiya Vidyavihar	CSR00005757
						1.50		Girivanvasi Educational Trust	CSR00011947

(d) **Amount Spent in Administrative Overhead:** NIL

(e) **Amount spent on Impact assessment, if applicable:** NIL

(f) **Total amount spent for the financial year [8b+8c+8d+8e]:** ₹ 112.00 Lakhs

(g) **Excess amount for set off, if any:**

Sl. No.	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 32.14 Lakhs
(ii)	Total amount spent for the Financial Year	₹ 112.00 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 79.86 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 79.86 Lakhs

9. (a) details of Unspent CSR Amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Lakhs)	Amount spent in the reporting Financial Year (₹ in Lakhs).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount transferred to any fund specified under Schedule VII as per sec tion 135(6), if any.
				Name of the Fund	Amount (₹ in Lakhs).	Date of transfer.	
Not Applicable							

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹ in Lakhs)	Amount spent on the project in the reporting Financial Year (₹ in Lakhs)	Cumulative amount spent at the end of reporting Financial Year (₹ in Lakhs)	Status of the project - Completed / Ongoing
Not Applicable								

10. In case of creation or acquisition of capital assets, furnish the details relating to the assets so created or acquired through CSR spent in the financial year:

(Asset-wise details)

(a) Date of acquisition of the capital asset(s): NIL

(b) Amount of CSR spent for creation or acquisition of capital assets: NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital assets is registered, their address etc.: NIL

(d) Provide details of the capital assets(s) created or acquired (including complete address and location of the capital assets): NIL

11. Specify the reason(s), if the company has failed to spend two percent of the net profit as per section 135(5): Not Applicable

Lakshmi Kantam Mannepalli
Chairperson, CSR Committee

Samir S. Somaiya
Chairman and Managing Director

Date: 18th May, 2022
Place: Mumbai

Annexure – "II"

FORM NO. AOC 2

(Pursuant to clause (h) of subsection (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transactions not at Arm's length basis for the year ended 31st March, 2022.

2. Details of material contracts or arrangements or transactions at Arm's Length Basis

Sr. No	Name of the Related Party	Nature of Transaction	Nature of Relationship	Duration of Contract	Salient terms of the Contract	Date of Approval by the Board	Advance paid/ received for the Contract
1.	Filmedia Communications System Pvt. Ltd.	Property on Leave and License	Director is a member	1 year	Leave and License for the period of 1 year	25.03.2021	Nil
2.	Somaiya Properties & Investments Pvt. Ltd.	Property on Leave and License	Director of the Company is director and member	1 year	Leave and License for the period of 1 year	25.03.2021	Nil
3.	Arpit Limited	Property on Leave and License	Group Company	1 year	Leave and License for the period of 1 year	25.03.2021	Nil
4.	Godavari Biorefineries INC.	Commission paid for sale of goods/ Liaisoning fees	Step Down Subsidiary Company	1 year	2 - 3% on FOB value or $ 20 – 25 Per MT.	25.03.2021	Nil
5.	Godavari Biorefineries B. V.	Commission / Sales / License / Reimbursement / Liaisoning fees	Step Down Subsidiary Company	1 year	N.A.	25.03.2021	Nil
6.	The Book Centre Ltd.	Printing & art work of stationary and reports etc.	Group Company	1 year	As per PO issued, for each transaction	25.03.2021	Nil
7.	Arpit Ltd.	Sale of goods	Group Company	1 year	As per Term Agreed, for each transaction	25.03.2021	Nil
8.	Mr. Samir S. Somaiya	Purchase of goods	Chairman & Managing Director	1 year	As per FRP declared by Government / Cane price paid to sugar farmers whichever is higher	25.03.2021	Nil
9.	Ms. Harinakshi Somaiya	Purchase of goods	Sister of Mr. Samir S. Somaiya, CMD	1 year	As per FRP declared by Government / Cane price paid to sugar farmers whichever is higher	25.03.2021	Nil
10.	K.J. Somaiya & Sons Pvt. Ltd.	Royalty paid for use of Trademark	Director of the Company is a member	1 year	If turnover is upto 1000 Cr Royalty @ 0.1% on Sales, Above 1000 Cr And upto 2500 Cr, 0.075% on Sales	25.03.2021	Nil
11.	Filmedia Communications System Pvt. Ltd.	Service Charges paid for manpower services	Director of the Company is a member	1 year	NA	25.03.2021	Nil
12.	Solar Magic Pvt. Ltd.	Unsecured Loans and Corporate Guarantee	Wholly owned Subsidiary Company	1 year	NA	25.03.2021	Nil
13.	Solar Magic Pvt. Ltd.	Purchase of goods	Wholly owned Subsidiary Company	1 year	As per PO issued, for each transaction	25.03.2021	Nil

Sr. No	Name of the Related Party	Nature of Transaction	Nature of Relationship	Duration of Contract	Salient terms of the Contract	Date of Approval by the Board	Advance paid/ received for the Contract
14.	Solar Magic Pvt. Ltd.	Interest income Received	Wholly owned Subsidiary Company	1 year	Interest Received	25.03.2021	7% per
15.	Design Craft [Division of Somaiya Agencies Pvt. Ltd. (SAPL)]	Purchase of Gift Articles and Books	Director of the Company is a Director	1 year	As per Maximum Retail Price	25.03.2021	Nil
16.	Zenith Commercial Agency Pvt. Ltd. (Gayatri Salt Works)	Purchase of Salt	Director of the Company is a Member	1 year	As per PO issued, for each transaction	25.03.2021	Nil
17.	Somaiya Vidyavihar / KJ Somaiya Medical Trust / Allied Trust	Donation/ Contribution	Director of the Company is a Trustee	1 year	NA	25.03.2021	Nil
18.	Mr. Samir Somaiya	Sale of Goods	Chairman & Managing Director	1 year	As per prevailing market price	25.03.2021	Nil
19.	Somaiya Vidyavihar/ KJ Somaiya Medical Trust	Consultancy/ Service/manpower services/other services	Director of the Company is a Trustee	N.A.	Nil	25.03.2021	Nil
20.	Arpit Ltd.	Purchases of goods	Group Company	NA	Arm's Length Price	25.03.2021	Nil
21.	Somaiya Properties and Investments Private Limited	Purchases	Director of the Company is director and member	NA	As per PO issued, for each transaction	25.03.2021	Nil
22.	Somaiya Vidyavihar/ KJ Somaiya Medical Trust/ Allied Trust	Sales	Director of the Company is a Trustee	NA	Arm's Length Price	25.03.2021	Nil
23.	Somaiya Properties & Investments Pvt. Ltd.	Purchase of Land	Director of the Company is director and member	NA	Arm's Length Price	08.09.2021	5,34,32,360*
24.	Sakarwadi Trading Co. Pvt. Ltd.	Purchase of Land	Director of the Company is director and member	NA	Arm's Length Price	08.09.2021	97,00,319*
25.	Somaiya Chemical Industries Pvt. Ltd	Purchase of Land	Director of the Company is member	NA	Arm's Length Price	08.09.2021	97,00,319*
26.	Somaiya Properties & Investments Pvt. Ltd.	Sale of goods	Director of the Company is director and member	NA	Arm's Length Price	08.09.2021	Nil

* Amount received is part consideration as per the terms of MoU entered by the Company.

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
DIN - 00295458

Date: 18th May, 2022
Place: Mumbai

Annexure – “III”

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under section 134(3)(m) of Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. Conservation of energy:

i) Steps taken for conservation of energy:

The Company has taken various steps towards energy conservation. The Company continues to give high priority to the conservation of energy on an ongoing basis. Some of the important measures taken are:

- **Sugar & Distillery Division (Sameerwadi):**

Sr. No.	Description of Energy conservation Implemented	Remarks/Result
	Sugar Division	
1	Implementation of VFD motors in place of Dynodrives/DOL like Stirror Motors,Filter Drum Motors,Distillery Syrup Pump& Final Molasses Motor.	Energy saved 80,986 kWh
2	Implementation of LED lamps in plant as well as outside plant.	Energy saved 28,732 kWh in the Season
3	Implement Of IE2 efficient motor in place of old motors inplace of inefficient motors.	Energy saved 38,650 kWh in the Season (146 Days).
	Cogeneration Division	
4	Street Light and Plant Lighting Installation.	Energy saved 13,666 kWh
5	Street Light and Plant Lighting Installation(Induction Lamp)	Energy saved 12,664 kWh.
	Distillery Division	
6	Street Light and Plant Lighting Installation.	Energy saved 26,280 kWh.

- **Chemical Division (Sakarwadi):**

Sr. No.	Description of Energy conservation Implemented	Remarks/Result
1	Conventional low efficiency lamps were replaced with energy saving LEDs.	Energy saved of 10,600 kWh
2	Converting Solar energy by installing solar panels on the roof of the DCS room of MPO Plant.	Energy generated 9820 kWh//Year
3	Solar panels installed at administrative block.	Energy generated 7200 kWh/Year
4	Conventional low efficiency lamps were replaced with energy saving LEDs during the year	Energy saved of 6,230 kWh.

ii) Steps taken by the Company for utilizing alternate sources of energy:

1. The Company is producing renewable energy from Bagasse, which is eco-friendly & meets it’s captive requirement of power from such energy & sells surplus power to state Grid/bilateral trade agreement.

2. Installation of VFD for Massecuite pump, Tippler drive at Mill, use of LED for lights, Solar panels, efficient chiller (screw compressor), fermentation technology from continuous/multi continuous type to save steam etc.

iii) Capital Investment on energy conservation equipment: NIL

B. Technology Absorption:

i) Efforts made towards technology absorption:

Your Company is pursuing Research & Development (R&D) activities in the following broad areas:

1. Biomass based bio refining
2. Acetaldehyde chemistry
3. Fermentation of sugars
4. Polymers
5. Cane
6. Cancer Biology

Specific process developed during the period:

1. Technology developed for 2-G Ethanol on Lab scale, pilot scale trials were completed with various capacities and operation costing is optimized.
2. Processes were developed for various ethanol based derivatives.
3. Few new anticancer molecules were developed andreceived FDA approval for clinical trials for both anticancer and antiviral.
4. 2 Provisional patent applications were filed, 4 National phase applications were filed and 4 Patent Applications were granted.
5. Basic engineering was prepared in-house for producing anticancer molecule and 2G-ethanol.

ii) Benefits derived as a result of above R&D:

1. Process developed for 2G ethanol and various ethanol derivatives.
2. R&D is involved in developing many new molecules and analogues of its lead molecule that can extend life of cancer patients where current medications are insufficient.

iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – NA

iv) Expenditure incurred on Research and Development:

(₹ in Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
A) Capital	35.79	48.12
b) Recurring	1,041.00	1,046.77
Total	1,076.79	1,094.88

C. Foreign Exchange earnings and outgo:

(₹ in Lakhs)

For the year ended	Year ended March 31, 2022	Year ended March 31, 2021
Foreign exchange earned in terms of actual inflows	29,774.43	47,727.09
Foreign exchange outgo in terms of actual outflows	25,556.01	40,757.08

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
DIN - 00295458

Date: 18th May, 2022
Place: Mumbai

Annexure – "IV"

Secretarial Audit Report

For The Financial Year Ended On 31st March, 2022

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

To
The Members -
Godavari Biorefineries Limited
Somaiya Bhavan, 45/47
Mahatma Gandhi Road, Fort
Mumbai – 400 001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Godavari Biorefineries Limited ("**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the period covering the financial year ended on 31st March, 2022 ("**Audit Period**") 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company to the extent applicable for the financial year ended on 31st March, 2022 according to the provisions of:

(i) The Companies Act, 2013 ("**the Act**") and the rules made thereunder;

(ii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable to the Foreign Direct Investment;

(iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2016 to the extent applicable to debt listing;

(iv) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above to the extent applicable. Having regard to the compliance system prevailing, on examination of the relevant documents on a test check basis, explanations provided; I further report that the Company has complied with the following laws applicable specifically to the Company.

1. Essential Commodities Act, 1955
2. Sugar (Control) Order, 1966
3. The Karnataka Sugarcane (Regulation of Purchase and Supply) Act, 2013
4. Sugarcane (Control) Order, 1966
5. Sugar (Packing and Marking) Order, 1970
6. Sugar Cess Act, 1982
7. Sugar Development Fund Act, 1982
8. The Karnataka Sugar (Regulation of Production) Order, 1975
9. Food Safety and Standard Act, 2006
10. Export (Quality Control and Inspection) Act, 1963
11. Agriculture and Processed Food Products Exports Act, 1986
12. Karnataka Land Reforms Act, 1974
13. Minimum Wages Act, 1948 as applicable to Sugar Industry
14. Indian Electricity Act, 1910
15. Indian Electricity Rules, 1956
16. The Electricity Regulatory Commission Act 1998

17. The Electricity Act, 2015
18. The Electricity Supply Act, 1948
19. The Electricity Tax Amendment Act, 1959
20. The Electricity Tax Amendment Act, 2013
21. Karnataka Excise (Distillery and Warehouse) Rules, 1967
22. Licensing related regulation of Petroleum and Explosives Safety Organisation as applicable for manufacturing and storing Ethyl Alcohol
23. Petroleum Act, 1934
24. Petroleum Rules, 2002
25. The Poisons Act, 1919

I report that during the Audit Period; the following Acts, Rules, Regulations etc. were not applicable to the Company.

(i) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

(ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:

 (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, 2009;
 (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as applicable to securities other than debt listing;
 (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;
 (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
 (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

I further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance; and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the Audit Period, all decisions, except a few, at Board Meetings and Committee Meetings of the Company were carried with unanimous consents and the fact of the dissent and the name of the Director who dissented from the Resolution or abstained from voting thereon have been noted in minutes of the meetings as and when decisions at such meetings were not unanimously taken.

I 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.

I further report that during the Audit Period the Company had no specific event / action having a major bearing on the Company’s affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

(Tushar Shridharani)
Practicing Company Secretary
FCS: 2690 / COP: 2190
UDIN: F002690D000334406

Place: Mumbai
Date: 18th May, 2022

Note: This report is to be read with my letter of even date which is annexed herein next as Annexure A and forms an integral part of this report.

Annexure – "A"

To,
The Members -
Godavari Biorefineries Limited
Somaiya Bhavan, 45/47
Mahatma Gandhi Road, Fort
Mumbai – 400 001

This letter is an integral part of the Secretarial Audit Report of even date for F.Y. 2021-22 submitted to the Godavari Biorefineries Limited ("**the Company**") in pursuance of provisions of section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Members of the Company are informed as follow.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to the Company is the responsibility of the management of the Company. My examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the present Secretarial Audit Report.

2. Maintenance of the secretarial and other records of applicable laws is the responsibility of the management of the Company. My responsibility is to issue Secretarial Audit Report, based on the examination of the relevant records maintained and furnished to us by the Company, along with explanations where so required.

3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. I believe that the processes and practices that I followed, provide a reasonable basis for my opinion for the purpose of issue of the Secretarial Audit Report.

4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5. Wherever required, I have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.

6. 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.

(Tushar Shridharani)
Practicing Company Secretary
FCS: 2690 / COP: 2190

Place: Mumbai
Date: 18th May, 2022

Annexure – “V”

Particulars of Remuneration of Employees

(Pursuant to section 197 read with Rule 5 of Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014)

A. EMPLOYED THROUGHOUT THE PERIOD AND RECEIPT OF REMUNERATION IN THE AGGREGATE OF NOT LESS THAN ₹102 LAKHS PER ANNUM.

Name of the Employee	Designation and Nature of Duties	Remuneration Received (₹ in Lakhs)	Nature of the Employment whether contractual or otherwise	Qualifications and Experience of the Employee before joining	Date of Commencement of Employment of the Company	Age	Last Employment held by such Employee
Samir S. Somaiya	Chairman & Managing Director	306	Contractual	B. S. Chemical Engineering, Cornell M. Chemical Engineering, Cornell MBA, Cornell MPA, Harvard 27 years of experience.	29th September, 2009	54 years	Somaiya Organo Chemicals Limited, Director

(B) EMPLOYEES OF THE COMPANY WHO WERE EMPLOYED PART OF THE YEAR UNDER REVIEW AND WERE IN RECEIPT OF REMUNERATION FOR THAT YEAR IN THE AGGREGATE OF NOT LESS THAN ₹ 8.5 Lakhs PER MONTH: NIL

NOTES : Remuneration received as shown in the statement includes Salary, Bonus, Commission, Leave Encashment, House Rent Allowance or value for perquisites for accommodation, motor car perquisite and other allowance like contribution to provident fund and superannuation Fund, Gratuity, Leave Travel Facility and Reimbursement of Medical Expenses as applicable

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
DIN - 00295458

Date: 18th May, 2022
Place: Mumbai

Auditors’ Report

Independent Auditors' Report

To the Members of Godavari Biorefineries Limited

Report on the audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **Godavari Biorefineries Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the period ended on that date.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the 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.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
1.	**Export Oriented Unit – Negative Net Foreign Exchange (NFE) Position (Refer note 46 of the Standalone Financial Statements)** Company's Chemical Unit at Sakarwadi has been operating as an EOU. The Company had been allotted the status of an EOU for second term of 5 years which was to end on 30th June 2021. However, on 24th May 2021 the Company made an application for exiting from EOU scheme and accordingly the customs officer conducted a physical inspection of the raw materials imported under the scheme and has received No Dues Certificate from Customs Department on 2nd February 2022. The Company has submitted EOU Exit Application along with No Dues Certificate to the Development Commissioner SEEPZ Mumbai on 5th February 2022, and is now awaiting approval from the concerned officer for exit. As a procedural requirement for exiting from EOU scheme the Company had obtained third extension for the period 2021-2022 to 2025-2026 which was granted through Letter of Permission letter dated 30th June 2021. As per terms of letter of permission, the Company was required to maintain a positive Net Foreign Exchange (NFE) during the 5-year period. The Company's NFE was positive as on 30th June, 2020, however, due to COVID-19 pandemic the NFE is negative as on 31st March 2022 by ₹ 670.80 Lakhs (31st March, 2021 by ₹ 1,328.94 Lakhs).	1. Obtained an understanding of the matter from the management. 2. Examined the following: a) Application submitted to The Development Commissioner, SEEPZ SEZ dated 24th May 2021 for exiting from the EOU scheme. b) Letter of Permission issued by Dy. Development Commissioner, SEEPZ SEZ dated 30th June 2021 granting extension of EOU status to the Company. c) No dues certificate received from Customs Department dated 2nd February 2022 and the application submitted to Development Commissioner SEEPZ Mumbai on 5th February 2022. d) Arithmetical accuracy of the provision made by the Company.

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
	The Company has on principles of prudence made provision of ₹ 247.23 Lakhs upto 31st March 2022 (₹ 227.76 Lakhs as on 31st March 2021) on account of duties payable on the domestic sales made from the raw material imported. Out of the provision of ₹ 247.23 Lakhs, the Company during the year has made payment of ₹ 36.26 Lakhs against a demand raised by the department with respect to EOU exit, thereby net balance amount of provision in the books is ₹ 210.97 Lakhs. However, the quantum of any penal liability for existing the EOU scheme with Negative NFE is unascertainable as on date of the audit report as the Letter of Permission does not specify the same. Further, the Company has stopped importing duty free raw materials and is paying applicable duty and GST applicable thereon at the time of import itself from June 2021. We have considered this to be a Key Audit Matter considering the fact that the Company has applied to exit from the EOU scheme, the materiality of the amount provided on account of duties payable, a penal liability is applicable on the Company for exiting from the scheme with a Negative NFE and raw materials will henceforth be imported with payment of Custom Duty applicable thereby, increasing the raw material cost.	Based on the above procedures performed, we noted that the Management’s assessment of accounting the Import Duty on Raw Materials during the period under audit is reasonable.
2.	**Additional Cane Price for the Financial Year 2020-2021 accounted during the period under audit in cost of materials consumed (Refer note to schedule 24 in the Standalone Financial Statement)**	
	Additional Cane price amounting to ₹ 2,643.76 Lakhs for the FY 2020-2021 accounted as cost of material consumed during the period under audit. The above liability has crystalized and accounted during the period under audit. However same has not been included in the valuation of the Closing Stock. We have considered this to be a Key Audit Matter considering the materiality of the amounts.	1. Obtained an understanding of the matter from the management. 2. Examined the following: a) Supporting data and documents to ascertain that the expenses even though relate to FY 2020-2021, same were Crystallized and Finalized during the year under audit. b) Valuation of inventory of sugar to ascertain that the arrears have not been considered in the valuation. Based on the above procedures performed we noted that the Management assessment of considering the additional cane price for the FY 2020-2021 as cost of cane consumed during the period under audit is reasonable.
3	**Validity of Power Purchase Agreements (PPAs) and Tariff Determination (Refer note 48 in the Standalone Financial Statement)**	
	The Company had entered into PPAs with electricity supply companies (ESCOMS) on January 2, 2017 with a validity of five years from date of agreement for purchase of power from the bagasse-based co-generation plant of the Company, at a tariff determined by Karnataka Electricity Regulatory Commission (KERC). Accordingly, the Company supplied power to all the ESCOMS upto 1st January, 2022. From 2nd January, 2022 the Company is selling power under open access and/or bilateral agreement.	1. Obtained an understanding of the matter from the management. 2. Examined the following: a) Clarification issued by KERC for tariff determination.

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
	The KERC had issued orders and clarifications in relation to tariff determination subsequent to execution of PPAs on the basis of which the ESCOMs denied payment according to the bills raised by the Company. However, the orders and clarifications issued by KERC were quashed on 23rd April, 2021, by the H'ble Karnataka High Court at Bangalore. Further, the KREC suspended its proceedings initiated on 19th August, 2021 taking note of writ petition filed on 2nd September, 2021 wherein, the Company had submitted that the proceedings are in contempt of the order dated 23rd April, 2021 as passed by the H'ble Karnataka High Court at Bangalore. One of ESCOM has filed an appeal with the H'ble High Court against the order of the Single Bench dated 23rd April, 2021 which has been dismissed by the Division Bench of the High Court on 24th February, 2022. The Company is now in process to approach the ESCOMs/KERC/ High Court for execution of the Order dated April 23,2021 for recovery of the amounts billed by the Company and denied by the ESCOMs. We have considered this to be a Key Audit Matter considering the fact that any negative development in the amount receivable from them will have major impact on the Company. Further, terms of agreements under open access and/or bilateral agreement might not be favourable as compared to the PPAs with ESCOMS.	b) Copy of order of KERC dated 9th November 2021 suspending the proceedings initiated on 19th August 2021. c) Copy of order passed by the H'ble Karnataka High Court at Bangalore dated 23rd April 2021, 20th July 2021 and 17th November 2021 and 24th February 2022.
4.	**Change in Tax Regime (Refer note 49 in the Standalone Financial Statement)**	
	The company has been offering tax on income at the regular tax rate i.e., 34.94% (including surcharge and cess) or at the minimum alternate tax rate (MAT) i.e., 17.16% (including surcharge and cess) as applicable. However, from the F.Y 2021-2022 and onwards the Company has decided to offer tax on income under section 115BAA of Income Tax Act, 1961 (as introduced by the Taxation Laws (Amendment) Ordinance 2019) of the lower effective corporate tax rate of 25.17% (including surcharge and cess). For the availing the benefit of lower tax rate the assessee is required to forego deductions under sections as mentioned in the Income Tax Act, 1961 and also forego any MAT credit available on account of previous assessment years. Accordingly, the Company is foregoing unabsorbed additional depreciation U/S 32(1)(iia) of ₹ 7.54 Crores and ₹ 12.11 Crores of MAT credit by opting for the new regime. The Company has decided to opt for the new regime and forego the additional depreciation as it estimates that the outflow of cash on account of tax payable under section 115BAA will be lower than what it was paying earlier.	1. Obtained an understanding of the matter from the management. 2. Obtained the expert opinion taken by the company on this matter and relied on the opinion so provided by the tax consultants. 3. Examined the following: a) The provisions of section 115BAA of Income Tax Act, 1961. b) Examined the workings as submitted by the Company to the experts for their opinion to verify the accuracy of the amounts as finally arrived at for compliance of provisions of section 115BAA.
	While opting to offer tax on income under section 115BAA, the company has followed all applicable and necessary procedural requirements. Further, the company has made necessary provisions if any for MAT and Deferred Tax for earlier years and/or current year, as advised by the tax consultants in their opinions. We have considered this to be a Key Audit Matter considering the fact that this would result in change in taxation policy of the Company and the considering the fact that the Company will forego additional depreciation of ₹ 7.54 Crores and MAT credit of ₹ 12.11 Crores as available as on 1st April 2021.	

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
5.	**Cross Subsidy Surcharge to Hubli Electric Supply Company (HESCOM) (Refer note 34(B)(v) in the Standalone Financial Statement)**	
	The Company during the period 2013 to 2016 had imported power from Indian Energy Exchange (IEX) instead of Electric Supply Company of Karnataka Power Transmission Corporation Limited (KPTCL) for its captive consumption. Subsequently, Asstt. Executive Engineer of O&M Sub Division Hubli Electric Supply Company (HESCOM) Mahalingapur, had issued demand of ₹ 590.95 Lakhs on account of Cross Subsidy Charges to the Company. The Company had filed a writ petition with H'ble High Court of Karnataka which was disposed of and the court referred the matter to Karnataka Electricity Regulatory Commission (KERC). KERC has vide its order dated 3rd December, 2021 declared that cross subsidy charges are payable as per HT2A tariff, according to which the amount of ₹ 590.95 Lakhs demanded by HESCOM shall reduce. The Company is now awaiting the revised demand from the HESCOM. The company is also in the process of filing Writ Petition before the H'ble High Court of Dharwad to reduce the amount substantially or to waive off the cross-subsidy surcharges. The Company has on principles of prudence made provision of ₹ 250.00 Lakhs on account of cross subsidy surcharges. We have considered this to be a Key Audit Matter considering the materiality of the amount provided and the fact that further amount will have to be provided and paid subject to the revised demand from the HESCOM.	1. Obtained an understanding of the matter from the management. 2. Examined the following: a) Demand letter received from Asstt. Executive Engineer of O&M Sub Division Hubli Electric Supply Company (HESCOM) Mahalingapur. b) Order of KERC. Based on the above procedures performed, we noted that the Management's assessment of making provision for Cross Subsidy Surcharge in the books of accounts during the period is reasonable.

Other Information

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

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

7. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 financial statements

8. 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 standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, management is responsible for assessing the Company's ability to continue

as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. 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.

13. 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.

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

Report on other legal and regulatory requirements

15. As required by the Companies (Auditor's Report) Order, 2020("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

16. 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 accounts 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 B, i to iii to the Ind AS financial statements;

ii) There are no material foreseeable losses arising out of any long-term contracts for which provision is required to be made under any law or accounting standards. The Company has made provision in respect of derivative contracts as required under the applicable law or accounting standard;

iii) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

FOR VERMA MEHTA & ASSOCIATES

Chartered Accountants

Firm's Registration No: 112118W

Vimlesh Mehta

Partner

M.N.043599

Place: Mumbai

Date: 18th May, 2022

UDIN: 22043599ALOUUZ7566

Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone IND AS financial statements for the period ended 31st March 2022, we report that:

(i) (a) (A) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.

(B) The Company has generally maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property plant and equipment by which property plant and equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property plant and equipment were verified during the period under audit and no material discrepancies were noticed on such verification.

(c) the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements except as reported below are held in the name of the company: -

Description of item of property	Gross carrying value ₹ in Lakh	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director of employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Free Hold Land	157.00	Godavari Sugar Mills name appears in other rights column 07 Acre-24 Guntas.	No	Taken on Lease under register lease deed. The land is an Inam land and under Karnataka Certain Inams Abolition Act - 1978 the Inam's were abolished and GodavariSugar Mills Ltd. was allotted the same.	The Land is in the name of Godavari Sugar Mills Ltd (GSML), Godavari Biorefineries Ltd demerged from GSML, the company has made application regularizing the land. The Tahasildar's Office has passed order on 4th March, 2022 to enter name of GSML for the said land.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the period.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and inventory lying with third parties, has been physically verified by the management at reasonable intervals during the period under audit. In our opinion, the frequency of such verification is reasonable.

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets. As per the information and explanations given to us, the Company is submitting quarterly returns or statements with such banks or financial institutions for its Chemical and Distillery Division only. However, there is no practice of submitting quarterly returns or statements for its Sugar Division. The quarterly returns or statements submitted for its Chemical and Distillery Division are in agreement with the books of account of the Company. In absence of quarterly returns or statements for Sugar Division we cannot comment upon the same.

(iii) (a) The Company has provided loans in the nature of loans and provided guarantee details of which are as follows:

(A) to Subsidiaries-

Sr. No.	Name of Company	Nature of Relation	Facility	Amount outstanding as on 31st March 2022 (₹ In Lakhs)
1	Solar Magic Private Limited	Wholly Owned Subsidiary	Loan Given	195.72
2	Solar Magic Private Limited	Wholly Owned Subsidiary	Corporate Guarantee	284.48

(B) to Others-According to the information and explanations given to us and on the basis of our examination of the records of the Company, no loans in the nature of loans or guarantees have been provided for parties other than Subsidiaries.

(b) The investments made, guarantees provided, and the terms and conditions of all loans and advances in the nature of loans granted and guarantees provided to wholly owned subsidiaries listed in the register maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Com any, in respect of loans and advances in the nature of loans, there is no schedule of repayment of principal. However, condition for payment of interest has been stipulated and receipts on account of interest are regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no amount is overdue.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted any loans in the nature of loans either repayable on demand or without specifying any terms or period of repayment details of which are as follows:

Sr. No.	Name of Company	Nature of Relation	Aggregate Amount outstanding as on 31st March 2022 (₹ In Lakhs)	Percentage thereof to the total loans granted
1	Solar Magic Private Ltd	Wholly Owned Subsidiary	195.72	100%

(iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the wholly owned subsidiary covered under Section 186.

