



29th Annual Report 2020-21

RANA SUGARS LIMITED

CIN : L15322CH1991PLCO11537



Contents

Annual General Meeting Notice	04
Report of the Board of Directors	22
Corporate Social Responsibility Report	42
Management Discussion and Analysis Report	49
Corporate Governance Report	65
Auditors' Report on Standalone Financial Statements	89
Standalone Financial Statements	96



Corporate information

BOARD OF DIRECTORS

Rana Ranjit Singh
Rana Inder Pratap Singh
Rana Veer Pratap Singh
Mr. Shivavtar Singh Bajwa
Mr. Baljit Singh (Resigned w.e.f. June 22, 2021)
Ms. Navpreet Kaur
Mr. Tara Chand Meenia (Appointed w.e.f. August 25, 2021)

DESIGNATION

Chairman & Non- Executive Director
Managing Director
Non- Executive Director
Non -Executive Independent Director
Non -Executive Independent Director
Non -Executive Independent Director
Non -Executive Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Manmohan K. Raina
Mr. Gaurav Garg

DESIGNATION

Company Secretary & Compliance Officer
Chief Financial Officer

STATUTORY AUDITORS

M/s Ashwani K. Gupta & Associates
Chartered Accountants, 1044-A, Sector-2, Panchkula.

SECRETARIAL AUDITORS

M/s A. Arora & Co.,
Company Secretary, SCO 64-65, Sector- 17 A, Madhya Marg, Chandigarh.

REGISTRAR AND TRANSFER AGENT

Alankit Assignments Limited
205-208, Anarkali Market, Jhandewala Complex, New Delhi-110055
Tel. No.: 011-42541234, 23541234 Fax No.: 011-23552001
Email: info@alankit.com, rta@alankit.com
Website: www.alankit.com

REGISTERED OFFICE

SCO 49 - 50, Madhya Marg, Sector 8-C, Chandigarh-160009
Tel. No.: 0172-2540007/ 2549217/ 2541904/ 2779565/ 2773422
Website: www.ranasugars.com Fax: 0172-2546809
E mail ID: info@ranasugars.com

WORKS LOCATION

Works location 1: Village Buttar Seviyan, Teh. Baba Bakala, Distt. Amritsar, Punjab.
Works location 2: Village Belwara, Teh. & Distt. Moradabad, Uttar Pradesh.
Works location 3: Village Karimganj, Teh. Shahabad, Distt. Rampur, Uttar Pradesh.
Works location 4: Village Lauhka, Teh. Patti, Distt. Tarn Taran, Punjab.

BANKERS/ PUBLIC FINANCIAL INSTITUTION

Indian Renewable Energy Development Agency Limited (IREDA)
India Habitat Centre, East Court, Core-4A, 1stFloor, Lodhi Road, New Delhi - 110003

UCO Bank

SCO: 55-56-57, Sector 17 B, Chandigarh - 160017

Zila Sahkari Bank Limited Ghaziabad

R. D. C., A- 20, Raj Nagar, Post Box No. 110, Ghaziabad, Uttar Pradesh - 201002



Performance (5 years)

CAPACITY IN OPERATIONS

Units	Sugar capacity (Tonnes of Cane Crushed per day)	Distillery (Kilolitres per day)	Installed cogeneration capacity (MW)
Buttar, Amritsar	7500	-	46
Lauhka, Tarn Taran	-	225	Captive
Belwara, Moradabad	6500	80	29
Sahahbad, Rampur	6500	-	27
Total	20500	305	102

FINANCIAL HIGHLIGHTS FOR FIVE FINANCIAL YEARS

(Rs. in Lakhs)

Particulars	Mar, 2021	Mar, 2020	Mar, 2019	Mar, 2018	Mar, 2017
Revenue from operations	1,22,207.36	1,31,331.30	1,09,165.65	98,767.04	1,14,670.11
Other Income	519.15	746.55	1,691.63	704.46	154.05
Total Income	1,22,726.51	1,32,077.85	1,10,857.28	99,471.50	1,14,824.16
Stock adjustments	-5,995.43	21,296.43	3,003.26	-11,706.64	18,888.18
Cost of material consumed	99,654.53	86,844.22	90,465.83	96,179.66	72,574.81
Excise duty*	-	-	-	1,113.15	5,588.23
Gross profit	29,067.41	23,937.20	17,388.19	13,885.33	17,772.94
Overheads and all other expenditure	15,908.16	14,792.79	11,647.12	9,566.16	9,723.77
PBDIT	13,159.25	9,144.41	5,741.07	4,319.17	8,049.17
Finance costs	1,841.03	2,241.17	9,407.80	9,893.83	9,013.83
PBDT	11,318.22	6,903.24	-3,666.73	-5,574.66	-964.66
Depreciation & amortisation expenses	2,701.14	3,376.49	3,258.95	3,139.43	2,841.85
Profit before tax and exceptional items	8,617.08	3,526.75	-6,925.68	-8,714.09	-3,806.51
Exceptional items	7,139.60	22,334.02	-	-	-
Pre-tax profit	15,756.68	25,860.77	-6,925.68	-8,714.09	-3,806.51
Tax	12.55	-710.14	567.24	-64.45	705.81
Profit for the year	15,744.13	26,570.91	-7,492.92	-8,649.64	-4,512.32

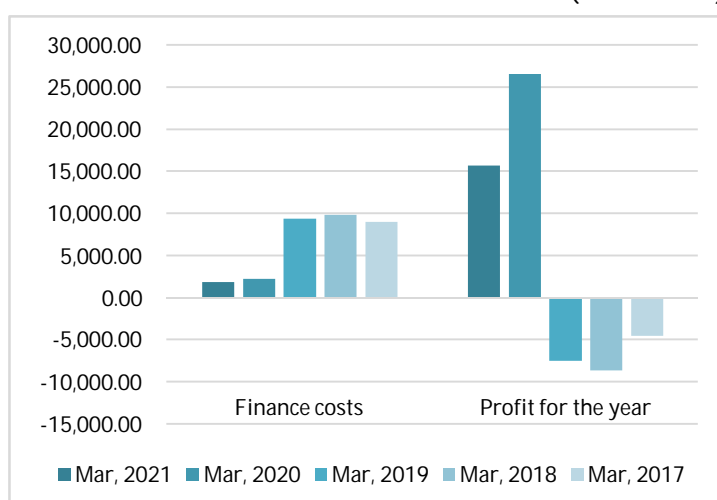
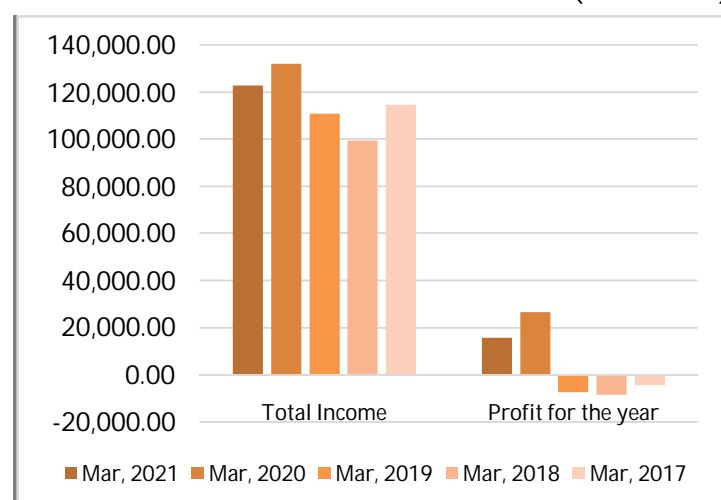
*Excise duty for March 2018 was on sales up to June 2017, following which GST became applicable

Total Income/ Profit

(Rs. in Lakhs)

Finance Cost/ Profit

(Rs. in Lakhs)





Notice

Notice is hereby given that the 29th (Twenty Ninth) Annual General Meeting (AGM) of the Members of Rana Sugars Limited will be held on Thursday, 30th September, 2021 at 03.00 p.m. (IST) through Video Conferencing (VC) or Other Audio Visual Means (OAVM), and the deemed venue for the AGM is Registered Office: SCO 49-50, Sector 8-C, Chandigarh - 160009 to transact the following business:

AS ORDINARY BUSINESS:

1. To consider, approve and adopt the standalone audited financial statements of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Rana Ranjit Singh (DIN 00076770), who is liable to retire by rotation and being eligible offers himself for reappointment as a Director.
3. To appoint a Director in place of Rana Veer Pratap Singh (DIN 00076808), who is liable to retire by rotation and being eligible offers himself for reappointment as a Director.

AS SPECIAL BUSINESS:

4. To consider and approve the Payment of remuneration to Cost Auditors.

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and any other applicable law, the remuneration of Rs. 50,000/- (Rupees Fifty thousand only) plus GST & out-of pocket expenses if any, payable to M/s Khushwinder Kumar & Co., Cost Accountants (Firm Registration No. 100123), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost accounting records of the Company for the financial year 2021- 22, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013, read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to such other requisite approvals, if any, in this regard from appropriate authorities and term(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as “Board” which term shall include any Committee), the consent of the members of the Company be and is hereby accorded to adopt new set of Articles of Association in place of existing Articles of Association of the Company, copy of which is placed before the meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to Section 13, 15 and other applicable provisions read with the rules and regulations made thereunder including any amendment, re-enactment or statutory modification thereof, and subject to such other requisite approvals, if any, in this regard from appropriate authorities and term(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as “Board” which term shall include any Committee), consent of the members be and is hereby accorded to adopt the new Memorandum of Association in place of the existing Memorandum of Association with no change in existing Clause III (A) containing the Main Objects sub-clause no. 1 to 6, copy of which is placed before the meeting.

RESOLVED FURTHER THAT the existing Clause III (B) containing “the Objects Incidental or Ancillary to the attainment of Main Objects” sub-clause no. 1 to 37 be and is hereby stands deleted and inserted by New Clause III (B) “Matters which are necessary for furtherance of the Objects specified in Clause III (A) containing the sub-clause no. 1 to 37.

RESOLVED FURTHER THAT the existing Clause III (C) containing the “Other Objects” sub clause no. 1 to 34 be and is hereby also stands deleted in full.



RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. To re-appoint Rana Inder Pratap Singh as a Managing Director of the Company.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to provisions of Section 178, 196, 203 of the Companies Act, 2013 and the other rules made thereunder and SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) consent of the shareholders be and is hereby accorded for re-appointment of Rana Inder Pratap Singh (DIN: 00075107) as Managing Director w.e.f. 31st January, 2021 for a further period of 5 years and on such terms and conditions as decided by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings, as may be required and to file necessary e-forms with ROC to give effect to the aforesaid resolution.”

8. To consider and approve the payment of remuneration to Rana Inder Pratap Singh (DIN: 00075107), Managing Director of the Company.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) and the Rules framed thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force) and the Articles of Association of the Company and subject to such other approvals as may be necessary and pursuant to due recommendation of the Nomination & Remuneration Committee and the Board of Directors, consent of the Members of the Company be and is hereby accorded for the payment of the remuneration to Rana Inder Pratap Singh (DIN: 00075107), Managing Director, for a period of 3 (Three) years commencing from 01.04.2021 to 31.03.2024, subject that his term shall be liable to be determined by his liability to retire by rotation in accordance with the provisions of Section 152 of the Act.

RESOLVED FURTHER THAT on being re- appointed as a director immediately on retirement by rotation, Rana Inder Pratap Singh shall continue to hold his office as Managing Director and the re- appointment of such director shall not be deemed to constitute a break in his appointment as a Managing Director.

RESOLVED FURTHER THAT the terms of remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part hereof and in the event of any inadequacy or absence of profits in any financial year or years, the aforementioned remuneration comprising salary, perquisites and benefits approved herein be continued to be paid as minimum remuneration to the Managing Director, subject to such other approvals as may be necessary.

RESOLVED FURTHER THAT save and except as aforesaid, the Special Resolution approved and passed by the Members dated October 30, 2006 with respect to the appointment of Rana Inder Pratap Singh (DIN: 00075107), as Managing Director shall continue to remain in full force and effect; and

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee of Directors) be and is hereby authorised to vary and/or revise the remuneration of Rana Inder Pratap Singh (DIN: 00075107) as Managing Director within the overall limits under the Act and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors to give effect to the aforesaid Resolution.”

9. To consider and approve the payment of remuneration to Rana Veer Pratap Singh (DIN: 00076808), Non-Executive Director.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) and the Rules framed thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force) and the Articles of Association of the Company and subject to such other approvals as may be necessary and pursuant to due recommendation of the Nomination & Remuneration Committee and the Board of Directors, consent of the Members of the Company be and is hereby accorded for the payment of the remuneration to Rana Veer Pratap Singh (DIN: 00076808), Non-Executive Director, for a period of 3 (Three) years commencing from 01.04.2021 to 31.03.2024, subject that his term shall be liable to be determined by his liability to retire by rotation in accordance with the provisions of Section 152 of the Act.

RESOLVED FURTHER THAT the terms of remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part hereof and in the event of any inadequacy or absence of profits in any financial year or years, the



aforementioned remuneration comprising salary, perquisites and benefits approved herein be continued to be paid as minimum remuneration to the Non- Executive Director, subject to such other approvals as may be necessary.

RESOLVED FURTHER THAT save and except as aforesaid, the Special Resolution approved and passed by the Members dated September 30, 2003 with respect to the appointment of Rana Veer Pratap Singh (DIN: 00076808), as Non- Executive Director shall continue to remain in full force and effect; and

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee of Directors) be and is hereby authorised to vary and/or revise the remuneration of Rana Veer Pratap Singh (DIN: 00076808) as Non- Executive Director within the overall limits under the Act and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors to give effect to the aforesaid Resolution."

10. To appoint Mr. Tara Chand Meenia as an Independent Director.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. Tara Chand Meenia (DIN: 09293108) who was appointed as an Additional Independent Director of the Company by the Board of Directors with effect from 25th August, 2021 and based on the recommendation of the Nomination and Remuneration Committee of the Board and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 upto the date of this Annual General Meeting and who is eligible for appointment under the relevant provisions of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period up to 5 years.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee) and/ or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

11. Approval of loans, investments, guarantee or security under section 185 of the Companies Act, 2013.

To consider and, if thought fit, to pass, with or without modification, the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 185 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Amendment) Act, 2017 and Rules made thereunder, including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force, and subject to such other consents, permissions, approvals, as may be required in that behalf, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture of the Company or any other person in whom any of the Directors of the Company is interested/ deemed to be interested, up to limits approved by the shareholders of the Company u/s 186 of the Companies Act, 2013, from time to time, in their absolute discretion as may be deemed beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be considered necessary, incidental and ancillary in order to give effect to this Resolution."

By the order of the Board
For RANA SUGARS LIMITED

Manmohan K. Raina
Company Secretary

Date: 25th August, 2021

Place: Chandigarh

Registered Office:

Rana Sugars Limited

SCO 49-50, Sector 8-C, Chandigarh – 160009

CIN: L15322CH1991PLC011537

Web: www.ranasugars.com

E-mail: info@ranagroup.com

Tel: 0172-2540007/ 2549217/ 2541904/ 2779565/ 2773422



NOTES :

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5thMay, 2020 read with circulars dated 8thApril, 2020, 13thApril, 2020 and 13thJanuary, 2021 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting through VC/ OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC/ OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
3. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment and re-appointment at this AGM is annexed.
4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars dated 8thApril, 2020, 13th April, 2020 and 5th May, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
7. Institutional/Corporate Shareholders (i.e. other than individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to ajaykcs@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.
8. The Register of Members & Share Transfer Books of the Company will be closed from September 25, 2021 to September 30, 2021 (both days inclusive) for the purpose of identification of members who shall be entitled to receive Annual report and attend Annual General Meeting of the Company.
9. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1stApril, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents ("RTA"), Alankit Assignments Limited, 205-208, Anarkali Market, Jhandewala Complex, New Delhi- 110055, Tel. No.: 011 - 42541234, 23541234 Fax No.: 011 - 23552001, Email: info@alankit.com, rta@alankit.com for assistance in this regard.
10. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.



11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.
12. Members are entitled to make nomination in respect of shares held by them in physical form. Members desirous of making nominations are requested to send their requests in Form SH-13 which can be obtained from the Company's RTA.
13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 23rd September, 2021 through email on info@ranagroup.com. The same will be replied by the Company suitably.
16. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.ranasugars.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of CDSL i.e. www.evotingindia.com
17. Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
18. At the 27thAGM held on September 30, 2019 the Members approved appointment of Ashwani K. Gupta & Associates (Firm Registration No. 003803N) as Statutory Auditors of the Company to hold office for a period of four years from the conclusion of that AGM till the conclusion of the 31stAGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from 7th May, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the 29thAGM.
19. SEBI has mandated the submission of PAN by every participant in securities market. Members who are holding the shares in electronic mode are therefore requested to submit the PAN to their depository participants with whom they are having their demat accounts. Members having shares in physical form can submit their PAN details to the company or its RTA.
20. Since the AGM will be held through VC/ OAVM, the Route Map is not annexed in this Notice.
21. The Notice is being sent to all the Members, whose names appear on the Register of Members/ List of Beneficial Owners as received from the RTA of the Company as on 27th August, 2021.
22. In compliance of provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014, the company is pleased to provide its members facility to exercise their votes by electronic means (remote e-voting) and the business may be transacted through e-voting as per the instructions below:
Details of Scrutinizer: Mr. Ajay Arora, Company Secretary (M.No. FCS 2191 and C. P. No. 993) has been appointed as the Scrutinizer to scrutinize e-voting in a fair and transparent manner.
The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses (not in the employment of the Company) and make out a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman.
23. A Member can opt for only one mode of voting i.e. either through remote e-voting or e-voting at the AGM. Since the AGM is being held through VC/OAVM and voting through ballot paper will not be provided. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ranasugars.com and on the website of CDSL www.evotingindia.com within two days of the 29th AGM of the Company and shall be communicated to BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively where the shares of the Company are listed.



24. Instructions for e-voting and joining the AGM are as follows:

A. THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

The instructions for members voting electronically are as under:

- (i) The voting period begins on September 27, 2021 at 9.00 a.m. and ends on September 29, 2021 at 5.00 p.m. During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9thDecember, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Pursuant to above said SEBI Circular, Login method for e-voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:-

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1. Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URLs for users to login to Easi/ Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi.
	2. After successful login the Easi/ Easiest user will be able to see the e-voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer/ Company. Additionally, we are providing links to e-voting Service Providers, so that the user can visit the e-voting service providers' site directly.
	3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin . The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.



<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>(i) You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider’s website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p>

Important note : Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website. Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cslindia.com or contact at 022- 23058738 and 022-23058542-43.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>

- (v) Login method for e-voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
- (a) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (b) Click on “Shareholders” module.
 - (c) Now enter your User ID
 1. For CDSL: 16 digits beneficiary ID,
 2. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 3. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.



- (d) Next enter the Image Verification as displayed and Click on Login.
- (e) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (f) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Rana Sugars Limited> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Facility for Non - Individual Shareholders and Custodians - Remote Voting
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz: ajaykcs@gmail.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.



INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders are encouraged to join the Meeting through Laptops/ IPads for better experience.
4. Shareholders who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at mkraina@ranasugars.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at mkraina@ranasugars.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA.
 2. For Demat shareholders- Please update your email ID & mobile no. with your respective Depository Participant (DP).
 3. For Individual Demat shareholders- Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting & joining virtual meetings through Depository.
- (xvii)** If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.
- (xviii)** All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai- 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO.: 4

M/s Khushwinder Kumar & Co., Cost Accountants (Firm Registration No. 100123), as the Cost Auditors to conduct the audit of the cost records of the Company relating to Sugar (including Industrial Alcohol) and Electricity for the financial year ending 31st March, 2022 at a remuneration of Rs. 50,000/- (Rupees Fifty thousand only) exclusive of travelling, boarding, lodging and out of pocket expenses plus GST. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be approved by the members of the Company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 4 of the Notice for approval of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2022.

The Board recommends the ordinary resolution for approval by the shareholders.

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

ITEM NO.: 5

The Articles of Association ("AOA") of the Company as presently in force are based on the erstwhile Companies Act, 1956 and several regulations in the existing AOA are no longer in conformity with the Companies Act, 2013. Further several regulations / articles of the existing AOA of the Company require alteration or deletion pursuant to changes in applicable laws. Therefore, it is considered expedient to wholly replace the existing AOA by a new set of Articles.

The new set of AOA to be substituted in place of the existing AOA. Copy of the draft Articles of Association of the Company would be available for inspection by the members during annual general meeting of the Company between 03:00 p.m. to 05:00 p.m.

The Board recommends the special resolution for approval by the shareholders.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

ITEM NO.: 6

The object clause (Clause III) of the Memorandum of Association ("MOA") of the Company, as presently in force, is based on the erstwhile Companies Act, 1956. According to the Companies Act, 2013, the companies are required to have only "the objects to be pursued by the company and matters which are necessary for furtherance of the objects specified". Further in terms of provisions of the Companies Act, 2013, MOA shall not consist of other object clause. Therefore, it is considered expedient to replace the existing MOA by a new set MOA to incorporate the aforesaid object clause as per the Companies Act, 2013.

The new set of MOA to be substituted in place of the existing MOA are in the format prescribed under 'Table A' of the Act which sets out the model MOA for a Company limited by shares. Copy of the draft Memorandum of Association of the Company would be available for inspection by the members during the Annual General Meeting of the Company between 03:00 p.m. to 05:00 p.m.

The Board recommends the special resolution for approval by the shareholders.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

ITEM NO.: 7 & 8

The term of Rana Inder Pratap Singh as Managing Director has expired on January 30, 2021. Based on the performance evaluation and as per the recommendation of the Nomination & Remuneration Committee, it is proposed to re-appoint Rana Inder Pratap Singh as a Managing Director from January 31, 2021 to January 30, 2026 on such terms and conditions as the Board may deem fit.

Further, the Board, on recommendation of the Nomination and Remuneration Committee considered payment of remuneration including terms and conditions as mentioned below, with powers to the Board to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in the Companies Act, 2013 or any statutory amendment or relaxation thereof:

Salary:

Rs. 7,00,000/- (INR Seven Lakhs Only) per month with an increment of Rs. 1,00,000/- (Rupees One Lakh Only) per annum with authority to the Board of Directors of the Company to grant such increments as it may determine from time to time.



A. Perquisites:

- i.** Housing: Free furnished accommodation or HRA in lieu of Company provided accommodation.
 - ii.** Reimbursement of expenses on actual pertaining to electricity, gas, water, telephone and other reasonable expenses for the upkeep and maintenance in respect of such accommodation as per Company's policy.
 - iii.** Car: One car for use of Company's Business and permissible personal use.
 - iv.** Medical Expenses Reimbursement: Reimbursement of all expenses incurred for self and family at actuals (including domiciliary and medical expenses and insurance premium for medical and hospitalization policy as applicable), as per Company's policy.
 - v.** Leave Travel Expenses: Leave Travel Expenses for self and family in accordance with the policy of the Company.
 - vi.** Club fees: Fees of One Corporate Club in India (including admission and annual membership fee).
 - vii.** Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company as per the policy of the Company.
 - viii.** Leave and encashment of leave - as per the policy of the Company.
 - ix.** Personal accident Insurance Premium - as per the policy of the Company.
 - x.** Contribution towards Provident Fund and Superannuation Fund or Annuity Fund, National Pension Scheme -as per the policy of the Company.
 - xi.** Gratuity and/or contribution to the Gratuity Fund of Company - as per the policy of the Company.
 - xii.** Other Allowances/benefits, perquisites - any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and/or which may become applicable in the future and/or any other allowance, perquisites as the Board may from time to time decide.
 - xiii.** Any other one time/periodic retirement allowances/benefits as may be decided by the Board at the time of retirement.
- B.** Subject as aforesaid, the Managing Director shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.
- C.** For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, if any, the service of Rana Inder Pratap Singh, Managing Director will be considered as continuous service with the Company from the date of his joining.
- D.** The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.
- E.** When in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Rana Inder Pratap Singh in accordance with the applicable provisions of Schedule V of the Act.

In accordance with the Schedule V and other applicable provisions of the Companies Act, 2013, on the recommendation made by the NRC of the Company at its meeting held on June 10, 2021, the Board of Directors of the Company at its meeting held on June 10, 2021, have approved the payment of remuneration as detailed above except commission, subject to such other approvals as may be necessary, as minimum remuneration to Rana Inder Pratap Singh in the absence or inadequacy of profits in any Financial Year(s) during three year as part of his tenure i.e. upto March 31, 2024.

The statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolution at Item No. 7 & 8 is annexed hereto as **ANNEXURE- I**.

A statement containing his profile is given hereunder in the disclosure pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors, Key Managerial Personnel of the Company and their relatives other than Rana Inder Pratap Singh, is in any way concerned or interested, financial or otherwise, in the said Resolution.

The Board of Directors recommends the Special Resolution set out at Item No. 7 & 8 of the Notice for approval by the Members.



ITEM NO.: 9

The Board, on recommendation of the Nomination and Remuneration Committee considered payment of remuneration to Rana Veer Pratap Singh for contributing in the growth of the Company through his vast experience, including terms and conditions as mentioned below, with powers to the Board to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in the Companies Act, 2013 or any statutory amendment or relaxation thereof:

Salary:

Rs. 5,00,000/- (INR Five Lakhs Only) per month with an increment of Rs. 1,00,000/- (Rupees One Lakh Only) per annum with authority to the Board of Directors of the Company to grant such increments as it may determine from time to time.

A. Perquisites:

- i. Housing: Free furnished accommodation or HRA in lieu of Company provided accommodation.
 - ii. Reimbursement of expenses on actual pertaining to electricity, gas, water, telephone and other reasonable expenses for the upkeep and maintenance in respect of such accommodation as per Company's policy.
 - iii. Car: One car for use of Company's Business and permissible personal use.
 - iv. Medical Expenses Reimbursement: Reimbursement of all expenses incurred for self and family at actuals (including domiciliary and medical expenses and insurance premium for medical and hospitalization policy as applicable), as per Company's policy.
 - v. Leave Travel Expenses: Leave Travel Expenses for self and family in accordance with the policy of the Company.
 - vi. Club fees: Fees of One Corporate Club in India (including admission and annual membership fee).
 - vii. Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company as per the policy of the Company.
 - viii. Leave and encashment of leave - as per the policy of the Company.
 - ix. Personal accident Insurance Premium - as per the policy of the Company.
 - x. Contribution towards Provident Fund and Superannuation Fund or Annuity Fund, National Pension Scheme - as per the policy of the Company.
 - xi. Gratuity and/or contribution to the Gratuity Fund of Company - as per the policy of the Company.
 - xii. Other Allowances/benefits, perquisites - any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and/or which may become applicable in the future and/or any other allowance, perquisites as the Board may from time to time decide.
 - xiii. Any other one time/periodic retirement allowances/benefits as may be decided by the Board at the time of retirement.
- B. Subject as aforesaid, the Non-Executive Director shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.
- C. For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, if any, the service of Rana Veer Pratap Singh, Non-Executive Director will be considered as continuous service with the Company from the date of his joining.
- D. The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.
- E. When in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Rana Veer Pratap Singh in accordance with the applicable provisions of Schedule V of the Act.

In accordance with the Schedule V and other applicable provisions of the Companies Act, 2013, on the recommendation made by the NRC of the Company at its meeting held on June 10, 2021 the Board of Directors of the Company at its meeting held on even date have approved the payment of remuneration as detailed above except commission, subject to such other approvals as may be necessary, as minimum remuneration to Rana Veer Pratap Singh in the absence or inadequacy of profits in any Financial Year(s) during three year of his tenure i.e. upto March 31, 2024.

The statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolution at Item No. 9 is annexed hereto as **ANNEXURE-I**.



None of the Directors, Key Managerial Personnel of the Company and their relatives other than Rana Veer Pratap Singh, is in any way concerned or interested, financial or otherwise, in the said Resolution.

The Board of Directors recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the Members.

ITEM NO.: 10

Mr. Tara Chand Meenia (DIN : 09293108) was appointed as an Additional Independent Director by the Board of Directors of the Company with effect from 25th August 2021. As per Section 161 of the Companies Act, 2013 (as amended or re-enacted from time to time) read with rules made thereunder, his tenure of appointment shall be upto the date of next Annual General Meeting, wherein he will be eligible for re-appointment for a period of 5 years till 24th August 2026. His appointment has been recommended by Nomination & Remuneration Committee.

The Board recommends the passing of the Special Resolution as set out in the Item No. 10 of the Notice for the appointment of Mr. Tara Chand Meenia not liable to retire by rotation.

A statement containing his profile is given hereunder in the disclosure pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors, Key Managerial Persons (KMPs) of the Company or the relatives of Directors or KMPs, except Mr. Tara Chand Meenia is in any way concerned or interested in the proposed resolution.

ITEM NO.: 11

The Company may have to render support for the business requirements of its Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is deemed to be interested (collectively referred to as the "Entities"), from time to time up to an aggregate amount approved by the shareholder of the Company under Section 186 of the Company Act, 2013 over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more. However, owing to certain restrictive provisions contained in Section 185 of the Companies Act, 2013 ('the Act'), the Company was unable to extend financial assistance by way of loan to such Entities.

The Board of Directors seek consent of the Members by way of a Special Resolution pursuant to Section 185 of the Act (as amended by the Companies (Amendment) Act, 2017) for making loan(s) or providing financial assistance or providing guarantee or securities in connection with the loans taken or to be taken by the Entities for the capital expenditure of the projects and/or working capital requirements including purchase of fixed assets as may be required from time to time for the expansion of its business activities and other matters connected and incidental thereon for their principal business activities.

The Members may note that Board of Directors would carefully evaluate proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, only for principal business activities of such Entities.

Below mentioned are the entities to whom Company may advance loan under section 185:

NAME OF COMPANY	LOAN AMOUNT	RELATION	REPAYMENT TERM	PURPOSE	TENURE	RATE OF INTEREST
Karimganj Biofuels Private Limited	50 crore	Sister Concern	One bullet payment at the end of the Tenure of loan. And Pre-payment is allowed with the consent of parties at no cost	For the principal business activities, expansion of the business or to augment funding needs of the company to meet working	10 years from the date of disbursement of loan	At Benchmark prime lending rate (BPLR) of lending bank or State Bank of India, as the case may be or above as may be decided by the Board of Directors from time to time.
Rana Power Limited	50 crore					
Superior Food Grains Private Limited	50 crore					
Superior Biofuels Private Limited	50 crore					
Lakshmiji Sugar Mills Company Limited	50 crore					
Rana Polycot Limited	50 crore					
RSL Distilleries Private Limited	50 crore					



Rana Informatics Private Limited	50 crore			capital requirements		The interest will be charged annually or as per the terms of the agreement.
Rana Energy Limited	50 crore					
Rana Green Power Limited	50 crore					
Rana Logistics & Transport Private Limited	50 crore					
RSLD Biofuels Private Limited	50 crore					
Buttar Biofuels Private Limited	50 crore					
Erbir Ventures Private Limited	50 crore					
Ajudhia Biofuels Private Limited	50 crore					
Rana Infrastructures Private Limited	50 crore					

The Board of Directors recommends resolution as set out in item No. 11 for approval of the members of the Company by way of passing a Special Resolution.

None of the Directors of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution, except to the extent to their shareholding, if any.