(v) In our opinion and according to the information and explanations given to us, the Company has complied with directives issued by Reserve Bank of India and the provision of sections 73 to 76 or any other applicable provisions of the Act and the (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

(vi) We have broadly reviewed the books of accounts and records maintained by the Company pursuant to the Rules prescribed by the Central Government under sub section (1) of section 148 of the Act and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(vii) in respect of statutory dues:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of excise, duty of customs, service tax, GST, professional tax, cess and other material statutory dues have been generally regularly deposited during the period under audit by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of excise, duty of customs, service tax, GST, professional tax, cess and other material statutory dues were in arrears as at 31st March ,2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material statutory dues which have not been deposited with the appropriate authorities on account of any dispute, other than the following dues of duty of excise, service tax, custom duty, income tax and electricity duty:

Name of the Statute	Nature of Dues	Period to which it pertains	Forum Where Dispute is Pending	Amount (Excluding Interest and Penalty) (₹ in Lakhs)
The Central Excise Act, 1944	Excise Duty Excise	2009-2010	Commissioner of Central Excise	130.86
		2008-09, 2009-10, 2010-11, 2014-15, 2015-16	CESTAT	280.62
		2004-05	Supreme Court	37.68
		2005-06, 2006-2007	Commissioner of State Excise	164.40
		2015-16	Commissioner of Central Excise (Appeals)	152.06
Customs Act, 1962	Customs Duty	2013-14	CESTAT	25.38
Customs Act, 1962	Customs Duty	2016-17 and 2017-18	CRA HO, Mumbai, Customs	362.00
Cross Subsidy Surcharges	Cross Subsidy Surcharges	01/05/2013 to 31/10/2016	Company is in the process of filing petition with H'ble High Court of Dharwad	590.95
Customs Act, 1962	Customs Duty	July 2017 to February 2021	CBIC has forwarded this matter to Jt Secretary TRU (Tariff Unit)	480.00
Income Tax Act, 1961	Income Tax	2015-16 (AY 2016-17)	Commissioner of Income Tax (Appeal)	355.37
Income Tax Act, 1961	Income Tax	2008-09 (AY 2009-10)	Income Tax	210.79
Income Tax Act, 1961	Income Tax	2009-10 (AY 2010-11)	Income Tax	4.18
Income Tax Act, 1961	Income Tax	2018-19 (AY 2019-20)	Income Tax	102.97

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no transactions that have been not recorded in the books of account that have been surrendered or disclosed as income during the period under audit in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender for the period ended on 31st March 2022.

(b) As per the information, representation and explanations given to us, the Company has not been a declared wilful defaulter by any bank or financial institution or other lender.

(c) As per the information, representation and explanations given to us, the Company has applied the term loans obtained during the period upto 31st March 2022 for the purpose for which the loans were obtained.

(d) As per the information, representation and explanations given to us, the Company has not utilised funds raised for short term basis for long term purposes.

(e) As per the information, representation and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) As per the information, representation and explanations given to us, the Company has not raised loans during the period on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) during the period upto 31st March 2022.

(b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the period upto 31st March 2022, thus compliance for the requirements of section 42 and section 62 of the Companies Act, 2013 are not applicable.

(xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us, the Company has not received any whistle-blower complaints.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting standard (AS) 18, Related Party Disclosure specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditors for the period under audit have been considered by us during the course of our audit.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi)(a) to (d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses for the period ended on 31st March 2022 and in the immediately preceding financial year i.e., F.Y. 2020-2021. Thus, paragraph 3(xvii) of the Order is not applicable.

(xviii) The Statutory Auditor's of the Company has not resigned during the period ended on 31st March 2022. Thus, paragraph 3(xviii) of the Order is not applicable.

(xix) on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, no material uncertainty exists as on the date of the audit report regarding the Company's capabilities of meeting its liabilities as and when they fall due within a period of one year from the balance sheet date.

(xx) The Company has made expenditure of ₹ 112.00 Lakhs against the required amount of ₹ 32.14 Lakhs for CSR activities during the year and there is no shortfall during the year. The expenditure has been made on education and healthcare activities during the year. The expenditure of ₹ 112.00 Lakhs has been made with related parties. As the company has made expenditure in excess of the required amount, there is no requirement for the company to make a transfer of any unspent amount to a special account in compliance relevant provisions of section 135 of Companies Act, 2013.

(xxi) The Companies (Auditor's Report) Order (CARO) is not applicable to the companies that have been included in the consolidated financial statements. Thus, paragraph 3(xxi) of the Order is not applicable.

FOR VERMA MEHTA & ASSOCIATES
Chartered Accountants
Firm's Registration No: 112118W

Vimlesh Mehta
Partner
M.N.043599
Place: Mumbai
Date: 18th May, 2022
UDIN: 22043599ALOUUZ7566

Annexure B

to the Independent Auditor's Report of even date on the standalone Ind AS Financial Statements of Godavari Biorefineries Limited

Report on the Internal Financial Controls under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act") We have audited the internal financial controls over financial reporting of Godavari Biorefineries Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the period 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with the generally accepted accounting principles. A Company's internal financial control over financial reportingincludes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

FOR VERMA MEHTA & ASSOCIATES
Chartered Accountants
Firm's Registration No: 112118W

Vimlesh Mehta
Partner
M.N.0 43599
Place: Mumbai
Date: 18th May, 2022
UDIN: 22043599ALOUUZ7566

(₹ in Lakhs)

Particulars	Notes	March 31, 2022	March 31, 2021
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	4	66,507.46	70,555.68
(b) Capital Work-in-Progress	4	4,400.15	461.31
(c) Right-of-use	4	54.50	36.86
(d) Intangible Assets	5	11.60	17.42
(e) Intangible Assets Under Development	5A	634.88	404.01
(f) Financial Assets			
(i) Investments	6	1,404.41	1,401.55
(ii) Loans	6	195.71	255.83
(iii) Other Financial Assets	6	1,283.92	1,303.91
(g) Other Non-Current Assets	11	1,270.22	1,698.23
		75,762.85	**76,134.80**
Current assets			
(a) Inventories	7	65,169.15	42,284.27
(b) Financial Assets			
(i) Trade Receivables	8	17,626.87	16,231.18
(ii) Cash and Cash Equivalents	9	153.79	70.11
(iii) Bank Balances Other than (ii) above	10	3,671.58	3,325.40
(iv) Other Financial Assets	6	261.68	3,214.16
(c) Other Current Assets	11	10,756.57	2,720.49
		97,639.65	**67,845.61**
TOTAL		**1,73,402.50**	**1,43,980.41**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	4,194.30	4,194.30
(b) Other Equity	14	43,232.92	41,611.86
		47,427.21	**45,806.16**
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	32,509.04	33,248.92
(ii) Lease Liabilities	16	47.05	32.23
(iii) Other Financial Liabilities	17	7.18	7.18
(b) Provisions	20	132.89	169.38
(c) Deferred Tax liabilities (Net)	12	1,123.46	79.13
(d) Other Non-Current Liabilities	19	88.53	261.86
		33,908.15	**33,798.70**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	30,878.59	23,138.59
(ii) Lease Liabilities	16	13.72	8.62
(iii) Trade Payables	18		
Micro, Small and Medium Enterprises		1,079.85	486.62
Others		56,403.74	37,585.97
(iv) Other Financial Liabilities	17	2,602.71	2,043.28
(b) Other Current Liabilities	19	656.24	739.81
(c) Provisions	20	432.28	372.66
		92,067.14	**64,375.55**
TOTAL		**1,73,402.50**	**1,43,980.41**
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.	1 to 52		

As per our report of even date attached

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number : 112118W

Vimlesh Mehta
Partner
Membership No. 043599

Place : Mumbai
Date : 18th May 2022

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Sangeeta A. Srivastava
Executive Director
(DIN : 00480462)

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 18th May 2022

(₹ in Lakhs)

Particulars	Notes	2021-22	2020-21
REVENUE			
Revenue from Operations	22	1,69,080.35	1,52,626.24
Other income	23	687.12	711.41
Total Income (I)		**1,69,767.46**	**1,53,337.65**
EXPENSES			
Cost of materials consumed	24	1,21,584.74	1,08,316.00
Purchases of stock-in-trade	25	734.82	311.05
Changes in inventories of finished goods, work-in-process and Stock-in-Trade	26	(4,157.32)	(3,825.24)
Employee benefits expense	27	9,718.93	8,365.96
Finance costs	28	6,003.21	7,164.13
Depreciation and amortization expense	29	4,750.29	4,672.78
Other expenses	30	28,220.81	23,993.50
Total Expenses (II)		**1,66,855.47**	**1,48,998.18**
Profit/(loss) before tax		**2,911.99**	**4,339.47**
Tax expense:			
Adjustment of tax relating to earlier periods		231.06	216.76
Deferred tax		1,048.24	1,666.71
Profit/(loss) for the period		**1,632.69**	**2,456.00**
OTHER COMPREHENSIVE INCOME			
A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:			
Remeasurement of gains (losses) on defined benefit plans		(15.55)	(68.38)
Income tax effect gain / (lossess)		3.91	21.33
Other Comprehensive income for the year, net of tax		**(11.64)**	**(47.04)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**1,621.05**	**2,408.95**
Earnings per share for profit attributable to equity shareholders	32		
Basic and Diluted EPS		3.89	5.86
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements	1 to 52		

As per our report of even date attached

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number : 112118W

Vimlesh Mehta
Partner
Membership No. 043599

Place : Mumbai
Date : 18th May 2022

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Sangeeta A. Srivastava
Executive Director
(DIN : 00480462)

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 18th May 2022

(₹ in Lakhs)

Particulars	2021-22	2020-21
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit / (Loss) before tax	**2,911.99**	**4,339.47**
Adjustments for:		
Depreciation and amortisation expense	4,750.29	4,672.78
Loss/ (Profit) on Sale of Property,Plant and Equipment	52.93	(115.60)
Sundry Debit/(Credit) Balances Written Off/Back (Net)	(23.87)	52.33
Loss allowance on debts / Advances	113.20	779.95
Loss Allowance on receivables	386.71	114.73
Interest income classified as investing cash flows	(203.84)	(218.94)
Financial Guarantee Income	(7.36)	(7.28)
Interest and finance charges	6,003.21	7,164.14
Fair value (gain)/loss on financial instrument at FVTPL	(39.84)	(37.35)
Government grant income	(19.36)	(19.45)
Adjustment of tax relating to earlier periods	(231.06)	(216.76)
Unrealised foreign currency (gain)/loss	(858.19)	(246.36)
Loss on sale of investment	2.50	
Change in operating assets and liabilities:		
Trade payables	19,759.92	1,981.61
Other liabilities	645.61	725.18
Provisions	7.58	(112.13)
Trade receivables	(1,249.25)	(4,148.83)
Inventories	(22,884.86)	(4,403.41)
Other assets	(4,974.76)	2,604.82
Cash generated from operations	**4,141.55**	**12,908.90**
Less: Income taxes paid	(98.44)	(27.32)
Net cash inflow from operating activities	**4,043.11**	**12,881.58**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for purchase of property, plant and equipment (net)	(5,036.67)	(1,227.13)
Proceed from sale of property, plant and equipment	100.15	150.62
Proceed from sale of Investment	2.00	-
Interest received	281.98	227.28
Net cash outflow from investing activities	**(4,652.54)**	**(849.23)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of non current borrowings	(7,535.23)	(1,560.41)
Proceeds of non current borrowings	5,743.78	24,392.90
(Decrease) / Increase in current borrowings	8,890.66	(26,898.59)
Repayment of lease liabilities	19.93	(9.73)
Interest and finance charges paid	(6,426.03)	(7,912.95)
Net cash inflow (outflow) from financing activities	**693.11**	**(11,988.78)**
Net increase (decrease) in cash and cash equivalents	83.67	43.57
Cash and Cash Equivalents at the beginning of the financial year	70.12	26.54
Cash and Cash Equivalents at end of the year	**153.80**	**70.11**
Reconciliation of cash and cash equivalents as per the cash flow statement:		
Cash and cash equivalents as per above comprise of the following:		
Balances with banks:		
- On current accounts	148.20	60.45
Cash on hand	5.59	9.67
Balances per statement of cash flows	**153.80**	**70.12**

Notes:

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on 'Statement of Cash Flows'.
2. Previous years figures have been regrouped/rearranged/recast wherever necessary to conform to this year's classification.

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements **1 to 52**

As per our report of even date attached

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number : 112118W

Vimlesh Mehta
Partner
Membership No. 043599

Place : Mumbai
Date : 18th May 2022

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Sangeeta A. Srivastava
Executive Director
(DIN : 00480462)

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 18th May 2022

A Equity Share Capital

(₹ in Lakhs)

Particulars	Balance at the Beginning of the period	Changes in Equity share capital during the year	Balance at the end of the period
March 31, 2021			
Numbers	4,19,43,023	-	4,19,43,023
Amount (in lakhs)	4,194.30	-	4,194.30
March 31,2022			
Numbers	4,19,43,023	-	4,19,43,023
Amount (in lakhs)	4,194.30	-	4,194.30

B Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus				Total
	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	
As at March 31, 2020	**26,260.94**	**1,865.38**	**573.50**	**10,503.09**	**39,202.91**
Profit for the period	-	-	-	2,456.00	2,456.00
Other Comprehensive Income	-	-	-	(47.04)	(47.04)
Total Comprehensive Income for the year	**-**	**-**	**-**	**2,408.95**	**2,408.95**
As at March 31, 2021	**26,260.94**	**1,865.38**	**573.50**	**12,912.04**	**41,611.86**
Profit for the period	-	-	-	1,632.69	1,632.69
Other Comprehensive Income	-	-	-	(11.64)	(11.64)
Total comprehensive income for the year	**-**	**-**	**-**	**1,621.05**	**1,621.05**
As at March 31,2022	**26,260.94**	**1,865.38**	**573.50**	**14,533.10**	**43,232.92**

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements — 1 to 52

As per our report of even date attached

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number : 112118W

Vimlesh Mehta
Partner
Membership No. 043599

Place : Mumbai
Date : 18th May 2022

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Sangeeta A. Srivastava
Executive Director
(DIN : 00480462)

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 18th May 2022

1 Corporate Information

These statements comprise financial statements of Godavari Biorefineries Limited (referred to as “the Company”) (CIN: U67120MH1956PLC009707) for the year ended March 31, 2022. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its Equity share and Debentures (Bonds) are not listed . The registered office of the company is located at Somaiya Bhavan, 45/47, Mahatma Gandhi Road, Fort, Mumbai - 400 001.

The Company is principally engaged in the manufacturing of sugar, power generation, chemicals / Bio Chemicals, distillery and other bio products.

The financial statements were approved by the Board of Directors and authorised for issue on 18th May 2022

2 Significant Accounting Policies

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies(Indian Accounting Standards)(Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013 (“the Act”).

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value or at amortised cost depending on the classification(refer accounting policy regarding financial instruments),
- Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations”

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

2.2 Summary of significant accounting policies

(a) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land are stated at cost. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the income statement when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on straight line method using the useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013. If the management’s estimate of the useful life of a item of property, plant and equipment at the time of acquisition or the remaining useful life on a subsequent review is shorter than the envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/ remaining useful life.

The Property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. The residual values are not more than 5% of the original cost of the asset.

(b) Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

Amortisation methods and periods

Intangible assets comprising of patents are amortized on a straight line basis over the useful life of five years which is estimated by the management.

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

(c) Research and development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred, unless a product's technological feasibility including commercial market has been established or estimated, in which case such expenditure is capitalised/ capital work in progress. These costs are charged to the respective heads in the Statement of Profit and Loss in the year it is incurred. The Property plant and equipment utlised for research and development are capitalised and depreciated in accordance with the policies stated for Property, plant and equipment and Intangible Assets.

(d) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit or loss.

(f) Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

(i) Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

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

(ii) Fair Value through other comprehensive income

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or ‘other financial liabilities’.

(i) Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

(ii) Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Equity investment in subsidiaries and associates

Investment in subsidiaries and associates are carried at cost. Impairment recognized, if any, is reduced from the carrying value.

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.

Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(g) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

(h) Taxes

(i) Current income tax

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(ii) Deferred tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Minimum Alternate Tax (MAT)

For the Financial Year 2021-22 and for subsequent period, the Company has after evaluation, decided to adopt the option permitted under section 115BAA of Income Tax Act, 1961 (as introduced by the Taxation Laws (Amendment) Ordinance

2019) of the lower effective corporate tax rate of 25.17% (including surcharge and cess) instead of the earlier rate of 31.20% (including surcharge and cess).

As per section 115BAA their is no 'MAT Credit Entitelment' and accordingly from financial year 2021.2022 MAT credit will not avaliable for credit upto March 21 and subsequent period.

MAT upto 31st March 2021 was charged to the statement of profit and loss as current tax as applicable. The Company recognised MAT credit available in the statement of profit and loss as deferred tax with a corresponding asset only to the extent that there is probability that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The said asset was shown as 'MAT Credit Entitlement' under Deferred Tax. and written down the asset to the extent the Company does not have probable certainty that it will pay normal tax during the specified period.

(i) Inventories:

Raw Materials are valued at lower of moving average cost or net realisable value.

Stores and Spares are valued at moving average cost.

Work-in-Progress stocks is converted into equivalent units of finished stocks. Work-in-Progress valued at lower of cost or net realisable value.

Finished stocks are valued at cost or net realisable value whichever is lower.

Bagasse, Molasses (Including B Heavy Molasses) **and waste/scrap** generated in the production process are valued at net realisable value.

The valuation of inventories includes taxes, duties of non refundable nature and direct expenses and other direct cost attributable to the cost of inventory, net of excise duty/ Goods and Service tax/countervailing duty / education cess and value added tax.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

(j) Revenue recognition

Revenue from contracts with customers is recognized when control or substantial risks and rewards of ownership of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The Company collects taxes such as GST, sales tax/value added tax, service tax, etc on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from the aforesaid revenue/ income.

The following specific recognition criteria must also be met before revenue is recognized:

(i) Sale of goods

Revenue from sale of manufactured and traded goods is recognised when the control or substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract.

Power sales are accounted as per the rate mentioned in Contracts entered with state governments and other entities.

(ii) Interest income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

(iii) Dividend income

Dividends are recognised when right to receive is established.

(iv) Other income

Export benefits are accounted on the basis of completion of Export Obligation, which are to be received with a reasonable certainty.

(k) Employee Benefit Obligations:

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

Other long-term employee benefit comprises of leave encashment towards unavailed leave and compensated absences, these are recognized based on the present value of defined obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

(iii) Post-employment obligations

The company operates the following post-employment schemes:

(a) defined benefit plans viz gratuity,

(b) defined contribution plans viz state governed provident fund scheme and employee pension scheme.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The plan assets are administered by the approved gratuity fund trust.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plans

The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(l) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

(m) Leases

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

(i) As a lessee

The company recognises a Right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The Right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. Right of- use assets are depreciated on a straight-line basis over the shorter of the lease term.In addition, the Right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

“The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company’s incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.”

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company’s estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets
The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

(ii) As a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company’s net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

(n) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which 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.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(o) Borrowing Costs:

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate (EIR) applicable to the respective borrowing.

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

(p) Segment Reporting - Identification of Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

(q) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(r) 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, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

(s) Current/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
- Cash or cash equivalent unless 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, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

(t) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

3 Significant accounting judgments, estimates and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Critical Estimates and Judgments

(i) Fair value measurement of Financial Instruments

When the fair values of financials assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

(ii) Estimation of net realizable value for inventories

Inventory is stated at the lower of cost and net realizable value (NRV).
NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified.

(iii) Recoverability of trade receivables

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience except for power receivables.

(iv) Useful lives of property, plant and equipment/intangible assets

The Company reviews the useful life of property, plant and equipment/intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(v) Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note above.

(vi) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical 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.

4. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at March 31, 2021	Additions	Deductions/ Adjustments	As at March 31,2022	As at March 31, 2021	During the period	Deductions/ Adjustments	As at March 31,2022	As at March 31,2022	As at March 31, 2021
Free Hold Land	24,042.32	-	-	24,042.32	-	-	-	-	24,042.32	24,042.32
Building	6,283.90	28.76	-	6,312.66	1,124.47	232.93	-	1,357.41	4,955.26	5,159.43
Plant and Equipments	62,613.67	698.98	729.38	62,583.27	21,781.73	4,365.81	578.15	25,569.39	37,013.88	40,831.94
Furniture and Fixtures	282.93	7.54	-	290.47	105.55	30.02	-	135.56	154.90	177.38
Vehicles	425.63	67.47	43.26	449.84	261.13	39.17	41.77	258.54	191.30	164.50
Office Equipments	232.01	1.46	-	233.46	137.67	18.59	-	156.26	77.20	94.33
Computer Hardwares	230.25	29.13	11.45	247.93	144.47	41.95	11.09	175.33	72.60	85.78
Total (I)	**94,110.71**	**833.33**	**784.09**	**94,159.94**	**23,555.02**	**4,728.47**	**631.01**	**27,652.49**	**66,507.46**	**70,555.68**
Capital Work in Progress	461.31	5,491.71	1,552.87	4,400.15	-	-	-	-	4,400.15	461.31
Total (II)	**461.31**	**5,491.71**	**1,552.87**	**4,400.15**	**-**	**-**	**-**	**-**	**4,400.15**	**461.31**
(I + II)	**94,572.01**	**6,325.05**	**2,336.96**	**98,560.10**	**23,555.02**	**4,728.47**	**631.01**	**27,652.49**	**70,907.61**	**71,016.99**
Right - of- Use *	56.22	33.63	-	89.86	19.37	15.99	-	35.36	54.50	36.86
Total	**56.22**	**33.63**	**-**	**89.86**	**19.37**	**15.99**	**-**	**35.36**	**54.50**	**36.86**

* Refer Note 35

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at March 31, 2020	Additions	Deductions/ Adjustments	As at March 31, 2021	As at March 31, 2020	During the period	Deductions/ Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Free Hold Land	24,042.32	-	-	24,042.32	-	-	-	-	24,042.32	24,042.32
Building	6,030.68	253.22	-	6,283.90	879.88	244.59	-	1,124.47	5,159.43	5,150.80
Plant and Equipments	60,989.53	1,701.40	77.26	62,613.67	17,548.42	4,277.22	43.91	21,781.73	40,831.94	43,441.27
Furniture and Fixtures	276.90	6.03	-	282.93	76.14	29.40	-	105.55	177.38	200.76
Vehicles	436.16	0.91	11.43	425.63	229.69	41.21	9.76	261.13	164.50	206.47
Office Equipments	228.84	3.16	-	232.01	113.53	24.14	-	137.67	94.33	115.31
Computer Hardwares	174.68	55.57	-	230.25	104.54	39.94	-	144.47	85.78	70.14
Total (I)	**92,179.11**	**2,020.29**	**88.69**	**94,110.71**	**18,952.20**	**4,656.50**	**53.67**	**23,555.02**	**70,555.68**	**73,227.06**
Capital Work in Progress	1,357.19	1,493.26	2,389.14	461.31	-	-	-	-	461.31	1,357.19
Total (II)	**1,357.19**	**1,493.26**	**2,389.14**	**461.31**	**-**	**-**	**-**	**-**	**461.31**	**1,357.19**
(I + II)	**93,536.29**	**3,513.55**	**2,477.83**	**94,572.01**	**18,952.20**	**4,656.50**	**53.67**	**23,555.02**	**71,016.99**	**74,584.25**
Right - of- Use (as on April 1, 2019)*	45.98	10.24	-	56.22	8.94	10.42	-	19.37	36.86	37.04
Total	**45.98**	**10.24**	**-**	**56.22**	**8.94**	**10.42**	**-**	**19.37**	**36.86**	**37.04**

* Refer Note 35

i. Borrowing Cost Capitalised

The amount of borrowing cost capitalised during the year ended March 31, 2022 was INR Nil (March 31, 2021 INR Nil).

ii. Contractual Obligations

Refer to Note 34A for disclosure of contractual commitments for the acquisition of property, plant and equipment.

iii. Revaluation of Property, Plant and Equipment

The company has elected to measure certain items of property, plant and equipment viz. Land at fair value as on 1st April 2017. Hence at the date of transition to Ind AS, an increase of INR 23727.25 Lakhs was recognised in property, plant and equipment and a Revaluation Reserve of INR 23727.25 Lakhs had been created towards this and transferred to Retained Earnings. However, the Company has earmarked the Revaluation Reserve separately and it is not available for distribution of dividends and bonus . The Valuation was carried out by registered approved valuer.

(iii) Details of Capital work in Progress (CWIP) are as below :-

(A) CWIP ageing schedule as at March 31, 2022

Amount in Lakhs

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project in Progress	4,192.48	-	-	-	4,192.48
Project temporarily suspended	9.92	55.43	139.78	2.54	207.67
Total	**4,202.40**	**55.43**	**139.78**	**2.54**	**4,400.15**

CWIP ageing schedule as at March 31, 2021

Amount in Lakhs

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project in Progress	261.50	197.26	2.54	-	461.31
Project temporarily suspended	-	-	-	-	-
Total	**261.50**	**197.26**	**2.54**	**-**	**461.31**

(B) CWIP completion schedule as at March 31, 2022 and March 31, 2021

As on the date of the financial statement, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

(iv) Title deeds of Immovable Properties not held in name of the Company as at March 31, 2022 and March 31, 2021

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value ₹ in Lakh	Title deeds held in the name of	Whether title deed holder is a promoter,director or relative of promoter/director of employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property Plant and Equipment	Free Hold Land	157	Godavari Sugar Mills name appears (mutated) in other rights column for 07 Acre-24 Guntas.	No	under register lease deed. The land is Inam land and under Karnataka Certain Inams Abolition Act -1978 the Inam's were abolished.	The Land is in the name of Godavari Sugar Mills Ltd (GSML), Godavari Biorefineries ltd (GBL) demerged from GSML , The company has made application to regularise the land in the name of GSML which has been approved on 4th March 2022.

Refer Note 47

5. INTANGIBLE ASSETS

(₹ in Lakhs)

	Gross Block				Accumulated Amortisation				Net Block	
Particulars	As at March 31, 2021	Additions	Deductions/ Adjustments	As at March 31,2022	As at March 31, 2021	During the period	Deductions/ Adjustments	As at March 31,2022	As at March 31,2022	As at March 31, 2021
Patents	30.02	-	-	30.02	12.60	5.82	-	18.42	11.60	17.42
Total	**30.02**	**-**	**-**	**30.02**	**12.60**	**5.82**	**-**	**18.42**	**11.60**	**17.42**

(₹ in Lakhs)

	Gross Block				Accumulated Amortisation				Net Block	
Particulars	As at March 31, 2020	Additions	Deductions/ Adjustments	As at March 31, 2021	As at March 31, 2020	Additions	Deductions/ Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Patents	30.02	-	-	30.02	6.74	5.86	-	12.60	17.42	23.28
Total	**30.02**	**-**	**-**	**30.02**	**6.74**	**5.86**	**-**	**12.60**	**17.42**	**23.28**

5A. INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Lakhs)

	Gross Block				Accumulated Amortisation				Net Block	
Particulars	As at March 31, 2021	Additions	Deductions/ Adjustments	As at March 31,2022	As at March 31, 2021	During the period	Deductions/ Adjustments	As at March 31,2022	As at March 31,2022	As at March 31, 2021
Anti Cancer Molecules - License	404.01	328.39	97.52	634.88	-	-	-	-	634.88	404.01
Total	**404.01**	**328.39**	**97.52**	**634.88**	**-**	**-**	**-**	**-**	**634.88**	**404.01**

(₹ in Lakhs)

	Gross Block				Accumulated Amortisation				Net Block	
Particulars	As at March 31, 2020	Additions	Deductions/ Adjustments	As at March 31, 2021	As at March 31, 2020	Additions	Deductions/ Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Anti Cancer Molecules - License	311.54	92.47	-	404.01	-	-	-	-	404.01	311.54
Total	**311.54**	**92.47**	**-**	**404.01**	**-**	**-**	**-**	**-**	**404.01**	**311.54**

(i) Details of Intangible Assets under Development are as below :-

(A) Intangible Assets under Development ageing schedule as at March 31, 2022 (₹ in Lakhs)

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project in Progress (Intangible - Anti Cancer Molecules)	230.86	37.46	311.54	55.00	634.86
Project temporarily suspended	-	-	-	-	-
Total	**230.86**	**37.46**	**311.54**	**55.00**	**634.86**

Intangible Assets under Development ageing schedule as at March 31, 2021 (₹ in Lakhs)

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project in Progress (Intangible - Anti Cancer Molecules)	92.47	256.54	55.00	-	404.01
Project temporarily suspended	-	-	-	-	-
Total	**92.47**	**256.54**	**55.00**	**-**	**404.01**

(B) Intangible assets under development completion schedule as at March 31, 2022 and March 31, 2021

As on the date of the financial statements, there are no intangible asset under development projects whose completion is overdue or has exceeded the cost, based on approved plan.

6. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
(A) INVESTMENTS		
Non Current		
(1) Investments carried at fair value through Profit and Loss		
Unquoted		
Investments in Preference Shares		
3,57,604 Nonassessable shares of $0.001 par value of e2e Material INC, USA in Series B preferred Stock (March 31, 2021: 3,57,604)	134.65	134.65
Less : Loss allowance	(134.64)	(134.64)
	0.01	**0.01**
(2) Investments carried at Cost		
Unquoted		
Investments in Equity Instruments of Subsidiaries		
13,94,761 Equity Shares of EURO 1 each in Cayuga Investment B.V. (March 31, 2021: 13,94,761)	1,001.92	1,001.92
Less : Loss allowance	-	-
	1,001.92	**1,001.92**
34,50,000 Equity Shares of INR 10 each in Solar Magic Private Limited (March 31, 2021: 34,50,000)	402.27	394.91
Investments in Equity Instruments of Associate		
210 Equity Shares of INR 100 each in The Book Centre Limited (March 31, 2021: 210)	0.21	0.21
Quoted		
Investments in Equity Instruments of Associate		
25,000 Equity Shares of INR 10 each in Pentokey Organy (India) Limited (March 31, 2021: 25,000,)	-	4.50
Total	**1,404.41**	**1,401.55**
Aggregate amount of quoted investments	-	4.50
Aggregate amount of unquoted investments	1,539.05	1,531.68
Aggregate amount of impairment in the value of investments	134.64	134.64
Investments carried at fair value through profit and loss	0.01	0.01
Investments carried at cost	1,404.40	1,401.54

(B) LOANS		
Non Current		
Unsecured, considered good unless otherwise stated		
Loans to Solar Magic Private Limited (Subsidiary)	195.71	255.83
Total	**195.71**	**255.83**
(C) OTHER FINANCIAL ASSETS		
Non Current		
Financial assets carried at amortised cost		
Security and Other Deposits	409.76	351.65
Bank Deposits with more than 12 months maturity*	874.16	952.26
Total	**1,283.92**	**1,303.91**
*Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments		
Current		
Financial assets		
Security Deposits	13.00	13.00
Claim Receivables *	248.68	3,201.16
Total	**261.68**	**3,214.16**
*It includes Derivatives not designated as hedge - Foreign Exchange forward ontracts.		

7. INVENTORIES

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
(Valued at lower of Cost and Net Realisable value)		
Raw materials		
In stock	27,167.20	8,871.21
Work-in-process	697.84	186.68
Finished goods		
In stock	34,800.28	31,154.12
In transit	-	-
Traded goods	30.86	36.54
Stores, chemicals and spares	2,472.96	2,035.74
Total	**65,169.15**	**42,284.27**

During the year ended March 31, 2022: Nil (March 31, 2021: INR Nil) was recognised as an expense for inventories carried at net realisable value.

8. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Current		
Trade Receivables from customers	17,524.10	16,156.90
Receivables from step down subsidiary	102.76	74.28
Receivables from other Related parties	-	-
	17,626.87	**16,231.18**
Breakup of Security details		
Unsecured, considered good	17,626.87	16,231.18
Significant increase in credit risk	701.08	314.38
Credit impaired		-
	18,327.95	**16,545.56**
Allowance for bad and doubtful debts		
Significant increase in credit risk	701.08	314.38
	701.08	**314.38**
	17,626.87	**16,231.18**

(i) Debts due by directors or other officers of the company or any of them, either severally or jointly, with any other person or Trade or Other Receivable due by firms or private companies respectively in which any director is a partner, a director or a member amounted to Nil (Previous year: Nil).

(ii) Trade Receivables Ageing Schedule are as below :

Particulars	Not Due	Outstanding from due date of payment as on March 31, 2022					
		Upto 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Undisputed trade receivables – considered good	10,608.02	5,719.03	477.90	381.68	194.00	947.31	18,327.95
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	701.08	701.08
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired *	-	-	-	-	-	-	-
Sub Total	10,608.02	5,719.03	477.90	381.68	194.00	947.31	18,327.95
Less: Allowance for credit impaired/Expected credit loss						701.08	701.08
Total	**10,608.02**	**5,719.03**	**477.90**	**381.68**	**194.00**	**246.23**	**17,626.87**

* Refer Note 48

Particulars	Not Due	Outstanding from due date of payment as on March 31, 2021					
		Upto 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Undisputed trade receivables – considered good	10,066.86	4,941.33	264.21	201.72	355.19	329.66	16,158.97
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – considered good		-	-	-	-	386.59	386.59
Disputed trade receivables – which have significant increase in credit risk							
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-		-
Sub Total	10,066.86	4,941.33	264.21	201.72	355.19	716.25	16,545.56
Less: Allowance for credit impaired/Expected credit loss	-	-	-			314.38	314.38
Total	**10,066.86**	**4,941.33**	**264.21**	**201.72**	**355.19**	**401.87**	**16,231.18**

In determining the allowance for trade receivables the Company has used practical expedients based on ageing of the customer receivables, over-dues and historical experience of collections from customers. The concentration of risk with respect to trade receivables is reasonably low as most of the customers are long standing and Corporate organisations, though there may be normal delay in collections.

9. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Balances with banks:		
- On current accounts	148.20	60.45
Cash on hand	5.59	9.67
	153.79	**70.11**

10. OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Balances with banks to the extent held as margin money	2,879.22	2,351.82
Other balances with banks*	792.35	973.58
	3,671.58	**3,325.40**

*Balances with banks to the extent held as security against the borrowings, guarantees, other commitments etc

11. OTHER ASSETS

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Non Current		
Capital Advances	-	6.36
Stores and spares(capital goods)	251.71	251.71
(Reasigning to the upcoming new project)		
Advances other than Capital advances		
- Advances for Supplies and Services	2,230.81	2,254.66
Less : Provision against Advances	(2,073.12)	(2,073.12)
	157.69	181.54
Others		
- Prepaid expenses	674.64	1,055.08
- Payment of Taxes (Net of Provisions)	-	27.32
- Balances with Statutory, Government Authorities*	186.19	176.22
Total	**1,270.22**	**1,698.23**
Current		
Advances other than Capital advances		
- Advances to Suppliers	7,435.61	2,151.24
Others		
- Prepaid expenses	359.99	281.91
- Balances with Statutory, Government Authorities*	2,846.15	-
- Export Incentive - Sugar cane	114.83	287.34
Total	**10,756.57**	**2,720.49**

*Includes Cenvat and VAT Credit receivables.

12. INCOME TAX

Deferred Tax

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Deferred tax relates to the following:		
Temporary difference in the carrying amount of property, plant and equipment	(6,109.70)	(8,140.50)
Temporary difference in the carrying amount of financial instruments at amortised cost	(19.43)	(11.65)
Impairment on financial assets at amortised cost	97.33	35.80
Unabsorbed Depreciation and Business Losses	4,908.34	8,037.22
Net Deferred Tax Assets / (Liabilities)	**(1,123.46)**	**(79.13)**

Movement in deferred tax liabilities/assets

Particulars	March 31, 2022	March 31, 2021
Opening balance as of April 1	**(79.13)**	**1,566.25**
Tax income/(expense) during the period recognised in profit or loss	(1,048.24)	(1,666.71)
Tax income/(expense) during the period recognised in OCI	3.91	21.33
Tax income/(expense) during the period recognised in retained earning	-	-
Closing balance as at March 31	**(1,123.46)**	**(79.13)**

Particulars	March 31, 2022	March 31, 2021
Unrecognised deferred tax assets		
Unrecognised tax credits (MAT Entitlement)	-	1,211.19

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liablities relate to income taxes levied by the same tax authority.

Considering the probability of availability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognised in respect of tax credits carried forward by the Company.

Major Components of income tax expense for the three month ended March 31, 2022 and years ended March 31, 2021 are as follows:

i. Income tax recognised in profit or loss

(₹ in Lakhs)

	2021-22	2020-21
Adjustment in respect of current income tax of previous year	231.06	216.76
Deferred tax		
Relating to origination and reversal of temporary differences	1,048.24	1,666.71
Income tax expense recognised in profit or loss	**1,279.30**	**1,883.47**

ii. Income tax recognised in OCI

	March 31, 2022	March 31, 2021
Net loss/(gain) on remeasurements of defined benefit plans	3.91	21.33
Income tax expense recognised in OCI	**3.91**	**21.33**

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2022 and March 31, 2021

	March 31, 2022	March 31, 2021
Accounting profit before income tax	**2,911.99**	**4,339.47**
Enacted tax rate in India	25.17%	31.20%
Income tax on accounting profits	**732.89**	**1,353.91**
Tax Effect of		
Depreciation	(1,636.00)	(7.35)
Expenses not allowable or considered separately under Income Tax	137.72	366.38
Expenses allowable and others	(66.11)	(135.93)
Losses carried forward to future years	1,852.35	89.69
Income not taxable under income tax	27.40	-
Tax expense relating to earlier years	231.06	216.76
Tax at effective income tax rate	**1,279.30**	**1,883.47**

13. SHARE CAPITAL

i. Authorised Share Capital

(₹ in Lakhs)

	Equity Share of INR 10 each		Preference Share of INR 100 each	
	Number	Amount	Number	Amount
At March 31, 2020	4,20,00,000	4,200.00	18,00,000	1,800.00
Increase/(decrease) during the year	4,00,00,000	4,000.00	-	-
At March 31, 2021	8,20,00,000	8,200.00	18,00,000	1,800.00
Increase/(decrease) during the year	-	-	-	-
At March 31,2022	**8,20,00,000**	**8,200.00**	**18,00,000**	**1,800.00**

Terms/rights attached to equity shares

The Company has one class of Equity shares having a par value of INR 10 each. Each holder of Equity shares is entitled to one vote per share and are subject to the preferential rights as prescribed under law or those of preference shareholders,if any. The Equity share holders are also subject to restrictions as presribed under the Companies Act, 2013.

In the event of the Liquidation of the Company, the holders of the Equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts and preferential shareholders.

ii. Issued Capital

(₹ in Lakhs)

	Number	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
At March 31, 2020	**4,19,43,023**	**4,194.30**
Issued during the period	-	-
At March 31, 2021	**4,19,43,023**	**4,194.30**
Issued during the period	-	-
At March 31,2022	**4,19,43,023**	**4,194.30**

This note covers the equity component of the issued convertible preference shares. The liability component is reflected in financial liabilities.

iii. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Number	% holding	Number	% holding
Equity shares of INR 10 each fully paid				
Somaiya Agencies Private Limited	93,54,668	22.30	93,54,668	22.30
Sakarwadi Trading Company Private Limited	60,15,790	14.34	60,15,790	14.34
Lakshmiwadi Mines and Minerals Private Limited	57,20,717	13.64	57,20,717	13.64
Mandala Capital AG Limited	49,26,983	11.75	49,26,983	11.75
Samir Shantilal Somaiya	60,21,211	14.36	60,21,211	14.36
Sindhur Construction Private Limited	29,33,461	6.99	29,33,461	6.99

iv. Details of shares held by promoters in the Company.

Name of the shareholder	As at March 31,2022		As at March 31, 2021		% Change during the period
	Number	% holding	Number	% holding	
Equity shares of INR 10 each fully paid					
Samir S. Somaiya	60,21,211.00	14.36	60,21,211.00	14.36	-
Somaiya Agencies Private Limited	93,54,668.00	22.30	93,54,668.00	22.30	-
Sakarwadi Trading Company Private Limited	60,15,790.00	14.34	60,15,790.00	14.34	-
Lakshmiwadi Mines and Minerals Private Limited	57,20,717.00	13.64	57,20,717.00	13.64	-
Sindhur Construction Pvt Ltd	29,33,461.00	6.99	29,33,461.00	6.99	-
Zenith Commercial Agencies Pvt. Ltd.	9,32,189.00	2.22	9,32,189.00	2.22	-
Filmedia Communication Systems Private Limited	7,75,730.00	1.85	7,75,730.00	1.85	-
Jasmine Trading Company Private Limited	6,15,332.00	1.47	6,15,332.00	1.47	-
K . J. Somaiya and Sons Private Limited	5,96,131.00	1.42	5,96,131.00	1.42	-
Harinakshi Somaiya	3,00,000.00	0.72	-	-	100.00%
Karnataka Organic Chemicals Private Limited	2,73,530.00	0.65	2,73,530.00	0.65	-
Shantilal Karamshi Somaiya (HUF)	1,49,950.00	0.36	1,49,950.00	0.36	-
Somaiya Properties and Investments Private Limited	1,31,295.00	0.31	1,31,295.00	0.31	-
Arpit Limited	86,000.00	0.21	86,000.00	0.21	-
The Book Centre Limited	73,306.00	0.17	73,306.00	0.17	-
Somaiya Chemical Industries Private Limited	20,800.00	0.05	20,800.00	0.05	-

iv. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

v. None of the above shares are reserved for issue under options / contract / commitments for sale of shares or disinvestment.

14. OTHER EQUITY

Reserves and Surplus

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Securities Premium Reserve	26,260.94	26,260.94
General Reserve	1,865.38	1,865.38
Retained Earnings	14,533.10	12,912.04
Capital Redemption Reserve	573.50	573.50
Total	**43,232.92**	**41,611.86**

(a) Securities Premium Reserve

Particulars	March 31, 2022	March 31, 2021
Opening balance	26,260.94	26,260.94
Add/(Less):		
Premium on share issue (Net)	-	-
Closing balance	**26,260.94**	**26,260.94**

The amount received in excess of face value of the equity shares is recognised in Share premium reserve. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

(b) General Reserve

Particulars	March 31, 2022	March 31, 2021
Opening balance	1,865.38	1,865.38
Add/(Less):	-	-
Closing balance	**1,865.38**	**1,865.38**

(c) Retained Earnings *

Particulars	March 31, 2022	March 31, 2021
Opening balance	**12,912.04**	**10,503.09**
Net Profit/(Loss) for the period	1,632.69	2,456.00
Items of Other Comprehensive Income directly recognised in Retained Earnings		
Remeasurement of gains (losses) on defined benefit plans	(15.55)	(68.38)
Income tax effect	3.91	21.33
Closing balance	**14,533.10**	**12,912.04**

* Retained earnings includes Revaluation Reserve of INR 23,466.99 Lakhs and INR 23,469.99 Lakhs for the period ended 31st March 2022 and Year ended 31st March 2021 respectively and it is not available for distribution of dividends. The Revaluation Reserve was created net of tax at the date of transition to Ind AS, i.e. 1st April 2017 for revaluation of Land at fair value.

(d) Capital Redemption Reserve (CRR)

Particulars	March 31, 2022	March 31, 2021
Opening balance	573.50	573.50
Add/(Less):	-	-
Closing balance	**573.50**	**573.50**

Represents reserve created during redemption of preference shares and it is a non-distributable reserve.

15. BORROWINGS

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Non Current Borrowings		
Secured		
(a) Term Loans		
From Banks	33,423.15	33,629.73
From Others		
Sugar Development Fund	-	1,416.15
Others	-	3.26
Unsecured		
(a) Term Loans from Others		
Council of Scientific and Industrial Research	485.00	485.00
Deferred Cane Purchase Tax	1,014.71	856.44

Particulars		March 31, 2022	March 31, 2021
(b) Public Deposits		4,692.45	2,743.20
	(A)	**39,615.31**	**39,133.78**
Current Maturity of Non Current Borrowings			
(a) Term Loans			
From Banks		7,106.27	5,090.80
From Others			
Sugar Development Fund		-	790.80
Others		-	3.26
	(B)	**7,106.27**	**5,884.86**
	Total (A)-(B)	**32,509.04**	**33,248.92**
Current Borrowings			
Secured			
(a) From Banks			
Cash Credit / Packing Credit		19,894.55	13,371.04
Current maturities of long term debts		7,106.27	5,884.86
Unsecured			
(a) Public Deposits		1,176.50	1,239.60
(b) Others		2,265.00	1,784.00
Interest accrued but not due on borrowings		436.27	859.09
	Total	**30,878.59**	**23,138.59**

Non Current Borrowings

Details of Terms of repayment for Long Term Secured Borrowings (₹ in Lakhs)

Sr. No.	Particulars	March 31, 2022		March 31, 2021	
		Current	Non - Current	Current	Non - Current
1	**Sugar Development Fund** (Repayable in 5 equal yearly installments, last Installment falling due on March 2023. Prepaid in June 21)	-	-	790.80	790.80
2	**Hire Purchase Finance**	-	-	3.26	-
3	**Bank of India - Soft Loan** (Repayable in 60 Equal Monthly instalments, last instalment falling due on Aug 2025)	1,303.20	3,148.40	1,303.00	4,451.92
4	**Union Bank of India (UBI)** (Repayable in 20 Quarterly instalments , last instalment falling due on Sept 2025)	947.60	2,368.13	947.60	3,315.73
5	**Union Bank of India (UBI)** (Repayable in 20 Quarterly instalments, last instalment falling due on Aug 2025)	1,800.00	4,500.00	1,800.00	6,300.00
6	**SVC Cooperative Bank Ltd** (Repayable in 32 Quarterly instalments, last instalment falling due on Mar 2029)	375.00	4,500.00	125.00	4,875.00
7	**Indusind Bank Ltd** (Repayable in 28 Quarterly instalments , last instalment falling due on Apr 2027)	1,170.40	8,426.00	915.20	9,596.40
8	**SVC Cooperative Bank Ltd** (Repayable in 7 Quarterly instalments , last instalment falling due on Mar 2023)	1,140.87	-	-	-
9	**Indusind Bank Ltd** (Repayable in 26 Quarterly instalments , last instalment falling due on Sept 2028)	369.20	894.19	-	-
10	**SVC Cooperative Bank Ltd** (Repayable in 48 Monthly instalments , last instalment falling due on Jan 2028)	-	1,500.00	-	-
11	**Union Bank of India (UBI)** (Repayable in 24 Quarterly instalments , last instalment falling due on Sep 2028)	-	980.15	-	-
	Total	**7,106.27**	**26,316.87**	**5,884.86**	**29,329.85**

Nature of Securities:

Loan covered under Sr. No. 1, All Immoveable & Moveable Properties at Sameerwadi Factory , Karnataka on First Pari Passu Charge basis.

Loan covered under Sr.No.2, Exclusive Charge on Assets purchased under Hire purchase arrangements.

Loan covered under Sr.No. 3,4 & 11 , First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka. First Pari Passu Charge on certain Assets of Somaiya Properties and Investments Pvt Ltd.(SPIPL) (Formerly known as The Godavari Sugar Mills Pvt Ltd) as corporate guarantee for UBI Ethanol loan 1 and BOI Soft loan and second pari passu charge for UBI Ethanol Loan 2. Further Second Pari Passu charge on Current Asset of Distillery Division at Sameerwadi, Karnataka (for UBI for Ethanol Loan 1 & 2) and for UBI Ethanol Loan 2 and BOI Second Pari Passu charge on Current Asset of Sugar Division at Sameerwadi, Karnataka.

Loan covered under Sr.No. 5 , First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka, and First Pari Passu Charge on certain Assets of Filmedia Communication Systems Pvt Ltd as Corporate Guarantee . Second Pari Passu charge on Current Asset of Sugar Division at Sameerwadi, Karnataka.

Loan covered under Sr.No. 6 , First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka. Second Pari Passu charge on Current Asset of Sugar Division at Sameerwadi, Karnataka

Loan covered under Sr.No. 7 , First Pari Passu Charge on Property-Land& Building only at Sakarwadi, Maharashtra and First exclusive charge on certain assets of research center at Mahape, Maharashtra and one asset of SPIPL. First charge on Power receivables at Sameerwadi,Karnataka.

Loan covered under Sr.No. 8 , First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka.

Loan covered under Sr no 9 Exclusive charge on boiler P&M assets, First paripassu charge on Land (245 acre) and bldg at Sakarwadi unit.

Loan covered under Sr no 10, Second Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka. Second Pari Passu charge on Current Asset of Sugar Division at Sameerwadi, Karnataka

The Company has not made any default in repayment of principal and interest as stipulated.

The Company has avail interest free purchase tax loan from Government of Karnataka, however the repayment schedule still to be informed. In view of this same has been classified under Non Current Liability.

Interest for above loans varies from 7.50% to 10.7% (Previous Year 4% to 11.5%).

Current Borrowings (₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Secured		
(a) From Banks		
Cash Credit / Packing Credit*	19,894.55	13,371.04
(b) Current maturities of long term debts	7,106.27	5,884.86
Unsecured		
(a) Public Deposits	1,176.50	1,239.60
(b) Others	2,265.00	1,784.00

Nature of Security:

* Secured by First Pari Passu charge over current assets of the company (respective division), both present and future and second Pari Passu charge on Plant & Equipment; and Second charge on certain Assets of Somaiya Properties and Investments Pvt Ltd. (SPIPL) (Formerly known as The Godavari Sugar Mills Pvt Ltd) as a Corporate Guranatee of SPIPL.

Interest for above Cash credit Rupee loans varies from 9.60 % to 10.75 % (Previous Year 10.00% to 10.95%)

Interest for above Public deposit varies from 10 % to 11 % (Previous Year 10.00% to 11.00%)

Net debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods specified :

(₹ in Lakhs)

Particulars	Liabilities from financing activities		
	Non Current Borrowings	Current Borrowings	Total Borrowings
Net Debt as at March 31, 2020	**13,334.86**	**46,583.36**	**61,526.12**
Cash Inflows	20,068.01	49,420.23	69,488.24
Cash Outflows	-	(73,554.32)	(73,554.32)
	33,402.87	**22,449.27**	**57,460.04**
Interest Expense	-	-	7,164.14
Interest Paid	-	-	(7,912.95)
Net Debt as at March 31, 2021	**33,402.87**	**22,449.27**	**56,711.23**
Cash Inflows	5,743.78	14,127.68	19,871.46
Cash Outflows	(7,535.23)	(5,237.02)	(12,772.24)
	31,611.42	**31,339.93**	**63,810.44**
Interest Expense			6,003.21
Interest Paid			(6,426.03)
Net Debt as at March 31,2022	**31,611.42**	**31,339.93**	**63,387.63**

16. LEASE LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Non Current		
Lease Liabilities (Refer Note 35)	47.05	32.23
	47.05	**32.23**
Current		
Lease Liabilities (Refer Note 35)	13.72	8.62
	13.72	**8.62**

17. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Non Current		
Financial Liabilities at amortised cost		
Other payable	7.18	7.18
	7.18	7.18
Current		
(i) Financial Liabilities at amortised cost		
Security Deposits	58.11	67.97
Other payable	2,544.60	1,975.31
Total	**2,602.71**	**2,043.28**

18. TRADE PAYABLES

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Current		
Trade Payables to Micro, Small and Medium Enterprises	1,079.85	486.62
Trade Payables to Related Parties (Refer Note 36)	143.73	88.21
Trade Payables to Others	56,260.01	37,497.76
Total	**57,483.59**	**38,072.59**

(i) **Trade Payables Ageing Schedule are as below**

Particulars	Unbilled Due	Outstanding from due date of payment as on March 31,2022					
		Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Total outstanding dues of micro,small & medium Enterprises	-	1,079.85	-	-	-	-	1,079.85
Total outstanding dues of Creditors other than micro,small & medium Enterprises #	-	53,109.53	3,224.00	52.91	5.33	1.28	56,393.06
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	-	10.68	10.68
Total	-	54,189.39	3,224.00	52.91	5.33	11.96	57,483.59

Particulars	Unbilled Due	Outstanding from due date of payment as on March 31, 2021					
		Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Total outstanding dues of micro,small & medium Enterprises	-	486.62	-	-	-	-	486.62
Total outstanding dues of Creditors other than micro,small & medium Enterprises #	-	10,436.08	27,075.49	10.29	10.86	53.26	37,585.97
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	-	-	-
Total	-	10,922.70	27,075.49	10.29	10.86	53.26	38,072.59

19. OTHER LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Non Current		
Government Grants		
- Deferred Cane Purchase Tax	-	92.31
- Sugar Development Fund	-	61.64
- For depreciable assets	88.53	107.91
	88.53	**261.86**
Current		
Advance received from Customers*	398.91	352.87
Government Grants		
- Deferred Cane Purchase Tax	-	65.95
- Sugar Development Fund	-	103.82
- For depreciable assets	19.45	19.45
Statutory Liabilities	237.88	197.72
	656.24	**739.81**

**It includes advances received from customers - related party amounting to Rs.261.03 Lakhs*

20. PROVISIONS

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Non Current		
Provision for employee benefits (Refer Note 33)		
Leave encashment	132.89	169.38
Total	**132.89**	**169.38**
Current		
Provision for employee benefits (Refer Note 33)		
Gratuity	111.21	79.67
Leave encashment	321.07	292.99
Total	**432.28**	**372.66**

21. GOVERNMENT GRANTS

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Opening balance	451.09	1,703.27
Grants received during the year	(323.73)	(1,023.74)
Released to statement of profit and loss	(19.38)	(228.44)
Closing Balance	**107.98**	**451.09**

22. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	2021-22	2020-21
Sale of products	1,69,080.35	1,52,626.24
	1,69,080.35	**1,52,626.24**

23. OTHER INCOME

(₹ in Lakhs)

Particulars	2021-22	2020-21
Interest income on bank fixed deposits	203.84	218.94
Other Non Operating Income		
Fair value gain on financial instruments at fair value through profit and loss	39.84	37.35
Net gain on disposal of property, plant and equipment	74.45	118.08
Government Grants Income	19.36	19.45
Financial Guarantee Income	7.36	7.28
Miscellaneous Income	342.27	310.31
	687.12	**711.41**

24. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	2021-22	2020-21
Cost of Material Consumed *	1,21,584.74	1,08,316.00
	1,21,584.74	**1,08,316.00**

* The Cost of Raw material consumed includes as, cost of sugarcane of INR 2,643.76 Lakhs for FY 2020-2021 (Previous year INR 1917.28 Lakhs for FY 2018-2019) agreed and accounted in the current year. The cost so incurred has not been considered for valuation of the sugar inventory.

25. PURCHASES OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	2021-22	2020-21
Purchases of Stock-In-Trade	734.82	311.05
	734.82	**311.05**

26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	2021-22	2020-21
Inventories as at the beginning of the year		
Work - in - process	186.68	98.57
Finished goods	31,154.12	27,416.99
Total	**31,340.80**	**27,515.56**
Less : Inventories as at the end of the year		
Work - in - process	697.84	186.68
Finished goods	34,800.28	31,154.12
Total	**35,498.12**	**31,340.80**
Net decrease / (increase) in inventories	**(4,157.32)**	**(3,825.24)**

27. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	2021-22	2020-21
Salaries, wages and bonus	7,917.26	7,053.64
Director's Remuneration	408.91	439.34
Contribution to provident and other funds	707.83	518.94
Staff welfare expenses	684.93	354.04
	9,718.93	**8,365.96**

28. FINANCE COST

(₹ in Lakhs)

Particulars	2021-22	2020-21
Interest Expense on		
Term Loan	3,089.60	2,545.69
Cash Credit	1,212.02	1,434.45
Others	1,694.90	3,179.91
Interest expense on Lease Liabilities	6.69	4.08
	6,003.21	**7,164.13**

29. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	2021-22	2020-21
Depreciation on tangible assets and ROU assets	4,744.47	4,666.92
Amortisation on intangible assets	5.82	5.86
	4,750.29	**4,672.78**

30. OTHER EXPENSES

(₹ in Lakhs)

Particulars	2021-22	2020-21
Manufacturing Expenses		
Power and Fuel	9,920.36	8,372.63
Repairs and maintenance		
Plant and Machinery	2,746.64	2,736.17
Buildings	115.18	93.63
Others	361.56	317.24
Stores, consumables and packing material	3,366.22	2,654.60
Packing, forwading and storage	2,518.80	1,835.33
	19,028.76	**16,009.60**
Selling Expense	5,018.19	4,143.24
Administration Expense		
Payments to auditors (Refer note below)	34.00	34.00
Contribution to Scientific Research Institution	119.00	115.00
Insurance	438.56	384.93
Professional Charges	655.11	494.28
Net loss on disposal of property, plant and equipment	127.38	-
General Expenses (Including travelling,telephone, etc.)	2,038.21	1,667.56
Director's Fees	28.70	29.40
Rent, Rates and taxes	232.99	220.81
Allowance for doubtful debts on receivables	386.71	114.73
Allowance for provision for Doubt debt	113.20	779.95
	4,173.86	**3,840.66**
Total	**28,220.81**	**23,993.50**

Details of Payments to Auditors

(₹ in Lakhs)

	2021-22	2020-21
As auditor		
Statutory Audit Fee	25.00	25.00
Tax Audit Fee	9.00	9.00
	34.00	**34.00**

31. RESEARCH AND DEVELOPMENT COSTS

(₹ in Lakhs)

Particulars	2021-22	2020-21
i. On Revenue Account :		
Manufacturing Expenses		
Stores, Spares and Tools consumed	95.19	51.55
Payments to and provision for employees		
- Salaries, Wages, Bonus, Allowances, contribution to provident and other funds etc.	448.78	453.85
Other Expenses		
- Legal and Professional charges	140.02	161.18
- Other Expenses	357.01	380.19
Total	**1,041.00**	**1,046.77**
ii. On Capital Account	35.79	48.12
iii. On Capital Work in Progress (Anti Cancer Molecules)	230.87	92.50
(Upto March,22 Rs 634.88 Lakhs - Previous Year upto March 21 Rs 404.01 Lakhs)		
Total Research & Development Expenditure (i + ii + iii)	**1,307.66**	**1,187.39**

32. EARNINGS PER SHARE

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
(a) Basic earnings per share (INR)	3.89	5.86
(b) Diluted earnings per share	3.89	5.86
(c) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	1,632.69	2,456.00
Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	1,632.69	2,456.00
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	1,632.69	2,456.00
(d) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	4,19,43,023	4,19,43,023
Weighted average number of equity shares used as the denominator in calculating Diluted earnings per share	**4,19,43,023**	**4,19,43,023**

(i) There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

33. EMPLOYEE BENEFIT OBLIGATIONS

(₹ in Lakhs)

	March 31, 2022			March 31, 2021		
	Current	Non Current	Total	Current	Non Current	Total
Leave Encashment	321.07	132.89	453.96	292.99	169.38	462.37
Gratuity	111.21	-	111.21	79.67	-	79.67
Total Employee Benefit Obligation	**432.28**	**132.89**	**565.17**	**372.66**	**169.38**	**542.04**

(i) Leave Encashment

The leave obligations cover the company's liability for sick and earned leave.