By the order of the Board
For **RANA SUGARS LIMITED**

Date: 25th August, 2021

Place: Chandigarh

Manmohan K. Raina
Company Secretary

Registered Office:

Rana Sugars Limited

SCO 49-50, Sector 8-C, Chandigarh – 160009

CIN: L15322CH1991PLC011537

Web.: www.ranasugars.com

E-mail: info@ranagroup.com

Tel: 0172-2540007/ 2549217/ 2541904/ 2779565/ 2773422



DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT IN ANNUAL GENERAL MEETING

[Pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Director	Rana Ranjit Singh	Rana Veer Pratap Singh	Rana Inder Pratap Singh	Mr. Tara Chand Meenia
Date of Birth	26 th October, 1958	29 th April, 1982	9 th February, 1980	03 rd March, 1958
Nationality	Indian	Indian	Indian	Indian
Director since	30 th July, 1991	31 st October, 2002	31 st October, 2002	N.A.
Qualifications	Diploma in Hotel Management.	B.B.A.	M.B.A.	M.A. Economics
Experience	He is Managing Director of Rana Polycot Limited. He has experience of 38 years in various business, such as sugar, textiles and agriculture and has been instrumental in the growth of the Rana Group.	He is one of the Promoter Directors. He has experience of 18 years in various business, such as sugar, textiles and agriculture and has been instrumental in the growth of the Rana Group.	He is one of the Promoter Directors. He has experience of 18 years in various business, such as sugar, textiles and agriculture and has been instrumental in the growth of the Rana Group.	He is having an experience of almost 33 years in banking sector and served in State Bank of India (SBI)
Expertise	Finance and Strategy	Finance and Strategy	Finance and Strategy	Banking and Finance
Shareholding of Directors in company	2196561	6139566	17929952	Nil
Directorship held in other public companies excluding foreign and private companies	<ul style="list-style-type: none"> ▪ Rana Polycot Limited ▪ Lakshmiji Sugar Mills Company Limited 	<ul style="list-style-type: none"> ▪ Rana Power Limited ▪ Rana Energy Limited 	<ul style="list-style-type: none"> ▪ Rana Polycot Limited 	Nil
Chairmanship/ Memberships of committees*	Nil	<ul style="list-style-type: none"> ▪ Member of Stakeholders Relationship Committee of Rana Sugars Limited ▪ Member of Audit Committee of Rana Power Limited 	<ul style="list-style-type: none"> ▪ Member of Stakeholders Relationship Committee of Rana Polycot Limited ▪ Member of Audit Committee of Rana Polycot Limited 	Nil
Relationship between Directors inter-se	Rana Ranjit Singh is father of Rana Veer Pratap Singh	Rana Veer Pratap Singh is son of Rana Ranjit Singh	No inter-se relation	No inter-se relation

*Committee Membership or Chairmanship includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies (Whether listed or not)



ANNEXURE- I

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013

RANA INDER PRATAP SINGH

I. GENERAL INFORMATION:

- Nature of Industry: Manufacturers of sugar, power and allied products.
- Date or expected date of commencement of commercial production: The Company is in operation since 1993.
- In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: **Not Applicable**.
- (a) Standalone Financial performance based on given indicators:

(INR in Lakhs)

PARTICULARS	YEAR ENDED MARCH 31, 2021	YEAR ENDED MARCH 31, 2020
Income from Operations and other Income	1,22,726.51	1,32,077.85
Profit Before Tax, Depreciation and Finance Cost and extraordinary items	12,640.11	8,397.86
Profit/(Loss) before Tax	15,756.68	25,860.77
Profit/(Loss) after Tax	15,769.23	26,570.91

(Figures have been regrouped/recast wherever necessary)

- Foreign investments or collaborators, if any: Rana Sugars Limited has no foreign collaborators and hence there is no equity participation by foreign collaborators in the Company.

II. INFORMATION ABOUT RANA INDER PRATAP SINGH:

1. Background details:

Rana Inder Pratap Singh, aged 41 years, is having over 18 years of experience in various business, such as sugar, Power, Distillation, textiles and agriculture, with his hands-on approach. He took over the reins of Rana Sugars Limited as Director on 31st October, 2002. Since then he has steered the destiny of Rana Sugars Limited with a single-minded focus of making Rana Sugar an internationally reputed Sugar Manufacturer and power generator.

He is playing a vital role in formulating business strategies and effective implementation of the same with Rana Ranjit Singh and Rana Veer Pratap Singh. He is the propelling factor in the growth of the Company. With his vision, he has hitched the Company to a National scale and is responsible for the expansion and overall management of the business of our Company.

2. Past remuneration:

FINANCIAL YEARS	(Rs. IN LAKH)
2018-19	Nil
2019-20	Nil
2020-21	Nil

3. Recognition or Awards: Nil

- Job Profile and his suitability:** Rana Inder Pratap Singh as Managing Director is responsible for the expansion and overall management of the business of our Company.

- Remuneration proposed:** As stated in the Explanatory Statement at Item No. 7 & 8 of this Notice, a remuneration of Rs. 7.00 Lakhs p.m. is proposed.

6. Comparative remuneration policy with respect to industry, size of the company, profile of the position and person:

The remuneration as proposed for Rana Inder Pratap Singh is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Besides the remuneration proposed, Rana Inder Pratap Singh does not have any pecuniary relationship with the Company. He belongs to the Promoter Group and holds 1,79,29,952 equity shares in the share capital of the Company.



III. OTHER INFORMATION:

1. Reasons of loss or inadequacy of profits:

The Company is passing a Special Resolution pursuant to the proviso to the sub-section (1) of Section 197 of the Companies Act, 2013 and as a matter of abundant precaution, as the profitability of the Company may be adversely impacted in future due to business environment during the period for which remuneration is payable to Rana Inder Pratap Singh i.e. till March 31, 2024.

2. Steps taken or proposed to be taken for improvement:

The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position. The inherent strengths of the Company, especially its reputation as a premium manufacturer and powerful brands are also expected to enable the Company to position itself during adversities. The Company has also strategically planned to address the issue of productivity and increase profits and has put in place measures to reduce cost and improve the bottom-line.

3. Expected increase in productivity and profits in measurable terms:

The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.

IV. DISCLOSURES:

1. Remuneration package of the managerial person: Fully described in the explanatory statement as stated above.
2. Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report 2020-21: The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of FY 2020-21 of the Company.

RANA VEER PRATAP SINGH

I. GENERAL INFORMATION:

1. Nature of Industry: Manufacturers of sugar, power and allied products.
2. Date or expected date of commencement of commercial production: The Company is in operation since 1993.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: **Not Applicable.**
4. (a) Standalone Financial performance based on given indicators:

(Rs. in Lakhs)

PARTICULARS	YEAR ENDED MARCH 31, 2021	YEAR ENDED MARCH 31, 2020
Income from Operations and other Income	1,22,726.51	1,32,077.85
Profit Before Tax, Depreciation and Finance Cost and extraordinary items	12,640.11	8,397.86
Profit/(Loss) before Tax	15,756.68	25,860.77
Profit/(Loss) after Tax	15,769.23	26,570.91

(Figures have been regrouped/recast wherever necessary)

4. Foreign investments or collaborators, if any: Rana Sugars Limited has no foreign collaborators and hence there is no equity participation by foreign collaborators in the Company.

II. INFORMATION ABOUT RANA VEER PRATAP SINGH:

1. Background details:

Rana Veer Pratap Singh, aged 39 years, is having over 18 years of experience in business, such as sugar, power, distillation and agriculture, with his hands-on approach. He was appointed as Director of Rana Sugars Limited on 31st October, 2002. Since then he has been a factor for growth of Rana Sugars Limited. His main motive has been to achieve efficiency both economically as well as technically. He has been looking after the Punjab Units of the Company involving sugar, power and distillation business, which has grown manifold since he joined the Company. His focus is in tandem with the management to make Rana Sugar an internationally reputed Sugar Manufacturer and power generator.



He is playing a vital role in formulating business strategies and effective implementation of the same with Rana Ranjit Singh and Rana Inder Pratap Singh. He is mainly responsible for the operations of Punjab units of the Company and is part of the overall management of the business of our Company.

2. Past remuneration:

FINANCIAL YEARS	(Rs. IN LAKH)
2018-19	Nil
2019-20	Nil
2020-21	Nil

3. Recognition or Awards: Nil

4. Job Profile and his suitability: Rana Veer Pratap Singh as Director is contributing through his vast experience towards the growth of the business of our Company.

5. Remuneration proposed: As stated in the Explanatory Statement at Item No. 9 of this Notice.

6. Comparative remuneration policy with respect to industry, size of the company, profile of the position and person:

The remuneration as proposed for Rana Veer Pratap Singh is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Besides the remuneration proposed, Rana Veer Pratap Singh does not have any pecuniary relationship with the Company. He belongs to the Promoter Group and holds 61,39,566 equity shares in the share capital of the Company.

III. OTHER INFORMATION:

1. Reasons of loss or inadequacy of profits:

The Company is passing a Special Resolution pursuant to the proviso to the sub-section (1) of Section 197 of the Companies Act, 2013 and as a matter of abundant precaution, as the profitability of the Company may be adversely impacted in future due to business environment during the period for which remuneration is payable to Rana Veer Pratap Singh i.e. till March 31, 2024.

2. Steps taken or proposed to be taken for improvement:

The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position. The inherent strengths of the Company, especially its reputation as a premium manufacturer and powerful brands are also expected to enable the Company to position itself during adversities. The Company has also strategically planned to address the issue of productivity and increase profits and has put in place measures to reduce cost and improve the bottom-line.

3. Expected increase in productivity and profits in measurable terms:

The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.

IV. DISCLOSURES:

1. Remuneration package of the managerial person: Fully described in the explanatory statement as stated above.
2. Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report 2020-21: The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of FY 2020-21 of the Company.

By the order of the Board
For RANA SUGARS LIMITED

Manmohan K. Raina
Company Secretary

Date: 25th August, 2021

Place: Chandigarh

Registered Office:

Rana Sugars Limited
SCO 49-50, Sector 8-C, Chandigarh – 160009
CIN: L15322CH1991PLC011537
Web: www.ranasugars.com
E-mail: info@ranagroup.com
Tel: 0172-2540007/ 2549217/ 2541904/ 2779565/ 2773422



Directors' Report

Your Directors take pleasure in presenting their 29th (Twenty Ninth) Annual Report together with the Audited Accounts for the year ended 31st March, 2021.

FINANCIAL PERFORMANCE

The financial position of the company for the financial year ended on March 31, 2021 is summarised below:

(Rs. in Lakhs)

PARTICULARS	2020-21	2019-20
Revenue from Operations	1,22,207.36	1,31,331.30
Other Income	519.15	746.55
Total Revenue	1,22,726.51	1,32,077.85
Profit Before Tax, Depreciation and Finance Cost and extraordinary items	12,640.11	8,397.86
EBITDA/ Sales (%)	10.34%	6.39%
Finance Cost	1,841.03	2,241.17
Depreciation and Amortization expenses	2,701.14	3,376.49
Prior period expenses	-	-
Profit before tax	15,756.68	25,860.77
Tax Expenses	(12.55)	(710.14)
Profit after tax	15,769.23	26,570.91
Earnings Per Share:		
Basic	10.27	17.31
Diluted	10.27	17.31

FINANCIAL PERFORMANCE OF THE COMPANY DURING 2020-21

Revenue from operations during 2020-21 is down by 6.95% as compared to the revenue during 2019-20. The decrease in revenue is due to lower crushing.

EBIDTA, during 2020-21 is Rs. 12,640.11 lakh as compared to EBIDTA of Rs. 8,397.86 lakh during previous FY. Higher EBIDTA as compared to previous FY is on account of better performance across all segments.

EBDTA, during the year under review, your company earned EBDTA of Rs. 10,799.08 lakh as compared to Rs. 6,156.69 lakh earned in the previous FY.

Earning before tax is at Rs. 8,097.94 lakh when viewed in conjunction with that of the previous FY (Rs. 2,780.20 lakh).

Earnings after tax (including Exceptional Item) at Rs. 15,769.23 lakh is as compared to the earnings after tax (including Exceptional Item) of previous FY of Rs. 26,570.91 lakh.

During the year incidence of finance costs and tax expenses is lower as compared to the previous year.

Salient features:

- Sugar prices were range bound throughout the year. The year 2020-21 begun on a sad note as pandemic COVID 19 struck the world even as country-wide lockdown was announced in India to stymie its spread. However, the lockdown resulted in temporary & immediate destruction in demand of sugar. However, since sugar is classified as an essential commodity, normalcy soon returned with the combined efforts of the Government and Industry.
- Your company is constantly evaluating avenues of revenue maximization and cost optimization.
- Another area of focus for your Company has been to rein in the finance costs. During the year under review the finance costs were lower as several of the loans were repaid to strengthen the financial health of the Company.



Revenue from operations for the year ended March 31, 2021 stood at Rs. 1,22,207.36 Lakhs as against Rs. 1,31,331.30 Lakhs for the previous year. Profit after tax for the year ended March 31, 2021 was Rs. 15,769.23 Lakhs and EPS is Rs. 10.27 per share as against a net profit and EPS of Rs. 26,570.91 Lakhs and Rs. 17.31 per share respectively for the previous year.

In the preparation of Financial Statements, the provisions of the Companies Act, 2013 (the "Act"), read with the Companies (Accounts) Rules, 2014, applicable Accounting Standards and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") have been followed.

DIVIDEND

Your Directors have decided to plough back the earnings in the growth of business and for this reason, have decided, not to recommend any dividend for the year under review.

YEAR IN RETROSPECT

Impact of Covid-19:

The COVID-19 pandemic continues to dominate global economic sentiment, still forcing governments to enforce lockdowns or restrictions on all major economic activities. The crisis has hurt sales, margins and growth. In 2020, the largest health and economic crisis in recent history forced companies across sectors into extraordinary measures to protect their people and maintain operations. As the priority for the Company are its stakeholders, focus and emphasis are made to ensure the health and well-being of all employees and on minimizing disruption to services for all our customers. Work from home is still instilled in many location offices of the Company which has reinforced customer and employee confidence in the Company.

While the first wave of the pandemic was some what reined in with the extended nation-wide lockdown the second wave of pandemic has stuck with vengeance. While the first wave was about hunger, jobs and livelihood, the second wave which is more infectious is about lives. RSL has redesigned its standard operating procedures and set strict protocols for the benefit of its employees and their families. The impact of second wave of the pandemic has so far not resulted insignificant business disruptions.

SEGMENT WISE PERFORMANCE:

Distinguishing features of the crushing operations in your company are given in the succeeding paragraphs.

Metrics of sugarcane crushed, sugar produced and recovery achieved during the year is given hereunder:

Sugarcane and Beet Root crushed and sugar produced across all units (Financial Year 2020-21)

Particulars	Sugarcane			Beet Root		
	2020-21	2019-20	Change	2020-21	2019-20	Change
Crushing (lakh quintal)	236.02	229.92	(2.65%)	13.76	12.53	10%
Recovery % (Net)	8.61	9.32	1.01%	10.10	6.62	52%
Production (lakh quintal)	20.33	21.43	(1.66%)	1.39	0.83	67%

Highlights Financial Year 2020-21

- Sugarcane crushing decreased by 2.65% because of low yield in Punjab on account of unfavourable weather conditions than last year and Beet Root crushing on other hand increased by 10% compared to previous year.
- Net Recovery of sugar from sugar cane got reduced to 8.61% as compared to recovery of 9.32% last FY mainly on account of use of juice/ syrup for manufacturing of Ethanol rather than sugar. The recovery of sugar from Beet Root increased by 52% because of better yield due to good harvest of beet root crop.
- Sugar production decreased because of conversion of juice in to Ethanol rather than to sugar production.

Performance of cogeneration division- Metrics of power sold:

Unit	2020-21		2019-20	
	Power sold (Lakh units)	Amount (Rs. /Lakh)	Power sold (Lakh units)	Amount (Rs. /Lakh)
Punjab	750.18	4850.23	672.12	4207.39
Uttar Pradesh	654.30	2159.20	703.20	2335.79
Total	1404.48	7009.43	1375.32	6543.18



The Power unit in U.P. reduced by 6.95% mainly because of increase in captive consumption in the recently setup Distillery unit. Contrary to that, the Power Export in Punjab increased by 11.61% because of extended crushing operations of beetroot and favourable environmental conditions leading to operation of the power plant during off-season.

Performance of Distillery:

Area of Operation	Production* (Lakh BL)		Sales* (Lakh BL)		Revenue** (Rs. In Lakh)	
	2021	2020	2021	2020	2021	2020
Punjab	536.44	307.98	535.90	303.01	30853.30	16466.21
Uttar Pradesh	191.50	212.43	189.86	191.31	9683.40	8939.15
Total	727.94	520.41	725.76	494.32	40536.70	25405.36

* Does not include products other than spirit/ Ethanol.

** Including Sale of all products

Improved performance of the distillery segment is the result of enhanced ethanol generation capacities in the Punjab and optimal operation of the U.P. Ethanol Plant.

A SUGAR INDUSTRY OVERVIEW

Global sugar industry scenario

For the global industry, SS 2019-20 was a minuscule surplus year estimated at less than 1 million tonnes while SS 2020- 21 is expected to be a deficit season with the International Sugar Organization estimating a deficit at close to 5 million tonnes. Production increase is expected from India; Thailand production numbers do not seem encouraging on account of a drought effect; persistent unfavourable weather across the European Union also expected to affect production as well.

The Government of India announced a policy of exporting 6 million tonnes of sugar. On account of lower sugar production in Thailand, Indonesia procured sugar from India.

The recent spurt in crude prices resulted in Brazil diverting sugarcane juice for ethanol manufacture although in SS 2020-21 CS Brazil is estimated to produce record 38.3 million tonnes of sugar and Brazil estimated to produce 41.8 million tonnes.

From a low of around 11 cents per pound in June, 2020, raw prices rebounded to 12.75 cents per pound in August, 2020, rising to around 14.75 cents per pound in November 2020, mainly on account of a lower availability of Brazilian sugar for export. Around February, 2021, raw sugar prices moved northwards in spite of an export subsidy program announced by India and was quoted around 16 cents per pound. Raw sugar is presently priced at around 17 cents per pound. The white sugar prices also moved in tandem and rose from US\$ 360 PMT in August, 2020 to in excess of US\$ 460 PMT.

The Indian sugar industry review

India's sugar season 2020-21 commenced with an opening stock of 10.7 million tonnes. As per the latest estimates of ISMA, sugar mills across the country are likely to produce 30.2 million tonnes of sugar after considering 2 million tonnes of diversion of production towards ethanol. The total availability of sugar in 2020-21 SS is likely to be about 40.9 million tonnes. Considering a consumption of 26 million tonnes and export of 6 million tonnes, India could end up with a closing stock of 8.9 million tonnes of sugar.

On the export front, performance was creditable in the last three to four months. Sugar mills signed around 54 lakh tonnes of sugar export contracts and 40 lakh tonnes of physical dispatches completed. Global sugar prices picked up and crossed 17 cents per pound for raw sugar on the news of declining production in Brazil thus helping India in better contracts being signed. With the global sugar prices now stable, it is expected that India should be able to export 60 lakh tonnes by end September 2021. However, unlike last two years, exports to Iran did not happen this time. During the last two years, India exported substantial quantities of sugar to Iran, mainly because Iran had substantial rupee deposits in Indian banks, against the rupee payment India was making for the oil imports from Iran. However, with US sanctions becoming stricter, and India is not buying oil from Iran, the rupee balance in Indian banks of Iran reduced and therefore there were hardly any sugar exports to Iran in the current season. Notwithstanding setback in case of export to Iran, India is expected to successfully complete the targeted export of 6 million tonnes much before September 2021.

The much-awaited increase in minimum support price of sugar appears to be on the backburner. Similarly, there does not appear any urgency on the part of Government to implement the recommendations contained in the report by Dr. Rangarajan.



The Government set an ambitious target of ethanol blending and increased the procurement price of ethanol across all feedstocks. Contracts for 303 crore ltrs were signed, the increase auguring well for the industry. The season 2020-21 witnessed more sugar units producing ethanol from B Heavy molasses and some sugar units directly from sugarcane juice. The real transformation is expected from SS 2022-23 onwards when more sugar companies produce ethanol directly from sugarcane juice, resulting in a substantial sacrifice of sugar production that moderates the problem of surplus sugar production.

At the beginning of the existing sugar year, ethanol procurement by oil marketing companies was tardy. Huge quantities of ethanol were allotted to depots of OMCs, which were not equipped with adequate storage facilities. In the chaos, allotments were unilaterally terminated, and allotments of sugar mills were shifted to far-flung depots, resulting in logistic challenges. However, problems were resolved following the active intervention of Food Ministry, Oil & Petroleum Ministry and the State Government; normalcy resumed, and ethanol offtake improved.

The outbreak of the COVID-19 pandemic at the beginning of the financial year did not hamper sugar production, which continued uninterrupted following Government support although sourcing intermediate inputs did pose some temporary challenges. However, sugar demand suffered disruption of almost 1 to 1.5 million tonnes. The situation improved and normal operations resumed in the subsequent months. The second wave of pandemic could disrupt operations although in the absence of a lockdown the impact is difficult to estimate.

Thanks to the export initiative embarked up on by the central government, sugar stocks at the end of the SS are estimated at around 9 million tonnes. From a high of 14.6 million tonnes at the close of SS 2018-19, the decline represents a creditable improvement. The ethanol blending program played a role although its importance will be increasingly visible in the years to come when the increased utilization of sugarcane juice/ syrup for ethanol manufacture could result in an increased sacrifice of sugar production and a moderated domestic sugar balance.

The sugar industry in India continues to be dependent on Government intervention. It entered an orbit of perpetual surplus production although in a small measure it is expected to replicate the Brazilian model by limiting its sugar production and maximizing ethanol production. The Government and industry are taking required measures in this direction and the government's support comprises the following:

- Retention of minimum ex-factory selling price of sugar at Rs. 3,100 per quintal. There is a clamor for an increase in the MSP to Rs. 3,400 per quintal so that the ability of sugar mills to clear cane price dues could be strengthened.
- Monthly release mechanism to regulate and moderate the availability of sugar in the open market.
- Announcement of Maximum Admissible Export Quota (MAEQ) of 6 million tonnes and subsidy of Rs. 6,000 per metric tonnes to mills exporting sugar under the allotted quota, for which a budget of Rs. 3,500 crore was earmarked.
- Ethanol procurement price for Ethanol Season Year 2021-22 (November to October) fixed at Rs. 45.69 per litre in the case of ethanol made from C-Heavy molasses, Rs. 57.61 per litre in the case of ethanol made from B-Heavy molasses and Rs. 62.65 in case of ethanol derived directly from sugarcane juice. However, a long-term pricing policy is desirable to catalyze increase in ethanol capacities.

The Government was requested to announce early an export policy for season 2021-22 to enable mills to calibrate their production plan and capitalize on remunerative international sugar prices.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion & Analysis Report for the year under review which also covers the performance of the company is presented in a separate section and forms a part of this Annual Report.

PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

All Related Party Transactions entered during the financial year were in the ordinary course of business and at arm's length basis. There were no materially significant Related Party Transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as required to be provided under Section 134(3)(h) of the Companies Act, 2013 are disclosed in Form AOC-2 as **ANNEXURE 1**.

The Board of Directors of the Company has adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the rules thereunder and the Listing Regulations, which is posted on the website of the Company at the web link http://ranagroup.com/rsl/Policies_of_the_Company.htm.



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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **ANNEXURE 2** and is attached to this report.

DISCLOSURE PERTAINING TO MANAGERIAL REMUNERATION

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as per **ANNEXURE 3**.

CORPORATE SOCIAL RESPONSIBILITY

Rana Sugars Limited has been an early adopter of CSR initiatives. The Company works primarily through CSR trust, viz. Sansthanam Abhay Daanam, towards supporting projects in eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environmental sustainability, disaster relief and rural development projects and other activities as mentioned in the Schedule VII of Companies Act, 2013. Details of the CSR policy are available on our website at: http://ranagroup.com/rsl/Policies_of_the_Company.htm.

A detailed Annual Report on CSR Activities undertaken by the Company during the year as prescribed under the Companies (Corporate Social Responsibility) Amendment Rules, 2021 is annexed herewith as **ANNEXURE 4**.

STATUTORY AUDITOR AND THEIR REPORT

Pursuant to the provisions of Section 139(2) of the Companies Act, 2013 and rules made thereunder, M/s Ashwani K Gupta & Associates, Chartered Accountants, Panchkula (Firm Registration No. 003803N) were appointed as Statutory Auditors of the Company for period of 4 years, to hold office upto the conclusion of 31st Annual General Meeting of the Company.

The comments of the auditor being self-explanatory require no further comments from the Directors. Further, there are no reservations, qualifications, adverse remarks or Modified opinion in the Audit Reports issued by them in respect of Financial Statements of the Company for the Financial Year 2020-21.

SECRETARIAL AUDITOR AND THEIR REPORT

The Board had appointed M/s A. Arora & Co., Practicing Company Secretary (Membership No. 2191 and C. P. No. 993), as Secretarial Auditor to conduct the secretarial audit of the company for the financial year 2020-21, pursuant to the provisions of Section 204 of the Companies Act, 2013. The Report of the Secretarial Auditor forms part of the Board's Report as **ANNEXURE 5**.

The Secretarial Auditor has made certain observation and remark in his reports. The management reply to the observation and remark of the Secretarial Auditor is given hereunder:

S. No.	Observation by Secretarial Auditor	Management Reply
1.	One of the Independent Director of the company has not been registered on the Independent director Databank as provided under Section 150 of the Companies Act, 2013 read with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014	This has happened due to Covid- 19 protocol and guidelines issued by the Chandigarh administration and Government of India. However, we are in process of registering the same on Independent Director Databank.

COST AUDITORS AND THEIR REPORT

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and rules made thereunder, the Board on the recommendation of the Audit Committee has re-appointed M/s Khushwinder Kumar & Co., Cost Accountants (Firm Reg. No. 100123), as Cost Auditors to conduct cost audits relating to sugar, electricity and industrial alcohol for the year ended 31st March, 2022. The Cost Accountants have confirmed that their appointment is within the limits of Section 141(3)(g) of the Act and free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Companies Act, 2013.

The Cost Audit Report for the financial year March, 2021 did not contain any qualification, reservation, adverse remark or disclaimer. The Cost Audit Report for the year end March, 2021 shall be made available by Cost Auditors on or before 30th September, 2021.

CORPORATE GOVERNANCE

As per Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, a report on Corporate Governance together with the Auditors Certificate regarding compliance of the conditions of corporate governance is provided under **ANNEXURE 6**.



INDUSTRIAL RELATIONS

Industrial relations and work atmosphere remained cordial throughout the year with sustained communication and engagement with workforce through various forums.

CREDIT RATING

The Company has neither issued any debt instruments nor undertaken any fixed deposit programme or any scheme or proposal involving mobilisation of funds, whether in India or abroad, so the Company has not obtained any credit rating during the period under review. However, Company has been assigned the following rating on 02nd July, 2021 i.e. from the closure of Financial Year 2020-21, for the bank facilities availed :

S. No.	Facility	Rating Assigned
1.	Long Term Fund based Limits- Cash Credit	IVR BB+/Stable (IVR Double B Plus with Stable Outlook)
2.	Long Term Fund based Limits- Term Loan	IVR BB+/Stable (IVR Double B Plus with Stable Outlook)
3.	Short Term Non-Fund based Limits- Bank Guarantee	IVR A4+ (IVR Single A Four Plus)

SAFETY, HEALTH AND ENVIRONMENT

The Company continues to demonstrate strong commitment to safety, health and environment which have been adopted as core organizational values. The Company assures safety and facilities in accordance with statutory and regulatory requirements. Employees are continuously made aware of hazards/ risks associated with their job and their knowledge and skills are updated through requisite training to meet any emergency. Medical and occupational check-ups of employees and eco-friendly activities are promoted.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the financial year 2020-21, the company had the following directors and Key Managerial Personnel:

S. No.	NAME	DESIGNATION	DATE OF APPOINTMENT
1.	Rana Ranjit Singh	Chairman & Non-Executive Director	30-07-1991
2.	Rana Inder Pratap Singh	Managing Director (KMP)	31-10-2002
3.	Rana Veer Pratap Singh	Non-Executive Director	31-10-2002
4.	Mr. Shivavtar Singh Bajwa	Non-Executive Independent Director (NEID)	30-09-2014
5.	Mr. Baljit Singh	Non-Executive Independent Director (NEID)	30-09-2014
6.	Ms. Navpreet Kaur	Non-Executive Independent Director (NEID)	09-11-2018
7.	Mr. Manmohan K. Raina	Company Secretary (KMP)	18-09-1992
8.	Mr. Gaurav Garg	Chief Financial Officer (KMP)	09-02-2021

The Independent Directors are entitled to hold office for a term of 5 years and are not liable to retire by rotation.

Rana Ranjit Singh (DIN: 00076770) Chairman Non-Executive Director and Rana Veer Pratap Singh (DIN: 00076808) Non-Executive Director of the Company retires by rotation at the ensuing 29th Annual General Meeting of the company and being eligible, offer themselves for reappointment. Though, such determination of office by retirement and then re-appointment, if approved by the members at the ensuing Annual General Meeting, would not constitute a break in their tenure of service as the Chairman and Director respectively of the Company.

Mr. Gaurav Garg was appointed as the Chief Financial Officer w.e.f. 09.02.2021 in place of Mr. R. Balasubramanyam who resigned from the office of CFO w.e.f. 10.11.2020.

Mr. Baljit Singh Non-Executive Independent Director resigned from the Directorship on June 22, 2021 and Mr. Tara Chand Meenia joined the Board on 25th August 2021 in his place.

None of the Directors of your Company is disqualified under the provisions of Section 164(2)(a) and (b) of the Companies Act, 2013. During the period under review, none of the Non- Executive Directors of the Company had any pecuniary relationship or transactions with the Company. Further, none of the Non-Executive Directors of the company have any shareholding in the company except Rana Ranjit Singh is having 21,96,561 equity shares and Rana Veer Pratap Singh is having 61,39,566 equity shares in the Company.



The details of the Directors being recommended for appointment/ re-appointment are contained in the Notice convening the forthcoming Annual General Meeting of the Company.

DECLARATION OF INDEPENDENCE

All the Independent Directors have given declaration to the Company that they meet the criteria of 'independence' set out in the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013. The Board is of the opinion that the Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfil their duties as Independent Directors.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company promoted the following subsidiaries during the year and subsequently divested before the closure of Financial Year 2020-21:

- M/s Buttar Biofuels Private Limited
- M/s Karimganj Biofuels Private Limited

Apart from that there being no Joint Venture or Associate Company during the year under review.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March, 2021 is available on the Company's website at following link: <http://ranagroup.com/rsl/AnnualReport.htm>.

NUMBER OF BOARD MEETINGS AND COMMITTEE MEETINGS

During the year under review, 4 (Four) Board meetings, 4 (Four) Audit Committee meetings, 2 (Two) Stakeholders Relationship Committee meetings, 2 (Two) Nomination & Remuneration Committee meetings and 1 (One) Corporate Social Responsibility Committee meeting were convened and held. Details and attendance of such Board & Committees meetings are mentioned in Corporate Governance Report.

Pursuant to clause VII (1) of Schedule IV of the Companies Act, 2013, the Independent Directors had a separate meeting on 24.02.2021.

PROGRAMME FOR FAMILIARISATION OF INDEPENDENT DIRECTORS

The details of programme for familiarization of independent directors of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company's website www.ranasugars.com

PARTICULARS OF LOANS/ ADVANCES/ INVESTMENTS MADE DURING THE FINANCIAL YEAR

Particulars of loans, guarantees, investments and securities provided during the financial year under review, covered under the provisions of Section 186 of the Companies Act, 2013, have been provided in the Financial Statements which forms part of the Annual Report.

Details of loans, guarantee or investments made by your Company under Section 186 of the Companies Act, 2013, during the financial year 2020-21 are as follows:

The loan and advances were given to procure material required for production and the same were recovered subsequently.

Investments made during the financial year 2020-21

Name of Entity	Relation	Amount (Rs. in Lakhs)	Particulars of investments	Purpose for which the investments made
Karimganj Biofuels Private Limited	Sister Concern	1.0	Investment	Business purpose
Buttar Biofuels Private Limited	Sister Concern	1.0	Investment	Business purpose

Amount outstanding as at 31st March, 2021

S. No.	Particulars	Amount (Rs. in Lakhs)
1.	Investments made	0.2



RESERVES

Entire amount of Net Profit of Rs. 15,769.24 Lakhs for the financial year 2020-21, has been retained for the growth of the Company, which appears under the head "Other Equity." No amount has been transferred to general reserves.

MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF FINANCIAL YEAR AND TILL THE DATE OF THIS REPORT

No material changes and commitments which could affect the Company's financial position have occurred since the close of the financial year on March 31, 2021 till the date of this Board's Report. Further it is hereby confirmed that there has been no change in the nature of business of the Company during the financial year 2020-21.

SUSTAINABILITY INITIATIVE

Your Company is conscious of its responsibility towards preservation of natural resources and continuously takes initiatives to reduce consumption of electricity and water.

RISK MANAGEMENT

The primary objective of risk management is to protect the Company against risks to the value of the business, its capital and its continuity. In order to achieve the objective and for better governance, the Company has adopted a formal Risk Management Policy and also posted on the Company website at http://ranagroup.com/rsl/Policies_of_the_Company.htm.

The Policy sets out key risk areas - financial risks (including risk to assets), legislative and regulatory risks, environmental risks (including natural disasters), operational risks (markets, production, technology, etc.), risks relating to employment and manpower and individual large transactional risks.

The Managing Director of the company identifies and proposes action in respect of all risks through his Management team as and when these are perceived or foreseen or inherent in operations; analyses these, and then recommend it to Audit Committee for its review and further mitigation measures.

CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the year.