The amount of the provision of INR 321.07 Lakhs (March 31, 2021: INR 292.99 Lakhs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

(ii) Post Employment obligations

a) Defined benefit plans - Gratuity

The company provides for gratuity for employees in india as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is a **funded plan** and the company makes contributions to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2020	**1,760.02**	**1,700.22**	**59.80**
Current service cost	134.00	-	134.00
Past Service Cost -(vested benefits)	-	-	-
Interest expense/(income)	127.66	140.61	(12.95)
Adjustment to Opening Fair Value of Plan Asset	-	204.48	(204.48)
Total amount recognised in profit or loss	**261.66**	**345.09**	**(83.43)**
Remeasurements			
Return of plan assets, excluding amount included in interest (income)	-	(41.51)	41.51
(Gain)/Loss from change in demographic assumptions	-	-	-
(Gain)/Loss from change in financial assumptions	65.88	-	65.88
Experience (gains)/losses	47.30	-	47.30
Total amount recognised in other comprehensive income	**113.18**	**(41.51)**	**154.68**
Employer contributions	-	51.39	(51.39)
Benefit payments	(160.64)	(160.64)	-
As at March 31, 2021	**1,974.21**	**1,894.54**	**79.67**
Current service cost	148.75	-	148.75
Past Service Cost -(vested benefits)	-	-	-
Interest expense/(income)	116.55	119.10	(2.55)
Adjustment to Opening Fair Value of Plan Asset	-	-	-
Total amount recognised in profit or loss	**265.31**	**119.10**	**146.20**
Remeasurements			
Return of plan assets, excluding amount included in interest (income)	-	13.51	(13.51)
(Gain)/Loss from change in demographic assumptions	-	-	-
(Gain)/Loss from change in financial assumptions	73.16	-	73.16
Experience (gains)/losses	65.69	-	65.69
Total amount recognised in other comprehensive income	**138.85**	**13.51**	**125.34**
Employer contributions	-	240.00	(240.00)
Benefit payments	(260.00)	(260.00)	-
As at March 31,2022	**2,118.37**	**2,007.16**	**111.21**

The net liability disclosed above relates to funded and unfunded plans are as follows:

(₹ in Lakhs)

	March 31, 2022	March 31, 2021
Present value of funded obligations	2,118.37	1,974.06
Fair value of plan assets	2,007.16	1,894.40
Deficit of funded plan	**111.21**	**79.66**
Unfunded plans	-	-
Deficit of gratuity plan	**111.21**	**79.66**

The major categories of plan assets of the fair value of the total plan assets are as follows :

(₹ in Lakhs)

	March 31, 2022	March 31, 2021
Other Insurance Contracts (LIC of India) (100%)	2,007.16	1,894.54

The significant actuarial assumptions were as follows:

	March 31, 2022	March 31, 2021
Mortality	IALM (2012-14) Ult.	IALM (2006-08) Ult.
Interest/ Discount Rate	7.10%	6.32%
Rate of Increase in Compensation	4.25%	3.00%
Expected average remaining service	14.07	14.49
Retirement age	60 Years	60 Years
Emplyoee Attrition Rate	Upto Age 45: 2% 46 and above: 1%	Upto Age 45: 2% 46 and above: 1%

A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is shown below:

(₹ in Lakhs)

Assumptions	Discount rate		Salary escalation rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
March 31,2022				
Impact on defined benefit obligation	(148.13)	170.72	169.23	(149.42)
% Impact	-6.99%	8.06%	7.99%	-7.05%
March 31, 2021				
Impact on defined benefit obligation	(132.49)	152.54	152.71	(134.52)
% Impact	-6.71%	7.73%	7.74%	-6.81%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined beenfit obligation as a result of reasonable changes in key assumptions occuring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

(₹ in Lakhs)

	March 31, 2022	March 31, 2021
Expected Outgo First	258.94	277.45
Expected Outgo Second	138.87	175.63
Expected Outgo Third	193.64	125.01
Expected Outgo Fourth	235.45	180.73
Expected Outgo Fifth	210.45	216.95
Expected Outgo Six to Ten years	776.59	692.23
Total expected payments	**1,813.94**	**1,668.00**

The average duration of the defined benefit plan obligation at the end of the reporting period is 8.31 years (March 31, 2021: 7.98 years)

b) Defined contribution plans

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any contructive obligation. The expense recognised during the period towards defined contribution plan is INR 410.77 Lakhs (March 31, 2021: INR 365.93 Lakhs)

34. COMMITMENTS AND CONTINGENCIES

A. Commitments

Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(₹ in Lakhs)

	March 31, 2022	March 31, 2021
Property, plant and equipment	10,781.67	4,933.75

B. Contingent Liabilities

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Custom Duty , Excise duty,Service Tax, Electricity Duty and Income tax(Excluding Interest and Penalty)	2,647.30	791.00
Bank Guarantees	770.76	1,963.39
Letter of Credits	-	3,162.74
Corporate Guarantee to Karnataka Bank	650.00	763.12

i. Council of Scientific & Industrial Research (CSIR)

The Company had taken financial assistance from the Council of Scientific & Industrial Research (CSIR) of INR 485 Lakhs to develop technology for manufacture of Polymer grade Lactic Acid. Before start of the project, assurance was given about the successful bench scale development and scalability of the process/technology by CSIR.

The project was not successful, and National Chemical Laboratory (NCL) / CSIR could not demonstrate the technology to make polymer grade Lactic Acid and the same was accepted by NCL and also a third party engineering firm appointed by CSIR.

CSIR has demanded the financial assistance back. Subsequently , CSIR had filed an Application for appointing Arbitrator before the Delhi High Court for initiating Arbitration process and the Company's response was that the same is time barred however the court has passed the judgement appointing Arbitrators . Thereafter the company has filed Special Leave Petition (SLP) in the Supreme Court. Supreme Court admitting SLP stayed Order of the Delhi High Court on condition of deposit of INR 100 Lakhs and the company have deposited INR 100 Lakhs during the Financial year 2019-2020. On 26th November 2021 Special Leave Petition was dismissed and by subsequent Order dated 17th December 2021 Company may apply to Arbitrator for refund of deposit. Till then it will be invested in Fixed Deposit of nationalised banks.

The company has received communication from CSIR, inviting comments for referring to the Arbritration. The Company has replied that it will prefer to have the arbitration by a sole arbitrator to be appointed mutually or by the Delhi International Arbitration Centre. Now, CSIR has to communicate to the company , the name of the proposed arbitrator for company's consent.

ii. National Green Tribunal

Hon'ble National Green Tribunal (NGT) has permitted, Prof C. R. Babu, Professor Emeritus, Centre for Environment Management of Degraded Ecosystems (CEMDE), University of Delhi, for Bioremediation of contaminated soil and surface and subsurface water bodies at Sakarwadi. The Chairman of Central Pollution Control Board (CPCB) had reviewed the progress made in the project and has acknowledged the progress made till date. The Company was directed by Hon'ble NGT to complete bioremediation of affected land and water before 31.12.2019. The Company had filed an application for the extension of time. The NGT by its Order dated 27.09.2021 has granted extension till 31.12.2023 for completing bioremediation and further directed CPCB to impose conditions for bioremediation within one month from the date of the order. Thereupon, CPCB vide its letter dated 15.11.2021 has imposed the certain conditions along with ₹ 50 lakh Bank Guarantee, which the company has complied with."

iii. Sale of Extra Neutral Alcohol (ENA) to Bottling Plant

The Company has sold ENA 3370 Qty KL Value Rs 1900.20 Lacs in the Year 2021-22 (Qty 13110 KL Value Rs 7023 Lacs in the year 2020-21) and (Qty 9110 KL Value ₹ 5210.23 Lacs in the period Apr 2019- March 20) to various customers of IFL (Potable industry) without GST. As per law, ENA is chargeable under GST. The Customers have interpreted that GST is not applicable to IFL (potable industry) and customers have volunteered and have given undertaking for reimbursement of tax plus interest whenever department of taxes may raise notices for the same. The matter was referred to GST Council by Indian Sugar Mills Association in July 2017 and thereafter followed by reminders from time to time however in view of difference of opinion; GST Council has referred the matter to Advocate General of India for his opinion. GST Council is yet to communicate its decision on the matter. During the year Notice from "Asst Commissioner of Central Tax (GST) BIJAPUR", towards GST not paid for ENA supply for the period 07/2007 to 03/2021 and "Show Cause" notice from "Joint Commissioner of Central Tax & CX, Belagavi", towards GST not paid for ENA supply for the period 07/2007 to 03/2021 were received, the Company has submitted its response against both notices and is awaiting for further communication from the respective offices.

iv. Customs Revenue Audit (CRA)

The Chemical Unit at Sakarwadi is under Export Oriented Unit (EOU) Scheme wherein the second block of Five-year Term started from July 2016. From July 2017 post GST there was amendment in export policy & clause of 50:50 was removed and new clause of only positive NFE was introduced. As per Custom Audit Report (CRA AUDIT) a demand of INR 362 Lakhs for not maintaining 50:50 (Excess DTA sale) ratio of sales and for having Negative NFE was raised on the company. The company in its reply to the CRA Demand Notice has submitted that the basis for determining the ratio is not correct and provided a detailed working that should be considered for calculation of excess DTA sale. Development Commissioner office, SEEPZ SEZ have forwarded the company reply to Customs Revenue Audit (CRA) HO Mumbai custom & response is awaited.

v. Cross Subsidy Surcharges to HESCOM

For captive use of power, there was a demand notice from Assistant Executive Engineer [Electrical] Hubli Electric supply company (HESCOM) Subdivision Mahalingapur, for INR 590.95 Lakhs towards Cross Subsidy Surcharges for imported power from IEX (Indian Energy Exchange) for the period of 2013-2016.

On December 3, 2021, Karnataka Electricity Regulatory commission (KERC) through common Order announced that for cross subsidy charges are payable as per HT2A tariff, whereby the demand of the company Rs 590.95 Lakhs for the company will reduce.

The company is awaiting the revised demand notice from HESCOM. As the liability will reduce, the Company has made provision for Rs 250 Lakhs.

The company is also in the process of filing Writ Petition before the Honorable High Court of Dharwad to reduce the amount substantially or to waive off the cross-subsidy surcharges.

vi. Custom Duty for import of Denatured Ethyl Alcohol

The company has received show cause cum demand notice dated 24th June 2021 for payment of ₹ 480 Lakhs towards differential custom duty on import (Difference between 5% and 2.5%) of Denatured ethyl alcohol.

In July 2017, GST was introduced with concessional of 2.5% duty. Accordingly company has been paying 2.5% duty instead of 5 %. In Feburary 2021 budget it is declared that alcohol to be imported @ 5% from date of budget with no clarification for the period GST i.e July 2017 till 2020 for concessional rate of duty. Company has started paying 5% duty from Feb 2021.

The Customs has challenged that 2.5% duty was applicable for excisable goods and the applicable duty is 5 %. Hence the differential of 2.5% is applicable for the period July 2017 to Feburary 2021.

Industry has already appealed to Central Board of Indirect Taxes and Customs (CBIC), Ministry of Finance, Department of Revenue in November 2020. CBIC has forwarded this matter to Jt Secretary TRU (Tariff Unit). The Company has received letter dated 21st December 2021 from The Office of the Deputy/Assistant Commissioner of Customs Nashik demanding Bond,as security for 100 % of the Dispute amount (₹ 480 Lacs) and 10% of the dispute amount as Bank Gurantee for taking up the proceeding further. Accordingly, the company has submitted the Bond for 100 % for Dispute amount and Bank Gurantee of ₹48.00 Lacs.

Personal Hearing done on 27.01.2022 & order passed by Dy. Commissioner of Customs, Nashik vide Order No 04/DC/Customs-Adj/2021-22 dated 28.02.2022 and confirmed the demand of ₹ 480 Lakhs.

The Company has file appeal before Commissioner of Customs (Appeal), Nagpur against demand of Rs 480 Lakhs on 22.04.2022. The Company has paid ₹ 36 Lakhs as amount under dispute as required at the time of filing Appeal.

It is not practicable to estimate the timing of cash flows except Letter of Credits, in respect of matters stated above. Letter of Credits are due within three to six months

C. Financial Guarantees

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Guarantee/security given by the Company for loan taken by:		
Solar Magic Private Limited (Union Bank of India earlier Corporation Bank)	284.48	485.64

35. TRANSITION TO IND AS 116

The Company's lease asset primarily consist of leases buildings for office premises having the lease terms between 1 and 10 years. Effective 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method and has taken the adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

On transition, the adoption of the new standard resulted in recognition of Right of Use asset of ₹ 36.69 Lakhs, and a lease liability of ₹ 38.65 Lakhs. The cumulative effect of applying the standard, amounting to ₹ 1.96 Lakhs was debited to retained earnings.

The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

(b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

(c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(d) Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	March 31,2022	March 31,2021
Opening Balance	**36.86**	**37.04**
Additions during the year	33.63	10.24
Depreciation of Right of use assets	(15.99)	(10.42)
Closing Balance	**54.50**	**36.86**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	March 31,2022	March 31,2021
Opening Balance	40.85	40.34
Additions during the year	33.63	10.24
Finance cost accrued during the year	6.69	4.08
Payment of lease liabilities	(13.71)	(13.82)
Closing Balance	**67.47**	**40.85**
Current Lease Liabilities	47.05	32.23
Non-current Lease Liabilities	**13.72**	**8.62**

The maturity analysis of lease liabilities are disclosed in Note 39.

The effective interest rate for lease liabilities is 11.25 %.

Rental expense recorded for short-term leases was ₹ 179.31 Lakhs (Previous year : ₹ 162.04 Lakhs) for the year ended March 31, 2022.

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.

36. RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Nature of Relationship	Name of Related Party	Country of Incorporation
List of related parties :		
Subsidiary	Solar Magic Private Limited	India
	Cayuga Investment B.V.	Netherlands
Fellow Subsidiary	Godavari Biorefineries B.V.	Netherlands
	Godavari Biorefineries INC.	U.S.A.
Associate	Pentokey Organy (India) Limited (upto 12th August 2021)	India
	The Book Centre Limited	India
Enterprises over which Key management personnel are able to exercise significant influence	Somaiya Properties and Investments Private Limited	India
	Somaiya Agencies Private Limited	India
	Jasmine Trading Co. Private Limited	India
	K. J. Somaiya & Sons Private Limited	India
	Lakshmiwadi Mines & Minerals Private Limited	India
	Somaiya Chemical Industries Private Limited	India
	Sakarwadi Trading Company Limited	India
	Arpit Limited	India
	Filmedia Communication System Private Limited	India
	Zenith Commercial Agency Private Limited	India
	Somaiya Vidyavihar	India
	K. J. Somaiya Medical Trust	India
	Girivanvasi Educational Trust	India
	K. J. Somaiya Institute of Applied Agricultural Research	India
Key Management Personnel	Samir S. Somaiya (Chairman and Managing Director)	India
	Sangeeta A Srivastava (Executive Director w.e.f. 1 st August, 2020)	
	Vinay V.Joshi (Executive Director up to 30th September, 2020)	
	Bhalachandra R. Bakshi (Executive Director)	
	Mohan Somanathan (Director - Works up to 31 st May, 2021)	
	Dattatarya V Deshmukh (Director - Works from 1st April, 2021 to 22nd June 21)	
	Werner Wutscher (Non Executive Director up to 21st June, 2019)	
	Preeti Singh Rawat (Non Executive Women Director)	
	Kailash Pershad (Independent Director)	
	Jayendra Shah (Independent Director) (Up to 4th Feb 2021)	
	Uday Garg (Nominee Director) (up to 27 th August 2021)	
	Hemant Luthra (Additional Independant Director w.e.f 27th Sept 2020)	
	Lakshmikantam Mannpalli (Independent Director)	
	Sanjay Puri (Independent Director w.e.f 1st August, 2020)	
	Suhas U Godage (w.e.f 8th Sept 2021)	
	Nitin Mehta (w.e.f 1 st July 2021)	
	N. S. Khetan (Chief Financial Officer)	
	Swarna S. Gunware (Company Secretary)	
Relatives of Key Management Personnel	Harinakshi Somaiya	

(ii) Transactions with related parties

The following transactions occurred with related parties (₹ in Lakhs)

Name	Nature of Transaction	2021-22	2020-21
Solar Magic Private Limited	Loans and Advances Given/(Recd)	(60.11)	(157.21)
	Interest income Received	21.61	27.95
	Purchases	25.63	39.22
Godavari Biorefineries INC.	Commission/ Reimbursement of Expenses	148.80	188.32
Godavari Biorefineries B.V.	Commission/ Reimbursement of Expenses	219.76	175.68
	Sales	4,504.62	1,542.97
The Book Centre Limited	Purchases	0.28	13.66
K.J, Somaiya Institute of Applied Agricultural Research	Purchases	17.69	25.95
	Contribution paid	119.00	115.00
Arpit Limited	Purchases	0.02	-
	Rent paid	1.42	1.42
	Sales	0.57	-
Somaiya Agencies Private Limited	Purchases	0.88	1.37
Somaiya Properties & Investments Private Limited	Rent paid	18.70	26.49
	Purchases	1.37	7.00
	Partial payment for Purchase of Land	534.32	-
Somaiya Chemicals Industries Private Limited	Partial payment for Purchase of Land	97.00	-
Sakarwadi Trading Co. Pvt. Ltd.	Partial payment for Purchase of Land	97.00	-
K. J.Somaiya & Sons Private Limited	Royalty paid	177.78	170.43
Filmedia Communications System Private Limited	Service Charges paid	11.48	9.79
	Rent paid	147.26	147.26
Somaiya Vidyavihar/K. J. Somaiya Medical Trust	Mobile application Development / Training Expenses paid/Professional fees/ AMC Contract	1.38	0.42

Name	Nature of Transaction	2021-22	2020-21
Somaiya Vidyavihar/K. J. Somaiya Medical Trust/ Allied Trust	Donation paid	112.00	8.80
Somaiya Vidyavihar	Sanitiser Sales	-	0.85
Samir S. Somaiya	Remuneration paid	305.89	263.09
	Purchases	5.24	8.73
Vinay V. Joshi	Remuneration paid	-	51.16
Sangeeta A Srivastava	Remuneration paid	74.16	56.92
Bhalchandra R. Bakshi	Remuneration paid	51.07	52.12
Suhas U Godge	Remuneration paid	20.48	-
Mohan Somanathan	Remuneration paid	27.81	54.18
Dattatarya V Deshmukh	Remuneration paid	33.05	-
Naresh S Khetan	Remuneration paid	94.24	77.24
Swarna S Gunware	Remuneration paid	15.56	10.35
Harinakshi Somaiya	Purchases	4.16	4.69
Jayendra Shah	Director's fees paid	-	4.20
Hemant Luthra	Director's fees paid	7.35	5.60
Kailash Pershad	Director's fees paid	4.90	5.60
Lakshmikantam Mannpalli	Director's fees paid	7.00	5.60
Dr. Preeti Rawat	Director's fees paid	2.45	2.10
Mandala Capital AG Limited	Director's fees paid	1.05	4.90
Nitin Mehta	Director's fees paid	1.75	-
Sanjay Puri	Director's fees paid	4.20	2.10

(iii) Outstanding balances arising from sales/purchases of goods and services (₹ in Lakhs)

Name	March 31, 2022	March 31, 2021
Investments		
Solar Magic Private Limited *	345.00	345.00
Cayuga Investments B.V.	1,001.92	1,001.92
(* Excludes IND AS adjustments)		
Trade Receivables / (Advances)		
Godavari Biorefineries B.V.	(158.26)	74.28
Trade Payables		
Trade Payables		
Solar Magic Private Limited	2.29	-
Godavari Biorefineries INC.	51.94	36.20
Godavari Biorefineries B.V.	74.37	52.01
Arpit Limited	0.02	
K.J.Somaiya & Sons Pvt. Ltd.	15.12	-
Somaiya Properties & Investments Pvt. Ltd.	(1.63)	-

(iv) Loans to related parties (₹ in Lakhs)

Name	March 31, 2022	March 31, 2021
Solar Magic Private Limited	195.71	255.83

The company has given loans and advances only to Solar Magic Private Limited, which is 100% of total loans.

(v) Other Debit / (Credit) balances with related parties (₹ in Lakhs)

Name	March 31, 2022	March 31, 2021
Samir S. Somaiya	(1.36)	(1.36)
Somaiya Chemicals Industries Pvt. Ltd.	97.00	-
Sakarwadi Trading Co.,Pvt.Ltd.	97.00	-
Somaiya Properties & Investments Private Limited	534.32	-

(vi) Key management personnel compensation (₹ in Lakhs)

Particulars	2021-22	2020-21
Directors' sitting fees	28.70	30.10
Short term employee benefits	622.26	565.06
	650.96	**595.16**

(vii) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. The Company has given guarantee/security to the lenders of subsidiary companies amounting to Rs 284.48 Lakhs (March 31, 2021: INR 485.64 Lakhs). For the year ended June 30, 2021, the Company has not recorded any impairment of receivables relating to amount owed by related parties March 2022(March 31, 2021: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

37. SEGMENT REPORTING

A. For management purposes, the Company is organized into following four business units based on the risks and rates of returns of the products offered by these unit as per Ind AS 108 on 'Operating Segment' :

Sugar

Cogeneration (Green Power)

Bio based Chemicals

Distillery

No operating segments have been agrregated to form the above reportable operating segment

The Managing Director (MD) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties

Year ended March 31, 2022 (₹ in Lakhs)

Particulars	Sugar	Cogeneration	Bio Based Chemicals	Distillery	Interunit Transfer	Unallocated	Total
Revenue							
External Revenue / Operating Revenue	52,037.11	3,631.75	64,350.03	49,061.45		-	1,69,080.35
Inter-segment	46,799.76	8,531.30	-	17.75	(55,348.81)		-
Total revenue	**98,836.87**	**12,163.05**	**64,350.03**	**49,079.20**	**(55,348.81)**	**-**	**1,69,080.35**
Other Non Operating Income							
Other Income	372.13	49.91	50.66	10.57		203.84	687.12
	372.13	49.91	50.66	10.57	-	203.84	687.12
Total revenue	**99,209.00**	**12,212.96**	**64,400.70**	**49,089.78**	**(55,348.81)**	**203.84**	**1,69,767.46**
Segment profit							
Operating Profit Before Interest Expense	1,633.46	504.04	1,908.46	5,404.46		(535.21)	8,915.20
Interest Expense						6,003.21	6,003.21
Tax Expenses						1,279.30	1,279.30
Net Profit / (Loss)							**1,632.69**
Segment Asset	38,816.87	2,762.53	34,408.22	25,806.31		-	1,01,793.93
Capital assets including CWIP	26,695.66	7,753.64	19,177.81	17,981.47		-	71,608.58
Total Segment Asset	**65,512.53**	**10,516.17**	**53,586.02**	**43,787.79**	**-**	**-**	**1,73,402.51**
Total Segment Liabilities	85,480.56	950.21	31,913.57	6,507.50		1,123.46	1,25,975.31
Other disclosures							
Capital expenditure	110.68	158.02	509.43	24.83		64.01	866.97
Segment Depreciation	1,635.84	886.93	685.45	1,433.56		108.50	4,750.29
No Cash expenses other than Depreceation	0.35	-	110.63	16.41	-	127.38	-

Year ended March 31, 2021 (₹ in Lakhs)

Particulars	Sugar	Cogeneration	Bio Based Chemicals	Distillery	Interunit Transfer	Unallocated	Total
Revenue							
External Revenue / Operating Revenue	49,314.61	4,051.77	53,643.66	45,616.20	-	-	1,52,626.24
Inter-segment	29,664.91	7,955.01	-	127.87	(37,747.79)	-	-
Total revenue	**78,979.52**	**12,006.78**	**53,643.66**	**45,744.07**	**(37,747.79)**	**-**	**1,52,626.24**
Other Non Operating Income							
Other Income	303.40	0.00	120.91	68.18	-	218.93	711.41
	303.40	**0.00**	**120.91**	**68.18**	**-**	**218.93**	**711.41**
Total revenue	**79,282.92**	**12,006.78**	**53,764.56**	**45,812.24**	**(37,747.79)**	**218.93**	**1,53,337.65**
Segment profit							
Operating Profit Before Interest Expense	293.10	1,252.30	3,633.65	6,839.71	-	(515.15)	11,503.60
Interest Expense	-	-	-	-	-	7,164.13	7,164.13
Excess / (Short) provision for Income Tax	-	-	-	-	-	216.76	216.76
Tax Expenses	-	-	-	-	-	1,666.71	1,666.71
Net Profit / (Loss)	**-**	**-**	**-**	**-**	**-**	**-**	**2,456.00**
Segment Asset	36,813.04	3,359.69	19,906.42	12,426.00	-	-	72,505.16
Capital assets including CWIP	27,408.56	8,466.63	17,293.85	18,306.24	-	-	71,475.27
Total Segment Asset	**64,221.60**	**11,826.32**	**37,200.27**	**30,732.24**	**-**	**-**	**1,43,980.43**
Total Segment Liabilities	71,972.71	346.14	18,322.39	7,453.92	-	79.13	98,174.29
Other disclosures							
Capital expenditure	173.14	0.71	387.32	1,437.43	-	31.94	2,030.54
Segment Depreciation	1,626.53	889.10	677.12	1,362.45	-	117.58	4,672.78

B. Information about geographical areas

The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
India	1,25,361.80	1,23,990.07
Outside India	43,718.55	28,636.16
	1,69,080.35	**1,52,626.23**

All non current assets of the Company are located in India.

Revenue from Major Customers

Revenue from customers exceeding 10% of total revenue for the year ended March 31, 2022 and March 31, 2021 were as follows:

(₹ in Lakhs)

Segment	March 31, 2022		March 31, 2021	
	Number of Customers	Revenue	Number of Customers	Revenue
Sugar	0	-	1	8,350.68
Cogen	5	156.59	5	4,047.37
Chemical	0	-	1	8,249.75
Distillery	3	42,495.79	1	7,023.00
		42,652.38		**27,670.80**

38. FAIR VALUE MEASUREMENTS

i. Financial Instruments by Category (₹ in Lakhs)

Particulars	Carrying Amount		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
FINANCIAL ASSETS				
Amortised cost				
Trade Receivables	17,626.87	16,231.18	17,626.87	16,231.18
Loans	195.71	255.83	195.71	255.83
Cash and Cash Equivalents	153.79	70.11	153.79	70.11
Other Bank Balances	3,671.58	3,325.40	3,671.58	3,325.40
Security Deposits	409.76	351.65	409.76	351.65
Other Financial Assets	261.68	3,214.16	261.68	3,214.16
FVTPL				
Investments in Preference Shares	0.01	0.01	0.01	0.01
Derivative financial assets	18.57	37.35	18.57	37.35
Total	**22,337.97**	**23,485.69**	**22,337.97**	**23,485.69**
FINANCIAL LIABILITIES				
Amortised cost				
Borrowings (incluidng Loans under Governement Grants)	63,387.63	56,711.23	63,387.63	56,711.23
Lease Liabilities	60.78	40.85	60.78	40.85
Trade Payables	57,483.59	38,072.59	57,483.59	38,072.59
Other financial liabilities	2,609.89	2,050.45	2,609.89	2,050.45
Total	**1,23,541.89**	**96,875.12**	**1,23,541.89**	**96,875.12**

The management assessed that the fair value of cash and cash equivalent, trade receivables, security deposits, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair values for loans and non current security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the Fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

ii. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determing fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Assets and liabilities measured at fair value - recurring fair value measurement: (₹ in Lakhs)

Particulars	March 31, 2022			Total	March 31, 2021			Total
	Fair value measurement using				Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Financial Assets								
Financial Investments at FVTPL								
Investments in Preference Shares	-	-	0.01	0.01	-	-	0.01	0.01
Derivatives - Foreign Exchange forward contract	-	77.19	-	77.19	-	37.35	-	37.35
Total Financial Assets	**-**	**77.19**	**0.01**	**77.20**	**-**	**37.35**	**0.01**	**37.36**
Financial Liabilities	-	-	-	-	-	-	-	-

iii. Fair value measurement

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unquoted equity shares.

There have been no transfers among Level 1, Level 2 and Level 3 during the period

iv. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:
- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

The fair value of unquoted equity instruments is not significantly different from their carrying value and hence the management has considered their carrying amount as fair value.

39. FINANCIAL RISK MANAGEMENT

The company's activity expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

(A) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

i. Credit risk management

To manage the credit risk, Company periodically assesses the financial reliability of customers; taking into account factors such as credit track record in the market and past dealings with the company for extension of credit to Customer. Company monitors the payment track record of the customers, restrict credit limited in SAP, credit rating etc. Concentrations of credit risk are limited as a result of the company's large and diverse customer base. Company has also taken advances and security deposits from its customers / agents, which mitigate the credit risk to an extent. Generally, term deposits are maintained with banks with which company has also availed borrowings.

ii. Provision for expected credit losses - Trade Receivables

The company follows 'simplified approach' for recognition of loss allowance on Trade receivables.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates.

Exposure - Trade Receivables (₹ in Lakhs)

Particulars	Past Due		Total
	Up to 6 Months	More than 6 Months	
As at March 31,2022	15,625.97	2,000.89	17,626.87
As at March 31,2021	15,008.18	1,222.99	16,231.17

iii. Reconciliation of loss allowance provision - Trade receivables (₹ in Lakhs)

Particulars	
Loss allowance on March 31, 2020	**199.65**
Changes in loss allowance	114.73
Loss allowance on March 31, 2021	**314.38**
Changes in loss allowance	386.71
Loss allowance on March 31,2022	**701.09**

iv. Provision for expected credit losses - Other financial assets

The carrying amount of cash and cash equivalents, loans, deposits with banks and financial institutions and other financial assets represents the maximum credit exposure. The maximum exposure to credit risk is INR 4,692.52 Lakhs (March 31, 2021: INR 7,217.14 Lakhs). The company does not expect credit loss on other financial assets.

(B) Liquidity risk

Liquidity risk is the risk that a company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Contractual maturities of financial liabilities **(₹ in Lakhs)**

Particulars	Carrying Amount	Less than 1 year	1 to 5 years	More than 5 years
March 31,2022				
Borrowings (incluidng Loans under Governement Grants)	63,387.63	30,878.59	16,208.70	16,300.34
Trade payables	57,483.59	57,483.59	-	-
Lease Liabilities	60.77	13.72	47.05	-
Other financial liabilities	2,609.88	2,609.88	-	-
Total non derivative liabilities	**1,23,541.88**	**90,985.79**	**16,255.75**	**16,300.34**
March 31, 2021				
Borrowings (incluidng Loans under Governement Grants)	56,711.23	17,577.46	28,622.18	10,511.60
Trade payables	38,072.59	38,072.61	-	-
Lease Liabilities	40.85	8.62	32.23	-
Other financial liabilities	2,050.45	2,050.45	-	-
Total non derivative liabilities	**96,875.12**	**57,709.16**	**28,654.41**	**10,511.60**

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as commodity price risk.

(i) Foreign currency risk

Foreign currency risk arises commercial transactions that recognised assets and liabilities denominated in a currency that is not Company's functional currency (INR). The Company has natural hedge of exports against import and any excess in import if any, is cover by forward contract.

(a) Foreign currency risk exposure (₹ in Lakhs)

	USD	EURO	GBP	Total
March 31,2022				
Trade Receivables	8,513.97	123.36	-	8,637.33
Trade Payables	(15,971.86)	(74.81)	0.50	(16,046.17)
Forward contracts for receivables	(4,486.46)	(142.52)		(4,628.98)
Forward contracts for payables	6,151.46	-	-	6,151.46
Net exposure to foreign currency risk	**(5,792.89)**	**(93.97)**	**0.50**	**(5,886.36)**
March 31, 2021				
Trade Receivables	2,718.81	205.23	-	2,924.04
Trade Payables	(7,301.40)	(52.46)	-	(7,353.86)
Forward contracts for receivables	-	(121.36)	-	(121.36)
Forward contracts for payables	4,250.61	-	-	4,250.61
Net exposure to foreign currency risk	**(331.98)**	**31.41**	**-**	**(300.57)**

(b) Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

(₹ in Lakhs)

	2021-22		2020-21	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(56.11)	56.11	(3.32)	3.32
EURO	(0.15)	0.15	0.31	(0.31)
GBP	-	-	-	-
Net Increase/(decrease) in profit or loss	**(56.26)**	**56.26**	**(3.01)**	**3.01**

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates.