SHARE CAPITAL

The authorised share capital of the company at the end of the Financial Year 2020-21 was Rs. 2,20,00,00,000/- comprising of 16,00,00,000 equity shares of Rs. 10/- each and 6,00,00,000 preference shares of Rs. 10/- each and the paid up capital was Rs. 1,53,56,78,200/- divided into 15,35,67,820 equity shares and Rs. 41,09,34,240/- divided into 4,10,93,424 preference shares of Rs. 10/- each respectively. There were no changes in the share capital of the company during the financial year 2020-21. There was no bonus issue, right issue, ESOP, buy back of share or issue of shares with differential voting rights during the year.

HUMAN RESOURCES AND EMPLOYER RELATIONS

There is an on-going emphasis on building a progressive Human Resources culture within the Organisation. Structured initiatives to nurture talent and create a working environment that fosters motivation, team-work and result orientation continue to be addressed. Productivity level continued to be subject to continuous monitoring.

Employee strength as on March 31, 2021 was 1,167 as compared to 1,081 in the previous year.

DEPOSITS

The Company has neither accepted nor renewed any fixed deposits from the public or the Members, within the meaning of Section 73 of the Companies Act, 2013, read with Chapter V of the Companies Act, 2013 and the (Companies Acceptance of Deposits) Rules, 2014, during the financial year 2020-21, and as such, no amount of principal or interest on deposits from public or the Members, was outstanding as of the Balance Sheet date.

Further, Pursuant to the Rule 2(1)(c)(viii) and (xiii) of Companies (Acceptance of Deposits) Rules, 2014, Company received and repaid the following amount from/ to directors and promoters by way of unsecured loan in pursuance of the stipulation of any lending financial institution or a bank:

(Rs. in Lakhs)

Name of Promoter/ Director	Amount received	Amount repaid	Interest Rate	Interest paid	Amount outstanding as at 31 st March, 2021
Rana Inder Pratap Singh	804.36	892.4	Nil	Nil	2.65
Rana Ranjit Singh	8.62	16.51	Nil	Nil	Nil



Rana Veer Pratap Singh	12.35	1.5	Nil	Nil	12.35
Rana Gurjeet Singh	15.85	299.92	Nil	Nil	Nil
Mrs. Rajbans Kaur	0.91	2.53	Nil	Nil	Nil
Rana Karan Pratap Singh	68.92	102.75	Nil	Nil	Nil
Rana Preet Inder Singh	10.37	83.46	Nil	Nil	Nil
Mrs. Sukhjinder Kaur	1.03	5.97	Nil	Nil	Nil
Mrs. Manminder Kaur	Nil	796.86	Nil	Nil	Nil
Mrs. Balbir Kaur	Nil	10.5	Nil	Nil	Nil
Mrs. Manpreet Kaur	Nil	65.02	Nil	Nil	Nil

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

There are no significant and/or material orders passed by the Regulator(s) or Court(s) or Tribunal(s) impacting the going concern status of the Company and its business operations in near future.

HUMAN RESOURCES DEVELOPMENT

It is a proud statement in itself that your Company continues to be an employer of choice for a host of workforce. Value based HR programs unleashed by the Company from time to time have enabled the company's HR team to contribute substantially to the overall growth of the Company. In order to keep pace with the ever evolving demands of the existing business and the gamut of activities in digital space, HR has been placing tremendous focus on capability building in newer areas with an objective to predict, diagnose and take actions that will improve business performance. Further discussion on this subject is included in the Management Discussion and Analysis Report forming part of this report.

DISCLOSURE OF INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls commensurate with its size, scale and operations. Such controls have been assessed during the year under review taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Based on the results of such assessments carried out by the management, no reportable or significant deficiencies, no material weakness in the design or operation of any control was observed. Nonetheless your Company recognizes that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audits and review processes ensure that such systems are re-enforced on an ongoing basis. The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company.

VIGIL MECHANISM POLICY

The Company has in place a Vigil Mechanism/ Whistle Blower Policy, in terms of provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 which was approved by the Board of Directors. The Company's personnel have direct access to the chairman of the Audit Committee to report concerns about unethical behaviour (actual or suspected), frauds and other grievances. No personnel of the Company have been denied access to the Audit Committee. Adequate safeguards are being provided against victimization of whistle blowers availing of such mechanism.

Whistle Blower Policy of the Company is posted on the website of the Company at following link: http://ranagroup.com/rsl/Policies_of_the_Company.htm.

SECRETARIAL STANDARDS

The Company has duly complied with the applicable Secretarial Standards on Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

ALTERATION OF MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION

During the financial year under review, the company has not carried out any amendment to the Memorandum of Association and Articles of Association of the company.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has zero tolerance policy in case of sexual harassment at workplace and is committed to provide a healthy environment to each and every employee of the Company. The Company has in place 'Policy for Prevention and Redressal of



Sexual Harassment' in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (hereinafter referred "as the said act") and Rules made there under. As per the provisions of Section 4 of the said Act, the Board of Directors has constituted the Internal Complaints Committee ('ICC') at the Registered Office, Works to deal with the Complaints received by the Company pertaining to gender discrimination and sexual harassment at workplace.

Further, as per the provisions of Section 21 & 22 of the said Act, the Report on the details of the number of cases filed under Sexual Harassment and their disposal for the financial year under review, is as under:

Sr. No.	No. of cases pending as on the beginning of the financial year under review	No. of complaints filed during the financial year under review	No. of cases pending as on the end of the financial year under review
NIL			

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Board of Directors hereby confirms that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. Such accounting policies have been selected and applied consistently and the Directors have made judgements 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 March 31, 2021 and of the Profit and Loss of the Company for the year ended on that date;
- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The annual accounts of the Company have been prepared on a going concern basis;
- e. Internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEES OF BOARD OF DIRECTORS

The Board of directors have the following statutory committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee

Apart from above, the Board has constituted 1 (One) non-statutory committee namely Finance and Investment Committee after the closure of the Financial Year.

The Composition, terms of reference and number of meetings of the Committees during the period under review is covered in the enclosed Corporate Governance Report.

NOMINATION & REMUNERATION POLICY AND BOARD EVALUATION

Pursuant to the requirement of Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the Board has on the recommendation of the Nomination and Remuneration Committee, framed a policy on appointment of Directors including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, KMP and other senior management. Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our Business Model promotes customer centricity and requires employee mobility to address project needs. The remuneration policy supports such mobility through pay models that are compliant to applicable rules and regulation.

The Company has not paid any remuneration by way of salary, benefits, perquisites and allowances and commission, to its Managing Director and the Non- Executive Directors. The copy of the Nomination and Remuneration Policy of the company is attached as **ANNEXURE 7**



Managerial Remuneration:

a. Remuneration of Chairman, Managing Director and Directors

The details of remuneration paid to Chairman, Managing Director and Directors of the Company for the financial year 2020-21 are as under:

PARTICULARS	Rana Inder Pratap Singh	Rana Veer Pratap Singh	Rana Ranjit Singh
Salary (Rs. in Lakhs)	Nil	Nil	Nil
Contribution to PF & Other Funds	---	---	---
Total	Nil	Nil	Nil

b. Non-Executive Independent Directors (NEIDs):

During the year, the NEIDs were neither paid any remuneration nor granted any loans or advances. The Non-Executive Independent Directors were eligible for sitting fees for each meeting of the Board and Audit Committee attended by them, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. A Non-Executive Independent Director is also eligible for reimbursement of expenses incurred by him for attending the Board and/ or Committee meetings. There were no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors except those disclosed in the financial statements for the year ended on March 31, 2021.

The details of sitting fees paid to the Non-Executive Directors during the financial year 2020-21 are given below:

S. No.	Name of the Non- Executive Director	Sitting Fees (in Rs.)
1.	Mr. Shivavtar Singh Bajwa	10,000
2.	Mr. Baljit Singh	30,000
3.	Ms. Navpreet Kaur	40,000
	Total	80,000

c. Details of shares of the Company held by the Directors as on March 31, 2021 are given below:

S. No.	Name of the Director	No. of Equity Shares Held
1.	Rana Ranjit Singh	21,96,561
2.	Rana Inder Pratap Singh	1,79,29,952
3.	Rana Veer Pratap Singh	61,39,566
4.	Mr. Baljit Singh	Nil
5.	Mr. Shivavtar Singh Bajwa	Nil
6.	Ms. Navpreet Kaur	Nil

REPORTING OF FRAUDS

There have been no frauds reported by the Auditors, under sub section (12) of Section 143 of the Companies Act, 2013 (including amendments), during the financial year under review, to the Board of Directors and hence, there is nothing to report by the Board under Section 134(3)(ca) of the Companies Act, 2013.

AMOUNTS DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES

During the Financial Year 2020-21 there being an amount of Rs. 279.60 Lakhs outstanding for more than 45 days to MSME registered supplier and was paid after complying with the provisions as contemplated in the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

FORMAL ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, performance evaluation of the Board and its Committees and all the Directors has been carried out and the details are covered in the Corporate Governance Report.



DISCLOSURE OF PROCEEDINGS UNDER IBBI REGULATIONS

During the Financial Year 2020-21, no proceeding was initiated by and against the company.

TRANSFER OF UNCLAIMED DIVIDEND TO IEPF

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto ('IEPF Rules'), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government.

During the FY 2020-21, there is no such amount with respect to Unclaimed Dividend, which is required to be transferred to Investor Education and Protection Fund (IEPF).

TRANSFER OF SHARES TO IEPF

Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ('IEPF Account').

During FY 2020-21, there were no shares which are required to be transferred to IEPF Account.

ACKNOWLEDGEMENT

Employee relations throughout the Company were harmonious. The Board wishes to place on record its appreciation to all employees in the Company for their sustained efforts and immense contribution to the good levels of performance and growth that the Company has achieved during the financial year under review.

Your Directors also place on record their sincere thanks and appreciation for the continuing support and assistance received from the financial institutions, banks, Government as well as non- government authorities, customers, vendors, and members during the financial year under review.

On behalf of the Board of Directors
For RANA SUGARS LIMITED

Date: 25th August, 2021

Place: Chandigarh

RANA INDER PRATAP SINGH

Managing Director

DIN: 00075107

RANA VEER PRATAP SINGH

Director

DIN: 00076808

**FORM No. AOC-2**

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts or 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 arm's length transactions under fourth proviso thereto:

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

SL. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	N.A
b)	Nature of contracts/arrangements/transaction	N.A
c)	Duration of the contracts/arrangements/transaction	N.A
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A
e)	Justification for entering into such contracts or arrangements or transactions'	N.A
f)	Date of approval by the Board	N.A
g)	Amount paid as advances, if any	N.A
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A

2. Details of contracts or arrangement or transactions at arm's length basis:

SL. No. 1	PARTICULARS	DETAILS
a)	Name (s) of the related party & nature of relationship	Rana Informatics Private Limited, Sister Concern
b)	Nature of contracts/arrangements/transaction	IT equipment's & service
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Company's website www.ranasugars.com being maintained and updated with regular updates pertaining to company's operations and other shareholders' information, regulatory updates and providing all IT related services and equipments at Rs. 30.51 Lakhs for the year ended 31 st March, 2021.
e)	Date of approval by the Board	----
f)	Amount paid as advances, if any	Nil
SL. No. 2	PARTICULARS	DETAILS
a)	Name (s) of the related party & nature of relationship	Superior Food Grains Private Limited, Sister Concern
b)	Nature of contracts/arrangements/transaction	Purchase of material
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Providing material used for the operations of the Company at Rs. 2554.59 Lakhs for the year ended 31 st March, 2021.
e)	Date of approval by the Board	----
f)	Amount paid as advances, if any	Nil



SL. No. 3	PARTICULARS	DETAILS
a)	Name (s) of the related party & nature of relationship	Superior Food Grains Private Limited, Sister Concern
b)	Nature of contracts/arrangements/transaction	Sale of material
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of material used for the operations of the Company at Rs. 74.61 Lakhs for the year ended 31 st March, 2021.
e)	Date of approval by the Board	----
f)	Amount paid as advances, if any	Nil
SL. No. 4	PARTICULARS	DETAILS
a)	Name (s) of the related party & nature of relationship	Lakshmi Sugar Mills Company Limited, Sister Concern
b)	Nature of contracts/arrangements/transaction	Purchase of material
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Procurement of material used for the operations of the Company at Rs. 1997.95 Lakhs for the year ended 31 st March, 2021.
e)	Date of approval by the Board	----
f)	Amount paid as advances, if any	Nil
SL. No. 5	PARTICULARS	DETAILS
a)	Name (s) of the related party & nature of relationship	Lakshmi Sugar Mills Company Limited, Sister Concern
b)	Nature of contracts/ arrangements/ transaction	Sale of material
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of material used for the operations of the Company at Rs. 139.84 Lakhs for the year ended 31 st March, 2021.
e)	Date of approval by the Board	----
f)	Amount paid as advances, if any	Nil
SL. No. 6	PARTICULARS	DETAILS
a)	Name (s) of the related party & nature of relationship	RSL Distilleries Private Limited, Sister Concern
b)	Nature of contracts/ arrangements/ transaction	Purchase of material
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Procurement of material used for the operations of the Company at Rs. 503.74 Lakhs for the year ended 31 st March, 2021.
e)	Date of approval by the Board	----
f)	Amount paid as advances, if any	Nil
SL. No. 7	PARTICULARS	DETAILS
a)	Name (s) of the related party & nature of relationship	RSL Distilleries Private Limited, Sister Concern
b)	Nature of contracts/ arrangements/ transaction	Sale of material
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of material used for the operations of the Company at Rs. 10.76 Lakhs for the year ended 31 st March, 2021.



e)	Date of approval by the Board	----
f)	Amount paid as advances, if any	Nil
SL. No. 8	PARTICULARS	DETAILS
a)	Name (s) of the related party & nature of relationship	Rana Logistics & Transport Private Limited, Sister concern
b)	Nature of contracts/ arrangements/ transaction	Logistic Services
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Providing of logistic services to the Company for supplying of raw material and finished goods or other related services at Rs. 230.28 Lakhs for the year ended 31 st March, 2021.
e)	Date of approval by the Board	----
f)	Amount paid as advances, if any	Nil
SL. No. 9	PARTICULARS	DETAILS
a)	Name (s) of the related party & nature of relationship	Rana Power Limited
b)	Nature of contracts/ arrangements/ transaction	Purchase of material
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Procurement of material used for the operations of the Company at Rs. 0.46 Lakhs for the year ended 31 st March, 2021.
e)	Date of approval by the Board	----
f)	Amount paid as advances, if any	Nil
SL. No. 10	PARTICULARS	DETAILS
a)	Name (s) of the related party & nature of relationship	Rana Power Limited
b)	Nature of contracts/ arrangements/ transaction	Sale of material
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of material used for the operations of the Company at Rs. 0.46 Lakhs for the year ended 31 st March, 2021.
e)	Date of approval by the Board	----
f)	Amount paid as advances, if any	Nil

On behalf of the Board of Directors
For RANA SUGARS LIMITED

Date: 25th August, 2021
 Place: Chandigarh

RANA INDER PRATAP SINGH
 Managing Director
 DIN: 00075107

RANA VEER PRATAP SINGH
 Director
 DIN: 00076808



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

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014]

CONSERVATION OF ENERGY

Energy conservation is an on-going activity in the Company and the efforts to conserve energy through improved operational methods and other means are continuing.

THE STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY:

The Company continues to take following initiatives to conserve energy during the year 2020-21:

- a) Replacement of HPMV & FTL Lights with LED
- b) Installation of condensate flash tank at evaporators, this has saved steam.
- c) Installation of new multi pressure distillation plant in distillery, this has reduced steam consumption.
- d) Installation of Concentration and Incineration (C&I) Plant for treating distillery spent wash and generating green power. With this, uninterrupted operations of distillery were carried out throughout the year.
- e) Extended Economiser Coils installed to increase heat recovery from flue gases.
- f) Installed energy efficient pumps in Chilled Water and Cooling Water circuits.
- g) Installation of efficient Air Screw Compressor to replace old reciprocating compressor.
- h) Installation of vertical inline pump for cooling water and chilled water.
- i) Already placed Hydraulic Motor with ACVFD
- j) Replaced low efficiency pumps with higher efficiency pumps with VFD.
- k) Replaced DOL starters with VFD's.
- l) More Falling Film Evaporators are resulting in reduction of steam consumption % cane in Buttar unit.
- m) Continuous Vacuum Pans are resulting in reduced steam consumption in Pan boiling Buttar and Shahbad unit

The above measures have reduced the consumption of fuel and power substantially and consequently the cost of production.

I THE STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCES OF ENERGY:

- a) Use of DG sets for generating electricity has been kept to bare minimum.
- b) Utilisation of agro waste as boiler fuel increased from 92% to 95%.
- c) Electricity is generated in Co-Generation Power Plant using Bagasse as fuel which is a renewable source of energy. Captive requirement of electricity is met out of this generation and the balance power is sold to the State Grid.

II THE CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENT'S

In view of lesser availability of funds, the Company does not intend to commit its already strained financial resources towards implementation of energy reduction programmes though the Company shall continue to use its existing resources and implement conventional methods to substantially reduce consumption of energy.

TECHNOLOGY ABSORPTION

[Disclosure of Particulars in Respect of Technology Absorption]

I THE EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION

Continuous efforts are made to absorb the new technology for which Research and Development work is also undertaken in the following areas :

- 1) Almost ZERO water consumption in sugarcane processing has been continued and further improvement made to use recycled water.



- 2) Centrifugal type solid and liquid separation through Decanters are used for filtration of spent wash to improve efficiency of incineration boiler.
- 3) Distributed Control System (DCS): State of art Operations of Cane Milling, Pan boiling, Co-Gen, Decanters, etc. are automated and controlled.
- 4) Drip irrigation schemes have further expanded in other areas to conserve water and increase productivity of cane per hectare.
- 5) The benefits derived like product improvement, cost reduction, product development, import substitution, etc.
 - a) The Company as a result of the efforts made has achieved better quality of sugarcane which will result into increased yield and recovery % cane.
 - b) The consistent efforts at micro level are resulting into lower stoppage days, hence the costs.
 - c) Proper varietal balance maintained for achieving good percentage of recovery from cane.
 - d) Reduction of sulphur consumption & improvement of quality and recovery of sugar.
 - e) Increase in average yield of sugarcane results in the increase of cane availability to the mill.
 - f) Reduce of oil consumption and wastage.
 - g) Reduced the use of ground water and same time it reduces the generation of effluent.
 - h) Better control of 1st vapour and 2nd vapour.
 - i) Excellent improvement was observed in the performance of ETP due to controlled feed and less sludge formation.
 - j) Quality of sugar improved with time & manpower saving in sugar bin cleaning.
 - k) Reduced consumption of borewell water.
 - l) Quality of treated effluent from ETP has improved considerably and fully complied CPCB/UPCB norms, hence regularly used by farmers for irrigation purpose.
 - m) Sugar recovery increased.
 - n) SO₂ Gas Leakages avoided, Gas final temperature maintained & breakdowns eliminated.
 - o) Efficiency of Juice Sulphitor improved and desired pH level maintained.
 - p) Reduction of maintenance cost in all electrical switchgears and motors.
 - q) Percentage of bolder grain increased in Sugar bagging by proper distribution of Sugar into vessels.
 - r) Sugar unknown losses reduced and also getting better Masecuite Conditioning.
- 6) Utilisation of Filtrate / Melt / Syrup Clarification in Buttar unit.
- 7) Use of preventive maintenance management tools.

Owing to above efforts, higher yield of disease free cane is being made available to the Company's sugar mills resulting in higher return to cane growers as well as to the company. This has also contributed to higher recovery of cane.

II THE COMPANY HAS NOT IMPORTED ANY TECHNOLOGY.

III EXPENDITURE INCURRED ON R&D

S. No.	Particulars	Amount (Rs. in lakh)
1.	Capital	Nil
2.	Recurring	166.54
3.	Total	166.54
4.	Total R&D expenditure as percentage of total turnover	0.14%



FOREIGN EXCHANGE EARNINGS & OUTGO

[Disclosure of Particulars with Respect to foreign exchange earnings & outgo]

S. No.	Particulars	Amount (Rs. in lakh)
A.	CIF value of imports	22.63
B.	Expenditure in foreign currency (on accrual basis)	Nil
C.	Expenditure in foreign currency	
	FOB value of export sales	Nil
	Other income	Nil

On behalf of the Board of Directors
For RANA SUGARS LIMITED

Date: 25th August, 2021
Place: Chandigarh

RANA INDER PRATAP SINGH
Managing Director
DIN: 00075107

RANA VEER PRATAP SINGH
Director
DIN: 00076808



ANNEXURE 3

Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- A) a) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below:

Name of Director	Designation	Ratio
Rana Ranjit Singh	Chairman & Non-Executive Director	Nil
Rana Inder Pratap Singh	Managing Director	Nil
Rana Veer Pratap Singh	Non-Executive Director	Nil
Mr. Baljit Singh	Non- Executive Independent Director	1.78:1
Mr. Shivavtar Singh Bajwa	Non- Executive Independent Director	0.59:1
Ms. Navpreet Kaur	Non- Executive Independent Director	2.37:1

Remuneration includes all remuneration excluding exempt allowances under Income Tax Act & Company's Contribution to PF & PF administration & EDLI charges.

- b) Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year 2020-21:

Name of Director and KMP	Designation	Ratio
Rana Ranjit Singh	Chairman & Non-Executive Director	Nil
Rana Inder Pratap Singh	Managing Director	Nil
Rana Veer Pratap Singh	Non-Executive Director	Nil
Mr. Baljit Singh	Non- Executive Independent Director	Nil
Mr. Shivavtar Singh Bajwa	Non- Executive Independent Director	Nil
Ms. Navpreet Kaur	Non- Executive Independent Director	Nil
Mr. R. Balasubramanyam	Chief Financial Officer (CFO) (01 st April, 2020 to 10 th November, 2020)	Nil
Mr. Gaurav Garg	Chief Financial Officer (CFO) (09 th February, 2021 to 31 st March, 2021)	Nil
Mr. Manmohan K. Raina	Company Secretary	Nil

- c) The percentage increase in the median remuneration of employees in the financial year: There is increase of 8.90% in median remuneration of employee during the current accounting year of 12 months over the previous accounting period consisting of 12 months. The increase is considered to be reasonable.
- d) Permanent employees: As on 31st March, 2021, the Company has on its payroll 1,167 permanent employees excluding seasonal employees.
- e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: There is increase of 6.88% to 7.96% in average amongst employees.
- f) Affirmation that the remuneration is as per the remuneration policy of the Company:
The Company's Remuneration Policy is driven by the success and performance of the individual employees and the Company. The Company affirms that the Remuneration is as per the Remuneration policy of the Company.

B. Details as per Section 197 and Rule 5(2) and 5(3) of the Act:

1. During the financial year 2020-21, names of the top ten employees in terms of remuneration drawn and the name of every employee of the Company, who received remuneration of one crore and two lakh rupees or more per annum while working for the whole year or at the rate of eight lakh and fifty thousand rupees per month while working for a part of the year are given in the below mentioned table:



Sr. No.	Name	Designation	Qualification	Gross Remuneration	Nature of Employment	Date of joining	Age	Experience	Last or Previous Employment	No. of Equity Share Held	Relative of Director
1	Mr. Bhupinder Singh	Assistant Vice President (Business Development)	B.Sc.	2,90,951	Permanent	05.04.2016	50	28	Pfizer Limited	Nil	No
2	Mr. Ajay Agnihotri	DGM (Accounts)	CA	2,33,334	Permanent	21.08.2020	41	15	Groz- Beckett Asia Private Limited	Nil	No
3	Mr. Arvind Kumar Singh	Vice President (Technical)	Dip. of Mech. Engg., S.E.C.C & Mech Engg. From AMIE	2,24,486	Permanent	26.11.2018	54	30	IPL Sugar Unit, Behraich (UP)	Nil	No
4	Mr. Ajay Inder Majitia	Vice President	MBA	2,20,000	Permanent	01.04.2007	56	30	--	Nil	No
5	Mr. Sudhir Kumar	Vice President cum Unit Head	Diploma in Mech. Ansi Engg.	2,14,000	Permanent	01.07.2010	54	32	Balarampur Chini Mill, Rozagaon, (UP)	Nil	No
6	Mr. M. K. Raina	Company Secretary & Compliance Officer	M.A., LL.B, CS, DPM & LW, DLL.	1,84,059	Permanent	18.09.1992	71	46	Punjab Agro Industries Corporation Ltd.	Nil	No
7	Mr. Gaurav Garg	C.F.O.	B.Com., CA, Certified Valuation Analyst, Certified Insolvency Professional	1,70,900	Permanent	09.02.2021	41	16	Kotak Mahindra Bank Ltd.	Nil	No
8	Mr. Krishan Pratap Singh	Chief General Manager (Cane)	MSC (Agronomy)	1,60,015	Permanent	21.07.2016	50	33	Chandpur Sugars Ltd. Bijnor	Nil	No
9	Mr. Dhan Singh	Vice President	BSC (Ag.)	1,57,500	Temporary	03.10.2015	67	37	DSM Sugar, Rajpura	Nil	No
10	Mr. Pritam Singh	Sr. General Manager (Manufacturing)	M. Sc., ANSI, Sugar	1,53,166	Permanent	20.08.2009	69	43	Saraya Sugars Mills, Sardar Nagar (UP)	Nil	No

- During the financial year 2020-21 or part thereof, no employee of the Company received remuneration in excess of the remuneration drawn by Managing Director or Whole-Time Director or Manager and no employee of the Company (by himself or along with his spouse and dependent children), was holding two percent or more of the equity shares of the Company.
- During the financial year 2020-21, no employee of the Company, resident in India, posted and working in a country outside India, not being Directors or their relatives, had drawn more than sixty lakh rupees per year or five lakh rupees per month.

On behalf of the Board of Directors

For RANA SUGARS LIMITED

Date: 25th August, 2021

Place: Chandigarh

RANA INDER PRATAP SINGH

Managing Director

DIN: 00075107

RANA VEER PRATAP SINGH

Director

DIN: 00076808



Corporate Social Responsibility Report

1. Brief outline on CSR Policy of the Company:

Rana Sugars Limited ('RSL') is committed to operate and grow its business in a socially responsible way, while reducing the environmental impact of its operations and increasing its positive social impact. It aims to achieve growth in a responsible way by encouraging people to take action every day that will have big difference in the long run. This CSR Policy is guided by the following principles:

- It conducts its operations with integrity and responsibility, keeping in view the interest of all its stakeholders.
- It believes that growth and environment should go hand and in hand.
- It looks for formal collaboration with different stakeholders including Governments, NGOs, IGOs, Suppliers, Farmers and Distributors to tackle the challenges faced by the society.

The activities undertaken/ to be undertaken by the company as CSR activities are not expected to lead to any additional surplus beyond what would accrue to the company during the course of its normal operations.

In accordance with Section 135 (5) of the Companies Act, 2013, the company is committed to spend atleast 2% of the average net profit made during the three immediately preceding financial years, in areas listed out in the Schedule VII of the Companies Act, 2013.

The company has a structured governance procedure to monitor its CSR activities, for which purpose, it has constituted a CSR Committee.

The Board of Directors (Board) adopted the CSR Policy which is available on the Company's website. The company has been doing innumerable works for social cause in the sphere of education, health and other charitable activities even before this clause had come into force. The vision is to empower the community through socio- economic development of under-privileged and weaker sections.

2. The composition of the CSR Committee:

Sr. No.	Name of Director	Category	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Rana Inder Pratap Singh	Managing Director	Member	1	1
2.	Rana Veer Pratap Singh	Non- Executive Director	Member	1	1
3.	Sh. Baljit Singh	Non- Executive Independent Director	Member	1	1

3. Provide the 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 CSR policy of the Company has been disclosed on the website of the Company and is available at the following web link: http://ranagroup.com/rsl/Policies_of_the_Company.htm.

4. Provide the details of Impact assessment of CSR projects carried 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**

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



S. No.	Financial Year	Amount available for set-off from preceding financial years (Rs. in lakh)	Amount required to be set- off for the financial year, if any (Rs. in lakh)
1.	2018-19	Nil	Nil
2.	2019-20	Nil	Nil
3.	2020-21	Nil	Nil
	TOTAL	Nil	Nil

6. Average net profit of the company as per section 135(5): Rs. 6,102.50 Lakhs
7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 122.05 Lakhs
 (b) Surplus arising out of the CSR projects or programmes 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): Rs. 122.05 Lakhs
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs. Lakhs)	Amount Unspent (in Rs. 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 the Fund	Amount	Date of transfer
15.05	107.00	30-04-2021	--	--	--

- (b) Details of CSR amount spent against ongoing projects for the financial year:

S. 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		Project Duration
				State	District	
1	2	3	4	5		6
1.	Guru Nanak Stadium Kapurthala	Schedule VII (vii) (training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports)	Yes	Punjab	Kapurthala	1 year
TOTAL						

Amount allocated for the project (in Rs. Lakhs)	Amount spent in the current financial Year (in Rs. Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs. lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				Name	CSR Registration number
7	8	9	10	11	
107.00	Nil	107.00	Yes	--	--
107.00	Nil	107.00			

- (c) Details of CSR amount spent against other than ongoing projects for the financial year:

S. 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 Rs. lakh)
				State	District	
1	2	3	4	5		6
1.	Preventive health care	Schedule VII (i) (promoting health care including preventive health care and sanitation)	Yes	Uttar Pradesh	Lucknow	02.88



2.	Construction of Bird and Animal Hospital	Schedule VII (iv) (protection of flora and fauna, animal welfare, agroforestry)	No	Uttar Pradesh	Noida	10.00
3.	Rural Development	Schedule VII (x) (rural development projects)	Yes	Punjab	Amritsar	02.17
TOTAL						15.05

Mode of implementation - Direct (Yes/ No)	Mode of implementation – Through implementing agency.	
	Name	CSR registration number
7	8	
Yes	--	--
No	Sansthanam Abhay Daanam	N.A.
Yes	--	--

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 15.05 Lakhs

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

S. No.	Particular	Amount (in Rs. Lakhs)
(i)	Two percent of average net profit of the company as per Section 135(5)	122.05
(ii)	Total amount spent for the Financial Year	15.05
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or program or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs. Lakhs)	Amount spent in there porting Financial Year (in Rs. Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs. Lakhs)
				Name of the Fund	Amount (in Rs. Lakhs)	Date of transfer	
1	2	3	4	5			6
	--	--	--	--	--	--	--
TOTAL		--	--	--	--	--	--

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**



S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (in Rs. Lakhs)	Amount spent on the project in the reporting Financial Year (in Rs. Lakhs)	Cumulative amount spent at the end of reporting Financial Year (in Rs. Lakhs)	Status of the project Completed /Ongoing
1	2	3	4	5	6	7	8	9
	--	--	--	--	--	--	--	--
TOTAL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): **Not Applicable**

- Date of creation or acquisition of the capital asset(s): NA
- Amount of CSR spent for creation or acquisition of capital asset: NA
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

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

A responsibility statement of the CSR Committee:

The Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

On behalf of the Board of Directors
For RANA SUGARS LIMITED

Date: 25th August, 2021
Place: Chandigarh

RANA INDER PRATAP SINGH
Managing Director
DIN: 00075107

RANA VEER PRATAP SINGH
Director
DIN: 00076808



Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended on 31.03.2021

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

To,
The Members,
Rana Sugars Limited,
SCO 49-50, Sector 8-C,
Madhya Marg, Chandigarh.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RANA SUGARS LIMITED (hereinafter called "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 RANA SUGARS LIMITED'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 audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by RANA SUGARS LIMITED ("the Company") for the financial year ended on March 31, 2021 under the provisions of below mentioned regulations:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the amendments thereof: Not Applicable, as none of the securities of the company were delisted during the audit period.
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- Not applicable as the company has not issued any securities during the financial year under review.
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014- Not Applicable as the company has not provided any share based benefits to the employees during the year.
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Chapter V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- Not applicable as the company has not issued any debt securities during the financial year under review.
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- Not applicable as the company has not bought back any of its securities during the financial year under review.



- (vi) The major provisions and requirements have also been complied with as prescribed under all applicable Labour laws viz. The Factories Act, 1948, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, The Payment of Bonus Act, 1965, Industrial Dispute Act, 1947, The Employee's Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Gratuity Act, 1972.
- (vii) Environment Protection Act, 1986 and other environmental laws.
- (viii) Hazardous Waste (Management and Handling) Rules, 1989 and the Amendments Rules, 2003.
- (ix) The Air (Prevention and Control of Pollution) Act, 1981
- (x) The Water (Prevention and Control of Pollution) Act, 1974

I have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 being listed on the National Stock Exchange of India Limited and BSE Limited;

During the period under review the Company has complied with the provisions of the act, rules, regulations, guidelines, standards, etc. mentioned above subject to the observations made hereunder.

Based on my examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company was constituted with Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.
2. As confirmed by the management, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well 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.
3. All decisions are carried out through majority while the dissenting members' views, if any, are captured and recorded as part of the minutes.
4. The company has proper board processes.

Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Company Secretary/ Officers and taken on record by the board of directors in their meeting(s), I am of an opinion that:

1. 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.
2. On examination of the relevant documents and records, on test check basis, the company has complied with the following laws specifically applicable to the company:
 - a) The Boilers Act, 1923
 - b) Sugar Cess Act, 1982

I further report that one of the Independent Director of the company has not been registered on the Independent Director Databank as provided under Section 150 of the Companies Act, 2013 read with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014.

I further report that, there were no instances of

- (i) Public/ Rights/ Preferential issue of shares/ debentures.
- (ii) Redemption/ buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger/ amalgamation/ reconstruction etc.
- (v) Foreign technical collaborations.

For A. ARORA & COMPANY

Date: 09.08.2021
Place: Chandigarh
UDIN: F002191C000756318

AJAY K. ARORA
(Proprietor)
FCS No. 2191
C P No.: 993

This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.



To,
The Members,
Rana Sugars Limited,
SCO 49-50, Sector 8-C,
Madhya Marg, Chandigarh.

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

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records, based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the extent of verification of procedures on test basis.
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.

For A. ARORA & COMPANY

Date: 09.08.2021
Place: Chandigarh
UDIN: F002191C000756318

AJAY K. ARORA
(Proprietor)
FCS No. 2191
C P No.: 993



Management Discussion & Analysis Report

GLOBAL ECONOMIC OVERVIEW

International sugar prices touch 4 year high in May 2021

In May 2021 (up to 19 May), international sugar prices touched 4 years high as the white sugar prices in London and the raw sugar prices in New York averaged at USD 461.8 per tonne and US cent 17.4 per lb, respectively. Such high price levels for both these varieties were witnessed earlier 4 years back in the initial months of 2017. The price of white sugar in London and that of raw sugar in New York had averaged at USD 465.1 per tonne and US cent 16.4 per lb in April 2017.

During this four-year period, the international sugar prices saw the maximum sequential fall of 15%-20% in the month of March 2020 and further decline of 7%-14% in April 2020 due to Covid-19 disruptions. The white sugar price in London averaged at USD 326 per tonne and the raw sugar price in New York averaged at US cent 10.2 per lb in April 2020. After this, the sugar prices increased on m-o-m basis for most of the months with unlocking of global economies and improvement in international sugar demand supporting the growth in prices in the initial months. In addition to this, expected lower sugar output in the European Union (world's third largest sugar producer) and Thailand (second largest global sugar exporter) and uncertainty over Brazil's (the largest sugar producer and exporter in the world) diversion of cane crop towards sugar for the sugar season 2020-21 led to the upward trend in international sugar prices moving ahead.

While output from the European Union is estimated to decline by 11.1% to 14.7 million tonnes in sugar season (SS) 2020-21 (October-September), production from Thailand (December-November) is expected to fall by 8.7% to 7.6 million tonnes during the year as per the United States Department of Agriculture (USDA). It is to be noted that the sugar output in Thailand was around 14.5 million tonnes in each of the years during SS 2017-18 and SS 2018-19 which declined by a sharp 43.1% to 8.3 million tonnes in 2019-20 and is estimated to fall for second straight year in 2020-21. This, in turn, resulted in lower supply of about 6.3 million tonnes of sugar from the second largest sugar-exporting nation in the year 2019-20 and is estimated to lower supply by another 0.7 million tonnes in the current year.

Moreover, expectations of fall in sugar production from Brazil in the current SS (April 2021–March 2022) due to reduced harvest area has further provided tailwinds to the international prices in recent months. Output from Brazil is likely to decline by 5.7% to 38.9 million tonnes during the year as per Brazil's National Supply Company (Conab).

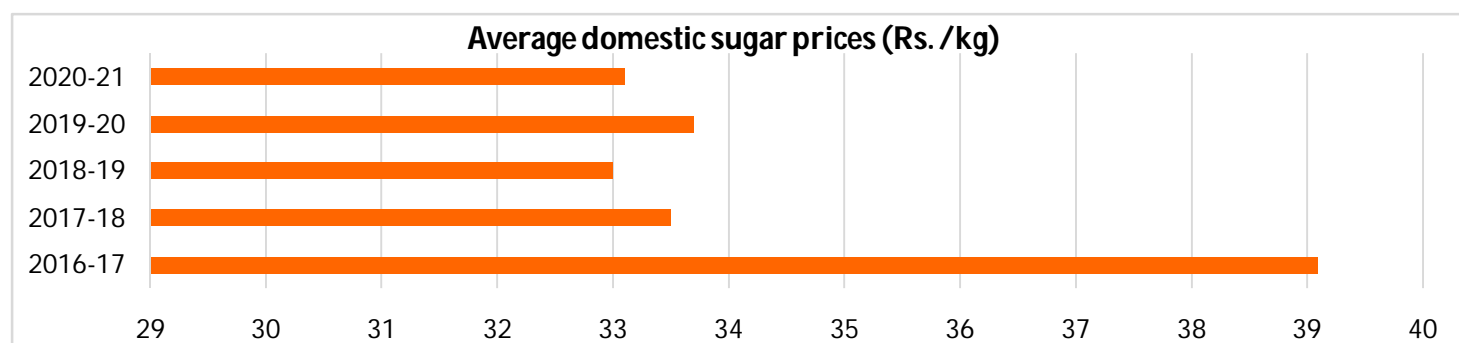
As a result, tight sugar supply situation in the global market pushed up the international sugar prices and resulted in 4-year high price rise. The firmness in international prices is expected to continue for the next 3-4 months unless sugar output from the other major sugar producing and exporting nations starts coming in for the next season 2021-22. (Source: CMIE, CARE)

INDIAN ECONOMIC REVIEW

Domestic sugar prices continue to remain range-bound

The wholesale sugar prices in India continued to average in the range of Rs.33 per kg - Rs.34 per kg for more than the past 3 years (SS 2017-18 to SS 2020-21 (up to 20 May 2021)). Sugar price that had averaged at Rs.39 per kg during SS 2016-17 declined by 14.3% to Rs.34 per kg in SS 2017-18 primarily due to bumper sugar output of 32.5 million tonnes (growth of 60.1% y-o-y) and minimal sugar exports during the year. Following this, India had an opening stock of more than 10 million tonnes of sugar in each of the next 3 consecutive years, which is much more than the normative stock requirement of 4-6 million tonnes for a year. India started SS 2018-19, SS 2019-20 and SS 2020-2021 with an opening stock of 10.7 million tonnes, 14.6 million tonnes and about 10.5 million tonnes, respectively. Such high carryover stocks have been restricting any major increase in domestic sugar prices since SS 2017-18.

In fact, the prices could have declined beyond the range of Rs.33 per kg - Rs.34 per kg had it not been for sugar Minimum Support Price (MSP) announced by the government at Rs.29 per kg in June 2018 which was further increased to Rs.31 per kg in February 2019. Lower sugar production by 11.3% to 25.1 million tonnes and 19.3% to 20.3 million tonnes during SS 2015-16 and SS 2016-17, respectively, had resulted in higher average price of Rs.39 per kg in SS 2016-17.



Sugar production and stock situation

According to the ISMA, sugar output in India increased by 14.4% y-o-y to 30.4 million tonnes during the period 1 October 2020 – 15 May 2021 led by 73% growth in Maharashtra to 10.6 million tonnes backed by favourable weather conditions which resulted in increased cane area and better yields in the state. It is important to note that the production numbers are after considering the diversion of sugar towards ethanol which is estimated at around 2 million tonnes of sugar.

In addition to the output, India has an opening stock of about 10.5 million tonnes for the current season. This will bring the total availability of sugar in India to an estimated 40.9 million tonnes. After considering domestic consumption of around 26 million tonnes (as per ISMA) and exports of about 6 million tonnes (target set by government), India will have closing stock of around 8.9 million tonnes for SS 2020-21. This closing stock is 15% lower than the previous year's closing stock of 10.5 million tonnes, however it continues to remain more than the normative requirement of 2-3 months' stock for the next sugar season. This, in turn, will prevent any sharp improvement in domestic sugar prices in the coming months even when international sugar prices remain firm. Thus, the domestic sugar industry has been eagerly looking forward for a hike in MSP as sugar prices remain range-bound with sugarcane Fair and Remunerative Price (FRP) seeing an increase of 11.8% during SS 2017-18 to SS 2020-21.

While the industry awaits a hike in MSP, recent update (20 May, 2021) indicates that the government has cut down the export subsidy for the current sugar year 2020-21 by 31.4% to Rs. 4 per kg from Rs. 5.8 per kg earlier. Support from international sugar prices and export contracts of 5.7 million tonnes out of 6 million tonnes export target resulted in announcement of this decision.

This subsidy rate comes into immediate effect and shall be applicable on the outbound shipments other than 5.7 million tonnes of sugar export contracted so far.

Apart from sugar exports, the government has been giving much importance to Ethanol Blended Petrol (EBP) Programme to reduce sugar glut situation in India through diversion of sugarcane and surplus sugar towards manufacturing of ethanol. As per the ISMA as on 19 April 2021, 117.7 crore litres of ethanol have been supplied out of 302.5 crore litres of contracted ethanol. Of the total ethanol supplied, about 77% of ethanol is made from sugarcane juice/B-heavy molasses. On an average, India has achieved blending percentage of 7.4% while 11 states that includes Uttar Pradesh, Maharashtra, Karnataka, Uttarakhand, Bihar, Haryana, Punjab, Delhi, Goa, Gujarat and Himachal Pradesh achieved a higher blending percentage of up to 10%. (Source: CARE)

Indian economic reforms and recovery

There were a number of positive features of the Indian economy during the year under review.

India reported improving Goods and Services Tax (GST) collections month-on-month (when compared with the immediately previous month or the corresponding month of the previous year) in the second half of 2020-21 following the relaxation of the lockdown, validating the consumption driven improvement in the economy.

The per capita income was estimated to have declined by 5% from Rs. 1.35 lakh in 2019-20 to Rs. 1.27 lakh in 2020-21, which was considered moderate in view of the extensive demand destruction in the first two quarters of 2020-21.

The Indian currency strengthened from a level of Rs. 76.11 on 1st April 2020 to a US\$ to Rs. 73.20 as on 31st March, 2021 after peaking at Rs. 76.97/ US\$ on 21st April 2020. (Source: poundsterlinglive.com, exchangerates.org.uk) India's foreign exchange reserves continue to be in record setting mode– FY21 saw \$101.5 billion dollars accretion in reserves, the steepest rise in foreign exchange reserves in any financial year; India's forex reserves are ranked third after Japan and China and can cover more than a year's import payments.



India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking and was the only country in the emerging market basket that received positive FPIs of \$23.6 billion in 2020; the country ranked eighth among the world's top stock markets with a market capitalisation of \$2.5 trillion in 2020.

The Indian government initiated structural reforms in agriculture, labour laws and medium-small enterprise segments. The labour reforms were intended to empower MSMEs increase employment, enhance labour productivity and wages.

The government approved amendments to the Essential Commodities Act and brought an ordinance to allow farmers to sell their crop to anyone; the changes to the Essential Commodities Act, 1955, were intended to 'deregulate' agricultural commodities (cereals, pulses, oilseeds, edible oils, onions and potatoes from stock limits). The government approved the Farming Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020, to ensure barrier-free trade in agriculture produce.

The Government relaxed foreign direct investment (FDI) norms for sectors like defence, coal mining, contract manufacturing and single-brand retail trading.

The Union Cabinet approved the production-linked incentive (PLI) scheme for 10 sectors: pharmaceuticals, automobiles and auto components, telecom and networking products, advanced chemistry cell batteries, textile, food products, solar modules, white goods and specialty steel. These incentives could attract outsized investments, catalysing India's growth journey. (Source: CARE)

Outlook

The Indian economy is projected to grow by more than 10% in FY22 as per various institutional estimates, though much will depend on how the country addresses the sharp increase in Covid-19 cases in 2021-22 after the start of the second wave of COVID 19. Recently scientists have cautioned about the third possible wave of COVID 19 in the second half of FY 22. India's growth journey could be the result of a culmination of favourable tailwinds like consistent agricultural performance, success in management of the COVID-19 infection curve, increase in government spending, favourable reforms and an efficient roll-out of the vaccine, among others.

GLOBAL SUGAR SECTOR OVERVIEW

Countries that imported the highest dollar value worth of sugar in 2020 are United States, Indonesia, Italy, Algeria, Bangladesh & Malaysia.

Global sugar production for the sugar season 2020-21 was estimated at 169 million tonnes against the estimated global consumption of 174 million tonnes; the sugar deficit is attributed to the lower production estimates in the EU, Brazil and Thailand. Brazil and Thailand, who account for nearly one-fifth and 7% respectively of overall sugar output was estimated to have suffered a decline in production due to unfavourable weather conditions, whereas the European Union was projected to witness a production decline for the third consecutive year due to reduced acreage and a higher disease incidence. However, sugar demand from Asian countries, especially the China and Indonesia, was projected higher on account of the easing of lockdown restrictions. Overall sugar exports were estimated at around 62 million tonnes during 2020- 21 compared to 66.5 million tonnes in the previous year. (Source: USDA, Hindu Business Line, Reuters)

5 largest cane sugar producing countries	
Brazil	38 million tonnes
India	30.2 million tonnes
Thailand	6.9 million tonnes
United States	14.11 million tonnes
Mexico	5.9 million tonnes

(Source: World population review, Statista, Reuters)

OVERVIEW OF KEY SUGAR MANUFACTURING GEOGRAPHIES

Thailand : It is one of the major sugar producing countries and is the second largest exporter of sugar. Thailand's overall sugar output was estimated at 7 million tonnes in 2020-21, a 50% decline compared to 14 million tonnes in 2019-20. This decline was attributed to the worst drought that the country has witnessed in 40 years.



China: The fourth largest sugar producer in the world with a production quantum estimated at 9.3 million in 2020-21 owing to increasing cane and beet area. The annual consumption of sugar in China was estimated at 15.2 million tonnes in 2020-21.

Brazil: Brazil is the leading sugar producer and exporter, accounting for 20% of the global production and 40% of global sugar exports. About 75% of the sugar produced was exported to more than 100 different countries. Brazil produced 41.8 million tonnes during the sugar season 2020-21 owing to strong sugar prices and sugar producers opting to produce more sugar and less ethanol due to the reduced demand for ethanol resulting from lockdowns caused by the pandemic. However, the probable sugar production in CS Brazil during 2021-22 is low end of estimated range of 35.4 to 35.9 million tonnes as against more than 38 million tonnes of sugar produced in 2020-21.

USA: The sugar production for the period was estimated at 14.11 million tonnes as compared to 7.8 million tonnes in the previous fiscal. Imports were estimated at 2.9 million tonnes for the year.

GLOBAL SUGAR PRICE TRENDS

Raw sugar prices have been on rollercoaster ride. From a low of 12.5 cents per pound in September 2019 they rebounded to 15 cents per pound in February, 2020 to crash to almost 10 cents per pound. In June 2020 it hovered around 11 cents per pound. Around the same time white sugar price prevailed at around US\$ 360 per metric tonne. In August, 2020 the raw prices rebounded to 12.75 cents per pound and white sugar price to around US\$ 370 per metric tonne. Sugar prices thereafter have been on an upward spiral as raw sugar prices further rose to around 14.75 cents per pound in November, 2020 mainly on account of lesser availability of Brazilian sugar for export and uncertainty regarding exports from India. Around February, 2021 raw sugar prices moved further northwards in spite of export subsidy program announced by India. It was around 16 cents per pound and white sugar quoted at around 470 US\$ PMT. Presently raw is priced is more than 17 cents per pound and white sugar in excess of US\$ 460 PMT.

World sugar balance (October/September)

in thousand tonnes, tel quell

	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Production	1,69,040	1,71,156	1,74,264	1,79,787	1,69,073	1,63,825	1,69,373
Consumption	1,73,822	1,70,274	1,70,717	1,71,153	1,72,168	1,70,287	1,67,079
Surplus/deficit	-4,782	882	3,547	8,634	-3,095	-6,462	2,294
Import demand	62,133	66,545	57,540	62,649	65,040	66,256	58,419
Export availability	62,180	66,554	57,208	62,413	64,900	66,264	58,419
End stocks	92,779	97,608	97,432	93,553	84,683	87,483	93,953
Stocks/consumption ratio in %	53.33	57.32	57.07	54.66	49.19	51.37	55.82

(Source ISO report, February, 2021)

INDIAN SUGAR INDUSTRY OVERVIEW

Sugarcane production in sugar season 2020-21 was estimated at 30.2 million tonnes whereas consumption was estimated at 26 million tonnes. The sugar production was expected to be slightly lower than the initial estimate on account of unexpected drop in yield from ratoon crop in Uttar Pradesh and also due to unseasonal rains in Maharashtra. The total cane acreage in the country was estimated to be around 52.28 lakh hectares in 2020-21 sugar season (SS), about 8% higher than the 2019-20 sugar season's cane area. Maharashtra and Karnataka were the main contributors to the rise as the states suffered adverse weather in the previous seasons.

An estimated 2 million tonnes of the sugar was expected to be diverted for ethanol production in 2020-21 SS on account of the government's intent to increase ethanol blending with petrol to 20% by 2025.

The sugar production in Maharashtra was estimated at 10.5 million tonnes for 2020-21 SS, compared to 6.2 million tonnes in 2019-20 SS. The third major sugar producing state, Karnataka, was also expected to produce an estimated 4.2 million tonnes in 2020-21 SS, an increase of 20% over the previous year.

The sugarcane acreage in Uttar Pradesh, India's leading sugarcane and sugar producing state, remained at the same level as the previous year. Sugar production in 2020- 21 SS was estimated at 10.5 million tonnes compared to ~12.5 million tonnes in 2019-20 SS. In Tamil Nadu, 20 sugar mills commenced their crushing operations for 2020-21 SS and produced 1.1 million tonnes of



sugar compared to 0.8 million tones in 2019-20 SS. Karnataka produced 4.2 million tonnes in 2020-21 SS compared to 3.5 million tonnes in 2019-20 SS.

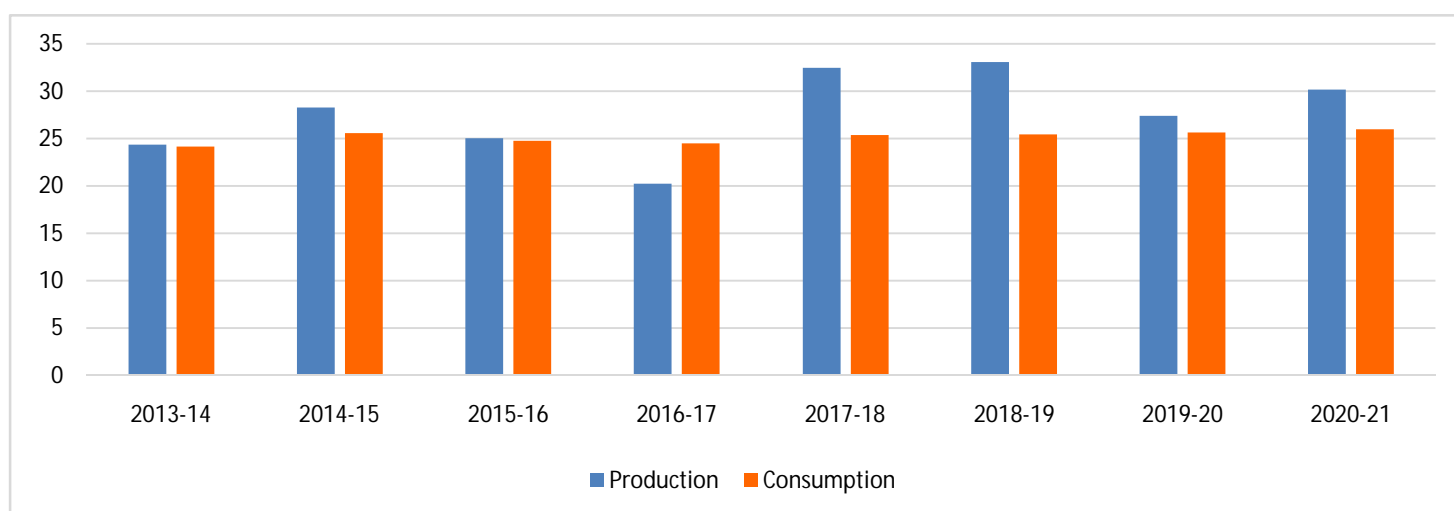
The Government approved a subsidy of Rs. 3,500 crore for exports of 6 million tonnes in 2020-21 SS. India exported sugar mainly to Indonesia, Dubai, Afghanistan, Sri Lanka and Africa. Since the export quotas were allocated by the government, Indian mills contracted to export more than 5.4 million tonnes of sugar, out of which nearly 3.5 million tonnes of sugar was shipped till end of April, 2021 and another 1 million tonnes is expected to be shipped out during May, 2021. In a major decision Department of Food & Public Distribution has allowed exchange of export quantity of sugar with monthly sales quota between mills to maximise exports and reduce the incidence of transportation cost involved in movement of sugar from one state to another. This move has provided impetus to exports and obviated the need to redistribute export quota time and again.

In the sugar season 2020-21, 502 sugar mills across the country were involved in crushing operations, compared to 457 mills operating in 2019-20 SS. Sugar mills across the country owed around Rs. 22,900 crore to sugarcane farmers (as of February, 2021). (Source: ISMA, Business Standard, Business Today, Economic Times, Ventura Research)

Sugar production and consumption (Source: ISMA & Ventura Research)

(in million tonnes)

Year	Production	Consumption
2013-14	24.4	24.2
2014-15	28.3	25.6
2015-16	25.1	24.8
2016-17	20.3	24.5
2017-18	32.5	25.4
2018-19	33.1	25.5
2019-20	27.4	25.7
2020-21	30.2	26.0



Indian sugar sector price trends

Fair and Remunerative Price (FRP) is the minimum price that sugarcane farmers are legally guaranteed to receive from the sugar mills. In the 2020-21 SS, the FRP was pegged at Rs. 285 per quintal compared to Rs. 275 per quintal in 2019-20 SS, with the objective of empowering the

YEAR	FRP (Rs. /Quintal)	
	FRP	
2009-10	130	
2010-11	139	
2011-12	145	
2012-13	170	



farmers. The CCEA also approved to provide a premium of Rs. 2.75 per quintal for every 0.1% increase above 10% in the recovery. (Source: PIB, the Hindu Business Line)	2013-14	210
	2014-15	220
	2015-16	230
	2016-17	230
	2017-18	255
	2018-19	275
	2019-20	275
	2020-21	285
	(Source: Industry Reports & Ventura Research)	

Domestic sugar Balance Sheet

Particulars (million tonnes)	SS16	SS17	SS18	SS19	SS20	SS21 E
Opening stock	9.0	7.7	4.0	10.7	14.5	10.7
Production	25.1	20.3	32.5	33.1	27.4	30.2
Consumption	24.8	24.5	25.4	25.5	25.7	26.0
Exports	1.6	0.0	0.6	3.8	5.5	6.0
Imports	0.0	0.5	0.2	0.0	0.0	0.0
Closing Stock	7.7	4.0	10.7	14.5	10.7	8.9

DRIVERS OF SUGAR DEMAND IN INDIA

Rising population: India is the second most populous country after China, with a population of 1.39 billion in 2020-21, 0.97% higher over the previous year, which is expected to drive sugar demand. (Source: India Today)

Growing chocolate demand: The Indian chocolate market was estimated at US\$ 1.9 billion in 2020 on the back of the increasing youth population of the country, driving sugar demand. (Source: IMARC)

Rise in confectionery sales: The Indian sugar confectionery industry was estimated at ~US\$ 2.41 billion in 2020, expected to drive sugar demand. (Source: Statista)

Robust soft drinks consumption: India's per capita soft drink consumption was estimated at 44 bottles per year in 2016, estimated to grow to 84 bottles by 2021, validating the increasing demand for sugar. (Source: Economic Times)

GOVERNMENT INITIATIVES

- The Government maintained the minimum selling price of sugar at Rs. 3,100 per quintal vis-a-vis last year, which helped in stabilizing the profitability and enable mills to clear cane arrear payments to farmers.
- To control sugar supply in the country, the government imposed a monthly sugar sales quota since June 2018.
- The government announced Maximum Admissible Export Quota (MAEQ) of 6 million tonnes and subsidy of Rs. 3,500 crore to mills exporting sugar under this quota.
- Ethanol procurement prices for Ethanol Season Year 2021-22 (November to October) was fixed at Rs. 45.69 per litre in case of ethanol made from C-Heavy molasses, Rs. 57.61 per litre in case of ethanol made from B-Heavy molasses and Rs. 62.65 in case of ethanol derived directly from sugarcane juice.

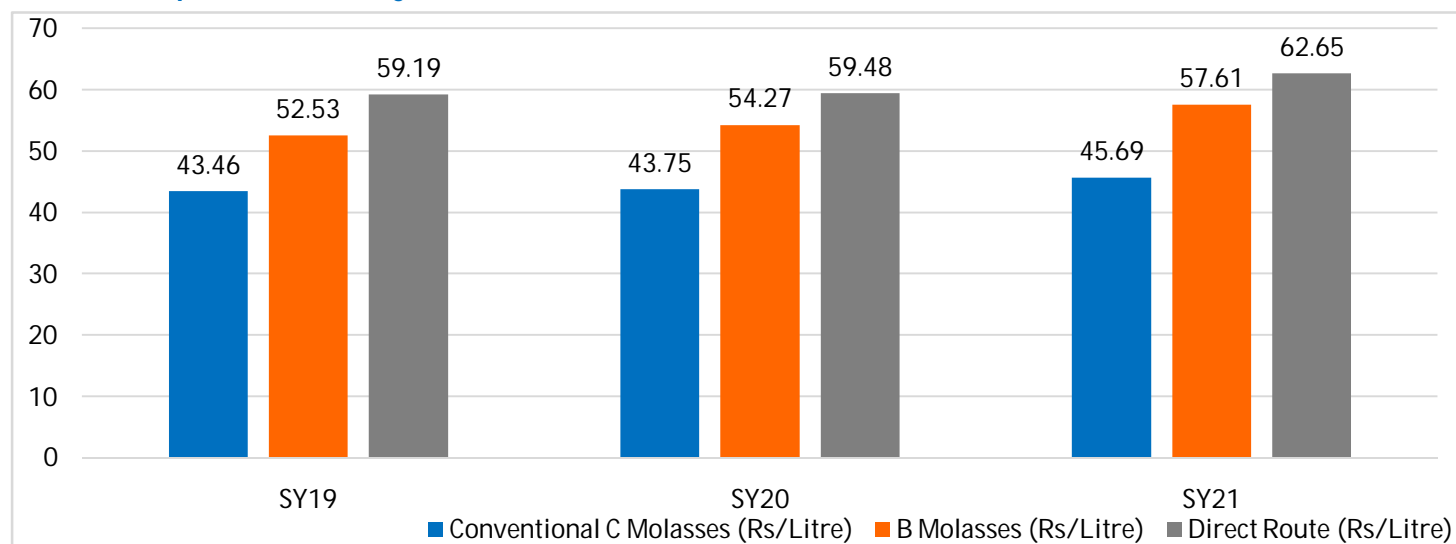
INDIAN ETHANOL SECTOR OVERVIEW

Ethanol blending – key for sustenance

India has only around 2% share in the global production of ethanol while it has close to 17% share in global sugar production. As against that Brazil which is the largest producer of Sugar globally (around 18% share) has 30% stake even in global ethanol production. In Brazil, the average ethanol blending in petrol is around 48%. In India, the average blending in petrol is only around 7.5% so far which is significantly low when compared to Brazil. Considering the untapped potential - National Bio-fuel Policy was announced by the government among other measures of fixing and increasing ethanol prices for different grades and announcing incentives to set up/expand distillery capacities.



Chart- Ethanol prices for different grades



(Source: ISMA)

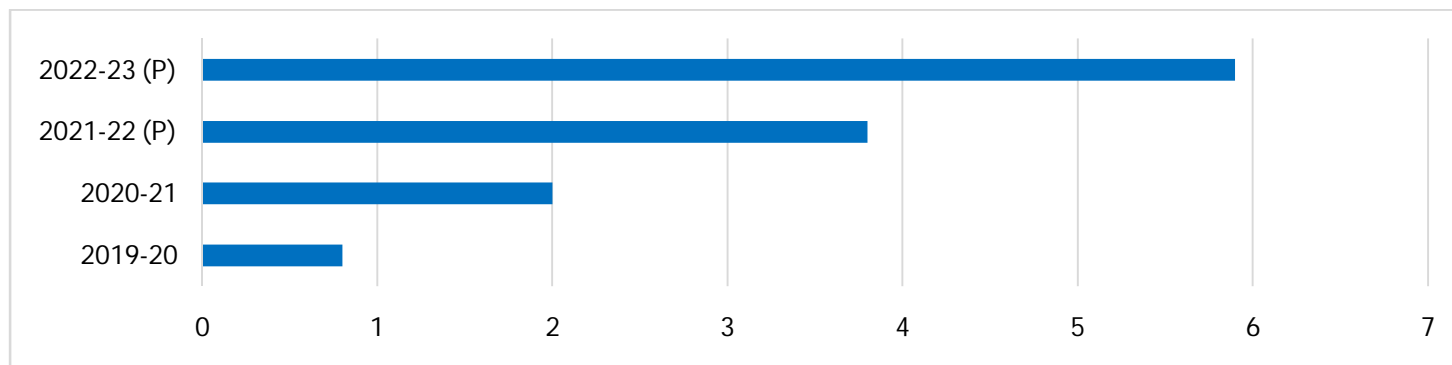
The EBP program aims to increase ethanol blend level with petrol to 7.5%-8% by 2020-21, 10% by 2022 and 20% by 2025 (advanced from 2030 earlier this year). The government has brought forward the target date for achieving 20% ethanol- blending with petrol by two years to 2023 in a recent notification primarily to help reduce India's dependence on oil imports which are costly. The thrust that government has shown on this sector is visible from the fact that, the ethanol production capacity in India has almost doubled over a period of 5 years with capacity increasing substantially from Ethanol Supply Year (ESY) December 2017-November 2018 onwards. The capacity has grown at a strong CAGR of 17.8% from 222 crore litres in ESY 2015-16 to 427 crore litres in ESY 2019-20. While ethanol production capacity for ESY 2019-20 stood at 427 crore litres, ethanol supply for EBP Programme for the year was estimated at ~173 crore litres based on the offers received from ethanol producers. This is because produced ethanol is also used for other purposes that include potable liquor and chemicals. However, the higher mix of fuel ethanol in the total alcohol requirement over the years is on account of significant support extended by the Government in the form of remunerative prices for ethanol each year. The above measures have resulted in EBP rising from 1.5% in ESY14 to around 5.12% in ESY20.

The blending percentage of 7.56% has been achieved in the current SS on an average with some States like Uttar Pradesh, Maharashtra, Karnataka, Uttarakhand, Bihar, etc. have even achieved higher blending percentage of up to ~10%. With the surplus sugar situation auguring well for the ethanol industry and with the support government has shown in the recent past in the form of interest subventions for the distillery capacity expansion, aggressive capex is underway already as around 1000 crore litres of ethanol is required to achieve the target of 20% blending. With the build-up of capacity and more impetus of the government on blending, it is likely that 10% ethanol blending will be achieved by 2022 which requires close to ~420 crore litres of ethanol. Furthermore, augmenting the tankage capacities and promoting manufacturing of flexible fuel vehicles are the next steps that domestically need more focus going forward to achieve the said 20% target apart from the capacity expansion.

The sugar industry is producing almost 6 MT of surplus sugar every year which can be diverted to produce 700 crore litres of ethanol out of the total requirement of 1000 crore litres and balance can be produced from excess grains. With government allowing ethanol through grain-based distilleries as well gives additional stream of revenue to some of the sugar companies who are willing to expand. Currently the excess sugar produced is largely being exported depending on the global demand-supply dynamics & export incentives by Government. The road map that every year the surplus sugar can be reduced by 2 million tons is being worked on by the industry and the Government. By 2023 India is planning to have zero surplus sugar by diversion to ethanol (with 2MT every year till 2023) and this move of advancing the 20% of ethanol blending target from 2025 to 2023 by government is a step forward in achieving the same. Ethanol has hence turned into a vital policy instrument for the Government in managing the looming surplus. The sticky issues in the sector shall be solved with augmentation of ethanol capacities.



Chart- Sugar sacrifice due to diversion to ethanol (in million tonnes)



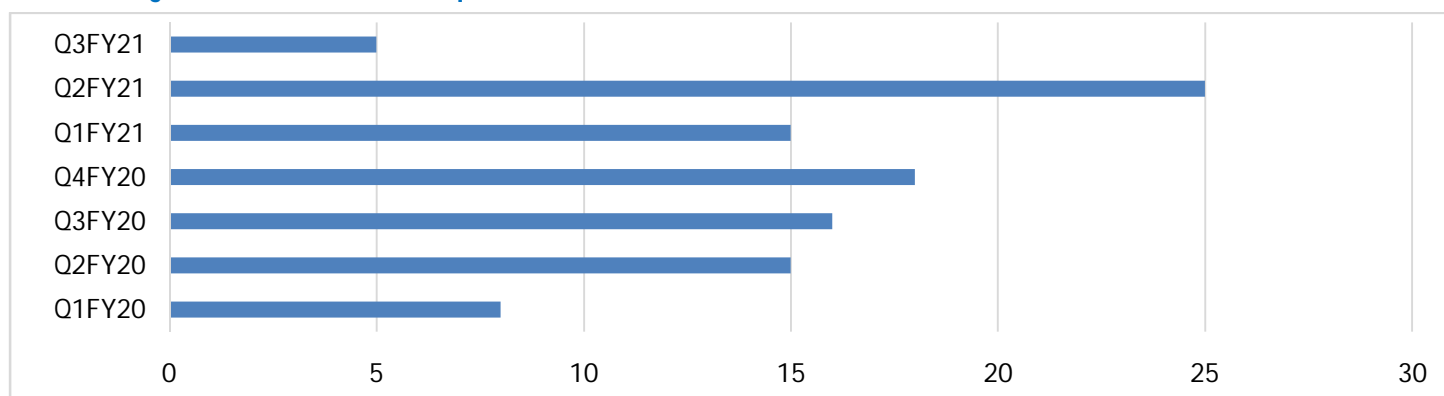
(Source: Industry Data, ISMA, CARE)

Raw material base has diversified with ethanol supplies from C-heavy molasses accounting for about 42% of the total ethanol supply contracts, B-heavy molasses and sugarcane juice contributed about 40% and ~9%, respectively, of the total ethanol supply contracts during ESY 2019-20 so far and the rest being contributed by damaged food grains. This if compared to earlier SS is a significant improvement as earlier largely everything was from C-heavy. In the current season, against the total LOI quantity of 346.52 crore litres, 321.18 crore litres have been contracted for and 145.38 Cr litres of ethanol have been supplied as on 24th May 2021. As per ISMA out of the total supply about 76% comprises of ethanol made from sugarcane juice /B-heavy molasses. This is purely on account of the Government showing a lot of thrust on ethanol through B-heavy or direct sugarcane juice and announcing higher price realizations accordingly which shall help industry manage the surplus by diverting more sugarcane towards ethanol production. Going forward with extensive capex underway for producing ethanol from B-heavy and grain based, this mix going forward will significantly reduce from C-heavy. Revenue mix of the industry players where higher contribution comes from b-heavy or direct sugarcane juice is an indicative factor that the cash flows of these players is going to increase which shall help them lower the cane arrears and lower the overall working capital borrowings.

Credit Perspective

Sugar industry has been registering year-on-year growth in net revenues for the past 7-8 consecutive quarter and the trend is likely to continue even in Q4FY21. The industry has been reporting almost a double-digit growth rate in revenues excepting in Q3FY21 when the y-o-y growth for the quarter stood at ~5% which was primarily due to late announcement by Government for the export subsidy for the SS2020-21. Q4FY21 again is expected to clog a double-digit y-o-y growth in revenue of sugar millers with majority exports taking place in Q4 and due to ethanol dispatches.

Chart- Y-o-Y growth in Net Sales across quarters



(Source: Ace Equity, CMIE)



Roadmap for Ethanol Blending in India 2020-25.

The NITI Aayog released a report on 'Roadmap for Ethanol Blending in India 2020-25' in June 2021. The report suggests: (i) an annual roadmap for production and supply of ethanol till 2025-26, and (ii) systems for country wide marketing of ethanol. Note that the National Policy on Biofuels, 2018 was notified in June 2018, which aimed at achieving 20% blending of ethanol in petrol by 2030. In December 2020, the deadline to achieve the ethanol blending target was revised to 2025. Key observations and recommendations include:

- **Fuel ethanol demand projection:** The report estimates that India's requirement of ethanol for petrol blending will increase from 173 crore litres in 2019-20 to 1,016 crore litres in 2025-26. To meet this demand, the ethanol production capacity will have to be increased from 684 crore litres in 2019-20 to 1,500 crore litres in 2025-26. This includes production capacity of: (i) 740 crore litres of grain-based ethanol, and (ii) 760 crore sugar based ethanol. The report recommended that to enable roll out across India, ethanol may be supplied from surplus to deficit states based on the requirements. This will ensure uniform availability of ethanol blends in the country.
- **Ethanol blending roadmap:** The report recommends that the Ministry of Petroleum and Natural Gas should notify a plan for availability of E10 fuel (blend of 10% ethanol and 90% petrol) by April 2022. Further, the Ministry should notify a plan for continued availability of the fuel for older vehicles. Fuel blended with 20% ethanol (E20) should be launched in phased manner from April 2023 to ensure availability of E20 by 2025. The roll out of higher ethanol blends may be done in phased manner, starting with the states with surplus production of ethanol.
- **Expediting regulatory clearances:** Ethanol production plants need environmental clearances for new projects and expansion of existing projects. The report recommends certain measures to expedite regulatory clearances for ethanol production such as expediting the issuing of consent to establish distilleries by state governments. Further, a single window system may be formulated by the Department for Promotion of Industry and Internal Trade to accord speedy clearances. This would facilitate speedy clearances for new projects and expansion of current projects for ethanol production.
- **Ethanol pricing and environmental impact:** In 2018-19, the government introduced a differential pricing policy wherein higher rates were offered to sugar mills for ethanol production from B-heavy molasses (an intermediate product) and sugarcane juice. This incentivizes sugarcane-based ethanol production. One litre of ethanol from sugar requires about 2,860 litres of water. In view of the need for water conservation, the report recommended that suitable incentives should be used to (i) source ethanol from less water intensive crops, and (ii) promote production from maize and second-generation sources.
- **Ethanol compatible vehicles:** The Committee highlights that in order to use higher ethanol blends, vehicles need to be designed holistically to prevent engine failure and low fuel economy. Flex Fuel vehicles, though proven, would cost more than normal petrol vehicles. To ensure production of ethanol blended petrol compatible vehicles in the future, the Committee recommended that: (i) E20 material compliant and E10 engine tuned vehicles may be rolled out across the country from April 2023, and (ii) vehicles with E20 tuned engines can be rolled out from April 2025.
- **Unrestricted movement of denatured ethanol:** The report noted that ethanol used for blending purpose is denatured ethanol (unfit for human consumption). It further noted that state governments are empowered to legislate, control, and levy taxes and duties on liquor meant for human consumption. The report recommended that movement of denatured ethanol across India should not be under control of states. It may be controlled only by the central government to ensure unrestricted movement across India. *(Source: PRS legislative research report of NITI Aayog)*

INDIAN CO-GENERATION SECTOR OVERVIEW

With the setting up of new sugar mills and the modernisation of existing ones, bagasse-based co-generation throughput was an estimated 10,000 MW in 2020-21. Moreover, with use of high pressure and high-temperature power generation cycles, the throughput increased to an estimated 15,000+ MW. The availability of biomass in the country was projected at around 500 million metric tonnes per annum. India has an additional biomass availability of around 120-150 million metric tonnes each year. Moreover, about 7,000 MW extra power might be produced through bagasse based cogeneration in 550 sugar mills across the country, if these sugar mills were to adopt economically optimum levels of cogeneration for extracting power from the bagasse produced by them.

The fuel most preferred for captive generation is coal, which accounts for 56% of the fuel mix in India. Since the electricity is primarily generated using residual bagasse, a by-product of sugar, additional expenses are not mandated to be incurred by sugar mills within their factory premises. This resulted in the smoothening of the discovery of better margins for sugar companies who



are in long term power purchase agreements with State owned Power distribution companies in the co-generation segment and modified electricity costs. The average spot power price declined from Rs. 2.92 per unit as of 31st December, 2019 to Rs. 2.83 per unit as of 31st December, 2020, recording a decline of around 3%.

Furthermore, the Ministry of New and Renewable Energy (MNRE) has launched a scheme to assist in biomass-based cogeneration in sugar mills and in other industries. Under this scheme, 70 biomass cogeneration projects are under implementation with surplus capacity standing at 800 MW. States which are leading with regard to the implementation of bagasse cogeneration projects comprise Andhra Pradesh, Tamil Nadu, Karnataka, Maharashtra and Uttar Pradesh. (Source: MNRE, Business world, Ijert, Crespai)

FINANCIAL ANALYSIS AND OPERATIONAL SNAPSHOT

During the year under review, your Company focused partly to Ethanol and accordingly shifted the sugar manufacturing activities towards Ethanol manufacturing to earn better margins and stabilize the rising inventory levels.

FINANCIAL PERFORMANCE

(Rs. in Lakhs)

PARTICULARS	2020-21	2019-20
Revenue from Operations	1,22,207.36	1,31,331.30
Other Income	519.15	746.55
Total Revenue	1,22,726.51	1,32,077.85
EBITDA	12,640.11	8,397.86
EBITDA/ Sales (%)	10.34%	6.39%
Profit before tax	15,756.68	25,860.77
Tax Expenses	(12.55)	(710.14)
Profit after tax	15,769.23	26,570.91

OPERATIONAL PERFORMANCE

Sugarcane and Beet Root crushed and sugar produced across all units (Financial Year 2020-21)

Particulars	Sugarcane			Beet Root		
	2020-21	2019-20	Change	2020-21	2019-20	Change
Crushing (lakh quintal)	236.02	229.92	(2.65%)	13.76	12.53	10%
Recovery % (Net)	8.61	9.32	1.01%	10.10	6.62	52%
Production (lakh quintal)	20.33	21.43	(1.66%)	1.39	0.83	67%

Highlights Financial Year 2020-21

- Sugarcane crushing decreased by 2.65% because of low yield in Punjab on account of unfavourable weather conditions than last year and Beet Root crushing on other hand increased by 10% compared to previous year.
- Net Recovery of sugar from sugarcane got reduced to 8.61% as compared to recovery of 9.32% last FY mainly on account of use of juice/ syrup for manufacturing of Ethanol rather than sugar. The recovery of sugar from Beet Root increased by 52% because of better yield due to good harvest of beet root crop.
- Sugar production decreased because of conversion of juice in to Ethanol rather than to sugar production.

Performance of cogeneration division- Metrics of power sold:

Unit	2020-21		2019-20	
	Power sold (Lakh units)	Amount (Rs. /Lakh)	Power sold (Lakh units)	Amount (Rs. /Lakh)
Punjab	750.18	4850.23	672.12	4207.39
Uttar Pradesh	654.30	2159.20	703.20	2335.79
Total	1404.48	7009.43	1375.32	6543.18



The Power unit in U.P. reduced by 6.95% mainly because of increase in captive consumption in the recently setup Distillery unit. Contrary to that, the Power Export in Punjab increased by 11.61% because of extended crushing operations of beetroot and favourable environmental conditions leading to operation of the power plant during off-season.

Performance of Distillery:

Area of Operation	Production* (Lakh BL)		Sales* (Lakh BL)		Revenue** (Rs. In Lakh)	
	2021	2020	2021	2020	2021	2020
Punjab	536.44	307.98	535.90	303.01	30853.30	16466.21
Uttar Pradesh	191.50	212.43	189.86	191.31	9683.40	8939.15
Total	727.94	520.41	725.76	494.32	40536.70	25405.36

* Does not include products other than spirit/ Ethanol.

** Including Sale of all products

Improved performance of the distillery segment is the result of enhanced ethanol generation capacities in the Punjab and optimal operation of the U.P. Ethanol Plant.

Accounting policies

The financial statements of the Company have been created in compliance with the requirements of the Companies Act, 2013 and IND-AS. The accounting policies followed by the Company form an integral part of the annual report.

SWOT ANALYSIS

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> Established since last 28 years. Fully Integrated Manufacturing facilities. Experienced promoters supported by in house technical team. Only Plant in India to manufacture sugar from Beet Root. Long Term Power Purchase Agreements with State Electricity Boards in U.P. and Punjab. One of the largest Ethanol manufacturers in the region. 	<ul style="list-style-type: none"> Inadequate Working Capital facilities leading to delayed cane payments. 	<ul style="list-style-type: none"> On the back of a rising population and increased downstream demand, sugar demand is increasing in India Government of India initiative to incentivize the industry by allowing the manufacturing of Ethanol from BHM and Syrup will help in stabilizing the surplus inventory of sugar as well as improve the margins of the Company. Allowing Export of Sugar under MAEQ and providing subsidy for reimbursement of transport expenses. Competitive Global Sugar Prices. 	<ul style="list-style-type: none"> Competition from cheap sugar imports Climate vagaries affect the sugar industry majorly. Sole dependence on growers' mind-set towards cane cultivation. Government Policies regarding subsidies and declaration of higher cane prices.



Business Segment Review

SUGAR

Overview

Rana Sugars Limited commissioned its maiden manufacturing unit at Baba Bakala, District Amritsar, Punjab with a cane crushing capacity of 2,500 tonnes per day in the year 1993. The Company is now spread across 3 manufacturing facilities with an aggregate cane crushing capacity of 20,500 tonnes per day. The group has geographically diverse sugar manufacturing facilities with one unit each in Moradabad & Rampur districts of Uttar Pradesh and one unit in Amritsar district of Punjab.

Over the years, Rana Sugars Limited has invested in various initiatives to improve cane yield, enhance recovery and optimise costs. These initiatives comprise of tight cane inventory management, engagement with farmers through seminars and the increased use of technology in cane supply chain. The initiatives have played a large role in improving process transparency.

Rana Sugars Limited has also modernised & automated its plants to achieve enhanced efficiencies, minimise losses and optimise recoveries.

The Company pioneered manufacturing of sugar from sugar beet in India. It has set up India's first sugar beet processing facility at the Amritsar facility. Over the years, the Company has been making efforts to increase area under sugar beet by educating farmers and assuring them of offtake of the crop with enhanced revenue over other crops.

1,235.90	1,014.34
Revenues earned during 2019-20 (Rs. crore)	Revenues earned during 2020-21 (Rs. crore)
(9.83)	22.97
EBITDA earned during 2019-20 (Rs. crore)	EBITDA earned during 2020-21 (Rs. crore)
22.26	21.73
Total production during 2019-20 (lakh quintals)	Total production during 2020-21 (lakh quintals)
9.18	8.70
Recovery rate during 2019-20 (%)	Recovery rate during 2020-21 (%)
72.48	63.42
Contribution to total revenues during 2019-20 (%)	Contribution to total revenues during 2020-21 (%)
20500 (Sugar)	20500 (Sugar)
5000 (Beet Root)	5000 (Beet Root)
Crushing capacity during 2019-20 (TCD)	Crushing Capacity during 2020-21 (TCD)

Financial Year Highlights, 2020-21

- Crushed 249.78 lakh quintals of cane and sugar beet, up from 242.45 lakh quintals of in 2019-20.
- Net recovery at 8.70% vs 9.18% in 2019-20.

Challenges and responses

- Excessive dependence on single variety. The company and the industry needs to reduce its dependence on **CO 0238** variety. In case of failure of the variety for any reason, large scale substitution with another variety will be a challenge.
- Your company is trying to propagate other early varieties to mitigate this challenge. Above variety is also prone to attack of red-rot pest. Your company is taking all precautionary measures and educating farmers on dealing with this disease. Your company is also introducing CO 118 variety as a substitute to CO 0238 variety.
- Recovery of the company is closer to the saturation level. Company is not only enhancing plant efficiencies but also working on incubation & development of other high recovery yielding varieties.

Future Roadmap

Government's positive interventions in propelling the sugar sector bode well for the Company. The company will engage deeper with farmers, operate plants at optimal capacity and strengthen its financial performance. The company will also introduce high sugar yielding varieties released by various sugarcane breeding institutes in the country.

With increased focus on ethanol, contribution from sugar segment will moderate in the times to come. This will help the company beat the cyclical nature of business that the sugar industry has traditionally been associated with.



DISTILLERY

Overview

Rana Sugars Limited commissioned a 60 KLPD (Kilo Litres per Day) distillery at Village Lauhka, Tehsil Patti, District Tarn Taran in 2006. Originally commissioned to manufacture industrial alcohol/rectified spirit, the distillery was upgraded to produce ethanol. In due course of time the distillery was expanded as the demand for ethanol grew multifold. The current capacity of the plant stands at 225 KLPD.

Ethanol produced at the facility is supplied to the oil marketing companies under the GOI's Ethanol Blending Programme. The Central Government's ethanol blending programme is part of a long-term direction aimed at moderating the cyclicity of the sugar industry and reducing national dependence on imported fuel.

During 2018-19, with the focus shifting towards manufacturing of Ethanol as per the EBP of GoI, the Company set up another Ethanol plant of 80 KLPD at its existing sugar unit in Moradabad. Following the expansion in capacities, Rana Sugars is now empowered to produce more than 6.00 crore litres of ethanol. The company uses B heavy molasses to produce ethanol that allows the company to further reduce its dependence on crystal sugar. The Company has installed best-in-class equipments to take this business ahead.

Operating its Ethanol plants at 305 KLPD from November, 2020 onwards the benefits will now accrue in the foreseeable future. The plant focuses on incinerating effluents generated, thus offering leeway to the distillery to extend operations to more than 340 days a year, thus strengthening revenues.

Highlights, 2020-21

With the allowance of use of Syrup and B-HM for manufacture of Ethanol, better recoveries have been achieved leading to better operating margins. There has been a 45.81% increase in sales volume of spirit and Ethanol during the year 20-21 due to better operating efficiencies.

Achievements, 2020-21

Optimal mix of cane juice and B heavy molasses will be used as feedstock in the increased distillery capacity for broad-basing ethanol revenues.

POWER SEGMENT

Overview

The Company extended into the business of cogeneration. The Company entered the cogeneration business when it commissioned its first power plant at Amritsar unit in year 1993 with an initial capacity of 5 megawatts for Captive consumption purpose. At present the Company's cumulative cogeneration capacity stands at 102 megawatts. The Company has long term PPA's with Punjab and U.P. State owned power corporations for supply of power generated in its cogeneration plants.

Highlights, 2020-21

Utilised 9.52 megawatts of power and sold 9.11 megawatts to the state electricity grids.

257.37	409.26
Revenues earned during 2019-20 (Rs. crore)	Revenues earned during 2020-21 (Rs. crore)
54.28	78.25
EBITDA earned during 2019-20 (Rs. crore)	EBITDA earned during 2020-21 (Rs. crore)
494.32	725.76
Industrial alcohol sold during 2019-20 (lakh Bulk litres)	Industrial alcohol sold during 2020-21 (lakh Bulk litres)
19.60	33.49
Contribution to total revenues during 2019-20(%)	Contribution to total revenues during 2020-21 (%)

211.89	175.74
Revenues earned during 2019-20 (Rs. crore)	Revenues earned during 2020-21 (Rs. crore)
39.32	25.18
EBITDA earned during 2019-20 (Rs. crore)	EBITDA earned during 2020-21 (Rs. crore)
2,534.49	2,625.76
Total production during 2019-20 (lakh units)	Total production during 2020-21 (lakh units)
12.43	10.99
Contribution to total revenues during 2019-20 (%)	Contribution to total revenues during 2020-21 (%)



Risk Management

Our business divisions and risk probability

DIVISIONS	RISK PROBABILITIES	REASONS
Sugar	High-moderate	Competitive and Regulated market
Distillery	Moderate-low	Differentiated products and market
Power	High-moderate	Regulated Market

Raw material availability risk:

Shortage in cane availability can affect sugar production.

Mitigation: The Company has strategically located plants in cane-growing regions of Uttar Pradesh and Punjab, ensuring abundant cane availability. The Company is adopting various measures to educate the farmers attached with the mill about the better varieties of cane providing increased yield per acre of land. The company has also been aiding farmers with implements and pesticides to ensure the maximum cane productivity.

Policy risk:

Unfavourable policy interventions could affect operations.

Mitigation: The Government has taken initiatives to empower the sugar sector, which includes the introduction of a Minimum Selling Price (MSP) to ensure fair prices and provide soft loans to reduce cane arrears. Linking of Ethanol and Sugar prices with the cane prices (FRP) is way forward to ensure the survival margins for the sugar producers.

Farmer relationships risk:

Disturbed relationships with farmers could affect procurement quantum and quality.

Mitigation: The Company remunerates farmers fairly and timely. The Company undertakes proactive measures to educate farmers and provides seeds and insecticides at subsidised rates, laying the foundation for enduring farmer relationships.

Demand-supply risk:

Rising sugar inventories could threaten sugar prices and affect realisations.

Mitigation: Rana sugar's focus lies in servicing customers with superior quality lab-tested sugar. Owing to a consistent product quality and superior inventory management, the Company reported consistent demand through the year. Further GoI policy initiative to allow usage of syrup & B-HM for manufacturing of Ethanol will help in stabilizing the surplus inventory levels.

Working capital risk:

In an industry marked by high inventory, optimal capital availability is a must.

Mitigation: Rana sugar operates in a volatile sugar segment, complemented by ethanol and cogeneration divisions. The ethanol and co-generation segments help the Company manage liquidity.

Internal control systems and their adequacy

Rana Sugars Limited believes that safeguarding of assets and business efficiency can be prolonged by exercising adequate internal controls and standardising operational processes. The Company possesses a robust internal control system to review performance, track operations and gauge liquidity.



The system also ensures that all transactions are duly reported and all assets are properly safeguarded. Timely review of operations and recommendations of auditors allow the Company to make corrections whenever and wherever necessary.

Human Resource Management

The Rana Sugars Limited comprises 1,167 full-time permanent employees and their dependants besides seasonal employees. The Company believes that its employees are its biggest asset, focusing on their personal and professional advancement through a culture of empowerment, trust and career growth.

HR goals

- Establishing healthy linkages to continuous improvement in productivity, quality, cost competitiveness and efficiency.
- Carrying out continuous improvements in all areas of work to increase competitiveness and retain customer focus.
- Simplifying complex problems to focus on critical issues and maintain a lean organisation structure.
- Empowering and motivating the employees to do their best through decentralised operations.
- Recruiting the right candidates with positive attitude and growth potential.
- Specifications of qualifications and experience customised for different jobs.
- Providing opportunities of employment for all irrespective of caste, religion, region or any other criteria.
- Rewards and recognition based on meritocracy and achievement of pre-stated target.
- To provide proper induction and orientation to all levels and share the group visions for early integration in the group.
- To develop a sense of pride, belongingness, pleasure and social fulfilment in being a member of Rana sugar family.
- Providing opportunity at all levels to participate in the decision making process of the Company.
- Providing feedback to the employees on their performance, strengths and weakness to increase efficiency.

Initiatives undertaken to achieve these goals

- The Company, through the RSL Trainee Scheme, develops a pool of qualified and skilled individuals that can be deployed across functions.
- The Company conducts quarterly/ half-yearly trainee assessments; appraisals are based on employee performance.
- The Company catalyses personal employee growth by plugging vacancies from within.
- The Company reviews and audits policies at regular intervals.
- The Company conducts off-season training to keep employees abreast with the latest technologies.

DETAILS OF CHANGES IN KEY FINANCIAL RATIOS:

PARTICULARS	2021	2020	Change
Debtors turnover ratio	8.60	9.36	(8.12)
Inventory turnover ratio	2.95	2.78	6.12
Interest coverage ratio*	6.87	3.75	83.20
Current ratio	1.05	0.91	15.38
Debt equity ratio (including Financial Liabilities)*	0.31	0.69	(55.07)
Operating Profit Margin (%)**	10.34	6.39	61.82
Net profit margin (%)**	7.06	3.22	119.25
Return on Net worth (%)	23.77	20.79	14.33

* With the extinguishment of bank loans under One Time Settlement (OTS) the Debt Equity and Interest Coverage Ratio has improved substantially.

** Due to better realizations from Distillery Segment and better recovery parameters of the sugar.



CAUTIONARY STATEMENT

The statements in the management discussion and analysis section with regard to projections, estimates and expectations have been made in good faith. The achievement of results is subject to risks, uncertainties and even less than accurate assumptions. Market data and information are gathered from various published and unpublished reports. Their accuracy, reliability and completeness cannot be assured.

On behalf of the Board of Directors
For RANA SUGARS LIMITED

Date: 25th August, 2021
Place: Chandigarh

RANA INDER PRATAP SINGH
Managing Director
DIN: 00075107

RANA VEER PRATAP SINGH
Director
DIN: 00076808

Caution regarding forward-looking statements

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and make informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties, and even inaccurate assumptions. Known or unknown risks or uncertainties materialize, or underlying assumptions may prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.



Corporate Governance Report

Rana Sugars Limited "RSL" has a strong foundation that reflects its values and established standards governing our ethical behaviour. Your Company continues to lay great emphasis on the principles of Corporate Governance. Our pursuit towards achieving good governance is an on-going process. The Board of Directors, management and all its employees believe that good corporate governance accompany and greatly aid our long-term business success. The Company fully complies with the requirements under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The principles of Corporate Governance are based on transparency, accountability and focus on the sustainable success of the Company over the long-term. At Rana Sugars Limited, we feel proud to belong to a Company whose visionary founders laid the foundation stone for good governance since incorporation and made it an integral principle of the business.

Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. At RSL, we are committed in doing things the right way, which means taking business decisions and acting in a way that is ethical and in compliance with applicable legislation. Our Code of Business Conduct is an extension of our values and reflects our continued commitment to ethical business practices across our operations. We acknowledge our individual and collective responsibilities to manage our business activities with integrity. Our Code inspires us to set standards which not only meet applicable legislation but go beyond in many areas of our functioning.

To succeed, we believe, requires highest standards of corporate behaviour towards everyone we work with, the communities we touch and the environment on which we have an impact. This is our road to consistent, competitive, profitable and responsible growth and creating long-term value for our shareholders, our people and our business partners. The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come.

The Board of Directors ('the Board') are responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

BOARD OF DIRECTORS & BOARD MEETINGS

a. The Board of Directors of the Company ('Board') has an optimum combination of Executive, Non- executive & Independent Directors including one women Director. As on March 31, 2021, the Board comprises one Executive Director (Managing Director), Two Non-Executive Non-Independent Directors including the Chairman of the Board and Three Non-Executive Independent Directors.

The composition of the Board is in conformity with the SEBI Listing Regulations. All the Executive and Non-Executive Directors are liable to retire by rotation. Independent Directors of the Company are not liable to retire by rotation.

The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to business.

Particulars	Number of Directors	Percentage of composition
Executive Directors	1	16.66%
Non-Executive Directors	2 (including Chairman)	33.33%
Independent Directors (including one woman director)	3	50%
Total	6	100%

S. No.	Name of Directors	DIN	Position
Executive & Non-Executive Directors			
1.	Rana Ranjit Singh	00076770	Chairman & Non- Executive Director (Promoter)



2.	Rana Inder Pratap Singh	00075107	Managing Director (Promoter)
3.	Rana Veer Pratap Singh	00076808	Non-Executive Director (Promoter)
Independent Directors			
1.	Mr. Baljit Singh	00074716	Non-Executive Independent Director
2.	Mr. Shivavtar Singh Bajwa	00714772	Non-Executive Independent Director
3.	Ms. Navpreet Kaur	07144566	Non-Executive Independent Director

During the financial year 2020-21, Four (4) Board Meetings were held on the following dates:

S. No.	DATES	The table below contains the information on the Board of Directors: 1. Board Meetings and Annual General Meeting attendance; 2. Composition of the Board and Directorships; 3. Committee positions in other Companies; and 4. Other relevant details
1.	July 31, 2020	
2.	August 28, 2020	
3.	November 12, 2020	
4.	February 9, 2021	

Name of Director	Category	Board Meetings during 2020-21		Attendance at the AGM held on 30.09.2020	Directorships in other companies		No. of Committee positions in companies *	
		Number of meetings entitled to attend	Board Meetings attended		Public	Private	Chairman	Member
Rana Ranjit Singh	Chairman Non-Executive Director	4	1	No	2	2	Nil	Nil
Rana Inder Pratap Singh	Managing Director	4	4	Yes	1	7	Nil	2
Rana Veer Pratap Singh	Non-Executive Director	4	3	Yes	2	0	Nil	1
Mr. Shivavtar Singh Bajwa	Non-Executive Independent Director	4	1	Yes	2	0	3	0
Mr. Baljit Singh	Non-Executive Independent Director	4	3	Yes	1	0	0	1
Ms. Navpreet Kaur	Non-Executive Independent Director	4	4	No	1	1	0	0

*Only Audit Committee and Stakeholders Relationship Committee of Indian Public Companies have been considered for Committee positions.

As on March 31, 2021, none of the Directors of the Company is having directorships in other listed company

b. In terms of requirements of the SEBI Listing Regulations, the Board of Directors have, based on the recommendations of the Nomination & Remuneration Committee, identified the following core skills/ expertise/ competencies of Directors as required in the context of the Company's business and sector(s) for it to function effectively:

- Knowledge of the industry in which the Company operates;
- Knowledge on Company's businesses & major risks;
- Behavioural skills - attributes & competencies to use their knowledge and skills to contribute effectively to the growth of the Company;
- Understanding of socio-political, economic and Legal & Regulatory environment;



- Corporate Social Responsibility;
- Business Strategy, Sales & Marketing;
- Corporate Governance, Administration; and
- Financial Control, Risk Management.

The table below highlights the core skills/ expertise/ competencies available with each Director:

Skills/expertise/ competencies identified by the board	Rana Ranjit Singh	Rana Inder Pratap Singh	Rana Veer Pratap Singh	Mr. Shivavtar Singh Bajwa	Mr. Baljit Singh	Ms. Navpreet Kaur	Skills/ expertise/ competencies available
Knowledge of the industry in which the Company operates	√	√	√	√	√	--	√
Knowledge on Company's businesses & major risks	√	√	√	√	√	√	√
Behavioural skills - attributes & competencies to use their knowledge and skills to contribute effectively to the growth of the Company	√	√	√	√	√	√	√
Understanding of socio-political, economic and Legal & Regulatory environment	√	√	√	√	√	√	√
Corporate Social Responsibility	√	√	√	√	√	√	√
Business Strategy, Sales & Marketing	√	√	√	--	√	--	√
Corporate Governance, Administration	√	√	√	√	√	√	√
Financial Control, Risk Management	√	√	√	√	√	√	√
Multiple Expertise	√	√	√	√	√	√	√

- c. The Independent Directors of your Company fulfil the conditions as specified in the SEBI Listing Regulations and the Companies Act, 2013 and are independent of the management. None of the Non-Executive Directors of the company have any shareholding in the company except Rana Ranjit Singh is having 21,96,561 equity shares and Rana Veer Pratap Singh is having 61,39,566 equity shares in the Company as on 31st March, 2021.
- d. The Company familiarizes its Independent Directors about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. These include presentations made by the functional heads on the developments in their respective department vis-à-vis the industry as whole. They are also updated on the changes in the policies, laws, etc. and their impact on the company as a whole on a continuing basis, their roles, rights, responsibilities towards the Company, the business operations of the Company etc.

In line with the amended SEBI Listing Regulations, the Company has obtained a certificate from A. ARORA & Co, Practising Company Secretaries, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI /Ministry of Corporate Affairs or any such statutory authority.

Further, based on the confirmations/ disclosures received from the Independent Directors in terms of Regulation 25(9) of the SEBI Listing Regulations, the Board is of the opinion that the Independent Directors fulfil the criteria or conditions specified under the Act and under the SEBI Listing Regulations and are independent from the management.

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

NAME OF THE DIRECTOR	DESIGNATION OF DIRECTOR	RELATIONSHIPS INTER- SE
Rana Ranjit Singh	Chairman Non-Executive Director	Father of Rana Veer Pratap Singh
Rana Inder Pratap Singh	Managing Director	No relationship with any other Directors



Rana Veer Pratap Singh	Non-Executive Director	Son of Rana Ranjit Singh
Mr. Shivavtar Singh Bajwa	Non-Executive Independent Director	No relationship with any other Directors
Mr. Baljit Singh	Non-Executive Independent Director	No relationship with any other Directors
Ms. Navpreet Kaur	Non-Executive Independent Director	No relationship with any other Directors

COMMITTEES OF THE BOARD

There are five committees of the Board of Directors, which have been delegated adequate powers to discharge their respective functions. These Committees are - (i) Audit Committee (ii) Nomination & Remuneration Committee (iii) Stakeholders' Relationship Committee (iv) Corporate Social Responsibility Committee and (v) Finance and Investment Committee. The Company Secretary is the Secretary for all the Committees of the Company.