(iii) Inventory price risk

The company is exposed to the movement in price of principal finished product i.e sugar. Prices of the sugar cane is fixed by government. Generally, sugar production is carried out during sugar cane harvesting period from November to April. Sugar is sold throughout the year which exposes the sugar inventory to the movement in the price. Company monitors the sugar prices on daily basis and formulates the sales strategy to achieve maximum realisation. The sensitivity analysis of the change in sugar price on the inventory as at year end, other factors remaining constant is given in table below:

(₹ in Lakhs)

Rate sensitivity	Increase / Decrease In sale price (per Qtls)	Effect on Profit before tax	
For year ended March 31,2022	1	+ / (-)	7.77
For year ended March 31,2021	1	+ / (-)	6.30

40. RATIO ANALYSIS AND ITS COMPONENTS

Ratios :

Sr No.	Particulars	March 31,2022	March 31, 2021	% change from March 31, 2021 to March 31,2022
1	Current ratio	1.06	1.05	1%
2	Debt- Equity Ratio	2.71	2.61	4%
3	Debt Service Coverage Ratio	0.92	1.71	-47%
4	Return on Equity Ratio	0.07	0.12	-39%
5	Inventory Turnover Ratio	2.81	3.80	-26%
6	Trade Receivable Turnover Ratio	9.99	10.79	-7%
7	Trade Payable Turnover Ratio	2.56	2.93	-13%
8	Net Capital Turnover Ratio	30.34	43.98	-31%
9	Net Profit Ratio	0.01	0.02	-40%
10	Return on Capital Employed	0.10	0.15	-30%
11	Return on Investment	0.03	0.04	-11%

Components of Ratio

Sr No.	Ratios	Numerator	Denominator	March 2022		March 2021	
				Numerator	Denominator	Numerator	Denominator
1	Current ratio	Current Assets	Current Liabilities	97,640	92,067	67,846	64,376
2	Debt- Equity Ratio	Total Debts (Including Government Grants)	Total Equity (Equity Share capital + Other equity-Revaluation Reserve-Capital Redepmtion Reserve)	63,388	23,384	56,711	21,763
3	Debt Service Coverage Ratio	Net Profit after taxes + Non-cash operating expenses (i.e. depreciation and other amortizations + Interest)	Finance cost+Lease repayment + principle repayment of long term borrowings during the period/year	12,389	13,538	14,946	8,725
4	Return on Equity Ratio	Net profit after tax - Exceptional items	Average Total Equity [Opening(Equity Share capital + Other equity-Revaluation Reserve - Capital Redepmtion Reserve) + Closing (Equity Share Capital+Other Equity-Revaluation Reserve-Capital Redepmtion Reserve))/2]	1,633	22,573	2,456	20,558
5	Inventory Turnover Ratio	Cost of Goods sold	Average Inventory (opening balance+ closing balance/2)	1,51,084	53,727	1,52,626	40,208
6	Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivable (Opening balance + closing balance /2)	1,69,080	16,929	1,52,626	14,145
7	Trade Payable Turnover Ratio	Purchase of stock in trade and material consumed	Average trade payable (Opening balance + closing balance /2)	1,22,320	47,778	1,08,627	37,102
8	Net Capital Turnover Ratio	Revenue from operations	Working capital (Current asset - current liabilities)	1,69,080	5,572	1,52,626	3,470
9	Net Profit Ratio	Net profit after tax - Exceptional items	Revenue from operations	1,633	1,69,080	2,456	1,52,626
10	Return on Capital Employed	Profit Before interest, Tax & Exceptional item	Equity Share capital + Other equity Revaluation Reserve-Capital Redepmtion Reserve + Total Debts (Including Government Grants)	8,915	86,771	11,504	78,474
11	Return on Investment	Interest Income on fixed deposits	Non current Investments + Fixed deposits with bank	204	5,950	219	5,679

Reasons for variance of more than 25% in above ratios :

Sr No.	Particulars	March 31,2022	March 31, 2021
1	Current ratio	-	increase on acount of reduction in working capital due to cane diverted for ethanol
2	Debt- Equity Ratio	-	-
3	Debt Service Coverage Ratio	The ratios deteriorated due to increased term loan repayment during the year and reduction in profit	-
4	Return on Equity Ratio	The ratios deteriorated due to lower profit primarily affected due to volatility in chemical input material	Increase on account of higher profitablity
5	Inventory Turnover Ratio	The ratios improved due to reduction of working capital due to cane diverted for ethanol	-
6	Trade Receivable Turnover Ratio	-	-
7	Trade Payable Turnover Ratio	-	increase on account of purchases
8	Net Capital Turnover Ratio	Increase in Revenue from operation and Increase in Borrowings	Net increase in current assets and decrease in borrowings
9	Net Profit Ratio	The ratios deteriorated due to lower profit primarily affected due to volatility in chemical input material	Increase on account of higher profitablity
10	Return on Capital Employed	The ratios deteriorated due to high leverage and lower profitability	Increase on account of higher profitablity
11	Return on Investment	-	decrease on account of reduction of interest rate on investments

41. DISCLOSURE ON BANK/FINANCIAL INSTITUTION COMPLIANCES

Summary of reconciliation of monthly statements of current assets filed by the Company with Banks are as below :-

Particulars	As per books of accounts	As per statement of current assets	Excess / Shortages)-bank statement
	Current Assets	Current Assets	
As at March 31,2022	31,341.59	31,341.59	-
As at December 31, 2021	42,563.00	42,175.00	388.00
As at September 30, 2021	24,193.00	24,193.00	-
As at June 30, 2021	30,037.00	30,031.00	6.00
As at March 31, 2021	31,477.51	31,477.51	-

The quarterly returns /statements are in agreement with books of accounts for chemicals and distillery units. However there is no practice of submitting quarterly returns statements for sugar unit.

42. CAPITAL MANAGEMENT

For the purpsoe of the company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents and other bank balances.

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Borrowings (incluidng Loans under Governement Grants)	63,387.63	56,711.23
Less: Cash and cash equivalents	(153.79)	(70.11)
Less: Other bank balance	(3,671.58)	(3,325.40)
Net Debt	**59,562.26**	**53,315.72**
Equity share capital	4,194.30	4,194.30
Other equity	43,232.92	41,611.86
Less: Revaluation Reserve	(23,470.00)	(23,470.00)
Less: Capital Redepmtion Reserve	(573.50)	(573.50)
Total Equity	**23,383.72**	**21,762.66**
Total Equity and Net Debt	**82,945.99**	**75,078.38**
Gearing ratio	**0.72**	**0.71**

In order to achieve the objective of maximize shareholders value, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements.

43 43. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Principal amount due to suppliers under MSMED Act, 2006	1,079.85	486.62
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act, (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payment already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-

44. DISCLOSURES REQUIRED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

(₹ in Lakhs)

Name of the Party	Nature	Purpose	Rate of interest	March 31,2022	March 31, 2021
Solar Magic Private Limited	Loan	Working Capital	7.00%	195.71	255.83
Solar Magic Private Limited	Corporate Gurantee, Comfort Letter	Working Capital	-	284.48	485.64

45. EXPORT AND TRANSPORT SUBSIDY CLAIMS

Central Government vide notification No. 1(6)/2020-S.P.-I. dated 19th December 2020, notified an assistance of ₹ 6,000/MT for sugar season 2020-2021 (i.e. December 2020 to September 2021) for export of sugar limited to Maximum Admissible Export Quantity (MAEQ)to Sugar Mills with a view to offset the costs incurred and facilitate timely payment of cane price, subject to fulfillment of following major conditions::

1. Company should have supplied at least 50% of 31,847 MT MAEQ for the first claim
2. Company has to complete export of allotted sugar quota of 31,847 MT up to 30th September 2021(Sugar season 2020-21).

The company has achieved the followings:

Particulars	December-20 to September-21	December-20 to March-21
Required Quota	31,847 MT	31,847 MT
Completed Qty.	31,847 MT	15,566 MT
% Completion against the required quota	100%	48.88%

The Company has achieved required quota 31,847 MT sugar Export quota as on 30th September,2021.

Company has accounted and claimed ₹ 976.86 Lakhs during F.Y 2021-2022 against the exports made during the period April 2021-September 2021(₹ 933.96 Lakhs in F.Y 2020-2021) as transportation cost subsidy. Company has received under MQEQ scheme, the company has claimed ₹1910.82 Lakhs export subsidy (Qty 31847@ ₹6000/MT)

46. Export Oriented Unit (EOU):

The Chemical Unit at Sakarwadi is under EOU and the second Five year Term has ended on 30th June, 2021. The Company has taken an extension up to January 2022 to complete the debonding formalities from Customs & SEEPZ. The Company has applied for exit from EOU and all the imported goods are duty paid as per custom and IGST from August 2021. The Superintendent of Customs, Ahmednagar has done physical inspection of stock for debonding on 05th Oct 2021. The company paid Customs duty and IGST on closing stock of Raw material & finished goods of Rs 36.26 Lacs & IGST 117.240 Lacs.(IGST Credit Rebate availed) Customs department had issued No Dues certificate on 02.02.2022

The company submitted EOU Exit application along with No Dues Certificate on 05.02.2022 to the Development Commissioner SEEPZ Mumbai

The Company's Net Foreign Exchange (NFE) was positive as on 30th June 2020, however, due to the COVID-19 pandemic. NFE till 31st March 2022 is negtive by Rs 670.80 Lacs (31st March, 2021 is negative by ₹1,328.94 Lacs)

Due to negative NFE and for liability, if any, for exit from EOU, and after considering the payment for debonding of stock, the company has made Net provision up to March, 2022 of Rs . 210.97 Lakhs (Rs 227.76 Lakhs up to March 2021) .

The company has filed the application for Exit from EOU on 24.05.2021. and company has stopped imported duty free material and is paying the custom duty and GST as applicable at the time of import of material itself from June 2021.

47. Land at Sameerwadi

The part of the land at sameerwadi which is 7 acres 24 guntas is inamdar land presently it is in the name of Godavari Sugar mills limited (GSML),Godavari Biorefineries ltd demerged from GSML , The company has made application to regularise the land. On 4th March 2022 Tahasildar, Rabkavi- Banahatti Dist Bagalkot has passed Order to enter the name of the GSML in the column no 9 of RTC bearing No 251/1 and 25/2 total measuring 7 acres 24 guntas of Saidapur village, taluka Rabkavi Banahatti Dist Bagalkot as per the diary No 2358 dated 15th Oct 1994. The premium payable, if any, is unascertainable for converting the land to the company name.

48. Purchase Power Agreement

The company has entered into a Power Purchase Agreement ("PPA") with certain electricity supply companies (ESCOMS) in the state of Karnataka on January 2, 2017, with a validity of five years up to January 1, 2022 for purchase of power from the company bagasse based co-generation plant, at a tariff determined by Karnataka Electricity Regulatory Commission ("KERC"). Accordingly, up to January 1, 2022, the company has supplied power to all the ESCOMS and from January 2, 2022, the company is selling power under open access and or bilateral agreement.

The Company had filed a writ petition (WP: 4158/2019) to which Karnataka Electricity Regulatory Commission ("KERC") and the Electricity Supply Companies (ESCOMS) were party to the petition. The petition was against a clarification issued by KERC regarding the tariff payable to the Company which was not as per the PPA agreement. Based on the clarification the ESCOMS denied the payment of tariff was computed and billed by the Company. On April 23, 2021, the Hon'ble Bangalore High Court passed an order wherein it quashed the clarification issued by KERC for lower tariff.

KERC Suo moto-initiated proceedings with the ESCOMS based on order of April 23, 2021 to which the Company was not a party. The Company filed a writ petition (WP: 164727) with the Hon'ble Bangalore High Court on September 2, 2021, to put a stay on the proceedings initiated by KERC as it was not in accordance with order dated April 23, 2021. Taking note of petition filed by the Company, KERC closed the proceedings. Thereafter, one of ESCOM had preferred an appeal against the order dated April 23, 2021 which was dismissed by the Division Bench of the High Court on February 24, 2022. The Company is in process to approach the ESCOMS/KERC/ High Court for execution of the Order dated April 23,2021 for differentials payments billed by the company.

49. Provision for Tax

The Company has decided to shift to the New Tax Regime from F.Y. 2021-22 (A.Y. 2022-23), where the rate of taxation is 25.17% as compared to tax rate of 34.94% in the Old Tax regime.

In compliance with provisions of section 115BAA of the Income Tax Act, 1961, the company has foregone ₹ 754 Lakhs as additional depreciation and ₹ 1211 Lakhs of MAT credit as available as on 1st April 2021.

50. Corporate Social Responsibility (CSR)

(₹ in Lakhs)

Sr No.	Details for CSR expenditure	April 21 to March 22	April 20 to March 21
a)	Amount required to be spent by the company during the year,	32.14	Nil
b)	Amount of expenditure incurred,	112.00	25.83
c)	Shortfall at the end of the year,	Nil	Nil
d)	Total of previous years shortfall,	Nil	Nil
e)	Reason for shortfall,	NA	NA
f)	Nature of CSR activities,	Education and Healthcare	Education and Healthcare
g)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	112.00	-
h)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Nil	Nil

51. Other statutory information

(i). The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii). The Company have not traded or invested in Crypto currency or Virtual Currency during reporting periods.

(iii). The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries" (iv). The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries"

(v). The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vi). The Company does not have any borrowings from banks and financial institutions that are used for any other purpose other than the specific purpose for which it was taken at the reporting balance sheet date.

(vii).The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(viii).The Company is not declared as a wilful defaulter by any bank or financial institution or other lender during the any reporting period.

(ix). The Company shall disclose as to whether the fair value of investment property (as measured for disclosure purposes in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. Since, the Company does not have any investment property during any reporting period, the said disclosure is not applicable.

(x). Section 8 of the Companies Act, 2013 companies are required to disclose grants or donations received during the year. Since, the Company is not covered under Section 8 of the Companies Act, 2013, the said disclosure is not applicable.

(xi). There are no scheme of arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the reporting periods.

(xii).During the reporting periods, the Company does not have any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment granted to promoters, directors, KMPs and related parties as per the definition of Companies Act, 2013.

(xiii).The Company has not identified any transactions or balances in any reporting periods with companies whose name is struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

52. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current period classification

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements	1 to 52	
As per our report of even date attached	**For and on behalf of the Board of Directors**	
For VERMA MEHTA & ASSOCIATES Chartered Accountants Firm Registration Number : 112118W	**Samir S. Somaiya** Chairman and Managing Director (DIN : 00295458)	**Sangeeta A. Srivastava** Executive Director (DIN : 00480462)
Partner Membership No. 043599	**Swarna S Gunware** Company Secretary (Membership No : 32787)	**Naresh S. Khetan** Chief Financial Officer (Membership No : F037264)
Place : Mumbai Date : 18th May 2022	Place : Mumbai Date : 18th May 2022	

Consolidated Financial Statement

Auditors’ Report

Independent Auditors' Report

To the Members of Godavari Biorefineries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of **Godavari Biorefineries Limited** (hereinafter referred to as the 'Holding Company") and its subsidiaries [(the Holding Company, its subsidiaries (including a step down subsidiary) together referred to as "the Group")] which comprise the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Cash Flows Statement for the period then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records. (Hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the period then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and joint venture entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in subparagraph 15 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the [information included in the Board of Directors report, but does not include the consolidated financial statements and our auditor's report thereon.

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

6. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 15 below), 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 Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

9. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

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

11. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: Identify and assess the risks of material misstatement of the consolidated 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 Holding 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

13. 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.

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

Other Matters

15. The consolidated Ind AS financial statements include the financial statements of four subsidiaries, whose financial statements reflect total assets of ₹ 31.60 crores as at March 31, 2022, total revenues of ₹ 61.70 crores and net cash inflows amounting to ₹ 2.30 crores for the period ended on that date, as considered in the consolidated Ind AS financial statements, which have not been audited by us.

These financial statements have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the financial statements of four audited subsidiaries of which one is located in India and three are located outside India which have been Audited by other Auditors whose reports have been furnished to us by the management. Out of the four subsidiaries, one of the foreign subsidiaries is not required to get its accounts audited in country of its operations. However, for the purpose of consolidation of accounts, the Company has got the financial statements audited from an Indian CA firm with base currency of financial statements in USD and these financial statements have been considered for consolidation.

Three subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries, under generally accepted auditing standards applicable in their respective countries. The Parent’s management has converted the financial statements of these subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent’s management. Our opinion in so far as it relates to the amounts and disclosures included in respect of said subsidiaries located outside India is based on the conversion adjustments prepared by the management of the parent and have been relied upon by us and audited by us.

The comparative financial statements for the period ended March 31, 2022 in respect of four subsidiaries included in this consolidated Ind AS financial statements prepared in accordance with the Ind AS have been furnished to us by the Management and have been relied upon by us.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of above matter with respect to our reliance on the work done and the reports of other Auditors of four subsidiaries furnished to us by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other Auditors of four subsidiaries furnished to us by the Management as noted in the “Other Matters” paragraph we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and Audited financials with Audit reports of the other Auditors of four subsidiaries submitted by the Management.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, and the Consolidated Cash Flow Statement and Consolidated Statement of Change in Equity dealt with by this report are in agreement with the relevant financial statements adopted and related working statements maintained for the purpose of preparation of the Consolidated Financial Statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on March 31, 2022 taken on record by the Board of Directors of the Parent and of its subsidiary company, incorporated in India, none of the directors of the respective companies, are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate Report in “Annexure A”, which is based on the auditors’ reports of the Parent, subsidiary company, incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Parent’s internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the audited financial statements of four subsidiaries of which one is located in India and three are located outside India which have been Audited by other Auditors whose reports have been furnished to us by the management as noted in the 'Other Matter' paragraph to the extent applicable:

i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii) there are no material foreseeable losses arising out of any long-term contracts for which provision is required to be made under any law or accounting standards.

The Holding Company has made provision in respect of derivative contracts as required under the applicable law or accounting standard;

iii) There were no amounts which required to be transferred by the holding company and subsidiary companies to the Investor Education and Protection Fund.

FOR **VERMA MEHTA & ASSOCIATES**
Chartered Accountants
Firm's Registration No: 112118W

Vimlesh Mehta
Partner
M.N.043599
Place: Mumbai

Date: 18th May, 2022

UDIN: 22043599ALOVFG5131

Annexure - A to the Independent Auditors’ Report

(Referred to in paragraph “f” under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the period ended March 31, 2022, we have audited the internal financial controls over financial reporting of Godavari Biorefineries Limited (hereinafter referred to as “Parent”) and its subsidiary company (hereinafter referred to as the “Group”), which includes internal financial controls over financial reporting of companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Parent, which is a company incorporated in India, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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 the company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, which is a company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ 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 internal financial controls system over financial reporting of the Parent, its subsidiary company, incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

A company’s internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us the Parent, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note.

FOR **VERMA MEHTA & ASSOCIATES**
Chartered Accountants
Firm’s Registration No: 112118W

Vimlesh Mehta
Partner
M.N.043599
Place: Mumbai
Date: 18th May, 2022
UDIN: 22043599ALOVFG5131

(₹ in Lakhs)

Particulars	Notes	March 31, 2022	March 31, 2021
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	4	66,627.28	70,718.02
(b) Capital Work-in-Progress	4	4,400.15	461.31
(c) Right-of-use	4	56.65	43.73
(d) Intangible Assets	5	11.81	20.32
(e) Intangible Assets under Development	5A	634.88	404.01
(f) Investments accounted for using the equity method	6	0.21	4.71
(g) Financial Assets			
(i) Investments	6A (A)	0.01	0.01
(ii) Trade Receivables	8	52.20	170.79
(iiI) Other Financial Assets	6A (B)	1,293.07	1,324.78
(i) Other Non-Current Assets	11	1,278.45	1,704.02
		74,354.71	**74,851.69**
Current assets			
(a) Inventories	7	65,225.41	42,365.61
(b) Financial Assets			
(i) Trade Receivables	8	18,025.95	16,915.46
(ii) Cash and Cash Equivalents	9	1,002.47	688.77
(iii) Bank Balances Other than (ii) above	10	3,671.58	3,325.40
(iv) Other Financial Assets	6A (B)	285.36	3,277.36
(c) Other Current Assets	11	10,769.55	2,745.88
		98,980.32	**69,318.47**
TOTAL		**1,73,335.04**	**1,44,170.17**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13	4,194.30	4,194.30
(b) Other Equity	14	43,142.61	41,197.85
		47,336.91	**45,392.15**
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	32,509.04	33,248.92
(ii) Lease Liabilities	16	47.44	34.73
(iii) Other Financial Liabilities	17	7.18	7.18
(b) Provisions	20	132.89	169.38
(c) Deferred Tax liabilities (Net)	12	1,123.49	79.13
(d) Other Non-Current Liabilities	19	88.53	261.86
		33,908.56	**33,801.20**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	31,163.08	23,624.23
(ii) Lease Liabilities	16	15.84	13.85
(iii) Trade Payables	18		
Micro, Small and Medium Enterprises		1,079.85	486.62
Others		56,345.42	37,638.79
(iv) Other Financial Liabilities	17	2,640.00	2,095.27
(b) Other Current Liabilities	19	413.08	745.40
(c) Provisions	20	432.30	372.66
		92,089.57	**64,976.82**
TOTAL		**1,73,335.04**	**1,44,170.17**
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.	1 to 51		

As per our report of even date attached

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number : 112118W

Vimlesh Mehta
Partner
Membership No. 043599

Place : Mumbai
Date : 18th May 2022

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Sangeeta A. Srivastava
Executive Director
(DIN : 00480462)

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 18th May 2022

(₹ in Lakhs)

Particulars	Notes	2021-22	2020-21
REVENUE			
Revenue from operations (net)	22	1,70,232.85	1,53,817.29
Other income	23	764.77	821.12
Total Income (I)		**1,70,997.62**	**1,54,638.41**
EXPENSES			
Cost of materials consumed	24	1,21,598.19	1,08,342.49
Purchases of stock-in-trade	25	1,403.44	1,150.51
Changes in inventories of finished goods, work-in-process and Stock-in-Trade	26	(4,152.71)	(3,769.40)
Employee benefits expense	27	9,931.95	8,549.10
Finance costs	28	6,043.89	7,237.58
Depreciation and amortization expense	29	4,802.51	4,712.99
Other expenses	30	28,114.79	23,782.78
Total Expenses (II)		**1,67,742.05**	**1,50,006.06**
Profit/ (Loss) before tax		**3,255.57**	**4,632.36**
Tax expense:			
Current tax		30.05	33.40
Adjustment of tax relating to earlier periods		231.06	216.76
Deferred tax		1,048.24	1,666.71
Profit/(loss) for the period		**1,946.21**	**2,715.49**
OTHER COMPREHENSIVE INCOME			
A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:			
Remeasurement of gains (losses) on defined benefit plans		(15.55)	(68.38)
Income tax effect		3.91	21.33
B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:			
Exchange differences in translating the financial statements of a foreign operation		10.19	10.58
Income tax effect		-	-
Other Comprehensive income for the year, net of tax		**(1.45)**	**(36.47)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**1,944.76**	**2,679.02**
Earnings per share for profit attributable to equity shareholders			
Basic EPS and Diluted EPS	32	4.64	6.47
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.	1 to 51		

As per our report of even date attached

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number : 112118W

Vimlesh Mehta
Partner
Membership No. 043599

Place : Mumbai
Date : 18th May 2022

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Sangeeta A. Srivastava
Executive Director
(DIN : 00480462)

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 18th May 2022

(₹ in Lakhs)

Particulars	2021-22	2020-21
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit / (Loss) before income tax from:	**3,255.57**	**4,632.36**
Adjustments for:		
Depreciation and amortisation expense	4,802.51	4,712.99
(Profit)/ Loss on Sale of Property,Plant and Equipment	52.94	(118.08)
Sundry Debit/Credit Balances Written Off/Back (Net)	122.47	52.33
Loss Allowance on receivables	447.33	114.73
Loss Allowance on advances	122.47	779.95
Interest income classified as investing cash flows	(259.68)	(327.58)
Interest and finance charges	6,043.89	7,237.58
Government grant income	(19.36)	(19.45)
Loss on sale of investment	2.50	
Fair value gain on financial instruments at fair value through profit and loss	(39.84)	(37.35)
Unrealised foreign currency (gain)/loss	10.19	10.58
Change in operating assets and liabilities:		
Trade payables	19,177.39	2,069.73
Other liabilities	117.13	786.87
Provisions	11.51	(90.78)
Trade receivables	(1,439.24)	(4,559.81)
Inventories	(22,859.80)	(4,082.17)
Other assets	(4,558.55)	1,797.09
Other bank balance	(346.18)	2.47
Cash generated from operations	**4,643.24**	**12,961.45**
Less: Income taxes (paid) refund received	(98.44)	32.99
Net cash inflow from operating activities	**4,544.80**	**12,994.44**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for purchase of property, plant and equipment (net)	(5,038.97)	(1,234.22)
Proceed from sale of property, plant and equipment	100.15	153.06
Proceed from sale of investment	2.00	
Interest received	259.68	331.93
Net cash outflow from investing activities	**(4,677.14)**	**(749.24)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from /(Repayment of) non current borrowings	6,898.07	(4,074.73)
Repayment of Lease Liabilities	14.70	(14.63)
Interest and finance charges paid	(6,466.72)	(7,992.33)
Net cash inflow (outflow) from financing activities	**446.05**	**(12,081.67)**
Net increase (decrease) in cash and cash equivalents	313.71	163.54
Cash and Cash Equivalents at the beginning of the financial year	688.77	525.22
Cash and Cash Equivalents at end of the year	**1,002.48**	**688.76**
Reconciliation of cash and cash equivalents as per the cash flow statement:		
Cash and cash equivalents as per above comprise of the following:		
Balances with banks:		
- On current accounts	996.72	679.08
Cash on hand	5.74	9.69
Balances per statement of cash flows	**1,002.48**	**688.77**

Notes:

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on 'Statement of Cash Flows'.
2. Previous years figures have been regrouped/rearranged/recast wherever necessary to conform to this year's classification.

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. **1 to 51**

As per our report of even date attached

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number : 112118W

Vimlesh Mehta
Partner
Membership No. 043599

Place : Mumbai
Date : 18th May 2022

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Sangeeta A. Srivastava
Executive Director
(DIN : 00480462)

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 18th May 2022

A Equity Share Capital

(₹ in Lakhs)

Particulars	Balance at the Beginning of the year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2021			
Numbers	4,19,43,023	-	4,19,43,023
Amount	4,194.30	-	4,194.30
March 31, 2022			
Numbers	4,19,43,023	-	4,19,43,023
Amount	4,194.30	-	4,194.30

B Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus					Total
	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Exchange differences on translating the financial statements of a foreign operation	
As at March 31, 2020	**26,260.95**	**1,865.38**	**573.50**	**9,762.71**	**56.27**	**38,518.81**
Profit for the period	-	-	-	2,715.49	-	2,715.49
Other comprehensive income	-	-	-	(47.04)	10.58	(36.46)
Total comprehensive income for the year	**-**	**-**	**-**	**2,668.45**	**10.58**	**2,679.03**
As at March 31, 2021	**26,260.95**	**1,865.38**	**573.50**	**12,431.15**	**66.86**	**41,197.85**
Profit for the period	-	-	-	1,946.21	-	1,946.21
Other comprehensive income	-	-	-	(11.64)	10.19	(1.45)
Total comprehensive income for the year	**-**	**-**	**-**	**1,934.57**	**10.19**	**1,944.76**
As at March 31, 2022	**26,260.95**	**1,865.38**	**573.50**	**14,365.72**	**77.05**	**43,142.61**
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.	**1 to 51**					

As per our report of even date attached

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number : 112118W

Vimlesh Mehta
Partner
Membership No. 043599

Place : Mumbai
Date : 18th May 2022

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Sangeeta A. Srivastava
Executive Director
(DIN : 00480462)

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 18th May 2022

1 Corporate Information

These statements comprise financial statements of Godavari Biorefineries Limited (CIN: U67120MH1956PLC009707) (the Holding Company) and its subsidiaries (collectively, 'the Company' or ' the Group') for the year ended March 31,2022. The holding company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its Equity share and debentures (bond) are unlisted .

The registered office of the company is located at Somaiya Bhavan, 45/47, Mahatma Gandhi Road, Fort, Mumbai - 400 001.

The Group is principally engaged in the manufacturing of sugar, power generation, bio-chemicals, distillery and other bio products. The financial statements were approved by the Board of Directors and authorised for issue on 18th May 2022"

2 Significant Accounting Policies

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies(Indian Accounting Standards)(Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013 ("the Act").

The Consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value or at amortised cost depending on the classification(refer accounting policy regarding financial instruments),
- Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations."

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

2.2 Summary of significant accounting policies

(a) Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

A change in the owenership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Profit or loss and each component of other comprehensive income (the 'OCI') are attributed to the equity holders of the parent of the Group and to the non controlling interests, even if this results in the non controlling interest having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring there accounting policies into line with the Group's accounting policies.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

(iv) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

(b) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land are stated at cost. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the income statement when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on straight line method using the useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013.If the management's estimate of the useful life of a item of property, plant and equipment at the time of acquisition or the remaining useful life on a subsequent review is shorter than the envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/ remaining useful life.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term. Leashold land is amortised on a straight line basis over the balance period of lease.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The residual values are not more than 5% of the original cost of the asset.

(c) Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

Amortisation methods and periods

Intangible assets comprising of patents are amortized on a straight line basis over the useful life of five years which is estimated by the management.

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

(d) Research and development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred, unless a product's technological feasibility including commercial market has been established, in which case such expenditure is capitalised. These costs are charged to the respective heads in the Statement of Profit and Loss in the year it is incurred. The Property plant and equipment utlised for research and development are capitalised and depreciated in accordance with the policies stated for Property, plant and equipment and Intangible Assets.

(e) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(f) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entities operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit or loss. Non monetary assets and liabilities are carried at cost.

(iii) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

(g) Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

(i) Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

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

(ii) Fair Value through other comprehensive income

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

(i) Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

(ii) Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The e7ffective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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.

(h) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

(i) Taxes

(i) Current income tax

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(ii) Deferred tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Minimum Alternate Tax (MAT)

MAT upto 31st March 2021 was charged to the statement of profit and loss as current tax as applicable. The Company recognised MAT credit available in the statement of profit and loss as deferred tax with a corresponding asset only to the extent that there is probability that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The said asset was shown as 'MAT Credit Entitlement' under Deferred Tax. and written down the asset to the extent the Company does not have probable certainty that it will pay normal tax during the specified period.