1. Audit Committee

The company has constituted an Audit Committee ("Audit Committee") as per the applicable provisions of the Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations applicable upon listing of the Company's Equity shares on BSE and NSE. The composition of the Audit Committee is as under:

Name of the Member	Status in Committee	Nature of Directorship	No. of meetings attended
Mr. Shivavtar Singh Bajwa	Chairman	Non-Executive Independent Director	1
Mr. Baljit Singh	Member	Non-Executive Independent Director	3
Ms. Navpreet Kaur	Member	Non-Executive Independent Director	4

The Company Secretary of the Company acts as a Secretary to the Audit Committee. The Committee met Four times in the financial Year 2020-21 viz. July 31, 2020, August 28, 2020, November 12, 2020 and February 9, 2021. The scope and function of the Audit Committee and its terms of reference shall include the following:

- A. Tenure:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise dissolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.
- B. Meetings of the Committee:** The committee shall meet at least four times in a year and not more than 120 days shall lapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent Directors at each meeting.
- C. Role and Powers:** The Role of Audit Committee together with its powers as per Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:
- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 - Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
 - Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
 - Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval;
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
 - Reviewing, with the management, the quarterly financial statements before submission to the board for approval, with particular reference to;



6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditors' independence and performance and effectiveness of audit process;
8. Subject to and conditional upon the approval of the Board of Directors, approval of Related Party Transactions (RPTs) or subsequent modifications thereto. Such approval can be in the form of specific approval or omnibus approval of RPT subject to conditions that it is not in consistent with the conditions specified in Regulation 23(2) and Regulation 23(3) of the Listing Regulations. Such approval shall not be required for transactions with a wholly owned subsidiary whose accounts are consolidated with the Company;
9. Subject to review by the Board of Directors, review on quarterly basis, of RPTs entered into by the Company pursuant to respective omnibus approval given pursuant to (8) above;
10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
12. Review the Company's established system and processes of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
17. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of the Companies Act, 2013 or referred to it by the Board.
19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. To review the functioning of the whistle blower mechanism;
21. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
22. Audit committee shall oversee the vigil mechanism.
23. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
24. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations, 2015.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations.
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f) Statement of deviations:



- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

2. Nomination and Remuneration Committee

The Company has constituted the Nomination and Remuneration Committee as per Regulation 19 of Listing Regulations and Section 178 of Companies Act, 2013. The Nomination and Remuneration Committee comprise the following:

Name of the Member	Status in Committee	Nature of Directorship	No of meetings attended
Mr. Shivavtar Singh Bajwa	Chairman	Non-Executive Independent Director	1
Mr. Baljit Singh	Member	Non-Executive Independent Director	1
Rana Veer Pratap Singh	Member	Non-Executive Non-Independent Director	2

The Company Secretary of the Company acts as a Secretary to the Nomination and Remuneration Committee. The Committee met 2 times in the Financial Year 2020-21 viz. November 9, 2020 and February 6, 2021. The scope and function of the Committee and its terms of reference shall include the following:

- A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise dissolved by the Board.
- B. Meetings:** The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders queries; however, it shall be up to the chairperson to decide who shall answer the queries.
- C. Role of Terms of Reference:**
- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
 - Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
 - Formulation of criteria for evaluation of performance of independent directors and the board of directors;
 - Devising a policy on diversity of board of directors;
 - Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
 - Determine our Company's policy on specific remuneration package for the Managing Director/ Executive Director including pension rights;
 - Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
 - Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
 - Decide the amount of Commission payable to the Directors;
 - Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.; and
 - To formulate and administer the Employee Stock Option Scheme.

Nomination and Remuneration Policy:

Nomination and Remuneration Policy is in place for Directors, KMPs and other employees, in accordance with the provisions of the Act and Listing Regulations. The policy is part of Directors' Report and also available on website of the Company at: http://ranagroup.com/rsl/Policies_of_the_Company.htm.



The criteria for performance evaluation of the Directors is covered in Nomination and Remuneration Policy of the Company.

Remuneration of Directors:

Remuneration paid to Directors is decided by the Board on the recommendations of the Nomination and Remuneration Committee and approved by the shareholders at Annual General Meeting.

Apart from the above stated, there have been no other material pecuniary relationships or transactions by the Company with directors during the year.

Following are the details of Directors remuneration paid in 2020-21

Executive & Non-Executive Directors

Name of Director	Salary (Basic & DA & Special Allowance)	Allowances (including HRA, Leave Travel)	Commission for the FY 2020-2021	Contribution to Provident and other Funds	Other Perquisites	Stock Option	Total	Service Contract (Tenure)*
Rana Ranjit Singh	--	--	--	--	--	--	--	Continuous
Rana Inder Pratap Singh	--	--	--	--	--	--	--	Continuous
Rana Veer Pratap Singh	--	--	--	--	--	--	--	Continuous

*Rana Ranjit Singh was appointed as Non-Executive Director w.e.f. 31st July, 1991 and Chairman on 09th February, 2021, Rana Inder Pratap Singh was appointed w.e.f. 31st October, 2002 and Rana Veer Pratap Singh was appointed w.e.f. 31st October, 2002.

Non-Executive Independent Directors

Name of Director	Sitting Fees	Commission	Total	Service Contract (Tenure)*
Mr. Baljit Singh	30,000	--	30,000	5 years
Mr. Shivavtar Singh Bajwa	10,000	--	10,000	5 years
Ms. Navpreet Kaur	40,000	--	40,000	5 years

*Mr. Baljit Singh and Mr. Shivavtar Singh Bajwa were appointed w.e.f. September 30, 2019, pursuant to the member approval dated September 30, 2019 and Ms. Navpreet Kaur was appointed w.e.f. November 09, 2018, pursuant to the member approval dated September 30, 2019.

Notes:

- There is no notice period for Directors of the Company.
- No stock options have been granted to any directors of the Company.
- Severance fees is nil.
- For Executive Directors of the Company, Performance Pay is the only component of remuneration that is performance-linked. All other components are fixed.

3. Stakeholders Relationship Committee

The Company has formed the Stakeholders Relationship Committee as per Regulation 20 of Listing Regulation; The constituted Stakeholders Relationship Committee comprises the following:

Name of the Member	Status in Committee	Nature of Directorship	No. of meetings attended
Mr. Baljit Singh	Chairman	Non-Executive Independent Director	1
Mr. Shivavtar Singh Bajwa	Member	Non-Executive Independent Director	1
Rana Veer Pratap Singh	Member	Non-Executive Non-Independent Director	2

The Company Secretary of the Company acts as a Secretary to the Stakeholders Relationship Committee. Mr. Manmohan K. Raina, Company Secretary of the company is the Compliance Officer in terms of the SEBI Listing Regulations. The Committee met 2 times in the financial Year 2020-21 viz. December 30, 2020 and March 30, 2021. The Committee also reviews the functioning



of the Registrar and Transfer Agent to render effective and quality services to the investors. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise dissolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholders Relationship Committee shall meet at least once in a year. The quorum shall be two members present.
- C. Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:
- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
 - Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
 - Review the process and mechanism of redressal of Shareholders' /Investors' grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
 - Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
 - Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
 - Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
 - Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
 - Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

Status of Shareholders/Investors Grievances

The Company has been attending to all investor grievances/complaints expeditiously and promptly to the satisfaction of stakeholder(s). The status of Shareholders/ Investors Grievances pursuant to Regulation 13(3) of Listing Regulations for the financial year 2020-21, is as follows:

Particulars	Number of Complaints
Pending at the beginning of the financial year	Nil
Received during the financial year	Nil
Disposed during the financial year	Nil
Remaining unresolved as on March 31, 2021	Nil

4. Corporate Social Responsibility Committee

The Company has formed Corporate Social Responsibility (CSR) Committee pursuant to the provisions of Section 135 of the Companies Act, 2013. Corporate Social Responsibility Committee comprising the following:

Name of the Member	Status in Committee	Nature of Directorship	No. of meetings attended
Rana Inder Pratap Singh	Member	Managing Director	1
Rana Veer Pratap Singh	Member	Non-Executive Non-Independent Director	1
Shri Baljit Singh	Member	Non-Executive Independent Director	1

The Company Secretary of the Company acts as a Secretary to the Corporate Social Responsibility Committee. The Committee met on February 02, 2021 in the financial Year 2020-21. The scope and function of the Committee and its terms of reference shall include the following:



- a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- c. To monitor the CSR policy of the Company from time to time;
- d. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

5. Finance and Investment Committee:

The Company has formed the Finance and Investment Committee after the closure of the Financial Year 2020-21 on 10th June, 2021; the co

Name of the Member	Status in Committee	Nature of Directorship	No. of meetings attended
Rana Ranjit Singh	Member	Chairman and Non- Executive Director	NA
Rana Inder Pratap Singh	Member	Managing Director	NA
Rana Veer Pratap Singh	Member	Non- Executive Director	NA

The Company Secretary of the Company acts as a Secretary to the Finance and Investment Committee. The scope and function of the Finance and Investment Committee and its terms of reference shall include the following:

- A. Tenure:** The Finance and Investment Committee shall continue to be in function as a committee of the Board until otherwise dissolved by the Board.
- B. Meetings:** The committee shall meet as and when the need arises for the matters related to finance and investment by the Company. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.
- C. Role of Terms of Reference:**
 - Identify the suitable investment options/ plan for the growth of the Company which can provide the maximum benefit for the Company and also analysis risk associated with it.
 - Recommend to the Board about the future investment plans;
 - Formulate the criteria for determining the price, returns, dispose-off and tenure in the investment
 - Review the Company's financial policies, risk assessment and minimization procedures, strategies and capital structure, working capital and cash flow management and make such reports and recommendations to the Board with respect thereto as it may deem advisable.
 - Review banking arrangements and cash management.
 - Exercise all powers to borrow monies (otherwise than by issue of debentures) within the limits approved by the Board and taking necessary actions connected therewith including refinancing for optimization of borrowing costs.
 - Giving of guarantees/issuing letters of comfort/ providing securities within the limits approved by the Board.
 - Borrow monies by way of loan for the purpose of refinancing the existing debt, capital expenditure, general corporate purposes including working capital requirements and possible strategic investments within the limits approved by the Board.
 - Provide corporate guarantee/performance guarantee by the Company within the limits approved by the Board.
 - Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.
 - Other transactions or financial issues that the Board may desire to have them reviewed by the Finance and Investment Committee.



- Delegate authorities from time to time to the executives/authorized persons to implement the decisions of the Committee.
- Regularly review and make recommendations about changes to the charter of the Committee.

ORDERLY SUCCESSION TO BOARD AND SENIOR MANAGEMENT

The Board of the Company has satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management.

CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Company has adopted a Code of Conduct for Board of Directors and Senior Management (referred to as the 'Code'). The Code has been communicated to the Directors and the members of Senior Management. The Code has also been posted on the Company's website at www.ranasugars.com. All Board members and senior management have confirmed compliance with the code for the year ended 31st March, 2021. The Annual Report contains a declaration to this effect signed by the Managing Director of the Company.

CEO/ CFO CERTIFICATION

Pursuant to the provisions specified in Part B of Schedule II and in terms of Regulation 17(8) of the SEBI Listing Regulations, a certificate on the Financial Statements from Managing Director and the CFO is issued and forms part of the Annual Report.

INDEPENDENT DIRECTORS

The Independent Directors have made disclosures confirming that there are no material, financial and/or commercial transactions between Independent Directors and the Company, which could have potential conflict of interest with the Company at large. As mandated by Regulations 25 of the SEBI Listing Regulations as of March 31, 2021, none of the independent directors of the company served as an independent director in more than seven listed entities and as per Regulation 26, none of Directors is a member of more than ten committees or acting as Chairperson of more than five committees of the companies in which he/she is a Director. The necessary disclosures regarding Committee positions have been made by the Directors. Also the maximum tenure of independent directors is in accordance with the Companies Act, 2013 and Regulation 25(2) of the SEBI Listing Regulations.

The Company issues a formal letter of appointment to independent directors in the manner as provided in the Companies Act, 2013. As per Regulation 46(2) of SEBI Listing Regulations, the terms and conditions of appointment of independent directors are placed on the Company's website.

No Non-Executive Independent Director holds any shares and convertible instruments in the Company.

Based on the disclosure received from the Independent Directors and also in the opinion of the Board, Mr. Baljit Singh, Mr. Shivavtar Singh Bajwa and Ms. Navpreet Kaur fulfil the conditions specified in the Companies Act, 2013, and the Rules made thereunder and the Listing Regulations for appointment as Independent Directors and that they are independent of the management of the Company.

During the financial year, none of the independent directors resigned from the company.

MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on February 24, 2021, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations. At the Meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of the other Executive and Non-Executive Directors; and
- Assessed the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors of the Company attended the Meeting of Independent Directors.

PERFORMANCE EVALUATION

Pursuant to provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI Listing Regulations, the Board has carried out the annual evaluation of its own performance, as well as the performance of its Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders' Relationship Committee.



The performance evaluation of the Board and the Committees was done on the basis of parameters such as Composition and Quality, Diversity and Experience, Effectiveness of Board/Committee, process and functioning, contribution of the Members, Board culture and dynamics, fulfilment of key responsibilities, ethics and compliance etc. A structured questionnaire was prepared covering the above areas of competencies and feedback was sought on the same. The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 05, 2017 and the Institute of Company Secretaries of India in April 2015.

An evaluation of performance of individual Directors was also carried out on the basis of parameters such as contribution of the individual director to the Board and Committee meetings, preparedness on the issues to be discussed, constructive contribution and inputs in meetings, understanding and knowledge of the Company and industry, participation and attendance at the meetings, etc. The Independent Directors and Executive Directors also carried out performance evaluation of the Chairperson of the Company. The Directors being evaluated did not participate in his/her own evaluation process.

All the responses were evaluated by the Nomination & Remuneration Committee as well as by the Board of Directors and the results reflected high satisfactory performance.

DISCLOSURE

DETAILS OF GENERAL MEETING

Financial Year	Date	Venue	AGM/EGM
2017-18	28-09-2018	The Institution of Engineers (India), Madhya Marg, Sector 19-A, Chandigarh.	AGM
2018-19	28-01-2019	Works of the Company, Village Buttar Seviyan, Tehsil Baba Bakala, District Amritsar, Punjab	EGM
	30-09-2019	The Institution of Engineers (India), Madhya Marg, Sector 19-A, Chandigarh.	AGM
2019-20	30-09-2020	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	AGM

Special resolutions passed in General Meetings during last 3 years:

Date	Particulars
28-09-2018	Nil
28-01-2019	Approval for continuation of current term of Shri Shivavtar Singh Bajwa, Independent Director
	Approval for continuation of current term of Shri Baljit Singh, Independent Director
30-09-2019	Continuation of Directorship of Mr. Shivavtar Singh Bajwa (DIN: 00714772) on attaining the age of 70 years
	Continuation of Directorship of Mr. Baljit Singh (DIN: 00074716) on attaining the age of 70 years
30-09-2020	Nil

Pursuant to the provisions of Section 110 of the Companies Act, 2013, there was no matter required to be dealt by the Company to be passed through postal ballot.

EXTRA ORDINARY GENERAL MEETING

During the financial year 2020-21 no Extra Ordinary General Meeting was convened.

RELATED PARTY TRANSACTIONS

There were no materially significant transactions with the related parties during the financial year that may have potential conflict with interest of the Company at large.

All transaction entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI Listing Regulations during the financial year were on arm's length basis and in the ordinary course of the company's business, and do not attract provisions of Section 188 of the Companies Act, 2013.

During the year 2020-21, as required under section 177 of the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations, all RPTs were placed before Audit Committee for prior approval.



The Company has formulated a policy on dealing with related party transactions which has been uploaded on the website of the Company at the following link: http://ranagroup.com/rsl/Policies_of_the_Company.htm.

DETAILS OF NON-COMPLIANCE

There has neither been any non-compliance of any legal provision of applicable law during the period under review.

PENALTIES, STRICTURES IMPOSED ON THE COMPANY BY STOCK EXCHANGES OR SEBI OR ANY STATUTORY AUTHORITY

No penalties and strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the period under review.

MATERIAL SUBSIDIARIES

The Company does not have a subsidiary as defined under Regulation 16(1)(c) of the SEBI Listing Regulations and hence this clause is not applicable on the company.

PROCEEDS FROM PUBLIC ISSUE, RIGHTS ISSUE, PREFERENTIAL ISSUE, ETC

During the year, the Company has not issued any shares.

UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT

During the year under review, the Company has not raised funds through preferential allotment. Hence, Not Applicable.

DISCLOSURE OF MATERIAL TRANSACTIONS BY SENIOR MANAGEMENT

Under regulation 26(5) of SEBI Listing Regulations, Senior Management has made periodical disclosures to the Board relating to all material financial and commercial transactions, where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company. The same was NIL during the Financial Year 2020-21.

WHERE THE BOARD HAD NOT ACCEPTED ANY RECOMMENDATION OF ANY COMMITTEE OF THE BOARD WHICH IS MANDATORILY REQUIRED, IN THE RELEVANT FINANCIAL YEAR:

Not Applicable

DISCLOSURE OF ACCOUNTING TREATMENT AND DIRECTORS' RESPONSIBILITY STATEMENT

In the preparation of financial statements, the company has followed the Accounting standards issued by the Institute of Chartered Accountants of India to the extent applicable. The Board has also affirmed the above that the Annual Accounts have been prepared as per applicable Accounting Standards and Policies and that sufficient care has been taken for maintaining adequate accounting records.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

In line with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for prohibition of insider trading. The objective of the Policy is to ensure the prohibition of insider trading practices in the Company. Mr. Manmohan K. Raina, Company Secretary, is the Compliance Officer for the purpose of this Policy. This Policy has been placed on the Company's website at following link: http://ranagroup.com/rsl/Policies_of_the_Company.htm.

WHISTLE BLOWER POLICY

The Company has in place a Vigil Mechanism/Whistle Blower Policy, in terms of provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 which was approved by the Board of Directors. The Company's personnel have direct access to the chairman of the Audit Committee to report concerns about unethical behaviour (actual or suspected), frauds and other grievances. No personnel of the Company have been denied access to the Audit Committee. Adequate safeguards are being provided against victimization of whistle blowers availing of such mechanism.

Whistle Blower Policy of the Company is hosted on the website of the Company at the following weblink: http://ranagroup.com/rsl/Policies_of_the_Company.htm.

MEANS OF COMMUNICATION

(a) Calendar of financial year ended 31st March, 2021

The Company follows April-March as the financial year. The meetings of the Board of Directors for approval of quarterly results for the financial year ended 31st March 2021 were held on the following dates:



Particulars	Date
First Quarter Results	On or before 14 th August, 2020
Second Quarter Results	On or before 14 th November, 2020
Third Quarter Results	On or before 14 th February, 2021
Last Quarter Results	On or before 30 th May, 2021

(b) Annual Reports and Annual General Meetings:

The Annual Reports are e-mailed to Members and others entitled to receive them. The Annual Report is also available on the Company's website at www.ranasugars.com in a user-friendly downloadable form. Physical copy of the annual report is sent to the member of the Company on demand through the permissible modes.

(d) eXtensible Business Reporting Language (XBRL):

XBRL is a standardized and structured way of communicating business and financial data in an electronic form. XBRL provides a language containing various definitions (tags) which uniquely represent the contents of each piece of financial statements or other kinds of compliance and business reports. BSE and NSE provides XBRL based compliance reporting featuring identical and homogeneous compliance data structures between Stock Exchanges and Ministry of Corporate Affairs. The XBRL filings are done on the BSE and NSE online portal.

(e) SEBI Complaints Redressal System (SCORES):

A centralised web-based complaints redressal system which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports by the concerned company and online viewing by the investors of actions taken on the complaint and its current status.

(f) Publication of results:

Quarterly, half yearly and annual financial results of the Company are published in widely circulated national newspapers such as the Business Standard (Hindi and English) Financial Express (English) and Jansatta (Hindi) as required under Regulation 47 of the SEBI Listing Regulations.

(g) Website and News Releases:

The Company's website www.ranasugars.com displays the information, prescribed to be made available on website of the Company under the Listing Regulations, which inter alia includes- details of business of the Company, composition of Board committees, policies adopted by the Company, Annual Reports, quarterly and Annual Financial results, contact for investor grievances, etc.

(h) Stock Exchanges:

After the date of its listing, the Company makes timely disclosures of necessary information to BSE Limited and National Stock Exchange of India Limited, where the Company's shares are listed, in terms of the Listing Regulations and other Rules and regulations issued by SEBI, electronically through at its web-based portals.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report has been attached to Directors' Report.

GENERAL SHAREHOLDER INFORMATION

ANNUAL GENERAL MEETING	
Day and Date	Thursday, 30 th September, 2021
Time	03:00 P.M.
Venue	Annual General Meeting through Video Conferencing/ Other Audio Visual Means facility (Deemed Venue for Meeting: Registered Office: SCO 49-50, Sector 8-C, Chandigarh - 160009)
Financial Year	1 st April, 2020 to 31 st March, 2021
Cut-off date	23 rd September, 2021
Dividend payable date	The Board of Directors has not recommended any dividend during the year.



Listing on Stock Exchanges	Name of the Stock Exchange	Stock Code	ISIN (International Securities Identification Number)
	BSE Limited, Mumbai (Physical & Demat)	507490	INE625B01014
	National Stock Exchange of India Limited, Mumbai (Physical & Demat)	RANASUG	INE625B01014
In case the securities are suspended from trading, the directors report shall explain the reasons thereof	N/A. The securities of the Company have never been suspended from trading.		
Registrar and Share Transfer Agents	Alankit Assignments Limited, 205-208, Anarkali Complex, Jhandewala Extension, New Delhi- 110055 Tel. No.: 011 - 42541234, 23541234 Fax No.: 011 - 23552001 Email: info@alankit.com, rta@alankit.com Website: www.alankit.com		
Share Transfer System	All share transfer and other communications regarding share certificates, change of address, dividends, etc. should be addressed to Registrar and Transfer Agents. The shares of the Company are traded in dematerialized form only. Transfer of shares in dematerialized form is done through the depositories without any involvement of the Company. Grievances received from Members and other miscellaneous correspondence on change of address, mandates etc. are processed by the Registrar within 15 days. Stakeholders' Relationship Committee also looks into the Investors Grievances, if there is any.		
Plant Locations	Works 1	Village Buttar Seviyan, Teh. Baba Bakala, Distt. Amritsar, Punjab.	
	Works 2	Village Belwara, Teh. & Distt. Moradabad, Uttar Pradesh.	
	Works 3	Village Karimganj, Teh. Shahabad, Distt. Rampur, Uttar Pradesh.	
	Works 4	Village Lauhka, Teh. Patti, Distt. Tarn Taran, Punjab.	
Address for Correspondence	SCO 49-50, Sector 8-C, Chandigarh - 160009		
Listing and Custodial Fees	The Company has paid the requisite Annual Listing and Custodial Fees to the Stock Exchanges viz. BSE Limited & National Stock Exchange of India Limited and Depositories viz. Central Depository Services (India) Limited (CDSL) & National Securities Depository Limited (NSDL), respectively for the financial years 2019-20, 2020-21 and 2021-22.		

DISCLOSURES WITH RESPECT TO THE DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

As on 31st March 2021, no shares were lying under the Demat Suspense Account/Unclaimed Suspense Account.

OUTSTANDING ADR/ GDR/ WARRANTS OR CONVERTIBLE INSTRUMENTS

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments as at March 31, 2021.

DEMATERIALISATION OF SHARES

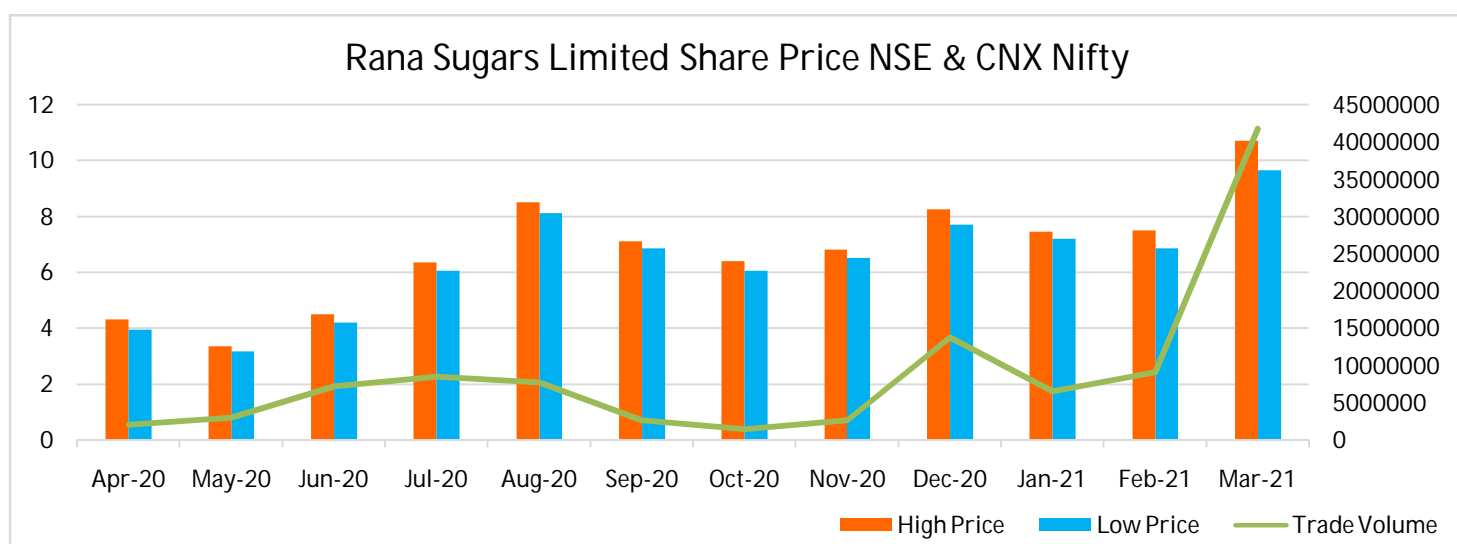
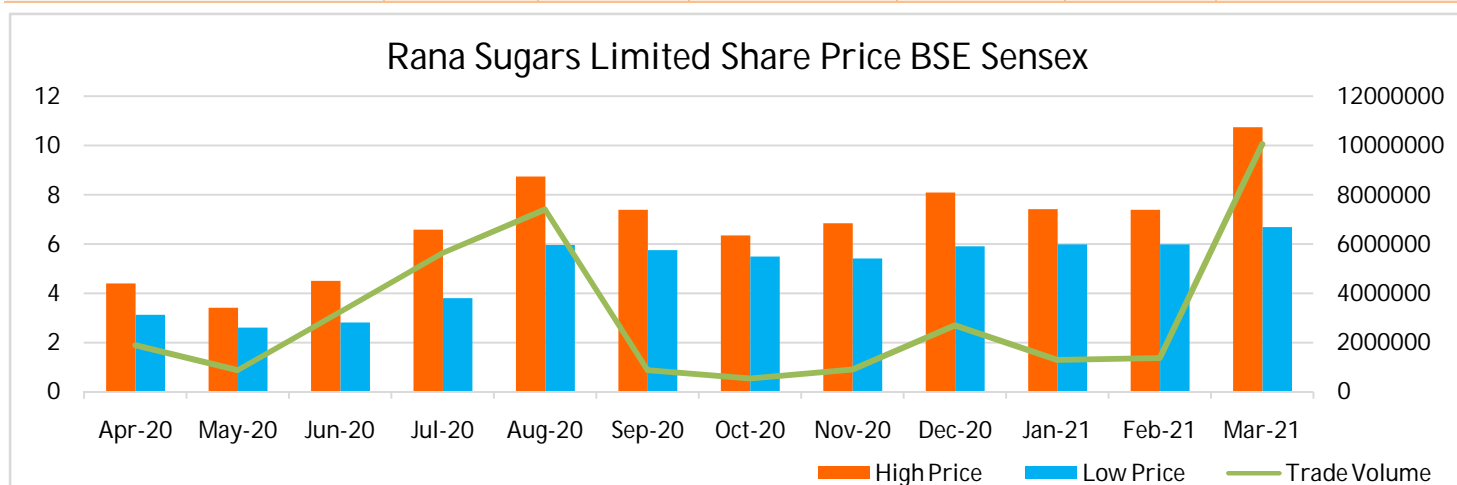
The Company has signed an agreement with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As intimated by SEBI, trading in the shares of the company is compulsorily to be in the dematerialised form for all the investors. As on 31st March, 2021, 97.09% of the total shares of the Company have been dematerialised.

MARKET PRICE DATA FOR THE YEAR 2020-21

Monthly high/low of market price of the Company's equity shares traded on the Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) during the financial year was as under:



Month	BSE			NSE		
	High	Low	Trade Volume	High	Low	Trade Volume
April, 2020	4.41	3.12	1894482	4.3	3.95	2030385
May, 2020	3.4	2.6	859432	3.35	3.15	2965602
June, 2020	4.5	2.8	3241271	4.5	4.2	7162512
July, 2020	6.59	3.8	5625328	6.35	6.05	8465029
August, 2020	8.75	5.96	7406120	8.5	8.1	7732107
September, 2020	7.4	5.75	876747	7.1	6.85	2649687
October, 2020	6.36	5.5	530007	6.4	6.05	1438810
November, 2020	6.85	5.41	902122	6.8	6.5	2631734
December, 2020	8.1	5.9	2683541	8.25	7.7	13703753
January, 2021	7.41	5.99	1291199	7.45	7.2	6478576
February, 2021	7.39	6	1366120	7.5	6.85	9111726
March, 2021	10.75	6.7	10068476	10.7	9.65	41741026



COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK & HEDGING ACTIVITIES

The Company does not have any exposure hedged through commodity derivatives and foreign exchange risk.



TOTAL FEES FOR ALL SERVICES PAID BY THE COMPANY TO THE STATUTORY AUDITORS

Total fees of Rs. 8.85 lakhs (including out of pocket expense) for financial year 2020-21, for all services, was paid by the Company, on a consolidated basis, to the Statutory Auditors.

DETAILS OF EQUITY SHARES IN DEMATERIALISED AND PHYSICAL AS ON 31st MARCH 2021:

Particulars	Number of shares	% of total number of shares
Dematerialised form		
NSDL (a)	81575001	53.12
CDSL (b)	67522608	43.97
Sub Total (c)= (a)+(b)	149097609	97.09
Physical form (d)	4470211	2.91
Grand total (e)= (c)+(d)	153567820	100

SHAREHOLDING PATTERN AS ON 31st MARCH 2021:

Category of Shareholders	Number of Shares	% of Total Shares
Promoter and Promoter Group (A)	34766079	22.64
Public Shareholding (B)		
Mutual Funds	100	0.00
Alternate Investment Funds	0	0
Financial Institutions/Banks	29826	0.02
Central Government/State Government	2550100	1.66
Insurance Companies	0	0
Foreign Banks	0	0
Foreign Portfolio Investor	1892300	1.23
UTI	0	0
Individuals	99351535	64.70
Trust Employees	0	0
NBFC registered with RBI	0	0
Any Other (comprises of following categories)		
- IEPF	0	0
- Trust	1	0
- Foreign Nationals	0	0
- Hindu Undivided Family	4229343	2.75
- Non-Resident Indians (Non Repatriable)	1014989	0.66
- Non-Resident Indians (Repatriable)	2605624	1.70
- Overseas Body Corporate	600	0
- Clearing Member	1909323	1.24
- Bodies Corporate	5218000	3.40
Total Public Shareholding	118801741	77.36
Total Shareholding (A+B)	153567820	100



DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2021

Nominal Value of Each Share: Rs. 10/-

Description	No. of Shareholders	% age to Total shareholders	Shares held	% age of total shares
Up To 5,000	46035	69.27	8694089	5.66
5001 To 10,000	8629	12.99	7614090	4.96
10001 To 20,000	4967	7.47	8063911	5.25
20001 To 30,000	1910	2.87	5040295	3.28
30001 To 40,000	924	1.39	3399898	2.22
40001 To 50,000	1091	1.64	5258540	3.42
50001 To 1,00,000	1535	2.31	11762038	7.66
1,00,000 and Above	1365	2.06	103734959	67.55
Total	66456	100.00	153567820	100.00

DECLARATION

The Company has made adequate disclosures as required under Regulations 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI Listing Regulations.

On behalf of the Board of Directors
For RANA SUGARS LIMITED

Date: 25th August, 2021

Place: Chandigarh

RANA INDER PRATAP SINGH

Managing Director

DIN: 00075107

RANA VEER PRATAP SINGH

Director

DIN: 00076808



Nomination, Remuneration and Board Diversity Policy

INTRODUCTION

The Board of Rana Sugars Limited has adopted the following:

- a) Policy for nomination and remuneration of Directors, Key Managerial Personnel, Senior Management and Other Employees.
- b) Policy on Board Diversity.