(j) Inventories:

Raw Materials are valued at lower of moving average cost or net realisable value.

Stores and Spares are valued at moving average cost.

Work-in-Progress stocks is converted into equivalent units of finished stocks. Work-in-Progress valued at lower of cost or net realisable value.

Finished stocks are valued at cost or net realisable value whichever is lower.

Bagasse, Molasses and waste/scrap generated in the production process are valued at net realisable value.

The valuation of inventories includes taxes, duties of non refundable nature and direct expenses and other direct cost attributable to the cost of inventory, net of excise duty/Goods and Service Tax/ countervailing duty / education cess and value added tax.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

(k) Revenue recognition

Revenue from contracts with customers is recognized when control or substantial risks and rewards of ownership of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The Company collects taxes such as GST, sales tax/value added tax, service tax, etc on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from the aforesaid revenue/ income.

Effective April 1, 2018, the company adopted Ind AS 115 “Revenue from Contracts with customers”.

The following specific recognition criteria must also be met before revenue is recognized:

(i) Sale of goods

Revenue from sale of manufactured and traded goods is recognised when the control or substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract.

Power sales are accounted as per the rate mentioned in Contracts entered with state governments and other entities.

(ii) Interest income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

(iii) Dividend income

Dividends are recognised when right to receive is established.

(iv) Other income

Export benefits are accounted on the basis of completion of Export Obligation, which are to be received with a reasonable certainty.

(l) Employee Benefit Obligations:

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees’ services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

Other long-term employee benefit comprises of leave encashment towards unavailed leave and compensated absences, these are recognized based on the present value of defined obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

(iii) Post-employment obligations

The company operates the following post-employment schemes:

(a) defined benefit plans viz gratuity,

(b) defined contribution plans viz state governed provident fund scheme and employee pension scheme.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The plan assets are administered by the approved gratuity fund trust.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plans

The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(m) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

(n) Leases

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

(i) As a lessee

The company recognises a Right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The Right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. Right of- use assets are depreciated on a straight-line basis over the shorter of the lease term.In addition, the Right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. "

(ii) As a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

(o) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which 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.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(p) Borrowing Costs:

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate (EIR) applicable to the respective borrowing.

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

(q) Segment Reporting - Identification of Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

(r) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(s) 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, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

(t) Current/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
- Cash or cash equivalent unless 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, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

(u) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

3 Significant accounting judgements, estimates and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Critical estimates and judgements

(i) Fair value measurement of Financial Instruments

When the fair values of financials assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

(ii) Estimation of net realizable value for inventories

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified."

(iii) Recoverability of trade receivables

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience except for power receivables.

(iv) Useful lives of property, plant and equipment/intangible assets

The Company reviews the useful life of property, plant and equipment/intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(v) Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note above.

(vi) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical 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.

4. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at March 31, 2021	Additions	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2021	During the period	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Free Hold Land	24,042.32	-	-	24,042.32	-	-	-	-	24,042.32	24,042.32
Building	6,403.92	28.76	-	6,432.68	1,147.58	237.71	-	1,385.29	5,047.39	5,256.34
Plant and Equipments	62,760.93	701.28	729.38	62,732.83	21,862.78	4,405.09	578.15	25,689.72	37,043.11	40,898.15
Furniture and Fixtures	291.02	7.54	-	298.56	114.42	30.02	-	144.44	154.12	176.60
Vehicles	425.64	67.47	43.26	449.84	261.14	39.17	41.77	258.54	191.30	164.50
Office Equipments	232.00	1.46	-	233.46	137.67	19.34	-	157.01	76.45	94.33
Computer Hardwares	230.26	29.13	11.45	247.94	144.48	41.95	11.09	175.34	72.60	85.78
Total (I)	**94,386.09**	**835.63**	**784.09**	**94,437.63**	**23,668.07**	**4,773.28**	**631.01**	**27,810.34**	**66,627.28**	**70,718.02**
Capital Work in Progress	461.31	5,491.71	1,552.87	4,400.15	-	-	-	-	4,400.15	461.31
Total (I)	**461.31**	**5,491.71**	**1,552.87**	**4,400.15**	**-**	**-**	**-**	**-**	**4,400.15**	**461.31**
(I + II)	**94,847.40**	**6,327.35**	**2,336.96**	**98,837.78**	**23,668.07**	**4,773.28**	**631.01**	**27,810.34**	**71,027.44**	**71,179.33**
Right - of- Use*	72.65	33.63	-	106.28	28.92	20.72	-	49.64	56.65	43.73
Total	**72.65**	**33.63**	**-**	**106.28**	**28.92**	**20.72**	**-**	**49.64**	**56.65**	**43.73**

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at March 31, 2020	Additions	Deductions/ Adjustments	As at March 31, 2021	As at March 31, 2020	During the period	Deductions/ Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Free Hold Land	24,042.32	-	-	24,042.32	-	-	-	-	24,042.32	24,042.32
Building	6,150.70	253.22	-	6,403.92	898.21	249.37	-	1,147.58	5,256.34	5,252.49
Plant and Equipments	61,136.79	1,701.40	(77.26)	62,760.93	17,602.52	4,304.17	(43.91)	21,862.78	40,898.15	43,534.27
Furniture and Fixtures	283.98	6.03	1.01	291.02	83.31	30.14	0.97	114.42	176.60	200.67
Vehicles	436.16	0.91	(11.43)	425.64	229.69	41.21	(9.76)	261.14	164.50	206.47
Office Equipments	228.84	3.16	-	232.00	113.53	24.14	-	137.67	94.33	115.31
Computer Hardwares	174.69	55.57	-	230.26	104.54	39.94	-	144.48	85.78	70.15
Total (I)	**92,453.48**	**2,020.29**	**(87.68)**	**94,386.09**	**19,031.80**	**4,688.97**	**(52.70)**	**23,668.07**	**70,718.02**	**73,421.68**
Capital Work in Progress	1,357.19	1,493.26	(2,389.14)	461.31	-	-	-	-	461.31	1,357.19
Total (II)	**1,357.19**	**1,493.26**	**(2,389.14)**	**461.31**	**-**	**-**	**-**	**-**	**461.31**	**1,357.19**
(I + II)	**93,810.67**	**3,513.55**	**(2,476.82)**	**94,847.40**	**19,031.80**	**4,688.97**	**(52.70)**	**23,668.07**	**71,179.33**	**74,778.87**
Right - of- Use (as on April 1, 2019)*	58.47	14.18	-	72.65	13.44	15.48	-	28.92	43.73	45.03
Total	**58.47**	**14.18**	**-**	**72.65**	**13.44**	**15.48**	**-**	**28.92**	**43.73**	**45.03**

* Refer Note 35

i. Borrowing Cost Capitalised

The amount of borrowing cost capitalised during the year ended March 31, 2022 was INR Nil (March 31, 2021 INR Nil) .

ii. Contractual Obligations

Refer to Note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

iii. Revaluation of Property, Plant and Equipment

The company has elected to measure certain items of property, plant and equipment viz. Land at fair value as on 1st April 2017. Hence at the date of transition to Ind AS, an increase of INR 23727.25 Lakhs was recognised in property, plant and equipment and a Revaluation Reserve of INR 23727.25 Lakhs had been created towards this and transferred to Retained Earnings. However, the Company has earmarked the Revaluation Reserve separately and it is not available for distribution of dividends and bonus . The Valuation was carried out by registered approved valuer.

(iv) **Details of Capital work in Progress (CWIP) are as below :-**

(A) CWIP ageing schedule as at March 31, 2022

Amount in Lakhs

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project in Progress	4,192.48	-	-	-	4,192.48
Project temporarily suspended	9.92	55.43	139.78	2.54	207.67
Total	**4,202.40**	**55.43**	**139.78**	**2.54**	**4,400.15**

CWIP ageing schedule as at March 31, 2021

Amount in Lakhs

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project in Progress	261.50	197.26	2.54	-	461.31
Project temporarily suspended	-	-	-	-	-
Total	**261.50**	**197.26**	**2.54**	**-**	**461.31**

(B) CWIP completion schedule as at March 31, 2022 and March 31, 2021

As on the date of the financial statement, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

(iv) **Title deeds of Immovable Properties not held in name of the Company as at March 31, 2022 and March 31, 2021**

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value ₹ in Lakh	Title deeds held in the name of	Whether title deed holder is a promoter,director or relative of promoter / director of employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Property Plant and Equipment	Free Hold Land	157	Godavari Sugar Mills name appears (mutated) in other rights column for 07 Acre-24 Guntas.	No	under register lease deed. The land is Inam land and under Karnataka Inams Abolition Act -1978 the Inam's were abolished.	The Land is in the name of Godavari Sugar Mills Ltd (GSML), Godavari Biorefineries ltd (GBL) demerged from GSML, The company has made application to regularise the land in the name of GSML which has been approved on 4th March 2022.

5. INTANGIBLE ASSETS

(₹ in Lakhs)

	Gross Block				Accumulated Amortisation				Net Block	
Particulars	**As at March 31, 2021**	**Additions**	**Deductions/ Adjustments**	**As at March 31, 2022**	**As at March 31, 2021**	**During the period**	**Deductions/ Adjustments**	**As at March 31, 2022**	**As at March 31, 2022**	**As at March 31, 2021**
Patents	30.02	-	-	30.02	12.60	5.82	-	18.42	11.60	17.42
Others	13.72	-	-	13.72	10.82	2.69	-	13.51	0.21	2.90
Total	**43.74**	**-**	**-**	**43.74**	**23.42**	**8.51**	**-**	**31.93**	**11.81**	**20.32**

(₹ in Lakhs)

	Gross Block				Accumulated Amortisation				Net Block	
Particulars	**As at March 31, 2020**	**Additions**	**Deductions/ Adjustments**	**As at March 31, 2021**	**As at March 31, 2020**	**During the period**	**Deductions/ Adjustments**	**As at March 31, 2021**	**As at March 31, 2021**	**As at March 31, 2020**
Patents	30.02	-	-	30.02	6.74	5.86	-	12.60	17.42	23.28
Others	13.72	-	-	13.72	8.13	2.69	-	10.82	2.90	5.59
Total	**43.74**	**-**	**-**	**43.74**	**14.87**	**8.55**	**-**	**23.42**	**20.32**	**28.87**

5A. INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Lakhs)

	Gross Block				Accumulated Amortisation				Net Block	
Particulars	**As at March 31, 2021**	**Additions**	**Deductions/ Adjustments**	**As at March 31, 2022**	**As at March 31, 2021**	**During the period**	**Deductions/ Adjustments**	**As at March 31, 2022**	**As at March 31, 2022**	**As at March 31, 2021**
Anti Cancer Molecules - License	404.01	328.39	(97.52)	634.88	-	-	-	-	634.88	404.01
Total	**404.01**	**328.39**	**(97.52)**	**634.88**	**-**	**-**	**-**	**-**	**634.88**	**404.01**

(₹ in Lakhs)

	Gross Block				Accumulated Amortisation				Net Block	
Particulars	**As at March 31, 2020**	**Additions**	**Deductions/ Adjustments**	**As at March 31, 2021**	**As at March 31, 2020**	**During the period**	**Deductions/ Adjustments**	**As at March 31, 2021**	**As at March 31, 2021**	**As at March 31, 2020**
Anti Cancer Molecules - License	311.54	92.47	-	404.01	-	-	-	-	404.01	311.54
Total	**311.54**	**92.47**	**-**	**404.01**	**-**	**-**	**-**	**-**	**404.01**	**311.54**

(i) Details of Intangible Assets under Development are as below :-

(A) Intangible Assets under Development ageing schedule as at March 31, 2022

Amount in Lakhs

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project in Progress (Intangible - Anti Cancer Molecules)	230.86	37.46	311.54	55.00	634.88
Project temporarily suspended	-	-	-	-	-
Total	**230.86**	**37.46**	**311.54**	**55.00**	**634.86**

Intangible Assets under Development ageing schedule as at March 31, 2021

Amount in Lakhs

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project in Progress (Intangible - Anti Cancer Molecules)	92.47	256.54	55.00	-	404.01
Project temporarily suspended	-	-	-	-	-
Total	**92.47**	**256.54**	**55.00**	**-**	**404.01**

(B) Intangible assets under development completion schedule as at March 31, 2022 and March 31, 2021

As on the date of the financial statements, there are no intangible asset under development projects whose completion is overdue or has exceeded the cost, based on approved plan.

6. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Investments in Associates		
Quoted		
Equity shars of INR 10/- each of Pentokey Organy (India) Limited (March 31, 2022 : Nil March 31, 2020: 25,000)	-	4.50
Unquoted		
Equity shares of INR 100/- each of The Book Centre Limited (March 31, 2022 : 210, March 31, 2020: 210)	0.21	0.21
	0.21	**4.71**

6A. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
(A) INVESTMENTS		
Non Current		
Investments carried at fair value through Profit and Loss		
Unquoted		
Investments in Preference Shares		
3,57,604 Nonassessable shares of $0.001 par value of e2e Material INC, USA in Series B preferred Stock (March 31, 2021: 3,57,604)	134.65	134.65
Less : Loss allowance	(134.64)	(134.64)
	0.01	0.01
Total	**0.01**	**0.01**
Aggregate amount of quoted investments	-	4.50
Market value of quoted investments	-	2.70
Aggregate amount of unquoted investments	134.65	134.65
Aggregate amount of impairment in the value of investments	(134.64)	(134.64)
Investments carried at fair value through profit and loss	0.01	0.01
(B) OTHER FINANCIAL ASSETS		
Non Current		
Financial assets carried at amortised cost		
Security and other deposits	409.76	351.65
Interest Accrued but not due	9.15	20.87
Bank Deposits with more than 12 months maturity*	874.16	952.26
Total	**1,293.07**	**1,324.78**
*Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments		
Current		
Financial assets		
Security Deposits	13.87	13.65
Interest Accrued but not due	22.81	62.55
Claim receivables*	248.68	3,201.16
Total	**285.36**	**3,277.36**

*It includes Derivatives not designated as hedge - Foreign Exchange forward contracts

7. INVENTORIES

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
(Valued at lower of Cost and Net Realisable value)		
Raw materials		
In stock	27,167.20	8,908.89
Work-in-process	697.84	186.68
Finished goods		
In stock	34,803.50	31,156.91
Traded Goods	103.21	77.39
Stores, consumables and packing material	2,472.96	2,035.74
Total	**65,225.41**	**42,365.61**

During the year ended March 31, 2022, ₹ 19.32 Lakhs (March 31, 2021: ₹ Nil) was recognised as an expense for inventories carried at net realisable value.

8. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Non Current		
Trade Receivables from customers	52.20	170.79
	52.20	**170.79**
Breakup of Security details		
Unsecured, considered good	52.20	170.79
Significant increase in credit risk	60.63	-
Credit impaired	-	-
Total	**112.82**	**170.79**
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good		
Significant increase in credit risk	60.63	-
Credit impaired	-	-
	60.63	-
	52.20	**170.79**
Current		
Trade Receivables from customers	18,025.95	16,915.46
	18,025.95	16,915.46
Breakup of Security details		
Unsecured, considered good	18,025.95	16,915.46
Significant increase in credit risk	701.08	314.38
	18,727.04	**17,229.83**
Impairment Allowance (allowance for bad and doubtful debts)		
Significant increase in credit risk	701.08	314.38
	701.08	**314.38**
	18,025.95	**16,915.46**

Trade or other receivables due by directors or other officers of the company or any of them, either severally or jointly, with any other person or Trade or Other Receivable due by firms or private companies respectively in which any director is a partner, a director or a member amounted to INR NIl Lakhs (Previous year NIl Lakhs).

(ii) Trade Receivables Ageing Schedule are as below :

Particulars	Not Due *	Outstanding from due date of payment as on March 31, 2022					
		Upto 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Undisputed trade receivables – considered good	10,085.30	5,838.86	586.65	426.02	194.00	947.31	18,078.15
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	761.71	761.71
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Sub Total	**10,085.30**	**5,838.86**	**586.65**	**426.02**	**194.00**	**1,709.01**	**18,839.85**
Less: Allowance for credit impaired/Expected credit loss	-	-	-			761.71	761.71
Total	**10,085.30**	**5,838.86**	**586.65**	**426.02**	**194.00**	**947.31**	**18,078.15**

* as per sales order

Particulars	Not Due *	Outstanding from due date of payment as on March 31, 2021					
		Upto 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Undisputed trade receivables – considered good	10,825.99	4,941.33	300.93	244.65	371.47	329.66	17,014.04
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	386.58	386.58
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-		-
Sub Total	**10,825.99**	**4,941.33**	**300.93**	**244.65**	**371.47**	**716.24**	**17,400.62**
Less: Allowance for credit impaired/Expected credit loss	-	-	-	-	-	314.38	314.38
Total	**10,825.99**	**4,941.33**	**300.93**	**244.65**	**371.47**	**401.86**	**17,086.24**

9. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Balances with banks:		
- On current accounts	996.72	679.08
Cash on hand	5.74	9.69
Total	**1,002.47**	**688.77**

10. OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Balances with banks to the extent held as margin money	2,879.22	2,351.82
Other balances with banks*	792.35	973.58
Total	**3,671.58**	**3,325.40**

*Balances with banks to the extent held as security against the borrowings, guarantees, other commitments etc

11. OTHER ASSETS

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Non Current		
Capital Advances	-	6.36
Stores and spares(capital goods)	251.71	251.71
(Reasigning to the upcoming new project)		
Advances other than Capital advances		
- Security Deposits	7.68	7.10
- Advances to Suppliers	2,230.81	2,254.66
Less : Provision against Advances	(2,073.12)	(2,073.12)
	157.69	**181.54**
Others		
- Prepaid expenses	674.64	1,055.08
- Payment of Taxes (Net of Provisions)	0.55	26.01
- Balances with Statutory, Government Authorities*	186.19	176.23
Total	**1,278.45**	**1,704.02**
Current		
Advances other than Capital advances		
- Security Deposits	0.05	0.04
- Advances to suppliers	7,436.35	2,164.56
Others		
- Prepaid expenses	369.15	292.41
- Balances with Statutory, Government Authorities*	2,849.18	1.53
- Export Incentive - Sugar cane	114.83	287.34
Total	**10,769.55**	**2,745.88**

*Includes Cenvat and VAT Credit receivables

12. INCOME TAX

Deferred Tax

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Deferred tax relates to the following:		
Impairment on financial assets at amortised cost	97.33	35.80
Temporary difference in the carrying amount of financial instruments at amortised cost	(19.43)	(11.65)
Temporary difference in the carrying amount of property, plant and equipment	(6,109.70)	(8,140.50)
Unabsorbed Depreciation and Business Losses	4,908.31	8,037.22
Net Deferred Tax Assets / (Liabilities)	**(1,123.49)**	**(79.13)**

Movement in deferred tax liabilities/assets

Particulars	March 31, 2022	March 31, 2021
Opening balance as on April 1	(79.13)	1,566.25
Tax income/(expense) during the period recognised in profit or loss	(1,048.24)	(1,666.71)
Tax income/(expense) during the period recognised in OCI	3.91	21.33
Tax income/(expense) during the period recognised in retained earning	-	-
Closing balance	**(1,123.46)**	**(79.13)**

Major Components of income tax expense for the years ended March 31, 2022 and March 31, 2021 are as follows:

i. Income tax recognised in profit or loss

(₹ in Lakhs)

	March 31, 2022	March 31, 2021
Current income tax charge	30.05	33.40
Adjustment in respect of current income tax of previous year	**231.06**	**216.76**
Deferred tax		
Relating to origination and reversal of temporary differences	1,048.24	1,666.71
Income tax expense recognised in profit or loss	**1,309.36**	**1,916.87**

ii. Income tax recognised in OCI

	March 31, 2022	March 31, 2021
Net loss/(gain) on remeasurements of defined benefit plans	3.91	21.33
Income tax expense recognised in OCI	**3.91**	**21.33**

13. SHARE CAPITAL

i. Authorised Share Capital

(₹ in Lakhs)

	Equity Share		Preference Share	
	Number	Amount	Number	Amount
At March 31, 2020	**4,20,00,000**	**4,200.00**	**18,00,000**	**1,800.00**
Increase/(decrease) during the year	4,00,00,000	4,000.00	-	-
At March 31, 2021	**8,20,00,000**	**8,200.00**	**18,00,000**	**1,800.00**
Increase/(decrease) during the year	-	-	-	-
At March 31, 2022	**8,20,00,000**	**8,200.00**	**18,00,000**	**1,800.00**

Terms/rights attached to equity shares

The Company has one class of Equity shares having a par value of INR 10/- each. Each holder of Equity shares is entitled to one vote per share and are subject to the preferential rights as presecribed under law or those of preference shareholders,if any. The Equity share holders are also subject to restrictions as presribed under the Companies Act,2013.

In the event of the Liquidation of the Company, the holders of the Equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts and preferential shareholders.

ii. Issued Capital

(₹ in Lakhs)

	Number	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
At March 31, 2020	**4,19,43,023**	**4,194.30**
Issued during the period	-	-
At March 31, 2021	**4,19,43,023**	**4,194.30**
Issued during the period	-	-
At March 31, 2022	**4,19,43,023**	**4,194.30**

iii. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Number	% holding	Number	% holding
Equity shares of INR 10 each fully paid				
Somaiya Agencies Private Limited	93,54,668	22.30	93,54,668	22.30
Sakarwadi Trading Company Private Limited	60,15,790	14.34	60,15,790	14.34
Lakshmiwadi Mines and Minerals Private Limited	57,20,717	13.64	57,20,717	13.64
Mandala Capital AG Limited	49,26,983	11.75	49,26,983	11.75
Samir Shantilal Somaiya	60,21,211	14.36	60,21,211	14.36
Sindhur Construction Private Limited	29,33,461	6.99	29,33,461	6.99

iv. Details of shares held by promoters in the Company.

Name of the shareholder	As at March 31, 2022		As at March 31, 2021		% Change during the period
	Number	% holding	Number	% holding	
Equity shares of INR 10 each fully paid					
Promoter					
Samir S. Somaiya	60,21,211	14.36	60,21,211	14.36	-
Somaiya Agencies Private Limited	93,54,668	22.30	93,54,668	22.30	-
Promoter Group					
Sakarwadi Trading Company Private Limited	60,15,790	14.34	60,15,790	14.34	-
Lakshmiwadi Mines and Minerals Private Limited	57,20,717	13.64	57,20,717	13.64	-
Sindhur Construction Pvt Ltd	29,33,461	6.99	29,33,461	6.99	-
Zenith Commercial Agencies Pvt. Ltd.	9,32,189	2.22	9,32,189	2.22	-
Filmedia Communication Systems Private Limited	7,75,730	1.85	7,75,730	1.85	-
Jasmine Trading Company Private Limited	6,15,332	1.47	6,15,332	1.47	-
K . J. Somaiya and Sons Private Limited	5,96,131	1.42	5,96,131	1.42	-
Harinakshi Somaiya	3,00,000	0.72	-	-	100%
Karnataka Organic Chemicals Private Limited	2,73,530	0.65	2,73,530	0.65	-
Shantilal Karamshi Somaiya (HUF)	1,49,950	0.36	1,49,950	0.36	-
Somaiya Properties and Investments Private Limited	1,31,295	0.31	1,31,295	0.31	-
Arpit Limited	86,000	0.21	86,000	0.21	-
The Book Centre Limited	73,306	0.17	73,306	0.17	-
Somaiya Chemical Industries Private Limited	20,800	0.05	20,800	0.05	-

v. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

vi. None of the above shares are reserved for issue under options/ contract/ commitments for sale of shares or disinvestment.

14. OTHER EQUITY

i. Reserves and Surplus

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Securities Premium Reserve	26,260.94	26,260.94
General Reserve	1,865.38	1,865.38
Retained Earnings	14,365.74	12,431.17
Capital Redemption Reserve	573.50	573.50
Total	**43,065.56**	**41,130.99**

(a) Securities Premium Reserve

	March 31, 2022	March 31, 2021
Opening balance	26,260.94	26,260.94
Add/(Less):		
Premium on share issue (Net)	-	-
Closing balance	**26,260.94**	**26,260.94**

(b) General Reserve

	March 31, 2022	March 31, 2021
Opening balance	1,865.38	1,865.38
Add/(Less): changes during the year	-	-
Closing balance	**1,865.38**	**1,865.38**

(c) Retained Earnings *

	March 31, 2022	March 31, 2021
Opening balance	**12,431.16**	**9,762.73**
Net Profit/(Loss) for the period	1,946.21	2,715.49
Items of Other Comprehensive Income directly recognised in Retained Earnings		
Remeasurement of gains (losses) on defined benefit plans	(15.55)	(68.38)
Income tax effect	3.91	21.33
Closing balance	**14,365.74**	**12,431.16**

* Retained earnings includes Revaluation Reserve of INR 23,469.99 Lakhs and INR 23,469.99 Lakhs for the period ended 31th March 2022 and Year ended 31st March 2021 respectively and it is not available for distribution of dividends. The Revaluation Reserve was created net of tax at the date of transition to Ind AS, i.e. 1st April 2017 for revaluation of Land at fair value.

ii. Components of Other Comprehensive Income

Particulars	March 31, 2022	March 31, 2021
Exchange differences on translating the financial statements of a foreign operation	77.05	66.86
	77.05	**66.86**

15. BORROWINGS

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Non Current Borrowings		
Secured		
(a) Term Loans		
From Banks	33,423.15	33,629.73
From Others		
Sugar Development Fund	-	1,416.15
Others	-	3.26
Unsecured		
(b) Term Loans from Others		
Council of Scientific and Industrial Research	485.00	485.00
Deferred Cane Purchase Tax	1,014.71	856.44
(c) Public deposits	4,692.45	2,743.20
(A)	**39,615.31**	**39,133.78**
Current Maturity of Non Current Borrowings		
Term Loans		
From Banks	7,106.27	5,090.80
From Others		
Sugar Development Fund	-	790.80
Others	-	3.26
(B)	**7,106.27**	**5,884.86**
Total (A)-(B)	**32,509.04**	**33,248.92**

Particulars	March 31, 2022	March 31, 2021
Current Borrowings		
Secured		
(a) Loans repayable on demand From Banks	20,179.04	13,856.68
(b) Current maturities of long term debts	7,106.27	5,884.86
Unsecured		
(a) Public deposits	1,176.50	1,239.60
(b) Others	2,265.00	1,784.00
Interest accrued but not due on borrowings	436.27	859.09
Total	**31,163.08**	**23,624.23**

Non Current Borrowings

Details of Terms of repayment for Long Term Secured Borrowings

(₹ in Lakhs)

Sr. No.	Particulars	March 31, 2022		March 31, 2021	
		Current	Non - Current	Current	Non - Current
1	**Sugar Development Fund**	-	-	790.80	790.80
	(Repayable in 5 equal yearly installments, last Installment falling due on March 2023. Prepaid in June 21)				
2	**Hire Purchase Finance**	-	-	3.26	-
3	**Bank of India - Soft Loan**	**1,303.20**	**3,148.40**	**1,303.00**	**4,451.92**
	(Repayable in 60 Equal Monthly instalments, last instalment falling due on Aug 2025)				
4	**Union Bank of India (UBI)- Ethanol 1**	947.60	2,368.13	947.60	3,315.73
	(Repayable IN 20 Quarterly instalments, last instalment falling due on Sept 2025)				
5	**Union Bank of India**				
	(Repayable IN 20 Quarterly instalments, last instalment falling due on Aug 2025)	1,800.00	4,500.00	1,800.00	6,300.00
6	**SVC Cooperative Bank Ltd**				
	(Repayable IN 32 Quarterly instalments, last instalment falling due on Mar 2029)	375.00	4,500.00	125.00	4,875.00
7	**Indusind Bank Ltd**				
	(Repayable in 28 Quarterly instalments, last instalment falling due on Apr 2027)	1,170.40	8,426.00	915.20	9,596.40
8	**SVC Cooperative Bank Ltd**				
	(Repayable in 7 Quarterly instalments, last instalment falling due on Mar 2023)	1,140.87	-	-	-
9	**Indusind Bank Ltd**	**369.20**	**894.19**	**-**	**-**
	(Repayable in 26 Quarterly instalments, last instalment falling due on Sept 2028)				
10	**SVC Cooperative Bank Ltd**	**-**	**1,500.00**	**-**	**-**
	(Repayable in 48 Monthly instalments, last instalment falling due on Jan 2028)				
11	**Union Bank of India (UBI) - Ethanol 2**				
	(Repayable in 24 Quarterly instalments, last instalment falling due on Sep 2028)	-	980.15	-	-
	Total	**7,106.27**	**26,316.87**	**5,884.86**	**29,329.86**

Nature of Securities:

Loan covered under Sr. No. 1, All Immoveable & Moveable Properties at Sameerwadi Factory , Karnataka on First Pari Passu Charge basis.

Loan covered under Sr.No.2, Exclusive Charge on Assets purchased under Hire purchase arrangements.

Loan covered under Sr.No. 3,4 & 11 , First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka. First Pari Passu Charge on certain Assets of Somaiya Properties and Investments Pvt Ltd.(SPIPL) (Formerly known as The Godavari Sugar Mills Pvt Ltd) as corporate guarantee for UBI Ethanol loan 1 and BOI Soft loan and second pari passu charge for UBI Ethanol Loan 2. Further Second Pari Passu charge on Current Asset of Distillery Division at Sameerwadi, Karnataka (for UBI for Ethanol Loan 1 & 2) and for UBI Ethanol Loan 2 and BOI Second Pari Passu charge on Current Asset of Sugar Division at Sameerwadi, Karnataka.

Loan covered under Sr.No. 5 , First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka, and First Pari Passu Charge on certain Assets of Filmedia Communication Systems Pvt Ltd as Corporate Guarantee . Second Pari Passu charge on Current Asset of Sugar Division at Sameerwadi, Karnataka.

Loan covered under Sr.No. 6 , First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka. Second Pari Passu charge on Current Asset of Sugar Division at Sameerwadi, Karnataka

Loan covered under Sr.No. 7 , First Pari Passu Charge on Property-Land& Building only at Sakarwadi, Maharashtra and First exclusive charge on certain assets of research center at Mahape, Maharashtra and one asset of SPIPL. First charge on Power receivables at Sameerwadi,Karnataka.

Loan covered under Sr.No. 8 , First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka.

Loan covered under Sr no 9 Exclusive charge on Boiler related assets, First paripassu charge on Land and building at Sakarwadi unit.

Loan covered under Sr no 10, Second Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka. Second Pari Passu charge on Current Asset of Sugar Division at Sameerwadi, Karnataka

The Company has not made any default in repayment of principal and interest as stipulated.

The Company has avail interest free purchase tax loan from Government of Karnataka, however the repayment schedule still to be informed. In view of this same has been classified under Non Current Liability.

Interest for above loans varies from 7.50% to 10.7% (Previous Year 4% to 11.5%).

Current Borrowings (₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Secured		
From Banks		
(a) Loans repayable on demand From Banks*	20,179.04	13,856.68
(b) Current maturities of long term debts	7,106.27	5,884.86
Unsecured		
(a) Public deposits	1,176.50	1,239.60
(b) Others	2,265.00	1,784.00

Nature of Securities:

* Secured by First Pari Passu charge over current assets of the company (respective division), both present and future and second Pari Passu charge on Plant & Equipment; and Second charge on certain Assets of Somaiya Properties and Investments Pvt Ltd. (SPIPL) (Formerly known as The Godavari Sugar Mills Pvt Ltd) as a Corporate Guranatee of SPIPL.

Interest for above Cash credit Rupee loans varies from 9.60 % to 10.75 % (Previous Year 10.00% to 11.10%)

Interest for above Public deposit varies from 10 % to 11 % (Previous Year 10.00% to 11.00%)

Net debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods specified :

(₹ in Lakhs)

Particulars	Liabilities from financing activities		
	Non Current Borrowings	Current Borrowings	Total Borrowings
Net Debt as at March 31, 2020	**13,334.76**	**47,077.74**	**62,026.47**
Cash Inflows	20,068.01	49,411.49	69,479.49
Cash Outflows	-	(73,554.32)	(73,554.32)
	33,402.77	**22,934.91**	**57,951.66**
Interest Expense	-	-	7,237.58
Interest Paid	-	-	(7,992.33)
Net Debt as at March 31, 2021	**33,402.77**	**22,934.91**	**57,196.88**
Cash Inflows	5,743.78	13,503.71	19,247.49
Cash Outflows	(7,535.23)	(4,814.19)	(12,349.41)
	31,611.32	**31,624.43**	**64,094.94**
Interest Expense	-	-	6,043.89
Interest Paid	-	-	(6,466.72)
Net Debt as at March 31, 2022	**31,611.32**	**31,624.43**	**63,672.12**

16. LEASE LIABILITIES

₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Non Current		
Lease Liabilities (Refer Note 35)	47.44	34.73
	47.44	**34.73**
Current		
Lease Liabilities (Refer Note 35)	15.84	13.85
	15.84	**13.85**

17. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Non Current		
Financial Liabilities at amortised cost		
Other Payables	7.18	7.18
Total	**7.18**	**7.18**
Current		
Financial Liabilities at amortised cost		
Security Deposits	58.11	67.97
Other Payables	2,581.89	2,027.30
	2,640.00	**2,095.27**
Total	**2,640.00**	**2,095.27**

18. TRADE PAYABLES

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Current		
Trade Payables to Micro, Small and Medium Enterprises	1,079.85	486.62
Trade Payables to Others	56,345.42	37,638.79
Total	**57,425.27**	**38,125.41**

(i) **rade Payables Ageing Schedule are as below :**

Particulars	Unbilled Due	Outstanding from due date of payment as on March 31, 2022					
		Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Total outstanding dues of micro,small & medium Enterprises	-	1,079.85	-	-	-	-	1,079.85
Total outstanding dues of Creditors other than micro,small & medium Enterprises	-	53,051.20	3,224.00	52.91	5.33	1.28	56,334.73
Disputed dues of micro, small and medium enterprises	-	-	-	-	-		-
Disputed dues of creditors other than micro, small and medium enterprises	-					10.68	10.68
Total	**-**	**54,131.06**	**3,224.00**	**52.91**	**5.33**	**11.96**	**57,425.26**

Particulars	Unbilled Due	Outstanding from due date of payment as on March 31, 2021					
		Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Total outstanding dues of micro,small & medium Enterprises	-	486.62	-	-	-	-	486.62
Total outstanding dues of Creditors other than micro,small & medium Enterprises	-	10,487.76	27,075.67	10.29	11.81	42.58	37,628.11
Disputed dues of micro, small and medium enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro, small and medium enterprises	-	-	-	-	-	10.68	10.68
Total	**-**	**10,974.38**	**27,075.67**	**10.29**	**11.81**	**53.26**	38,125.41

19. OTHER LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Non Current		
Government Grants		
- Deferred Cane Purchase Tax	-	92.31
- Sugar Development Fund	-	61.64
- Depreciable assets	88.53	107.91
	88.53	**261.86**
Current		
Advance received from Customers	151.51	354.52
Government Grants		
- Deferred Cane Purchase Tax	-	65.95
- Sugar Development Fund	-	103.82
- Depreciable assets	19.45	19.45
Statutory Liabilities	242.11	201.66
Total	**413.08**	**745.40**

20. PROVISIONS

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Non Current		
Provision for employee benefits		
Leave encashment	132.89	169.38
Total	**132.89**	**169.38**
Current		
Provision for employee benefits		
Gratuity	111.21	79.67
Leave encashment	321.07	292.99
Total	**432.28**	**372.66**

21. GOVERNMENT GRANTS

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Opening balance	451.09	1,703.27
Grants received during the year	(323.73)	(1,023.74)
Released to statement of profit and loss	(19.38)	(228.44)
Closing Balance	**107.98**	**451.09**

22. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	2021-22	2020-21
Sale of products	1,70,232.85	1,53,817.29
	1,70,232.85	**1,53,817.29**

23. OTHER INCOME

(₹ in Lakhs)

Particulars	2021-22	2020-21
Interest income on		
Bank fixed deposit and others	203.84	190.99
Others	55.85	136.59
Other Non Operating Income		
Fair value gain on financial instruments at fair value through profit and loss	39.84	37.35
Net gain on disposal of property, plant and equipment	74.45	118.08
Government Grants Income	19.36	19.45
Dividend Income	13.48	-
Miscellaneous Income	357.95	318.66
Total	**764.77**	**821.12**

24. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	2021-22	2020-21
Cost of Material Consumed *	1,21,598.19	1,08,342.49
	1,21,598.19	**1,08,342.49**

* The Cost of Raw material consumed includes as, cost of sugarcane of INR 2,643.76 Lakhs for FY 2020-2021 (Previous year INR 1917.28 Lakhs for FY 2018-2019) agreed and accounted in the current year. The cost so incurred has not been considered for valuation of the sugar inventory.

25. PURCHASES OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	2021-22	2020-21
Purchase of Stock-In-Trade	1,403.44	1,150.51
	1,403.44	**1,150.51**

26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	2021-22	2020-21
Inventories as at the beginning of the year		
Work - in - process	186.68	98.57
Finished goods	31,156.91	27,417.66
Stock-in-trade	77.39	135.35
Total	**31,420.98**	**27,651.58**
Less : Inventories as at the end of the year		
Work - in - process	697.84	186.68
Finished goods	34,803.50	31,156.91
Stock-in-trade	72.35	77.39
Total	**35,573.69**	**31,420.98**
Net decrease / (increase) in inventories	**(4,152.71)**	**(3,769.40)**

27. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	2021-22	2020-21
Salaries, wages and bonus	7,935.42	7,073.31
Contribution to provident and other funds	707.83	518.94
Director's Remuneration	603.77	602.81
Staff welfare expenses	684.93	354.04
Total	**9,931.95**	**8,549.10**

28. FINANCE COST

(₹ in Lakhs)

Particulars	2021-22	2020-21
Interest Expense on:		
Term Loan	3,089.60	2,545.69
Cash Credit	1,212.02	1,434.45
Others	1,731.08	3,252.13
Interest on Lease Liabilities	7.23	5.13
Bank Charges	3.95	0.18
Total	**6,043.89**	**7,237.58**

29. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	2021-22	2020-21
Depreciation on tangible assets and ROU assets	4,793.99	4,704.44
Amortisation on intangible assets	8.51	8.55
	4,802.51	**4,712.99**

30. OTHER EXPENSES

(₹ in Lakhs)

Particulars	2021-22	2020-21
Manufacturing Expenses		
Labour charges	13.34	13.23
Power and Fuel	9,925.67	8,378.55
Repairs and maintenance		
Building	115.18	93.63
Plant and Machinery	2,746.64	2,736.17
Others	362.05	318.15
Packing, forwading and storage	2,518.80	1,835.33
Stores, consumables and packing material	3,366.22	2,657.17
Godown Rent	11.19	0.11
Other Charges	1.08	0.57
A)	**19,060.17**	**16,032.91**

Particulars		2021-22	2020-21
Selling and Distribution Expenses			
Selling Expense	**B)**	4,675.76	3,779.25
Administration and Other Expenses			
Payments to auditors (Refer note below)		41.10	38.87
Insurance		452.93	398.04
Legal and professional fees		690.62	531.86
Contribution to Scientific Research Institution		119.00	115.00
Rates and taxes		237.12	260.66
Travelling & conveyance expenses		7.59	4.37
Net loss on disposal of property, plant and equipment		127.38	-
Director Fees		28.70	29.70
Membership and subscriptions		8.22	9.00
Provision on Receivables		447.33	114.73
Allowances for doubtful debts		122.47	779.95
Allowance for provision on Interest on advances		14.00	-
General Expenses (Including travelling,telephone, etc.)		2,082.39	1,688.44
	C)	**4,378.86**	**3,970.62**
Total	**(A+B+C)**	**28,114.79**	**23,782.78**

Details of Payments to Auditors

(₹ in Lakhs)

	2021-22	2020-21
As Auditor		
Audit Fee	32.10	29.64
Tax Audit Fee	9.00	9.10
Other services	-	0.13
Total	**41.10**	**38.87**

31. RESEARCH AND DEVELOPMENT COSTS

The Group during the period has incurred cost on research and development activities which are not eligible for capitalisation in terms of Ind AS 38 and therefore they are recognised in other expenses under statement of profit and loss. Amount charged to profit or loss during the period ended March 31, 2022 INR 1,041 Lakhs (March 31, 2021: INR 1,046.77 Lakhs) details of which are as follows:

(₹ in Lakhs)

Particulars	2021-22	2020-21
i. On Revenue Account :		
Manufacturing Expenses		
Stores, Spares & Tools consumed	95.19	51.55
Payments to and provision for employees		
- Salaries, Wages, Bonus, Allowances, contribution to provident and other funds etc.	448.78	453.85
Other Expenses		
- Legal & Professional charges	140.02	161.18
- Other Expenses	357.01	380.18
Total	**1,041.00**	**1,046.76**
ii. On Capital Account	35.79	48.12
iii. On Intangible Assets under Development (Anti Cancer Molecules)	230.87	92.50
(Upto March,22 Rs 634.88 Lakhs - Previous Year upto March 21 Rs 404.01 Lakhs)		
Total Research and Development Expenditure (i + ii + iii)	**1,307.66**	**1,187.38**

32. EARNINGS PER SHARE

	Particulars	March 31, 2022	March 31, 2021
(a)	**Basic earnings per share (INR)**	**4.64**	**6.47**
(b)	**Diluted earnings per share (INR)**	**4.64**	**6.47**
(c)	**Reconciliations of earnings used in calculating earnings per share**		
	Basic earnings per share		
	Profit attributable to the equity holders of the group used in calculating basic earnings per share	1,946.21	2,715.49
	Diluted earnings per share		
	Profit attributable to the equity holders of the group used in calculating basic earnings per share	1,946.21	2,715.49
	Profit attributable to the equity holders of the group used in calculating diluted earnings per share	**1,946.21**	**2,715.49**
(d)	**Weighted average number of shares used as the denominator**		
	Weighted average number of equity shares used as the denominator in calculating basic earnings per share	4,19,43,023	4,19,43,023
	Weighted average number of equity shares used as the denominator in calculating Diluted earnings per share	**4,19,43,023**	**4,19,43,023**

There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

33. EMPLOYEE BENEFIT OBLIGATIONS

(₹ in Lakhs)

Particulars	March 31, 2022			March 31, 2021		
	Current	Non Current	Total	Current	Non Current	Total
Leave Encashment	321.07	132.89	453.96	292.99	169.38	462.37
Gratuity	111.21	-	111.21	79.67	-	79.67
Total Employee Benefit Obligation	**432.28**	**132.89**	**565.17**	**372.66**	**169.38**	**542.04**

(i) Leave Enacashment

The leave obligations cover the group's liability for sick and earned leave.

The amount of the provision of INR 321.07 Lakhs (March 31, 2021: INR 292.99 Lakhs) is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations.

(ii) Post Employement obligations

a) Defined benefit plans - Gratuity

The group provides for gratuity for employees in india as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is a funded plan and the group makes contributions to recognised funds in India. The group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows :

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2020	**1,760.02**	**1,700.22**	**59.80**
Current service cost	134.00	-	134.00
Past Service Cost -(vested benefits)	-	-	-
Interest expense/(income)	127.66	140.61	(12.95)
Adjustment to Opening Fair Value of Plan Asset	-	204.48	(204.48)
Total amount recognised in profit or loss	**261.66**	**345.09**	**(83.43)**
Remeasurements			
Return of plan assets, excluding amount included in interest (income)	-	(41.51)	41.51
(Gain)/Loss from change in financial assumptions	65.88	-	65.88
Experience (gains)/losses	47.30	-	47.30
Total amount recognised in other comprehensive income	**113.18**	**(41.51)**	**154.68**
Employer contributions	-	51.39	(51.39)
Benefit payments	(160.64)	(160.64)	-
As at March 31, 2021	**1,974.21**	**1,894.54**	**79.67**
Current service cost	148.75	-	148.75
Past Service Cost -(vested benefits)			-
Interest expense/(income)	116.55	119.10	(2.55)
Adjustment to Opening Fair Value of Plan Asset			-
Total amount recognised in profit or loss	**265.31**	**119.10**	**146.20**
Remeasurements			
Return of plan assets, excluding amount included in interest (income)	-	13.51	(13.51)
(Gain)/Loss from change in financial assumptions	73.16	-	73.16
Experience (gains)/losses	65.69	-	65.69
Total amount recognised in other comprehensive income	**138.85**	**13.51**	**125.34**
Employer contributions	-	240.00	(240.00)
Benefit payments	(260.00)	(260.00)	-
As at March 31, 2022	**2,118.37**	**2,007.16**	**111.21**

The net liability disclosed above relates to funded and unfunded plans are as follows:

(₹ in Lakhs)

Particulars	**March 31, 2022**	**March 31, 2021**
Present value of funded obligations	2,118.37	1,974.07
Fair value of plan assets	2,007.16	1,894.41
Deficit of funded plan	**111.22**	**79.69**
Unfunded plans	-	-
Deficit of gratuity plan	**111.22**	**79.69**

The major categories of plan assets of the fair value of the total plan assets are as follows :

(₹ in Lakhs)

Particulars	**March 31, 2022**	**March 31, 2021**
Other Insurance contracts (LIC of India)	2,007.16	1,894.54

The significant actuarial assumptions were as follows:

Particulars	**March 31, 2022**	**March 31, 2021**
Mortality	IALM (2012-14) Ult.	IALM (2006-08) Ult.
Interest/ Discount Rate	7.10%	6.32%
Rate of Increase in Compensation	4.25%	3.00%
Expected average remaining service	14.07	14.49
Retirement age	60 Years	60 Years
Emplyoee Attrition Rate	Upto Age 45: 2% 46 and above: 1%	Upto Age 45: 2% 46 and above: 1%

A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is shown below:

(₹ in Lakhs)

Assumptions	Discount rate		Salary escalation rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
March 31, 2022				
Impact on defined benefit obligation	(148.13)	170.72	176.00	(171.92)
% Impact	-6.99%	8.06%	8.31%	-8.12%
March 31, 2021				
Impact on defined benefit obligation	(132.49)	152.54	152.71	(134.52)
% Impact	-6.71%	7.73%	7.74%	-6.81%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined beenfit obligation as a result of reasonable changes in key assumptions occuring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Expected Outgo First	258.94	277.45
Expected Outgo Second	138.87	175.63
Expected Outgo Third	193.64	125.01
Expected Outgo Fourth	235.45	180.73
Expected Outgo Fifth	210.45	216.95
Expected Outgo Six to Ten years	776.59	692.23
Total expected payments	**1,813.94**	**1,668.00**

The average duration of the defined benefit plan obligation at the end of the reporting period is 8.31 years (March 31, 2021: 7.98 years)

iii) Defined contribution plans

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any contructive obligation. The expense recognised during the period towards defined contribution plan is INR 410.77 Lakhs (March 31, 2021: INR 365.93 Lakhs)

34. COMMITMENTS AND CONTINGENCIES

A. Commitments

Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Property, plant and equipment	10,781.67	4,933.75

B. Contingent Liabilities

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Custom Duty , Excise duty,Service Tax, Electricity Duty and Income tax(Excluding Interest and Penalty)	2,647.30	791.00
Bank Guarantees	770.76	1,963.39
Letter of Credits	-	3,162.74
Corporate Guarantee to Karnataka Bank	650.00	763.12

i. Council of Scientific & Industrial Research (CSIR)

The Company had taken financial assistance from the Council of Scientific & Industrial Research (CSIR) of INR 485 Lakhs to develop technology for manufacture of Polymer grade Lactic Acid. Before start of the project, assurance was given about the successful bench scale development and scalability of the process/technology by CSIR.

The project was not successful, and National Chemical Laboratory (NCL) / CSIR could not demonstrate the technology to make polymer grade Lactic Acid and the same was accepted by NCL and also a third party engineering firm appointed by CSIR.

CSIR has demanded the financial assistance back. Subsequently , CSIR had filed an Application for appointing Arbitrator before the Delhi High Court for initiating Arbitration process and the Company's response was that the same is time barred however the court has passed the judgement appointing Arbitrators . Thereafter the company has filed Special Leave Petition (SLP) in the Supreme Court. Supreme Court admitting SLP stayed Order of the Delhi High Court on condition of deposit of INR 100 Lakhs and the company have deposited INR 100 Lakhs during the Financial year 2019-2020. On 26th November 2021 Special Leave Petition was dismissed and by subsequent Order dated 17th December 2021 Company may apply to Arbitrator for refund of deposit. Till then it will be invested in Fixed Deposit of nationalised banks.

The company has received communication from CSIR, inviting comments for referring to the Arbritration. The Company has replied that it will prefer to have the arbitration by a sole arbitrator to be appointed mutually or by the Delhi International Arbitration Centre. Now, CSIR has to communicate to the company , the name of the proposed arbitrator for company's consent.

ii. National Green Tribunal

Hon'ble National Green Tribunal (NGT) has permitted, Prof C. R. Babu, Professor Emeritus, Centre for Environment Management of Degraded Ecosystems (CEMDE), University of Delhi, for Bioremediation of contaminated soil and surface and subsurface water bodies at Sakarwadi. The Chairman of Central Pollution Control Board (CPCB) had reviewed the progress made in the project and has acknowledged the progress made till date.

The Company was directed by Hon'ble NGT to complete bioremediation of affected land and water before 31.12.2019. The Company filed an application for the extension of time. The NGT by its Order dated 27.09.2021 has granted extension till 31.12.2023 for completing bioremediation and further directed to CPCB to impose conditions for bioremediation within one month from the date of the order. Thereupon, CPCB vide its letter dated 15.11.2021 has imposed the certain conditions along with ₹ 50 lakh Bank Guarantee, which the company has complied with.

III. Sale of Extra Neutral Alcohol (ENA) to Bottling Plant

The Company has sold ENA 3370 Qty KL Value Rs 1900.20 Lacs in the Year 2021-22 (Qty 13110 KL Value Rs 7023 Lacs in the year 2020-21) and (Qty 9110 KL Value ₹ 5210.23 Lacs in the period Apr 2019- March 20) to various customers of IFL (Potable industry) without GST. As per law, ENA is chargeable under GST. The Customers have interpreted that GST is not applicable to IFL (potable industry) and customers have volunteered and have given undertaking for reimbursement of tax plus interest whenever department of taxes may raise notices for the same. The matter was referred to GST Council by Indian Sugar Mills Association in July 2017 and thereafter followed by reminders from time to time however in view of difference of opinion; GST Council has referred the matter to Advocate General of India for his opinion. GST Council is yet to communicate its decision on the matter. During the year Notice from "Asst Commissioner of Central Tax (GST) BIJAPUR" , towards GST not paid for ENA supply for the period 07/2007 to 03/2021 and "Show Cause "notice from "Joint Commissioner of Central Tax & CX., Belagavi", towards GST not paid for ENA supply for the period 07/2007 to 03/2021 were received, the Company has submitted his response against both notices and is awaiting for further communication from offices.

IV. Customs Revenue Audit (CRA)

The Chemical Unit at Sakarwadi is under Export Oriented Unit (EOU) Scheme wherein the second block of Five-year Term started from July 2016. From July 2017 post GST there was amendment in export policy & clause of 50:50 was removed and new clause of only positive NFE was introduced. As per Custom Audit Report (CRA AUDIT) a demand of INR 362 Lakhs for not maintaining 50:50 (Excess DTA sale) ratio of sales and for having Negative NFE was raised on the company. The company in its reply to the CRA Demand Notice has submitted that the basis for determining the ratio is not correct and provided a detailed working that should be considered for calculation of excess DTA sale. Development Commissioner office, SEEPZ SEZ have forwarded the company reply to Customs Revenue Audit (CRA) HO Mumbai custom & response is awaited.

V. Cross Subsidy Surcharges to HESCOM

For captive use of power, there was a demand notice from Assistant Executive Engineer [Electrical] Hubli Electric supply company (HESCOM) Subdivision Mahalingapur, for INR 590.95 Lakhs towards Cross Subsidy Surcharges for imported power from IEX (Indian Energy Exchange) for the period of 2013-2016.

On December 3, 2021, Karnataka Electricity Regulatory commission (KERC) through common Order announced that for cross subsidy charges are payable as per HT2A tariff, whereby the demand of the company Rs 590.95 Lakhs for the company will reduce.

The company is awaiting the revised demand notice from HESCOM. As the liability will reduce, the Company has made provision for Rs 250 Lakhs.

The company is also in the process of filing Writ Petition before the Honorable High Court of Dharwad to reduce the amount substantially or to waive off the cross-subsidy surcharges.

VI. Custom Duty for import of Denatured Ethyl Alcohol

The company has received show cause cum demand notice dated 24th June 2021 for payment of 480 Lakhs towards differential custom duty on import (Difference between 5% and 2.5%) of Denatured ethyl alcohol.

In July 2017, GST was introduced with concessional of 2.5% duty. Accordingly company has been paying 2.5% duty instead of 5 %.

In Feburary 2021 budget it is declared that alcohol to be imported @ 5% from date of budget with no clarification for the period GST i.e July 2017 till 2020 for concessional rate of duty. Company has started paying 5% duty from Feb 2021.\

The Customs has challenged that 2.5% duty was applicable for excisable goods and the applicable duty is 5 %. Hence the differential of 2.5% is applicable for the period July 2017 to Feburary 2021.

Industry has already appealed to Central Board of Indirect Taxes and Customs (CBIC), Ministry of Finance, Department of Revenue in November 2020. CBIC has forwarded this matter to Jt Secretary TRU (Tariff Unit). The Company has received letter dated 21st December 2021 from The Office of the Deputy/Assistant Commissioner of Customs Nashik demanding Bond,as security for 100 % of the Dispute amount (₹ 480 Lacs) and 10% of the dispute amount as Bank Gurantee for taking up the proceeding further. Accordingly, the company has submitted the Bond for 100 % for Dispute amount and Bank Gurantee of ₹48.00 Lacs.

Personal Hearing done on 27.01.2022 & order passed by Dy. Commissioner of Customs, Nashik vide Order No 04/DC/ Customs-Adj/2021-22 dated 28.02.2022 and confirmed the demand of ₹ 4.80 crore.

The Company has file appeal before Commissioner of Customs (Appeal), Nagpur against demand of ₹ 4.80 crores on 22.04.2022. The Company has paid ₹ 36,00,311/- as amount under dispute as required at the time of filing Appeal.

It is not practicable to estimate the timing of cash flows except Letter of Credits, in respect of matters stated above. Letter of Credits are due within three to six months

C. Financial Guarantees

Particulars	March 31, 2022	March 31, 2021
Guarantee/security given by the Company for loan taken by:		
Solar Magic Private Limited (Union Bank of India)	284.48	485.64

35. TRANSITION TO IND AS 116

The Company's lease asset primarily consist of leases buildings for office premises having the lease terms between 1 and 10 years. Effective 1st April, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method and has taken the adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

On transition, the adoption of the new standard resulted in recognition of Right of Use asset of INR 46.14 Lakhs, and a lease liability of INR 48.56 Lakhs. The cumulative effect of applying the standard, amounting to INR 2.42 Lakhs was debited to retained earnings.

The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

(b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

(c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

(d) Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	March 31, 2022	March 31, 2021
Opening balance	**43.73**	**45.03**
Add : Additions during the year	33.63	14.18
Less: Depreciation of Right of use assets	(20.72)	(15.48)
Closing balance	**56.65**	**43.73**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	March 31, 2022	March 31, 2021
Opening balance	**48.58**	**49.03**
Additions during the year	33.63	14.18
Add : Finance cost accrued during the year	7.23	5.13
Less : Payment of lease liabilities	(26.16)	(19.76)
Closing balance	**63.28**	**48.58**
Current Lease Liabilities	**15.84**	**13.85**
Non-current Lease Liabilities	**47.44**	**34.73**

The maturity analysis of lease liabilities are disclosed in Note 39

The effective interest rate for lease liabilities is 11.25%

Rental expense recorded for short-term leases was ₹ 180.50 Lakhs (Previous year : ₹ 162.04 Lakhs) for the year ended March 31, 2022.

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.

36. RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Nature of Relationship	Name of Related Party	Country of Incorporation
List of Related parties :		
Associates	The Book Centre Limited	India
Enterprises over which Key management personnel are able to exercise significant influence	Somaiya Properties and Investments Private Limited	India
	Somaiya Agencies Private Limited	India
	Jasmine Trading Co. Private Limited	India
	K. J. Somaiya & Sons Private Limited	India
	Lakshmiwadi Mines & Minerals Private Limited	India
	Somaiya Chemical Industries Private Limited	India
	Sakarwadi Trading Company Limited	India
	Arpit Limited	India
	Filmedia Communication System Private Limited	India
	Zenith Commercial Agency Private Limited	India
	Somaiya Vidyavihar	India
	K. J. Somaiya Medical Trust	India
	Girivanvasi Educational Trust	India
	K. J. Somaiya Institute of Applied Agricultural Research	India
Key Management Personnel	Samir S. Somaiya (Chairman and Managing Director)	
	Sangeeta A. Srivastava (Executive Director w.e.f 1 st August, 2020)	
	Vinay V.Joshi (Executive Director up to 30th September, 2020)	
	Bhalachandra R. Bakshi (Executive Director)	
	Mohan Somanathan (Director - Works upto 31st May 2021)	
	Dattatarya V Deshmukh (Director - Works from 1st April, 2021 to 22nd June 2021)	
	Preeti Singh Rawat (Non Executive Women Director)	

Nature of Relationship	Name of Related Party	Country of Incorporation
	Kailash Pershad (Independent Director)	
	Jayendra Shah (Independent Director) (Upto 4th February 2021)	
	Uday Garg (Nominee Director upto 27th August 2021)	
	Hemant Luthra (Independant Director w.e.f 27th Sept 2020)	
	Lakshmikantam Mannpalli (Independent Director)	
	Sanjay Puri (Independent Director w.e.f 1st August, 2020)	
	Suhas U Godage (Additional Executive Director (Works Sakarwadi) w.e.f 8th Sept 2021)	
	Nitin Mehta (Independent Director) (w.e.f 1 st July 2021)	
	Naresh S. Khetan (Chief Financial Officer)	
	Swarna S. Gunware (Company Secretary)	
	Prajesh Mistry (Director)	
	Coen Faber (Director)	
	Arthur Sturm (Director)	
	Paul Zorner (Director)	
	Randorn Walker (Director)	
	Atul Kumar Agrawal (Director)	
	Dharmil Nirupam Sheth (Director, w.e.f 20th June 2020)	
	Virupakshagouda Channabasappagouda Patil (Director, w.e.f 20th June 2020 to 8th Nov 2021)	
	Shrishall Mallappa Hukkeri (Director, w.e.f 18th January 2022)	
	Karan Harshad Mengar (Director, w.e.f 20th June 2020)	
	Padmaja Ganpathy (Director from 17th May 2021 to 28th Feb 2022)	
Relatives of Key Management Personnel	Harinakshi Somaiya	

(ii) Transactions with related parties

The following transactions occurred with related parties (₹ in Lakhs)

Name	Nature of Transaction	2021-22	2020-21
The Book Centre Limited	Purchases	0.28	13.66
K.J, Somaiya Institute of Applied Agricultural Research	Purchases	17.69	25.95
	Contribution paid	119.00	115.00
Arpit Limited	Purchases	0.02	-
	Rent paid	1.42	1.42
	Sales	0.57	-
Somaiya Agencies Private Limited	Purchases	0.88	1.37
Somaiya Properties & Investments Private Limited	Rent paid	18.70	26.49
	Purchases	1.37	7.00
	Partial payment for Purchase of Land	534.32	-
	Royalty paid	177.78	170.43
Filmedia Communications System Private Limited	Rent paid	147.26	147.26
	Service Charges paid	11.48	9.79
Somaiya Vidyavihar/ K. J. Somaiya Medical Trust	Mobile application Development / Training Expenses paid/Professional fees/ AMC Contract	1.38	0.42
	Sanitiser Sales	-	0.85
Somaiya Vidyavihar / K J Somaiya Medical Trust/Allied Trust	Donation paid	112.00	8.80
	Partial payment for Purchase of Land	97.00	-
Sakarwadi Trading Co.,Pvt.Ltd.	Partial payment for Purchase of Land	97.00	-

Name	Nature of Transaction	2021-22	2020-21
Samir S. Somaiya	Remuneration paid	305.89	263.09
	Purchases	5.24	8.73
Vinay V. Joshi	Remuneration paid	-	51.16
Sangeeta A Srivastava	Remuneration paid	74.16	56.92
Bhalchandra R. Bakshi	Remuneration paid	51.07	52.12
Mohan Somanathan	Remuneration paid	27.81	54.18
Suhas U Godge	Remuneration paid	20.48	-
Dattatarya V Deshmukh	Remuneration paid	33.05	-
Naresh S Khetan	Remuneration paid	94.24	77.24
Swarna S Gunware	Remuneration paid	15.56	10.35
Prajesh Mistry	Remuneration paid	150.63	118.38
Padmaja Ganpathy	Remuneration paid	40.56	-
Coen Faber	Management fees	8.54	10.23
Harinakshi Somaiya	Purchases	4.16	4.69
Jayendra Shah	Director's fees paid	-	4.20
Hemant Luthra	Director's fees paid	7.35	5.60
Kailash Pershad	Director's fees paid	4.90	5.60
Lakshmikantam Mannpalli	Director's fees paid	7.00	5.60
Dr. Preeti Rawat	Director's fees paid	2.45	2.10
Mandala Capital AG Limited	Director's fees paid	1.05	4.90
Sanjay Puri	Director's fees paid	4.20	2.10
Shri Dharmil Sheth	Director's fees paid	0.10	0.30
Nitin Mehta	Director's fees paid	1.75	-

(iii) Outstanding balances arising from sales/purchases of goods and services (₹ in Lakhs)

Name	March 31, 2022	March 31, 2021
Trade Payables		
Arpit Limited	0.02	-
K.J.Somaiya & Sons Private Limited	15.12	-
Somaiya Properties & Investments Pvt. Ltd. (advance against purchase)	(1.63)	-

(iv) Other payable balances with related parties (₹ in Lakhs)

Name	March 31, 2022	March 31, 2021
Samir S. Somaiya (Advance received)	(1.36)	(1.36)
Somaiya Chemicals Industries Pvt. Ltd.	97.00	-
Sakarwadi Trading Co.,Pvt.Ltd.	97.00	-
Somaiya Properties & Investments Private Limited	534.32	-

(v) Key management personnel compensation (₹ in Lakhs)

	2021-22	2020-21
Director's sitting fees	28.80	30.40
Short term employee benefits	813.46	683.45
	842.26	**713.85**

(vi) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. .The Company has given guarantee/security to the lenders of subsidiary company amounting to INR 284.48 Lakhs (March 31, 2021: INR 485.64 Lakhs). For the year ended March 31, 2022, the Company has not recorded any impairment of receivables relating to amount owed by related parties (March 31, 2021: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

37. SEGMENT REPORTING

A. For management purposes, the Group is organized into following four business units based on the risks and rates of returns of the products offered by these unit as per Ind AS 108 on 'Operating Segment' :

Sugar

Cogeneration (Green Power)

Bio based Chemicals

Distillery

No operating segments have been agrregated to form the above reportable operating segment.

The Managing Director (MD) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Year ended March 31, 2022 (₹ in Lakhs)

Particulars	Sugar	Cogeneration	Bio Based Chemicals	Distillery	Interunit Transfer	Unallocated	Total
Revenue							
External Revenue / Operating Revenue	51,767.46	3,631.75	64,707.36	49,061.45	-	1,064.83	1,70,232.85
Inter-segment	46,799.76	8,531.30	-	17.75	(55,348.81)		-
Total revenue	**98,567.23**	**12,163.05**	**64,707.36**	**49,079.20**	**(55,348.81)**	**1,064.83**	**1,70,232.85**
Other Non Operating Income							
Other Income	372.13	49.91	34.87	10.57	-	297.26	764.77
Total revenue	**98,939.36**	**12,212.96**	**64,742.23**	**49,089.78**	**(55,348.81)**	**1,362.09**	**1,70,997.62**
Segment Result							
Operating Profit Before Interest	1,593.75	504.04	2,332.42	5,404.46	-	(535.21)	9,299.46
Interest	-	-	-	-	-	6,043.89	6,043.89
Tax Expenses	-	-	-	-	-	1,309.36	1,309.36
Net Profit / (Loss)							1,946.22
Segment Asset	38,644.91	2,762.53	33,767.65	25,806.32	-	622.86	1,01,604.27
Capital assets including CWIP	26,694.86	7,753.64	19,177.81	17,981.47	-	123.00	71,730.77
Total Segment assets	**65,339.77**	**10,516.17**	**52,945.46**	**43,787.79**	**-**	**745.86**	**1,73,335.04**
Total Segment liabilities	86,042.08	950.22	31,374.85	6,507.52	-	1,123.46	1,25,998.13
Other disclosures							
Capital expenditure	112.97	158.02	509.43	24.83	-	64.01	869.27
Segment Depreciation	1,687.89	886.93	685.62	1,433.56	-	108.50	4,802.51

Year ended March 31, 2021 (₹ in Lakhs)

Particulars	Sugar	Cogeneration	Chemicals	Distillery	Interunit Transfer	Unallocated	Total
Revenue							
External Revenue / Operating Revenue	49,123.91	4,051.76	53,767.88	45,616.20	-	1,257.54	1,53,817.29
Inter-segment	29,664.91	7,955.01	-	127.87	(37,747.79)	-	-
Total revenue	**78,788.82**	**12,006.77**	**53,767.88**	**45,744.07**	**(37,747.79)**	**1,257.54**	**1,53,817.29**
Other Non Operating Income							
Other Income	303.40	-	96.64	68.18	-	352.90	821.12
Total revenue	**79,092.22**	**12,006.77**	**53,864.52**	**45,812.25**	**(37,747.79)**	**1,610.44**	**1,54,638.41**
Segment Result							
Operating Profit Before Interest	407.79	1,252.30	3,885.30	6,839.72	-	(515.15)	11,869.96
Interest	-	-	-	-	-	7,237.58	7,237.58
Tax Expenses	-	-	-	-	-	1,916.87	1,916.87
Net Profit / (Loss)							2,715.51
Segment Asset	36,712.52	3,359.70	19,052.53	12,426.01	-	972.02	72,522.78
Capital assets including CWIP	27,407.18	8,466.63	17,294.60	18,306.24	-	172.74	71,647.39
Total Segment assets	**64,119.70**	**11,826.33**	**36,347.13**	**30,732.25**	**-**	**1,144.76**	**1,44,170.17**
Total Segment liabilities	72,032.91	346.14	18,865.95	7,453.90	-	79.12	98,778.02
Other disclosures							
Capital expenditure	177.08	0.71	387.32	1,437.43	-	31.93	2,034.47
Segment Depreciation	1,666.59	889.10	677.28	1,362.45	-	117.57	4,712.99

Adjustments and eliminations

Inter-segment revenues are eliminated upon consolidated and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of detailed reconciliaitons presented further below.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property,plant and equipment and intangible assets.

B. Information about geographical areas

The Company is domiciled in India. The Company's revenue from operations from external customers primarily relate to operations in India and all the non current assets of the Company are located in India.

Revenue from external customers

The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
India	1,26,514.30	1,25,181.13
Outside India	43,718.55	28,636.16
	1,70,232.85	**1,53,817.29**

Revenue from Major Customers

Revenue from customers exceeding 10% of total revenue for the year ended March 31, 2022 and March 31, 2021 were as follows:

(₹ in Lakhs)

Segment	March 31, 2022		March 31, 2021	
	Number of Customers	Revenue	Number of Customers	Revenue
Sugar	-	-	1	8,350.68
Cogen	5	156.59	5	4,047.37
Chemicals	-	-	1	8,249.75
Distillery	3	42,495.79	1	7,023.00
		42,652.38		**27,670.80**

38. FAIR VALUE MEASUREMENTS

i. Financial Instruments by Category

(₹ in Lakhs)

Particulars	Carrying Amount		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
FINANCIAL ASSETS				
Amortised cost				
Trade Receivables	18,078.15	17,086.24	18,078.15	17,086.24
Cash and Cash Equivalents	1,002.47	688.77	1,002.47	688.77
Other Bank Balances	3,671.58	3,325.40	3,671.58	3,325.40
Security Deposits	423.63	365.30	423.63	365.30
Other Financial Assets	1,136.24	4,199.49	1,136.24	4,199.49
FVTPL				
Investments in Preference Shares	0.01	0.01	0.01	0.01
Derivative financial assets	18.57	37.35	18.57	37.35
Total	**24,330.65**	**25,702.56**	**24,330.65**	**25,702.56**
FINANCIAL LIABILITIES				
Amortised cost				
Borrowings (incluidng Loans under Governement Grants)	63,672.12	57,196.88	63,672.12	57,196.88
Lease Liabilities	63.28	48.58	63.28	48.58
Trade Payables	57,425.28	38,125.41	57,425.28	38,125.41
Other financial liabilities	2,647.17	2,102.45	2,647.17	2,102.45
Total	**1,23,807.85**	**97,473.32**	**1,23,807.85**	**97,473.32**

The management assessed that the fair value of cash and cash equivalent, trade receivables, security deposits, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair values for loans and non current security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the Fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

ii. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determing fair value, the group has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Assets and liabilities measured at fair value - recurring fair value measurement: (₹ in Lakhs)

Particulars	March 31, 2022 Fair value measurement using			Total	March 31, 2021 Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Financial Assets								
Financial Investments at FVTPL								
Investments in Preference Shares	-	-	0.01	0.01	-	-	0.01	0.01
Derivatives - Foreign Exchange forward contract	-	77.19	-	77.19	-	37.35	-	37.35
Total Financial Assets	**-**	**77.19**	**0.01**	**77.20**	**-**	**37.35**	**0.01**	**37.36**
Financial Liabilities	-	-	-	-	-	-	-	-
Total Financial Liabilities	-	-	-	-	-	-	-	-

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares, contingent consideration and indemnification assets included in level 3.

iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

The fair value of unquoted equity instruments is not significantly different from their carrying value and hence the management has considered their carrying amount as fair value.

39. FINANCIAL RISK MANAGEMENT

The group's activity expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the group, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

(A) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

i. Credit risk management

To manage the credit risk, Group periodically assesses the financial reliability of customers; taking into account factors such as credit track record in the market and past dealings with the group for extension of credit to Customer. Group monitors the payment track record of the customers, restrict credit limited in SAP, credit rating etc. Concentrations of credit risk are limited as a result of the group's large and diverse customer base. Group has also taken advances and security deposits from its customers / agents, which mitigate the credit risk to an extent. Generally, term deposits are maintained with banks with which group has also availed borrowings.

ii. Provision for expected credit losses - Trade Receivables

The group follows 'simplified approach' for recognition of loss allowance on Trade receivables.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates.

Exposure - Trade Receivables (₹ in Lakhs)

Particulars	Past Due		Total
	Up to 6 Months	More than 6 Months	
As at March 31, 2022	15,924.16	2,153.99	18,078.15
As at March 31, 2021	15,767.32	1,318.92	17,086.24

iii. Reconciliation of loss allowance provision - Trade receivables

(₹ in Lakhs)

Particulars	
Loss allowance on March 31, 2020	**199.65**
Changes in loss allowance	114.73
Loss allowance on March 31, 2021	**314.38**
Changes in loss allowance	447.33
Loss allowance on March 31, 2022	**761.71**

iv. Provision for expected credit losses - Other financial assets

The carrying amount of cash and cash equivalents, loans, deposits with banks and financial institutions and other financial assets represents the maximum credit exposure. The maximum exposure to credit risk is INR 6,252.48 Lakhs (March 31, 2021: INR 8.616.30 Lakhs). The group does not expect credit loss on other financial assets.

(B) Liquidity risk

Liquidity risk is the risk that a group may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Contractual maturities of financial liabilities (₹ in Lakhs)

Particulars	Carrying Amount	Less than 1 year	1 to 5 years	More than 5 years
March 31, 2022				
Borrowings (incluidng Loans under Governement Grants)	63,672.12	30,793.88	16,208.70	16,669.54
Lease liabilities	63.28	15.84	47.44	
Trade payables	57,425.28	57,425.24		
Other financial liabilities	2,647.17	2,640.00	7.18	
Total non derivative liabilities	**1,23,807.85**	**90,874.95**	**16,263.32**	**16,669.54**
March 31, 2021				
Borrowings (incluidng Loans under Governement Grants)	57,196.88	23,624.23	23,061.04	10,511.60
Lease liabilities	48.58	13.85	34.73	
Trade payables	38,125.41	38,125.41	-	
Other financial liabilities	2,102.45	2,095.27	7.18	
Total non derivative liabilities	**97,473.32**	**63,858.77**	**23,102.95**	**10,511.60**

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as commodity price risk.

(i) Foreign currency risk

Foreign currency risk arises commercial transactions that recognised assets and liabilities denominated in a currency that is not Group's functional currency (INR). The Group has natural hedge of exports against import and any excess in import if any, is cover by forward contract.

(a) Foreign currency risk exposure (₹ in Lakhs)

Particulars	USD	EURO	GBP	Total
March 31, 2022				
Trade Receivables	8,513.97	327.25	-	8,841.22
Trade Payables	(15,973.37)	(76.03)	0.50	(16,048.90)
Forward contracts for receivables	(4,486.46)	(142.52)	-	(4,628.98)
Forward contracts for payables	6,151.46	-	-	6,151.46
Net exposure to foreign currency risk	**(5,794.40)**	**108.69**	**0.50**	**(5,685.20)**
March 31, 2021				
Trade Receivables	2,718.81	451.84	-	3,170.65
Trade Payables	(7,301.93)	(52.52)	-	(7,354.45)
Forward contracts for receivables	-	(121.36)	-	(121.36)
Forward contracts for payables	4,250.61	-		4,250.61
Net exposure to foreign currency risk	**(332.51)**	**277.96**	**-**	**(54.55)**

(b) Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

(₹ in Lakhs)

Particulars	2021-22		2020-21	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(57.94)	57.94	(3.33)	3.33
EURO	1.09	(1.09)	2.78	(2.78)
GBP	0.01	(0.01)	-	-
Net Increase/(decrease) in profit or loss	**(56.86)**	**56.86**	**(0.55)**	**0.55**

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates.

(iii) Inventory price risk

The group is exposed to the movement in price of principal finished product i.e sugar. Prices of the sugar cane is fixed by government. Generally, sugar production is carried out during sugar cane harvesting period from November to April. Sugar is sold throughout the year which exposes the sugar inventory to the movement in the price. Group monitors the sugar prices on daily basis and formulates the sales strategy to achieve maximum realisation. The sensitivity analysis of the change in sugar price on the inventory as at year end, other factors remaining constant is given in table below:

(₹ in Lakhs)

Rate sensitivity	Increase / Decrease In sale price (per Qtls)	Effect on Profit before tax	
For year ended March 31, 2022	1	+ / (-)	7.77
For year ended March 31, 2021	1	+ / (-)	6.30

40. RATIO ANALYSIS AND ITS COMPONENTS

Ratio

Sr No.	Particulars	March 31, 2022	March 31, 2021	% change from March 31, 2021 to March 31, 2022
1	Current ratio	1.07	1.07	1%
2	Debt- Equity Ratio	2.73	2.68	2%
3	Debt Service Coverage Ratio	0.94	1.66	27%
4	Return on Equity Ratio	0.09	0.14	-36%
5	Inventory Turnover Ratio	2.83	3.33	-15%
6	Trade Receivable Turnover Ratio	9.68	10.33	-6%
7	Trade Payable Turnover Ratio	2.57	2.95	-13%
8	Net Capital Turnover Ratio	24.70	35.43	-30%
9	Net Profit Ratio	0.01	0.02	-35%
10	Return on Capital Employed	0.11	0.15	-29%
11	Return on Investment	0.04	0.04	1%

Reasons for variance of more than 25% in above ratios

Components of Ratio

Sr No.	Ratios	Numerator	Denominator	March 31, 2022		March 31, 2021	
				Numerator	Denominator	Numerator	Denominator
1	Current ratio	Current Assets	Current Liabilities	98,980	92,090	69,318	64,977
2	Debt- Equity Ratio	Total Debts (Including Government Grants)	Total Equity (Equity Share capital + Other equity-Revaluation Reserve-Capital Redepmtion Reserve)	63,672	23,293	57,197	21,349
3	Debt Service Coverage Ratio	“Net Profit after taxes + Non-cash operating expenses (i.e. depreciation and other amortizations + Interest)”	Finance cost+Lease repayment + principle repayment of long term borrowings during the period/year	12,793	13,564	14,666	8,813
4	Return on Equity Ratio	Net profit after tax - Exceptional items	Average Total Equity [Opening(Equity Share capital + Other equity-Revaluation Reserve-Capital Redepmtion Reserve)+Closing (Equity Share Capital+Other Equity-Revaluation Reserve-Capital Redepmtion Reserve))/2]	1,946	22,321	2,715	20,009
5	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory (opening balance+ closing balance/2)	1,52,220	53,796	1,34,276	40,325
6	Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivable (Opening balance + closing balance /2)	1,70,233	17,582	1,53,817	14,890
7	Trade Payable Turnover Ratio	Purchase of stock in trade and material consumed	Average trade payable (Opening balance + closing balance /2)	1,23,002	47,775	1,09,493	37,091
8	Net Capital Turnover Ratio	Revenue from operations	Working capital (Current asset - current liabilities)	1,70,233	6,891	1,53,817	4,342
9	Net Profit Ratio	Net profit after tax - Exceptional items	Revenue from operations	1,946	1,70,233	2,715	1,53,817
10	Return on Capital Employed	Profit Before interest, Tax & Exceptional item	Equity Share capital + Other equity-Revaluation Reserve-Capital Redepmtion Reserve + Total Debts (Including Government Grants)	9,299	86,966	11,870	78,546
11	Return on Investment	Interest Income on fixed deposits	Non current Investments + Fixed deposits with bank	204	4,546	191	4,282

Reasons for variance of more than 25% in above ratios

Sr No.	Particulars	31st March 2022	31st March 2021
1	Current ratio	-	increase on acount of reduction in working capital due to cane diverted for ethanol
2	Debt- Equity Ratio	-	-
3	Debt Service Coverage Ratio	The ratios deteriorated due to increased term loan repayment during the year and reduction in profit	-
4	Return on Equity Ratio	The ratios deteriorated due to lower profit primarily affected due to volatility in chemical input material	Increase on account of higher profitability
5	Inventory Turnover Ratio	The ratios improved due to reduction of working capital due to cane diverted for ethanol	-
6	Trade Receivable Turnover Ratio	-	-
7	Trade Payable Turnover Ratio	-	increase on account of purchases
8	Net Capital Turnover Ratio	Increase in Revenue from operation and Increase in Borrowings	Net increase in current assets and decrease in borrowings
9	Net Profit Ratio	The ratios deteriorated due to lower profit primarily affected due to volatility in chemical input material	Increase on account of higher profitability
10	Return on Capital Employed	The ratios deteriorated due to high leverage and lower profitability	Increase on account of higher profitability
11	Return on Investment	-	decrease on account of reduction of interest rate on investments

41. DISCLOSURE ON BANK/FINANCIAL INSTITUTION COMPLIANCES

Summary of reconciliation of monthly statements of current assets filed by the Company with Banks are as below :-

(₹ in Lakhs)

Particulars	As per books of accounts	As per statement of current assets	Excess /(Shortages)- bank statement
	Current Assets	Current Assets	
As at March 31,2022	31,826.91	31,826.91	-
As at December 31, 2021	43,386.39	42,998.39	388.00
As at September 30, 2021	25,264.37	25,264.37	-
As at June 30, 2021	30,903.73	30,897.73	6.00
As at March 31, 2021	31,477.51	31,477.51	-

The quarterly returns /statements are in agreement with books of accounts for chemicals and distillery units. However there is no practice of submitting quarterly returns statements for sugar unit and subsidiary

42. CAPITAL MANAGEMENT

For the purpsoe of the group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The group includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents and other bank balances.

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Borrowings (incluidng Loans under Governement Grants)	63,672.12	57,196.88
Less: Cash and cash equivalents	(1,002.47)	(688.77)
Less: Other bank balance	(3,671.58)	(3,325.40)
Net Debt	**58,998.07**	**53,182.71**
Equity share capital	4,194.30	4,194.30
Other Equity	43,142.61	41,197.85
Less: Revaluation Reserve	(23,470.00)	(23,470.00)
Less: Capital Redepmtion Reserve	(573.50)	(573.50)
Total Equity	**23,293.41**	**21,348.65**
Total Equity and Net Debt	**82,291.49**	**74,531.36**
Gearing ratio	**0.72**	**0.71**

In order to achieve the objective of maximize shareholders value, the Group’s capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements.

43. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Principal amount due to suppliers under MSMED Act, 2006*	1,079.85	486.62
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act, (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payment already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-

44. EXPORT AND TRANSPORT SUBSIDY CLAIMS

Central Government vide notification No. 1(6)/2020-S.P.-I. dated 19th December 2020, notified an assistance of ₹ 6,000/MT for sugar season 2020-2021 (i.e. December 2020 to September 2021) for export of sugar limited to Maximum Admissible Export Quantity (MAEQ)to Sugar Mills with a view to offset the costs incurred and facilitate timely payment of cane price, subject to fulfillment of following major conditions::

1. Company should have supplied at least 50% of 31,847 MT MAEQ for the first claim

2. Company has to complete export of allotted sugar quota of 31,847 MT up to 30th September 2021(Sugar season 2020-21).

Particulars :	December-20 to September-21	December-20 to March-21
Required Quota	31,847 MT	31,847 MT
Completed Qty.	31,847 MT	15,566 MT
% Completion against the required quota	100%	48.88%

The Company has achieved required quota 31,847 MT sugar Export quota as on 30th September,2021.

Company has accounted and claimed ₹ 976.86 Lakhs during F.Y 2021-2022 against the exports made during the period April 2021-September 2021(₹ 933.96 Lakhs in F.Y 2020-2021) as transportation cost subsidy. Company has received under MQEQ scheme, the company has claimed ₹1910.82 Lakhs export subsidy (Qty 31847@ ₹6000/MT)

45. Export Oriented Unit (EOU):

The Chemical Unit at Sakarwadi is under EOU and the second Five year Term has ended on 30th June, 2021. The Company has taken an extension up to January 2022 to complete the debonding formalities from Customs & SEEPZ. The Company has applied for exit from EOU and all the imported goods are duty paid as per custom and IGST from August 2021. The Superintendent of Customs, Ahmednagar has done physical inspection of stock for debonding on 05th Oct 2021. The company paid Customs duty and IGST on closing stock of Raw material & finished goods of Rs 36.26 Lacs & IGST 117.24 Lacs.(IGST Credit Rebate availed) Customs department had issued No Dues certificate on 02.02.2022

The company submitted EOU Exit application along with No Dues Certificate on 05.02.2022 to the Development Commissioner SEEPZ Mumbai

The Company's Net Foreign Exchange (NFE) was positive as on 30th June 2020, however, due to the COVID-19 pandemic. NFE till 31st March 2022 is negtive by Rs 670.80 Lacs (31st March, 2021 is negative by ₹1,328.94 Lacs)

Due to negative NFE and for liability, if any, for exit from EOU, and after considering the payment for debonding of stock, the company has made Net provision up to March, 2022 of Rs . 210.97 Lakhs (Rs 227.76 Lakhs up to March 2021) .

The company has filed the application for Exit from EOU on 24.05.2021 and company has stopped imported duty free material and is paying the custom duty and GST as applicable at the time of import of material itself from June 2021.

46. Land at Sameerwadi

The part of the land at sameerwadi which is 7 acres 24 guntas is inamdar land presently it is in the name of Godavari Sugar mills limited (GSML),Godavari Biorefineries ltd demerged from GSML , The company has made application to regularise the land.

On 4th March 2022 Tahasildar, Rabkavi- Banahatti Dist Bagalkot has passed Order to enter the name of the GSML in the column no 9 of RTC bearing No 251/1 and 25/2 total measuring 7 acres 24 guntas of Saidapur village, taluka Rabkavi Banahatti Dist Bagalkot as per the diary No 2358 dated 15th Oct 1994. The premium payable, if any, is unascertainable for converting the land to the company name."

47. Power Purchase Agreement

The company has entered into a Power Purchase Agreement ("PPA") with certain electricity supply companies (ESCOMS) in the state of Karnataka on January 2, 2017, with a validity of five years up to January 1, 2022 for purchase of power from the company bagasse based co-generation plant, at a tariff determined by Karnataka Electricity Regulatory Commission ("KERC"). Accordingly, up to January 1, 2022, the company has supplied power to all the ESCOMS and from January 2, 2022, the company is selling power under open access and or bilateral agreement.

The Company had filed a writ petition (WP: 4158/2019) to which Karnataka Electricity Regulatory Commission ("KERC") and the Electricity Supply Companies (ESCOMS) were party to the petition. The petition was against a clarification issued by KERC regarding the tariff payable to the Company which was not as per the PPA agreement. Based on the clarification the ESCOMS denied the payment of tariff was computed and billed by the Company. On April 23, 2021, the Hon'ble Bangalore High Court passed an order wherein it quashed the clarification issued by KERC for lower tariff.

KERC Suo moto-initiated proceedings with the ESCOMS based on order of April 23, 2021 to which the Company was not a party. The Company filed a writ petition (WP: 164727) with the Hon'ble Bangalore High Court on September 2, 2021, to put a stay on the proceedings initiated by KERC as it was not in accordance with order dated April 23, 2021. Taking note of petition filed by the Company, KERC closed the proceedings. Thereafter, one of ESCOM had preferred an appeal against the order dated April 23, 2021 which was dismissed by the Division Bench of the High Court on February 24, 2022.

The Company is in process to approach the ESCOMS/KERC/ High Court for execution of the Order dated April 23,2021 for differentials payments billed by the company."

48. Provision for tax

The Company has decided to shift to the New Tax Regime from F.Y. 2021-22 (A.Y. 2022-23), where the rate of taxation is 25.17% as compared to tax rate of 34.94% in the Old Tax regime.

In compliance with provisions of section 115BAA of the Income Tax Act, 1961, the company has foregone ₹ 754 Lakhs as additional depreciation and ₹ 1211 Lakhs of MAT credit as available as on 1st April 2021.

49. Corporate Social Responsibility (CSR)

Sr No.	Details for CSR expenditure	2021-2022	2020-2021
a)	Amount required to be spent by the company during the year,	32.14	Nil
b)	Amount of expenditure incurred,	112.00	25.83
c)	Shortfall at the end of the year,	Nil	Nil
d)	Total of previous years shortfall,	Nil	Nil
e)	Reason for shortfall,	NA	NA
f)	Nature of CSR activities,	Education and Healthcare	Education and Healthcare
g)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	112.00	-
h)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Nil	Nil

50. Other statutory information

(i). The Group do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii). The Group have not traded or invested in Crypto currency or Virtual Currency during reporting periods.

(iii). The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(iv). The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,”

(v). The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

(vi). The Group does not have any borrowings from banks and financial institutions that are used for any other purpose other than the specific purpose for which it was taken at the reporting balance sheet date.

(vii). The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(viii). The Group is not declared as a wilful defaulter by any bank or financial institution or other lender during the any reporting period.

(ix). The Group shall disclose as to whether the fair value of investment property (as measured for disclosure purposes in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. Since, the Group does not have any investment property during any reporting period, the said disclosure is not applicable.

(x). Section 8 of the Companies Act, 2013 companies are required to disclose grants or donations received during the year. Since, the Group is not covered under Section 8 of the Companies Act, 2013, the said disclosure is not applicable.

(xi). There are no scheme of arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the reporting periods.

(xii). During the reporting periods, the Group does not have any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment granted to promoters, directors, KMPs and related parties as per the definition of Companies Act, 2013.

(xiii). The Group has not identified any transactions or balances in any reporting periods with companies whose name is struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

51. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current period classification

---

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. **1 to 51**

As per our report of even date attached

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number : 112118W

Vimlesh Mehta
Partner
Membership No. 043599

Place : Mumbai
Date : 18th May 2022

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Sangeeta A. Srivastava
Executive Director
(DIN : 00480462)

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 18th May 2022

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013,read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies.

Particulars	Solar Magic Pvt Ltd (WOS)		Cayuga Investments B.V (WOS)		Godavari Biorefineries B.V. **		Godavari Biorefineries Inc **	
Reporting period	**31-03-2022**	**31-03-2021**	**31-03-2022**	**31-03-2021**	**31-03-2022**	**31-03-2021**	**31-03-2022**	**31-03-2021**
Reporting Currency	INR	INR	EURO	EURO	EURO	EURO	USD	USD
Share Capital	3,45,00,000	3,45,00,000	10,01,92,250	10,01,92,250	9,02,05,616	9,02,05,616	1,02,67,665	1,02,67,665
Reserves & Surplus	(3,32,67,568)	(2,15,01,994)	84,51,263	80,18,173	1,06,48,769	(3,78,70,206)	2,07,56,211	1,37,17,210
Total Assets	5,73,83,090	10,44,25,968	11,07,76,515	10,95,10,360	11,63,71,440	6,29,59,253	76,85,445	2,42,90,030
Total Liabilities	5,73,83,090	10,44,25,968	11,07,76,515	10,95,10,360	11,63,71,440	6,29,59,253	76,85,445	2,42,90,030
Total Income (incl. Other income)	8,88,60,848	12,00,80,468	14,44,680	2,093	50,81,36,040	18,89,54,832	1,85,17,853	1,88,91,635
Profit/(Loss) BeforeTax	(1,25,01,931)	5,68,524	5,79,088	(8,25,646)	4,98,13,546	1,78,03,643	76,85,445	1,11,48,262
Provision for Tax	-	-	-	-	-	-	30,05,423	33,40,664
Profit (Loss) after Tax	(1,25,01,931)	5,68,524	5,79,088	(8,25,646)	4,98,13,546	1,78,03,643	46,80,022	78,07,597
Proposed Dividend (incl.DividendTax)		-		-		-		-
Percentage of shareholding	100%	100%	100%	100%	100%	100%	100%	100%

WOS - Wholly Owned Subsidiary

** Step Down Subsidiary being Subsidiary of Cayuga Investment B.V.

Co-generation Plant

Godavari Biorefineries Ltd

Registered Office:
Somaiya Bhavan,
45/47, Mahatma Gandhi Road, Fort,
Mumbai- 400 001. INDIA
Tel: +91-22-61702100
Fax: +91-22- 22047297
Website: www.somaiya.com

Designed by Harinakshi - Printed by Uchitha Graphic Printers Pvt. Ltd. / 2022