POLICY OBJECTIVE

- a) To lay down criteria for identifying persons who are qualified to become directors and who may be appointed in Senior Management of the Company in accordance with the criteria laid down.
- b) To lay down criteria for determining qualification, positive attributes and Independence of a Director.
- c) To lay down criteria, relating to remuneration of directors, key managerial personnel, Senior Management and Other Employees.

DEFINITIONS

- **“Board”** means the “Board of Directors” of Rana Sugars Limited;
- **“Company”** means Rana Sugars Limited;
- **“Independent Director”** means a Director who satisfies the criteria of independence as prescribed under the Companies Act, 2013 and the Listing Regulations, as may be amended from time to time and appointed as Independent Director under section 149(10)/ (11) read with schedule IV of the Companies Act, 2013;
- **“Key Managerial Personnel” or “KMP”** means:
 - i. Chief Executive Officer or the Managing Director or the Manager;
 - ii. Whole-Time Director;
 - iii. Company Secretary;
 - iv. Chief Financial Officer;
 - v. Such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - vi. Such other officer as may be prescribed under the Companies Act, 2013;
- **“Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended time to time;
- **“Nomination & Remuneration Committee”** means “Nomination & Remuneration Committee” constituted by the Board of the Company from time to time under the provisions of the Companies Act, 2013 and Listing Regulations;
- **“Other Employees”** means all employees of the Company other than the directors, KMP and Senior Management;
- **“Policy”** means the Nomination, Remuneration and Board Diversity Policy;
- **“Senior Management”** shall mean officers/ personnel of the Company who are members of its core management team excluding the Board and normally this shall comprise all members of management one level below the chief executive officer/ managing director/ whole time director/ manager (including chief executive officer/ manager, in case they are not part of the Board) and shall specifically include company secretary and chief financial officer;
- Words and expressions used and not defined in this Policy but defined in the Companies Act, 2013 or applicable SEBI Regulations shall have the meanings respectively assigned to them in those Act/ Regulations.



CONSTITUTION

- i. The Board shall determine the membership of the Nomination & Remuneration Committee.
- ii. The Committee shall comprise of at least three non- executive directors, of which not less than one-half shall be Independent Directors.
- iii. Provided that the Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.
- iv. Chairman of the Committee shall be an Independent Director.

POLICY

This policy is divided into three parts:

5.1 Appointment & removal

- a. Criteria for identifying persons who are qualified to be appointed as a Director/ Independent Director/ KMP/ Senior Management/ Other Employees of the Company:
 - i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director/ Independent Director/ KMP or Senior Management and accordingly recommend to the Board his / her appointment.
 - ii. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP shall not be disqualified under the Companies Act, 2013, rules made thereunder, Listing Regulations or any other enactment for the time being in force.
 - iii. The Director/ Independent Director/ KMP shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Regulations or any other applicable enactment for the time being in force.
 - iv. Independent Director shall be appointed as per the criteria laid down under Section 149(6) of the Companies Act, 2013 and Listing Regulations as amended from time to time.
 - v. Other Employees shall be appointed and removed as per the policy and procedure of the Company.

b. Term/ Tenure:

The Term/ Tenure of the Directors/ KMPs and other employees shall be as per the Company's prevailing policy subject to the applicable provisions of the Companies Act, 2013 and rules made thereunder and Listing Regulations as amended from time to time.

c. Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, Rules and Regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director or KMP subject to the provisions and compliance of the said Act, Rules and Regulations.

d. Retirement:

The Director, KMP, Senior Management and Other Employees shall retire as per the applicable provisions of the Companies Act, 2013 along with the rules made thereunder and the prevailing retirement policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management and Other Employees in the same position/ remuneration or otherwise even after attaining the retirement age for the benefit of the Company subject to applicable provisions of the Companies Act, 2013 and Listing Regulations.

5.2 Remuneration

The level and composition of remuneration to be paid to the Managing Director, Whole-Time Director(s), Non-Executive Director(s), KMP(s), Senior Management and Other Employees shall be reasonable and sufficient to attract, retain and



motivate Directors, KMPs, Senior Management and Other Employees of the Company. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

i. Director/ Managing Director:

Besides the above Criteria, the Remuneration/ Compensation/ Commission / Bonus etc. to be paid to Director/ Managing Director shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder along with the Listing Regulations or any other enactment for the time being in force.

ii. Non-Executive Directors:

The Non-Executive Directors (including Independent Directors) will be paid commission as decided by the Board subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made thereunder and Listing Regulations and the Non-Executive Directors (including Independent Director) will receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. Independent Directors shall not be entitled to stock option.

iii. Senior Management and Key Managerial Personnel:

The Remuneration to be paid to Senior Management/ KMP shall be recommended by Nomination & Remuneration Committee to the Board on the basis of the experience, qualification, expertise and/or performance of the related personnel and shall be decided by the Managing Director of the Company.

iv. Other Employees:

The power to decide structure of remuneration for other employees has been delegated to the Managing Director of the Company or any other employee that the Managing Director may deem fit.

5.3 Diversity

The Board shall at all times promote and welcome diversity, equal opportunities and gender mix in its composition with due recognition and weightage to the skills, experience and business acumen of the directorship candidatures.

- a. The Board will review and approve a chart or a matrix setting out the appropriate and core skills, experience and knowledge required of the Board members, in the context of the needs of the Company's businesses and strategies along with that of the sector's.
- b. The Board will review its composition and size from time to time to ensure its appropriateness and the fulfilment of the gender diversity representation.

DISCLOSURES

This Policy and criteria of making payments to non-executive directors shall be disclosed as per the applicable statutory requirements.

AMENDMENT(S)

The Board may review or amend this Policy, in whole or in part, from time to time, after taking into account amendments made by regulatory authorities in applicable laws, rules and regulations etc. and the recommendations from the Nomination & Remuneration Committee.

Where the terms of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over this Policy and procedures until such time this Policy is amended to conform to the applicable law, rule, regulation or standard.



CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Directors
Rana Sugars Limited

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Rana Sugars Limited ("the Company"), to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2021 and based on our knowledge and belief, we state that:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading.
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal, or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
 - I. Significant changes, if any, in the internal control over financial reporting during the year;
 - II. Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements: and
 - III. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place: Chandigarh
Date: June 21, 2021

RANA INDER PRATAP SINGH
Managing Director
DIN: 00075107

GAURAV GARG
Chief Financial Officer

DECLARATION

Pursuant to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, hereby certify that the Board Members and the Senior Management Personnel have affirmed compliance with the Rules of Code of Conduct for the financial year ended 31st of March, 2021.

for and on behalf of
For RANA SUGARS LIMITED

Place: Chandigarh
Date: June 11, 2021

RANA INDER PRATAP SINGH
Managing Director
DIN: 00075107



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Rana Sugars Limited,
SCO 49-50, Sector 8-C,
Madhya Marg, Chandigarh.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Rana Sugars Limited having CIN: L15322CH1991PLC011537 and having registered office at SCO 49-50, Sector 8-C, Madhya Marg, Chandigarh (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of the Director	DIN	Date of appointment in the company
1.	Rana Inder Pratap Singh	00075107	October 31, 2002
2.	Rana Ranjit Singh	00076770	December 28, 2006.
3.	Rana Veer Pratap Singh	00076808	December 28, 2006
4.	Mr. Shivavtar Singh Bajwa	00714772	November 30, 1992
5.	Mr. Baljit Singh*	00074716	July 30, 2004
6.	Ms. Navpreet Kaur	07144566	November 09, 2018

*Ceased to be director of the company w.e.f. 22.06.2021 on account of resignation.

Further, Mr. Shivavtar Singh Bajwa was an Independent Director of the company who is not registered on the Independent Director Databank as provided under Section 150 of the Companies Act, 2013 read with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014.

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

For A. ARORA & COMPANY

Date: 09.08.2021
Place: Chandigarh
UDIN: F002191C000756329

AJAY K. ARORA
(Proprietor)
FCS No. 2191
C P No.: 993



CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

Rana Sugars Limited

SCO 49-50, Sector 8-C, Chandigarh – 160009

We have examined the compliance of conditions of Corporate Governance by Rana Sugars Limited (“the Company”) for the year ended on 31st March, 2021, as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clauses and/or Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge, information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

For Ashwani K. Gupta & Associates

Chartered Accountants

Firm Reg. No.: 003803N

Place: Panchkula

Date: June 21, 2021

UDIN: 21091721AAAAJD7511

CA Arvinder Singh

Partner

M. No.: 091721



AUDITORS' REPORT & FINANCIAL STATEMENTS



ASHWANI K GUPTA & ASSOCIATES, CHARTERED ACCOUNTANTS

H. No. 1044-A, Sector- 2, Panchkula

Ph.: 0172-4183664 Mob.: 9888398905

E-mail: ashwanigupta58@gmail.com

INDEPENDENT AUDITORS' REPORT**To the Members of Rana Sugars Limited****Report on the Audit of Standalone Ind AS Financial Statements****Opinion**

We have audited the accompanying Ind AS financial statements of Rana Sugars Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Standalone Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the Profit and total comprehensive Income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Emphasis of Matter:

- (a) We draw attention to Note No. 38 to the Ind AS financial statements which describe the uncertainties and the impact of COVID-19 on the Company's operations and results as assessed by the Management. Our opinion is not modified in respect of this matter.
- (b) Attention is invited to Note no. 40 of the IND AS financial statements regarding Exceptional item which includes Rs. 7204.84 Lacs recognized as gain on settlement of OTS liability with Bank. Our opinion is not modified in respect of this matter.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include Standalone Ind AS financial statements and our auditors' report thereon.

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

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



Management's Responsibilities for Standalone Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements. Refer to the Note No. 28 of the financial statements.
- ii. The Company did not have any Long-term contracts including derivatives for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, if any, required to be transferred, to the Investor Education and Protection Fund by the Company.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the company has not paid any managerial remuneration. Hence, the provisions of schedule V of the companies Act, 2013 are not applicable.

For Ashwani K. Gupta & Associates
Chartered Accountants
Firm Regn. No.: 003803N

Place: Panchkula
Date: 21-06-2021
UDIN: 21091721AAAAJD7511

(Arvinder Singh)
Partner
M. No.: 091721



ANNEXURE "A" TO THE AUDITORS' REPORT

REFERRED TO IN PARAGRAPH 5 OF OUR REPORT TO THE MEMBERS OF RANA SUGARS LIMITED ON THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2021;

1. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion is reasonable having regard to the size of the company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. In respect of its inventory:
 - (a) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals.
 - (b) As explained to us, no material discrepancies were noticed on such physical verification.
3. As per information and explanation given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, provisions of clause 3 (iii) of the Companies (Auditor Reports) Order 2016 are not applicable to the Company.
4. According to the information and explanations given to us, the Company has not entered into any transactions to which provisions of Section 185 of the Act applies. Further, the Company is engaged in the business of providing infrastructural facilities in terms of Schedule VI of the Act which is covered under exceptions as provided u/s 186(11) of the Companies Act 2013, thus the provisions of Section 186 do not apply to the Company.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits attracting the provisions of sections 73 to 76, or any other relevant provisions of the Companies Act, 2013.
6. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-Section (1) of section 148 of the Act and are of the opinion that the prescribed accounts and records have been made and maintained. However, we have not vouched for the correctness of the cost records maintained by the Company.
7. (a) 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 been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Income Tax, Customs Duty, Excise Duty, Goods and Services Tax, Cess and other material statutory dues as applicable with the appropriate authorities in India. We are informed that there are no undisputed statutory dues as at the end of the year, which are outstanding for a period of more than six months from the date they became payable *except Rs. 175.90 Lacs on account of Cess on Sugar Cane (Punjab) & Rs. 20.07 Lacs on account of IT Cess on PML (Punjab) and Purchase Tax as mentioned in Note No. 28(b)(iii).*
- (b) According to the information and explanation given to us and as per records of the Company examined by us, the particulars of Income Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty, Entry Tax, Value Added Tax & Goods and Service Tax which have not been deposited on account of any dispute are as detailed below:

Statute	Natures of Dues	Amount (Rs. in Lakh)	Period to which the amount relates A.Y.	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2001.31	2017-18	CIT (A) Gurgaon-3
Income Tax Act, 1961	Income Tax	30.15	2016-17	ITAT Chandigarh
UP Tax on Entry of Goods Act	Entry Tax	864.41	2011-12 to 2017-18	Hon'able Supreme Court
Punjab VAT Act, 2005	VAT & CST	348.47	2013-14	DETC (Appeals) Amritsar
Central Excise Act, 1944	Excise Duty	204.62	2010-11	CESTAT, Allahabad
Central Excise Act, 1944	Excise Duty	114.28	July 2016 to June 2017	Commissioner (Appeals) Excise & Customs, Meerut



8. According to the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings from Banks and Financial Institutions.
9. In our opinion and according to the information and explanations given to us, during the year the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans and hence Clause 3(xi) of the order is not applicable to the company.
10. According to the information and explanation 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.
11. In our opinion and according to the information and explanation given to us, the company has not paid any managerial remuneration. Hence, the provisions of schedule V of the companies Act, 2013 are not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. 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 and details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. According to information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For Ashwani K. Gupta & Associates
Chartered Accountants
Firm Regn. No.: 003803N

Place: Panchkula
Dated: June 21, 2021

(Arvinder Singh)
Partner
M. No.: 091721



Annexure “B” to the Auditors’ Report

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of **RANA SUGARS LIMITED** (“the Company”) as on 31st March, 2021, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘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 Companies Act, 2013.

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 on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the Management and directors of the Company; and



(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the 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 change in conditions, or that the degree of compliance with the policies or procedure 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 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ashwani K. Gupta & Associates
Chartered Accountants
Firm Regn. No.: 003803N

Place: Panchkula
Dated: 21-06-2021

(Arvinder Singh)
Partner
M. No.: 091721



Balance sheet as at March 31, 2021

All amounts in INR in Lakhs, unless otherwise stated

S.No.	Particulars	Notes	March 31, 2021 Audited	March 31, 2020 Audited
ASSETS				
(A) NON CURRENT ASSETS				
a	Property, Plant and Equipment	3	42,070.71	37,804.35
b	Capital Work-in-Progress		2,795.04	3,767.13
c	Financial Assets			
	Investment	4	0.20	-
	Loans	5	-	-
	Other Financial Assets	6	242.07	238.26
d	Deferred Tax Assets (Net)	7	-	-
e	Prepayments	8	61.68	27.86
(B) CURRENT ASSETS				
a	Inventories	9	37,321.87	30,254.19
b	Financial Assets			
	(i) Trade Receivables	10	14,072.26	14,361.64
	(ii) Cash & Cash Equivalents	11	6,693.88	4,959.83
	(iii) Bank Balance other than (ii) above		971.26	1,890.17
	(iv) Loans	5	3,112.72	6,445.36
	(v) Other Financial Assets	6	-	-
c	Other Current Assets	12	5,797.65	6,282.47
d	Prepayments	8	394.68	352.56
(C) Assets classified as held for Sale			98.97	-
Total Assets			113,632.99	106,383.83
EQUITY AND LIABILITIES				
(D) EQUITY				
a	Equity Share capital	13	15,353.95	15,353.95
b	Other Equity			
	(i) Equity Component of Compound Financial Instrument	13	2,811.16	2,811.16
	(ii) Reserve & Surplus	14	7,497.50	-8,280.21
	(iii) Other Reserves		10,645.23	10,616.38
Total Equity			36,307.84	20,501.27
(E) LIABILITIES LIABILITIES				
I Non Current Liabilities				
a	Financial Liabilities			
	Borrowings	15	11,081.80	14,088.00
	Lease Liabilities		36.36	



b	Provisions	16	742.22	813.96
c	Government Grant	17	83.20	104.29
d	Deferred Tax Liabilities (Net)	7	-	-
e	Other Non-Current Liabilities	18	-	-
II	Current Liabilities			
a	Financial Liabilities			
	(i) Borrowings		6,790.67	13,446.52
	(i) (a) Lease Liabilities	15	11.43	
	(ii) Trade payables Due to :			
	- Micro & Small Enterprises		279.60	334.22
	- Other than Micro & Small Enterprises	19	49,558.98	45,121.75
	(iii) Other Current Financial Liabilities	15	-	3,380.45
b	Other Current Liabilities	18	8,615.75	8,464.91
c	Provisions	16	103.27	104.65
d	Government Grant	17	21.87	23.81
	Total Equity & Liabilities		113,632.99	106,383.83
	Significant Accounting Policies	2	The above financial statement should be read in conjunction with the basis of preparation and Significant accounting policies appearing in Note of Notes to the Financial Statements	
	Notes to Accounts	28-45		

Gaurav Garg
Chief Financial Officer

Manmohan K. Raina
Company Secretary

Rana Inder Pratap Singh
Managing Director
(DIN 00075107)

Rana Veer Pratap Singh
Director
(DIN 00076808)

As per our report of even date attached.
FOR ASHWANI K. GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS

Place : Chandigarh
Dated : 21-06-2021
UDIN : 21091721AAAAJD7511

(CA Arvinder Singh)
Partner
Membership No. : 091721
FRN : 003803N



Statement of Profit and Loss for the year ended 31st March 2021

All amounts in INR in Lakhs, unless otherwise stated

Particulars	Notes	March 31, 2021	March 31, 2020
Income			
Revenue from Operations	20	122,207.37	131,331.30
Other Income	21	519.15	746.55
Total Income		122,726.52	132,077.85
Expenses			
Cost of Raw Material and Packing Material Consumed	22	99,307.97	85,188.08
Purchase of Traded Goods		386.25	1,586.28
(Increase)/Decrease in inventories of finished goods, work in progress and traded goods		(5,995.43)	21,296.43
Employee Benefits Expense	23	4,170.54	3,828.78
Depreciation and Amortization Expense	26	2,701.14	3,376.49
Finance Costs	24	1,841.03	2,241.17
Other Expenses	25	11,697.93	11,033.87
Total Expenses		114,109.43	128,551.10
Profit/(Loss) before exceptional items and tax		8,617.09	3,526.74
Exceptional Items		7,139.60	22,334.02
Profit/(Loss) before tax		15,756.69	25,860.77
Income tax expense		(12.55)	(710.14)
(1) Current tax			-
(2) Deferred tax	7	-12.55	-710.14
Profit/(Loss) for the year		15,769.24	26,570.91
Other comprehensive income/(loss)			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit plans		49.87	15.35
Income tax effect		(12.55)	(3.87)
Other comprehensive income/(loss) for the year, net of tax		37.32	11.48
Total comprehensive income for the year, net of tax attributable to :		15,806.56	26,582.39



Earnings per equity share (Nominal Value of Share INR 10 per share)			
Basic earning per share	27	10.27	17.30
Diluted earning per share	27	10.27	17.30
Significant Accounting Policies	2		
Notes to Accounts	28-45		

The above financial statement should be read in conjunction with the basis of preparation and Significant accounting policies appearing in Note of Notes to the Financial Statements

Gaurav Garg
Chief Financial Officer

Manmohan K.Raina
Company Secretary

Rana Inder Pratap Singh
Managing Director
(DIN 00075107)

Rana Veer Pratap Singh
Director
(DIN 00076808)

As per our report of even date attached.
FOR ASHWANI K. GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS

Place : Chandigarh
Dated : 21-06-2021
UDIN : 21091721AAAAJD7511

(CA Arvinder Singh)
Partner
Membership No. : 091721
FRN : 003803N



Statement of Cash Flows for the year ended 31 March 2021

All amounts in INR in Lakhs, unless otherwise stated

	Particulars	Note No.	March 31, 2021	March 31, 2020
A	Cash flow from operating activities			
1	Profit/(Loss) before tax		15,756.69	25,860.77
2	Adjustments to reconcile profit before tax to net cash flows:			
	Depreciation and Amortisation Expense	3	2,701.14	3,376.49
	Impairment Loss on Fixed Assets	3	-	8,142.81
	Loan written back		(7,204.84)	(30,521.92)
	Interest income	21	(83.85)	(91.16)
	(Profit)/ loss on sale/discard of property, plant & Equipment		65.25	45.09
	Finance costs	24	1,841.03	2,241.17
			(2,681.27)	(16,807.53)
3	Operating profit before working capital adjustments (1+2)		13,075.42	9,053.24
4	Working capital adjustments :			
	(Increase)/Decrease Trade and Other Receivables and Prepayments		4,027.05	3,600.45
	(Increase)/Decrease in Inventories		(7,067.68)	20,649.50
	Increase/(Decrease) Trade and Other Payables and Provisions		4,487.19	(428.24)
			1,446.56	23,821.71
5	Cash generated from operations (3+4)		14,521.98	32,874.94
6	Taxes (paid) /refund		-	-
7	Net cash flows from operating activities (5-6)		14,521.98	32,874.94
B	Cash flow from Investing activities:			
	Purchase of Property, Plant and Equipment	3	(6,198.84)	(5,527.84)
	Proceeds from disposal of PPE		39.25	72.07
	Fixed deposits redeemed from banks	11	918.91	1,808.02
	Purchase of shares of associates	4	(0.20)	-
	Interest received	21	83.85	91.16
	Net cash used in investing activities:		(5,157.03)	(3,556.59)
C	Cash flow from financing activities:			
	Proceeds/(Repayments) of Long Term Borrowings (Net)	15	110.98	(6,711.19)
	Proceeds/(Repayments) of Short Term Borrowings (Net)	15	(2,770.65)	(11,523.44)
	Increase/(Decrease) in Interest accrued and due on Short Term Borrowings	15	-	(3,138.48)



	Increase/(Decrease) in Interest accrued and due on Long Term Borrowings	15	-	(109.83)
	Increase/(Decrease) in Unsecured Loans	15	(3,130.20)	(920.69)
	Interest paid	24	(1,841.03)	(2,241.17)
	Net cash used in financing activities:		(7,630.90)	(24,644.80)
D	Net change in Cash and Cash Equivalents (A+B+C)		1,734.05	4,673.54
E - 1	Cash and Cash Equivalents at the beginning of the year	11	4,959.83	286.28
E - 2	Cash and cash equivalents at year end	11	6,693.88	4,959.83

Note : During the period Bank Loan INR 7204.84 Lakhs (Previous year 30521.92 Lakhs) were written back on successful implementation of one time settlement scheme sanctioned by the respective lender. Since the same did not amount to any cash flow the same has not shown in the statement of Cash Flow.

Gaurav Garg
Chief Financial Officer

Manmohan K. Raina
Company Secretary

Rana Inder Pratap Singh
Managing Director
(DIN 00075107)

Rana Veer Pratap Singh
Director
(DIN 00076808)

As per our report of even date attached.
FOR ASHWANI K. GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS

Place : Chandigarh
Dated : 21-06-2021
UDIN : 21091721AAAAJD7511

(CA Arvinder Singh)
Partner
Membership No. : 091721
FRN : 003803N



Statement of Change in equity for the year ended March 31, 2021

All amounts in INR in Lakhs, unless otherwise stated

A. Equity Share Capital:

(1) At March 31, 2021

Equity shares of INR 10 each issued, subscribed and fully paid

	Balance as at 01/04/2020	Changes in Equity Share Capital Due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at 31/03/2021
No. in lakhs	1,535.68	-	-	-	1,535.68
INR in lakhs	15,353.95	-	-	-	15,353.95

(2) At March 31, 2020

Equity shares of INR 10 each issued, subscribed and fully paid

	Balance as at 01/04/2019	Changes in Equity Share Capital Due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at 31/03/2020
No. in lakhs	1,535.68	-	-	-	1,535.68
INR in lakhs	15,353.95	-	-	-	15,353.95

B. Other Equity

(1) At March 31, 2021

Particulars	Equity component of compound financial instruments	Reserves and Surplus					Total
		Capital Reserve	Capital Redemption Reserve	Securities Premium	Molasses Storage Fund	Retained Earning	
Balance at the beginning of the current reporting period	2,811.16	132.25	2,054.67	8,315.02	114.44	-8,280.21	5,147.33
Change in accounting policy or prior period errors			-			-	-
Restated balance at the beginning of the current reporting period	2,811.16	132.25	2,054.67	8,315.02	114.44	-8,280.21	5,147.33
Total Comprehensive Income for the current year			-			15,806.56	15,806.56
Dividends			-				-
Transfer to retained earnings			-				-
Any other change (to be specified)			-				-



Appropriation for Molasses Storage Fund					28.85	-28.85	-
Balance at the end of the current reporting period	2,811.16	132.25	2,054.67	8,315.02	143.29	7,497.50	20,953.89
(2) At March 31, 2020							
Balance at the beginning of the current reporting period	2,811.16	132.25	2,054.67	8,315.02	71.12	-34,820.11	-21,435.89
Change in accounting policy or prior period errors			-			-	-
Restated balance at the beginning of the current reporting period	2,811.16	132.25	2,054.67	8,315.02	71.12	-34,820.11	-21,435.89
Total Comprehensive Income for the current year			-			26,582.39	26,582.39
Dividends			-				-
Transfer to retained earnings			-				-
Any other change (to be specified)			-			0.83	0.83
Appropriation for Molasses Storage Fund					43.32	-43.32	-
Balance at the end of the current reporting period	2,811.16	132.25	2,054.67	8,315.02	114.44	-8,280.21	5,147.33

Gaurav Garg
Chief Financial Officer

Manmohan K. Raina
Company Secretary

Rana Inder Pratap Singh
Managing Director
(DIN 00075107)

Rana Veer Pratap Singh
Director
(DIN 00076808)

As per our report of even date attached.
FOR ASHWANI K. GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS

Place : Chandigarh
Dated : 21-06-2021
UDIN : 21091721AAAAJD7511

(CA Arvinder Singh)
Partner
Membership No. : 091721
FRN : 003803N



1. Corporate Information

Rana Sugars Limited (The Company) is a public limited company domiciled in India. Its shares are listed on two recognized stock exchanges in India i.e., BSE & NSE. The registered office of the company is located at S.C.O. 49-50, Sector 8 – C, Chandigarh. The CIN of the Company is L15322CH1991PLC011537

The Company is having its operations in the State of Punjab and Uttar Pradesh and is principally engaged in the manufacturing of Sugar, Ethanol and co-generation of power. Power is used captively as well as exported to the State Grids of Punjab and Uttar Pradesh respectively.

The financial statements were authorized for issue in accordance with a resolution by the Board of Directors of the Company on June 21, 2021.

2. Significant Accounting Policies

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

2.2 Basis of Preparation

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:

- a. Plan assets under defined benefit plans.
- b. Certain financial assets and liabilities.

Historical cost is generally based on fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The financial information are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except where otherwise indicated.

2.3 Use of estimates and judgments

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions



made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

b. Defined benefit plans

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions 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. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates.

c. Fair value measurement of financial instrument

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

d. Useful lives of PPE:

The Company reviews the useful life of PPE at the end of each reporting period. This re-assessment may result in change in depreciation expense in future periods.

2.4 Summary of Significant Accounting Policies:

2.4.1 Property, Plant & Equipment (PPE):

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprise of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of GST credit availed wherever applicable. Cost includes borrowing cost for long term construction projects if recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

In respect of others assets, depreciation is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life is as follows:



Sr. No.	Nature of Asset	Useful Life (Years)
1.	Buildings	30
2.	Plant & Machinery	25
3.	Other Equipments	3 to 5
4.	Vehicles	8
5.	Furniture/ Fittings	10

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

2.4.2 Current versus Non-Current Classification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting 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 realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

2.4.3 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less cost to sell. This condition is regarded as met only when the sale is probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are presented separately from other assets in the balance sheet. The non current assets after being classified as held for sale are not depreciated or amortized.

2.4.4 Taxes:

2.4.4.1 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 in accordance with the Income Tax Act, 1961 (as amended) and Income Computation and



Disclosure Standards (ICDS) enacted in India by using the tax rates and tax laws that are enacted or substantively enacted, at the reporting date in India where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction relating to OCI & Equity either in OCI (Other Comprehensive Income) or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.4.4.2 Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting 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 tax assets to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction related to OCI & Equity either in OCI or directly in equity.

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.

Goods & Service Tax (GST) on acquisition of assets or on incurring expenses:

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current assets or other current liabilities in the balance sheet.

2.4.5 Inventories

Inventories (other than by-products) are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:



- Raw materials/ Stores & Spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
 - Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
 - By-products and scraps are valued at net realizable value.
- 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.

2.4.6 Investments in Associates

The Company's investments in its associates are accounted for using the equity method. Under the equity method, the investment in associates is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the associate since the acquisition date. If the Company's share of the net fair value of the investee's identifiable assets and liabilities exceeds the cost of the investment, any excess is recognised directly in Equity as capital reserve in the period in which the investment is acquired. Goodwill, if any, relating to the associate is included in the carrying amount of the investment and is not tested for impairment.

2.4.7 Intangible assets

- a. Purchased Intangible assets are measured at cost as at the date of acquisition, less accumulated amortization and impairment losses if any.
For this purpose, cost includes deemed cost on the date of transition and acquisition price, license fees, non-refundable taxes and costs of implementation/system integration services and any directly attributable expenses, wherever applicable for bringing the asset to its working condition for the intended use.
- b. Amortization methods, estimated useful lives and residual value Intangible assets are amortized on a straight-line basis (without keeping any residual value) over its estimated useful lives of five years from the date they are available for use.
The estimated useful lives, residual values and amortization method are reviewed at the end of each financial year and are given effect to, wherever appropriate.
- c. The cost and related accumulated amortization are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss

2.4.8 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial Assets:

The Company classified its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit & loss)
- Those measured at amortized cost

Initial recognition and measurement:

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

Subsequent measurement:

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

- Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:



-
- a. Business model test : The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes), and
 - b. Cash flow characteristics test: Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of financial assets. When calculating the effective interest rate the Company estimates the expected cash flow by considering all contractual terms of the financial instruments. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for amortized cost or FVTOCI (Fair value through Other Comprehensive Income), is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognized in statement of profit or loss and presented net in the statement of profit and loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- a. the rights to receive cash flows from the asset have expired, or
- b. the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;
 - I. the Company has transferred the rights to receive cash flows from the financial assets or
 - II. the Company has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Impairment of financial assets:

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

Financial assets measured at amortised cost e.g. Loans, security deposits, trade receivable, bank balance.

The Company follows "simplified approach" for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analyzed.



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

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of 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. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

b. Financial Liabilities:

Initial recognition and measurement:

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. The Company financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits and other payables.

Subsequent measurement:

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

Trade Payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 0-180 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

Financial Liabilities at fair value through profit & loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognised in OCI. These gains/ losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans & Borrowings:

Borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (Effective Interest Rate) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the



EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition:

A financial liability is derecognised 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 recognised in the statement of profit and loss.

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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.4.9 Cash & Cash Equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks; cash in hand, other short term deposits with original maturities of three months or less which are subject to an insignificant risk of changes in value.

2.4.10 Mandatorily Redeemable Preference Shares:

A mandatorily redeemable preference shares with dividends paid at the issuer's discretion, which effectively comprises: a financial liability (the issuer's obligation to redeem the shares in cash); and an equity instrument (the holder's right to receive dividends if declared). Such preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the mandatorily redeemable preference shares with dividends declared at the issuer's discretion, the present value of the redeemable amount is calculated using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on redemption. The unwinding of the discount on this component is recognised in profit or loss and classified as interest expense.

The remainder of the proceeds is recognised and included in equity as per Ind AS 32. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the equity component is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of such preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

2.4.11 Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the best estimate.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be



recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

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

2.4.12 Employee Benefits:

2.4.12.1 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 recognized in respect of employee's service up to the end of 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 obligation in the balance sheet.

2.4.12.2 Other Long term employee benefit obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured based on the actuarial valuation using projected unit credit method at the year end. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the term of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

2.4.12.3 Post-employment obligations: The Company operates the following post-employment schemes:

2.4.12.3.1 Defined benefit plans such as gratuity; and

2.4.12.3.2 Defined contribution plans such as provident fund.

Gratuity Obligations:

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has also made contribution to Life Insurance Corporation (LIC) towards a policy to cover the gratuity liability of the employees to an extent. The difference between the actuarial valuation of the gratuity of employees at the year-end and the balance of funds with LIC is provided for as liability in the books.

Remeasurements, (refer note no. 28D) comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Company recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss

- i. Service cost comprising current service cost, past service cost, gain & loss on curtailments and non-routine settlements.
- ii. Net interest expenses or income

2.4.13 Revenue Recognition:

The Company earns revenue primarily from sales of sugar, ethanol and power.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts.



Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue (“contract liability”) is recognised when there is a billing in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Interest income:

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Use of significant judgments in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products to a customer. The Company assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

2.4.14 Leases

Company as a Lessee

The Company, as a lessee, recognises a right-of-use of asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any



remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

Company as a Lessor

Lease income from operating lease where the Company is a lessor is recognized 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 the lessor for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their respective nature.

2.4.15 Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

- a. Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- b. Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- c. Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring and non-recurring fair value measurement, such as derivative instruments measured at fair value.

External valuers are involved for valuation of significant assets, such as properties and financial assets and significant liabilities. Involvement of external valuers is decided upon annually by the management. The management decided, after discussions with the Company's external valuers which valuation techniques and inputs to use for each case.



At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

The management in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

2.4.16 Borrowing Costs:

Borrowing cost includes interest expense as per effective interest rate [EIR]. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time that the asset are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing incurred. Where surplus funds are available out of money borrowed specifically to finance project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rate applicable to relevant general borrowing of the Company during the year. Capitalisation of borrowing cost is suspended and charged to profit and loss during the extended periods when the active development on the qualifying project is interrupted. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the borrowing costs.

2.4.17 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.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company basis its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

After impairment depreciation is provided on the revised carrying amount of the asset over its remaining economic life.



An assessment is made in respect of assets at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

2.4.18 Government Grants:

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset. However, if any export obligation is attached to the grant related to an asset, it is recognized as income on the basis of accomplishment of the export obligation.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments.

2.4.19 Earnings per share

Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard 33 'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended). Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of company (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

2.4.20 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The Board of Directors (BoD) of the Company has appointed an executive committee which assesses the financial performance and the position of the Company, and makes strategic decisions. The executive committee, which has been identified as being the CODM, consists of the Managing Director, Director and Chief Financial Officer for corporate planning.



Note : 3 Property, Plant and Equipment (PPE)

Particulars	Freehold Land	Freehold Buildings	Freehold Buildings (Right to Use)	Plant & Machinery	Furniture, Fitting & Equipments/ Installations	Vehicles	Other Equipments	Total	Capitla Work-in-progress
	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs
Year ended March 31, 2020									
As at April 01, 2019	2,231.70	5,868.68	-	40,255.45	1,431.92	1,520.73	91.23	51,399.71	2,990.69
Additions	0.23	646.21	-	5,228.23	198.06	80.93	90.22	6,243.89	4,810.78
Preoperative Expenses Capitalized		17.03	-	85.95				102.98	
Disposals	-	-	-	(310.98)	(18.92)	(39.92)	-	(369.82)	(4,034.34)
Total Cost as at March 31, 2020	2,231.93	6,531.92	-	45,258.65	1,611.06	1,561.74	181.45	57,376.75	3,767.13
Depreciation									
As at March 31, 2019	-	771.03	-	6,372.46	444.31	659.02	58.81	8,305.63	-
Depreciation charge during the year		288.83	-	2,694.83	132.43	245.98	14.42	3,376.49	-
Disposals		-	-	(206.51)	(12.44)	(33.58)	-	(252.53)	-
Loss on Impairment of Assets				8,142.81				8,142.81	
Closing accumulated depreciation as at March 31, 2020	-	1,059.86	-	17,003.59	564.30	871.42	73.23	19,572.40	-
W.D.V. As at March 31, 2020	2,231.93	5,472.06	-	28,255.06	1,046.76	690.32	108.22	37,804.35	3,767.13
Year ended March 31, 2021									
As at April 01, 2020	2,231.93	6,531.92	-	45,258.65	1,611.06	1,561.74	181.45	57,376.75	3,767.13
Additions	-	743.76	95.57	6,122.92	95.24	79.14	34.30	7,170.93	5,155.31
Disposals	-	-	-	(265.22)	-	(87.31)	-	(352.53)	(6,127.39)
Assets Classified as Held for Sale	-	-	-	(98.97)	-	-	-	(98.97)	-
Total Cost as at March 31, 2021	2,231.93	7,275.68	95.57	51,017.38	1,706.30	1,553.57	215.75	64,096.18	2,795.04
Depreciation									
As at March 31, 2020	-	1,059.86	-	17,003.59	564.30	871.42	73.23	19,572.40	-
Depreciation charge during the year		319.15	28.13	2,014.46	131.40	193.62	14.38	2,701.14	-
Disposals		-		(165.09)	-	(82.94)	(0.04)	(248.07)	-
Closing accumulated depreciation as at March 31, 2021	-	1,379.01	28.13	18,852.96	695.70	982.10	87.57	22,025.47	-
W.D.V. As at March 31, 2021	2,231.93	5,896.67	67.44	32,164.42	1,010.60	571.47	128.18	42,070.71	2,795.04
Net Book Value									
At March 31, 2021	2,231.93	5,896.67	67.44	32,164.42	1,010.60	571.47	128.18	42,070.71	2,795.04
At March 31, 2020	2,231.93	5,472.06	-	28,255.06	1,046.76	690.32	108.22	37,804.35	3,767.13

No Borrowing cost are capitalized either on PPE or on Asset under construction (CWIP). Financial Year March 31, 2021 - Nil, March 31, 2020 - Nil

Charge on PPE

Entire PPE (except Vehicles) is subject to First Charge to secure terms loans from IRDEA Limited and UCO Bank. Respective vehicles are also subject to charge to secure the loan availed to acquire the same. (Refer to Note no. 15)



4. Investment (Unsecured, considered good)	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Investment in Equity instruments (Carried at cost)		
Fully paid up :		
Unquoted		
Investment in associates		
Karimganj Biofuels Pvt. Limited (1000 Equity Shares @ INR 10/- Each)	0.10	-
Buttar Biofuels Pvt. Limited (1000 Equity Shares @ INR 10/- Each)	0.10	-
	0.20	-

5. Loans (Unsecured, considered good, unless otherwise stated)	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Loans		
- Related Parties	-	-
- Others	3,112.72	6,445.36
	3,112.72	6,445.36
Current	3,112.72	6,445.36
Non-Current	-	-

6. Other Financial Assets (Unsecured, considered good, unless otherwise stated)	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Security Deposits	98.89	79.77
Bank Deposits with more than 12 months maturity	143.18	158.49
Others	-	-
	242.07	238.26
Current	-	-
Non-Current	242.07	238.26

7. Deferred Tax Assets/Liabilities (Net)	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Deferred Tax Asset/(Liability)	-	-

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2021:

	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Accounting profit before income tax	8,617.09	3,466.41
Tax Liability		
At India's statutory income tax rate of 25.168 % (Refer Note no. 35)	2,168.75	872.43
Adjustments in respect of current income tax of previous years	-	-



Adjustments in respect of Statutory Dues (Net)	12.33	13.47
Depreciation (Net)	(423.65)	(150.24)
Non-deductible expenses for tax purposes:		
Employee Benefits (Net)	(3.54)	13.17
Other Non Deductable Expenses (Net)	81.28	22.54
Current year unabsorbed tax losses/(Unabsorbed Business Loss Adjusted)	(1,835.17)	(771.37)
Income tax expenses charged to the statement of Profit & Loss A/c	-	-
Reconciliation of deferred tax liabilities (net):	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Opening balance as of 1 st April	-	(706.28)
Tax income/(expense) during the period recognised in profit or loss	(12.56)	710.14
Tax income/(expense) during the period recognised in OCI	(12.55)	(3.87)
Closing balance as at 31st March	-	-

8. Prepayments	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Deferred Loan Processing Fees	65.55	34.07
Prepaid Expenses	390.81	346.35
	456.36	380.42
Current	394.68	352.56
Non-Current	61.68	27.86

9. Inventories	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
(a) Raw Materials (at Cost)	1,961.15	924.73
(b) Work-in-progress (including appropriate overhead)	400.16	304.36
(c) Finished Goods (at lower of cost and net realisable value)	31,402.12	25,502.50
(d) Stores and spares (at Cost)	3,558.44	3,522.60
	37,321.87	30,254.19

10. Trade receivables (Unsecured, considered good)	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Trade receivables	14,072.26	14,361.64
	14,072.26	14,361.64

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.



11. Cash and cash equivalent	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
(A) Balances with Banks		
(I) Bank balances held as margin money or as security against:		
(i) Guarantees	495.10	1,479.67
(ii) Other commitments	476.16	410.51
(II) On Current Accounts	4,653.40	4,947.43
(B) Cheques, drafts on hand	2,025.25	-
(C) Cash on hand	15.23	12.40
	7,665.14	6,850.00
Cash & Cash Equivalents	6,693.88	4,959.83
Bank Balance other than above	971.26	1,890.17

12. Other Current Assets	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Capital Advances (Unsecured, considered good)	1,150.31	523.48
Other Advances (Unsecured, considered good)		
- Related Party (Refer Note No 28)	154.03	296.05
- Others	3,567.09	4,523.27
Interest and other Receivable	384.95	384.99
Balance with Revenue Authorities	441.22	454.22
Taxes deposited under protest/appeal	100.05	100.46
	5,797.65	6,282.47

13. Share Capital	No. in Lakhs	INR Lakhs
Authorised Share Capital		
Equity Shares		
At March 31, 2020	1,600.00	16,000.00
Increase/(decrease) during the year	-	-
At March 31, 2021	1,600.00	16,000.00
Terms/ rights attached to equity shares		

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends, if any, in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



8% Non Cumulative Redeemable Preference Shares	No. in Lakhs	INR Lakhs
At March 31, 2020	600.00	6,000.00
Increase/(decrease) during the year	-	-
At March 31, 2021	600.00	6,000.00

Terms/ rights attached to preference shares

The Preference shares issued by the company are non-convertible. Preference shares will be redeemed on April 29, 2027 at the price of INR 10/- per share. The Preference shares carry a dividend of 8% per annum payable at the discretion of the company and subject to approval of the lenders. The dividend rights are non-cumulative. The preference shares rank ahead of the equity shares in event of liquidation. The presentation of liability and equity portion of these shares is explained in the summary of significant accounting policy.

Issued Share Capital	No. in Lakhs	INR Lakhs
Equity Shares		
At March 31, 2020	1,535.68	15,356.78
Issued during the year	-	-
At March 31, 2021	1,535.68	15,356.78
Equity component of redemebale preference shares of INR 10 each issued and fully paid		
At March 31, 2020	410.93	2,811.16
Issued during the year	-	-
At March 31, 2021	410.93	2,811.16

This note covers the equity component of the issued convertible preference shares. The liability component is reflected in financial liabilities. (Refer Note no. 15)

Subscribed Share Capital	No. in Lakhs	INR in Lakhs
Equity Shares of INR 10 each		
At March 31, 2021		
Subscribed & Fully Paid	1,535.11	15,351.11
Subscribed but not Fully Paid	0.57	2.84
	1,535.68	15,353.95

At March 31, 2020	No. in Lakhs	INR in Lakhs
Subscribed & Fully Paid	1,535.11	15,351.11
Subscribed but not Fully Paid	0.57	2.84

Equity component of redemebale preference shares of INR 10 each issued and fully paid	No. in Lakhs	INR in Lakhs
At March 31, 2021	410.93	2,811.16
Subscribed & Fully Paid	-	-
Subscribed but not Fully Paid	410.93	2,811.16
	No. in Lakhs	INR in Lakhs
At March 31, 2020	410.93	2,811.16
Subscribed & Fully Paid	-	-
Subscribed but not Fully Paid	410.93	2,811.16



Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2021	
	No. of shares in Lakhs	% holding in the class
Equity Shares of INR 10 each		
1. Mr. Rana Inder Pratap Singh	179.30	11.68%
2. Mrs. Sukhjinder Kaur	85.00	5.54%

Name of the shareholder	As at March 31, 2020	
	No. of shares in Lakhs	% holding in the class
1. Mr. Rana Inder Pratap Singh	179.30	11.68%
2. Mrs. Sukhjinder Kaur	85.00	5.54%

14. Other Equity	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
a. Capital Reserve	132.25	132.25
b. Capital Redemption Reserve	2,054.67	2,054.67
c. Securities Premium	8,315.02	8,315.02
d. Molasses Storage Fund	143.29	114.44
e. Retained Earnings	7,497.50	-8,280.21
	18,142.73	2,336.17
Reserves and Surplus	7,497.50	-8,280.21
Other Reserve	10,645.23	10,616.38
a. Capital Reserve	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Opening Balance	132.25	132.25
Appropriations during the year	-	-
Closing Balance	132.25	132.25

Note : Capital Reserve comprise of reserve arising consequent to forfeiture of share warrants

b. Capital Redemption Reserve	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Opening Balance	2,054.67	2,054.67
Appropriations during the year	-	-
Closing Balance	2,054.67	2,054.67

Note: Capital Redemption Reserve is created in lieu of redemption of preference capital out of profits. This reserve shall be utilized in accordance with Act.

c. Securities Premium	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Opening Balance	8,315.02	8,315.02
Appropriations during the year	-	-
Closing Balance	8,315.02	8,315.02



Note: Securities premium is used to record the premium received on issue of shares. This amount shall be utilized in accordance with Act.

d. Molasses Storage Fund	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Opening Balance	114.44	71.12
Appropriations during the year	28.85	43.32
Less written back during the year	-	-
Closing Balance	143.29	114.44

Note: The molasses storage fund has been created to fund the construction cost for molasses storage tank as required under Uttar Pradesh Sheera Niyamtran (Sansodhan) Adesh, 1974. During the previous year ended 31st March 2021 INR Nil was utilized from the fund and hence no amount was credited to the statement of Profit and Loss during the year. The said storage fund is represented by investment in the form of fixed deposits with banks amounting to INR 143.29 Lakhs (Previous year 114.44 Lakhs)

e. Retained Earnings	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Opening balance	(8,280.21)	-34,820.11
Net profit for the period	15,769.24	26,570.91
Appropriation from :		
Other Adjustment	-	0.83
Molasses Storage Fund	-28.85	-43.32
Items of OCI recognised directly in retained earnings		
Re-measurement gains/(losses) on defined benefits plan (net of tax)	37.32	11.48
Closing balance	7,497.50	(8,280.21)

15. Financial Liabilities	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
15 (i) Non-Current Borrowings		
Term Loan From Banks/NBFC & Financial Institution Secured (For Security detail refer Note 2 below)		
(i) Bank of Baroda	-	1,771.84
(ii) UCO Bank (SEFASU, Punjab)	-	14.04
(iii) UCO Bank	191.07	314.35
(iv) IREDA Limited	7,080.50	6,879.52
(v) HDB Financial Services Ltd	-	0.48
Total Secured Term Loans	7,271.57	8,980.23
Less: Current maturities of Term Loan	810.89	2,643.55
Long Term maturities of Term Loan (A)	6,460.68	6,336.68
Unsecured loans		
- From Directors	15.00	100.09
- From Inter-corporate	2,653.36	4,653.19
- From Relatives	-	1,269.94
Liability Component of compound financial instrument (Refer Note 1 Below)		
- 8% Non Cumulative Redeemable Preference Shares	1,952.76	1,728.10
Total Unsecured loans (B)	4,621.12	7,751.32



Lease obligation		
Long term maturities of lease obligation	47.79	-
Less: Current maturities of lease obligation	11.43	-
Total Lease obligation (C)	36.36	-
Total borrowings (A+B+C)	11,118.16	14,088.00
Detail of Default in Borrowings	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
(i) Bank of Baroda	-	1,771.84
	N.A.	Since Sept., 30 2017

Note : The Company was sanctioned a scheme of One Time Settlement by Bank of Baroda. The Company paid the dues as per the sanctioned scheme. However, the dues for F.Y. 2019-20 pertained to the amount before settlement.

Note 1 : At March 31, 2021 and March 31, 2020, there were 4,10,93,424 no. of redeemable preference shares in issue. Each share has a par value of INR 10. Preference shares will be redeemed on April 29, 2027 at par value. The preference shares carry a dividend of 8% per annum, payable yearly in arrears as on 31 March. The dividend rights are non-cumulative. The preference shares rank ahead of the equity shares in the event of a liquidation. The presentation of the liability and equity portions of these shares is explained in the summary of significant accounting policies.

Note 2 : Nature of Securities for the aforesaid secured borrowings including current maturity of long term loans (Refer Note 15 (i))

(a) : Term Loans (Excluding Vehicle Loans)

Term Loans from above banks and IREDA Limited are secured by pari passu first charge on Fixed Assets of the Company (excluding Vehicles), including Sugar & Power units in District Amritsar (Punjab), Moradabad & Rampur (UP) and Distillery unit in District Tarn Taran (Punjab)

(b) : Vehicle Loans

Vehicles loans from HDB Financial Services Ltd are secured by hypothecation on the underlying vehicles for the respective loan.

15 (ii) Current borrowings	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
(A) Loans repayable on demand from Banks Secured (For Security detail refer Note below)		
Zila Sahakari Bank Ltd. Ghaziabad	5,785.13	5,787.57
UCO Bank	194.65	1,163.49
Bank of Baroda	-	4,043.40
(B) Current maturities of Term Loans Secured (Refer note - 2 under 15(i))		
Bank of Baroda (Refer note below)	-	1,771.84
UCO Bank (SEFASU, Punjab)	-	14.04
UCO Bank	96.68	117.21
IREDA Limited	714.21	548.48
HDB Financial Services Ltd	-	0.48
(C) Current maturities of lease obligation		
Current maturities of lease obligation	11.43	-
Total Current borrowings	6,802.10	13,446.52



Note: Nature of Securities for the aforesaid secured loans repayable on demand

(a) UCO Bank - For Units in District Amritsar & Tarn Taran

Working Capital Loans from UCO Bank are secured by hypothecation of stocks of raw materials, Stock in process and finished goods lying in the borrower's godowns, factory at Village Buttar Seviyan, Tehsil Baba Bakala, and Village Lauhka, Tehsil Patti respectively, Stock-in-transit and Stock lying at other places with prior permission of the bank.

(b) Zila Sahakari Bank Ltd. Ghaziabad - For Units in Uttar Pradesh

Working Capital loans from Zila Sahakari Bank Ltd. Ghaziabad are secured by pledge of crystal sugar and hypothecation of all other current assets at Sugar Units in District Moradabad and Rampur (UP) respectively.

Working Capital Loans from Banks are further secured by personal guarantee of promoters / directors.

	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
15. (iii) Other Current financial liabilities		
Interest accrued and due (Refer note 1 below)	-	3,380.45
	-	3,380.45

Note 1: Interest accrued and due relates to the term loan and cash credit facilities availed from Bank of Baroda (Refer note 15 (i) & 15 (ii)).

16. Provisions	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Provision for employee benefits	845.49	918.61
	845.49	918.61
Current	103.27	104.65
Non-Current	742.22	813.96

17. Government Grant	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Government Grant	105.07	128.10
	105.07	128.10
Current	21.87	23.81
Non-Current	83.20	104.29

18. Other Liabilities	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Statutory Dues Payables	2,154.65	2,575.65
Revenue received in advance	2,046.60	1,770.29
Other liabilities and payables	4,414.50	4,118.97
	8,615.75	8,464.91
Current	8,615.75	8,464.91
Non-Current	-	-



19. Trade Payables	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Micro & Small Enterprises	279.60	334.22
Trade Payables - Raw Material	40,675.24	38,173.65
Trade Payables - Capital	596.70	406.68
Trade Payables - Others	8,287.04	6,541.42
	49,838.58	45,455.96

Terms and conditions of the above financial liabilities

► Trade payables are non-interest bearing and are normally settled as per terms of the respective contract.

20. Revenue from Operations	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Sale of products	119,339.35	129,911.92
Sale of goods	349.36	1,024.68
Total Sale of Products	119,688.71	130,936.60
Other Operating Revenues	2,518.66	394.70
Total	122,207.37	131,331.30

21. Other Income	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Other non-operating income		
Government grant	23.02	23.81
Interest Income	83.85	91.16
Other Non-Operating Income (Net of Expenses directly attributable to such income)	412.28	631.57
	519.15	746.55

Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.

22. Cost of Raw Material and Packing Material Consumed		
a. Raw material	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Inventory at the beginning of the year	924.73	448.01
Add: Purchase	97,098.43	83,507.37
	98,023.16	83,955.38
Less: Inventory at the end of the year	1,961.15	924.73
Cost of raw material consumed	96,062.01	82,479.50



b. Packing Material	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Inventory at the beginning of the year	908.99	904.38
Add: Purchase	3,232.78	2,713.18
	4,141.77	3,617.56
Less: Inventory at the end of the year	895.81	908.99
Cost of packing material consumed	3,245.96	2,708.58
Cost of Raw Material and Packing Material Consumed	99,307.97	85,188.08

c. Cost of traded goods sold	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Inventory at the beginning of the year	-	-
Add: Purchase	386.25	1,586.28
	386.25	1,586.28
Less: Inventory at the end of the year	-	-
Cost of traded goods sold	386.25	1,586.28

23. Employee Benefits Expense	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Salaries, wages and bonus	3,804.76	3,417.21
Contribution to provident, Gratuity and other funds (Refer note below)	181.20	159.07
Gratuity expense	31.41	83.08
Staff welfare expense	153.17	169.42
	4,170.54	3,828.78

Note: Including Net interest on net defined benefit liability which reflects the change in net defined benefit liability that arises from the passage of time.

24. Finance Costs	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Interest on Term Loan	837.26	1,211.32
Interest on Working Capital Loans	737.19	747.45
Exchange differences regarded as an adjustment to borrowing costs	-	-
Other borrowing cost	266.58	282.40
	1,841.03	2,241.17

25. Other Expenses	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Consumption of stores		
Process chemicals	2,455.00	2,011.16
Processing charges	751.26	767.28
Power and Fuel	2,745.81	2,160.56



Rent	438.04	414.13
Rates and taxes	429.54	297.77
Insurance	205.94	118.59
Repairs and maintenance		
Plant and machinery	2,372.21	2,279.61
Buildings	228.73	278.12
Others	66.04	79.61
CSR Expenditure	15.05	13.94
Vehicle Running & Maintenance	663.35	729.77
Donations - Others	20.10	1.08
Advertising and sales promotion	39.19	81.70
Other Selling expenses	19.74	32.65
Travelling and conveyance	276.54	395.60
Office Expenses	306.43	254.71
Legal and professional fees	170.60	176.24
Directors' sitting fees	0.95	3.52
Payment to auditor	8.85	8.91
Bad Debts/ advances written off	63.77	393.63
Miscellaneous expenses	420.79	535.30
	11,697.93	11,033.87
Payment to Auditors	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
As auditor:		
Audit fee, Tax audit fee and Limited Review	8.85	8.91
In other capacity:		
Taxation matters	-	-
Company law matters	-	-
Other services (certification fees)	-	-
	8.85	8.91

26. Depreciation and amortisation expense	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Depreciation and amortisation of property, plant and equipment	2,701.14	3,376.49
Amortisation of intangible assets	-	-
	2,701.14	3,376.49



27. Earnings per Equity Share	March 31, 2021	March 31, 2020
	INR Lakhs	INR Lakhs
Net attributable profit to Equity Shareholders	15,769.24	26,570.91
Weighted Average Number of Equity Shares	1,535.68	1,535.68
Basic and Diluted Earnings Per Share	10.27	17.30
Face Value per Share	10.00	10.00

Notes to the Financial Statements for the year ended March 31, 2021 :

28. Contingent Liabilities, Commitments and Contingencies (to the extent not provided for)

A) Contingent Liabilities

Liabilities in respect of Income Tax and Sales Tax have been accounted for on the basis of respective returns filed with the relevant authorities. Additional demand, if any, arising at the time of assessment shall be accounted for in the year in which the assessment is completed. The status of completed assessments is as under:-

- a) **Income Tax assessments** have been completed up to the assessment year **2017-18**. The Followings demands have been raised by the Income Tax Department for which the Company has preferred an appeal which are pending with Different Forums:-

S.No.	Assessment year	Disputed demand (INR in Lakhs)	Amount deposited/adjusted (Refer note 12) (INR in Lakhs)	Status
1	2016-17	30.15	18.88	Appeal pending with ITAT, Chandigarh
2	2017-18	2011.95	9.51	Appeal pending with CIT (A), Gurgaon-3

b) **Sales Tax and GST assessments**

S.No.	Unit	Completed upto assessment year	
		CST	VAT
1	Sugar Units, Uttar Pradesh	2017-18	2017-18
2	Sugar Unit, Amritsar	2015-16	2015-16
3	Distillery Unit, Tarn Taran	2013-14	2013-14

- i) In respect of Sugar Units in Uttar Pradesh, the Excise & Taxation department has raised demand on account of VAT on molasses for INR 35.41 lakhs, 201.31 lakhs, 103.99 lakhs, 178.90 lakhs, 122.52 lakhs, 191.09 lakhs and 34.20 lakhs for the Financial years 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18 respectively. However, as per the order of the Hon'ble Allahabad High Court dated 30 March, 2010 the said VAT has not been deposited with the Excise & Taxation Department. The Excise & Taxation Department, Uttar Pradesh has filed an appeal with Hon'able Supreme Court of India against such order of the Hon'able High Court of Allahabad.
- ii) The Company has deposited INR 6.60 lakhs in F.Y. 2016-17 under protest with department against alleged demand raised of entry tax and shown the same under the head Payments of Taxes under protest/appeal under other Assets (Refer note no. 12). The Company has filed appeal against such demand with the respective appellate authorities.
- iii) In respect of Sugar Unit in Punjab, the Department has raised the demand for Purchase Tax on cane for INR 140.40 lakhs, 297.22 lakhs, 347.25 lakhs, 227.62 lakhs, 90.52 and 381.98 lakhs for the Financial years 2005-06, 2008-09, 2009-10, 2010-11, 2011-12 and 2013-14 respectively. The Company has preferred appeals against such orders with the appellate authorities. Though, the Company has provided purchase tax liability for the years 2005-06 to 2013-14, the same has not been paid as the above mentioned appeals against assessment orders are pending with the appellate authorities.
- iv) In respect of Distillery unit in Punjab, the office of Excise & Taxation Commissioner, Punjab raised a demand of INR 348.47 lakhs (INR 55.69 lakhs for VAT and INR 292.78 lakhs for CST) vide its order dated 30 April, 2015 against which the Company has filed appeal with DETC (Appeals) Amritsar.



- c) In respect of its Sugar unit at Moradabad, the company has deposited INR 49.90 lakhs in FY 2010-11 on account of Excise Duty under protest against alleged demand of Excise duty and the same has been shown under the head Payments of Taxes under protest/appeal under Other Assets (Refer note no 12). The Company has filed an appeal with CESTAT (Central Excise & Service Tax Appellant Tribunal) against the order of Commissioner Central Excise.
- d) In respect of its Sugar unit at Rampur, the Company has deposited in FY 2018-19 INR 15.17 lakhs pertaining to period 1st July 2016 to 30th June 2017 on account of Excise Duty under protest the same has been shown under the head Payments of Taxes under protest/appeal under protest/appeal under other Assets (Refer note no. 12). The Company has filed an appeal with the Office of Commissioner, Central Goods and Service Tax (Appeals), Meerut.

B. Commitments

- a) Bank Guarantees/LC's issued INR 809.60 Lakhs (Previous Year INR 1744.88 Lakhs) are secured by pledge of FDRs of INR 495.10 Lakhs (Previous Year INR 1479.67 Lakhs) given by the Company.
- b) The estimated amount of contracts remaining to be executed on capital account and not provided for

(INR in Lakhs)

S.No.	Particulars	As at 31-03-2021	As at 31-03-2020
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for	1378.05	693.13
(ii)	Advance paid against above	1108.75	102.61

29. CORPORATE SOCIAL RESPONSIBILITY

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. Details are as under:

Average net profit of the company as per section 135(5): INR 6102.50 Lakhs

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)	
	INR in Lakhs	Date of transfer
15.05	107.00	30-04-2021

Note: Total amount has been spent on the following activities:

- i) INR 2.88 Lakhs spent on preventive health care
- ii) INR 2.17 Lakhs spent on rural development
- iii) INR 10.00 Lakhs spent on Animal welfare.

30. EXPENDITURE ON EMPLOYEES:

There was no employee employed for full or part of the year who was getting remuneration in excess of the limits specified in Section 197 read with schedule V of the Companies Act, 2013

31. RELATED PARTY TRANSACTION:

Name of the related parties and description of relationship:-

(i) Associate Companies

- a) Rana Polycot Ltd.
- b) Rana Informatics Pvt. Ltd.



- c) RSL Distilleries Pvt. Ltd.
- d) Rana Power Ltd.
- e) Lakshmiiji Sugars Mills Company Ltd.
- f) Superior Foods Grains Pvt. Ltd.
- g) Rana Logistics & Transport Pvt. Ltd.
- h) Karimganj Biofuels Pvt. Ltd.
- i) Buttar Biofuels Pvt. Ltd.
- j) Superior Biofuels Pvt. Ltd.
- k) Ajudhia Biofuels Pvt. Ltd.
- l) Erbir Ventures Pvt. Ltd.

(ii) Key Managerial Personnel (KMP)

- a) Rana Ranjit Singh – Chairman
- b) Rana Inder Pratap Singh – Managing Director
- c) Rana Veer Pratap Singh – Director
- d) Gaurav Garg – C.F.O.
- e) M. K. Raina – Company Secretary

(INR in Lakhs)

Particulars		Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
a) Entity in which the Directors are interested					
Rana Polycot Ltd.	31-Mar-21	-	-	-	-
	31-Mar-20	0.36	-	0.70	-
Rana Informatics Pvt. Ltd.	31-Mar-21	-	33.65	-	19.79
	31-Mar-20	-	53.10	-	47.84
RSL Distilleries Pvt. Ltd.	31-Mar-21	25.92	1837.54	-	235.50
	31-Mar-20	82.52	663.54	-	529.92
Rana Power Ltd.	31-Mar-21	91.68	0.46	-	-
	31-Mar-20	74.51	-	28.42	-
Lakshmiiji Sugars Mills Company Ltd.	31-Mar-21	195.48	2268.63	-	65.25
	31-Mar-20	29.88	695.31	21.26	-
Superior Foods Grains Pvt. Ltd.	31-Mar-21	91.14	3213.52	-	2311.60
	31-Mar-20	11.58	2109.03	-	1738.97
Rana Logistics & Transport Pvt. Ltd.	31-Mar-21	-	411.15	-	46.22
	31-Mar-20	-	7.95	65.80	-



b) Directors and their Relatives

Directors	31-Mar-21	-	-	-	15.00
	31-Mar-20	-	-	-	100.10
Relatives of Directors	31-Mar-21	-	-	-	-
	31-Mar-20	-	-	-	1269.95

(INR In Lakhs)

Name of the related party	Nature of relationship	31 March 2021	31 March 2020
Carrying amount of investments made:			
Karimganj Biofuels Pvt. Ltd.	Associated	0.10	0.00
Buttar Biofuels Pvt. Ltd.	Associated	0.10	0.00
Total		0.20	0.00

Key Management Personnel	Term	Short Term Employee Benefits	Post-Employment Benefits	Sitting Fees
		INR In lakhs		
Gaurav Garg (C.F.O.)	09-02-2021 to Till date	2.93	-	-
R. S. Balasubramanyam (C.F.O.)	01-04-2020 to 10-11-2020	47.04		
R. S. Balasubramanyam (C.F.O.)	14-02-2020 to 31-03-2020	17.34		
R. C. Sharma (C.F.O.)	30-05-2019 to 31-01-2020	13.27	-	-
M. K. Raina (Company Secretary)	2020-21	22.10	-	-
M. K. Raina (Company Secretary)	2019-20	22.10		
Baljit Singh – Director	2020-21	-	-	0.30
Baljit Singh – Director	2019-20	-	-	0.40
Navpreet Kaur – Director	2020-21	-	-	0.40
Navpreet Kaur – Director	2019-20	-	-	0.40
Shivavtar Singh Bajwa – Director	2020-21	-	-	0.10
Shivavtar Singh Bajwa – Director	2019-20	-	-	0.40

Note: Mr. Gaurav Garg has been appointed as Chief Financial Officer in place of Mr. R. S. Balasubramanyam w.e.f. 09th February, 2021.

The amounts disclosed in the table relating to employee benefits are the amounts recognised as an expense during the reporting period related to key management personnel. The remuneration to the Key Management Personnel does not include the provision for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

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. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2021, the Company



has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2020: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

32. Deferred Tax:

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 liabilities relate to income taxes levied by the same tax authority.

The Company has tax losses of INR 15931.90 Lakhs (PY – INR23223.59 Lakhs) (Business Loss –Nil (PY – INR 2720.35 Lakhs) & Unabsorbed Depreciation–INR 15931.90 Lakhs (PY – INR 20503.24 Lakhs). Business Losses are available for offsetting for eight years while Unabsorbed Depreciation can be adjusted with no limitation of period against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits since they have arisen on account of recent losses incurred by the company for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Company were able to recognise all unrecognised deferred tax assets, the profit would increase by INR 3329.75 Lakhs.

33. Employee Benefits:

The Company has a defined benefit gratuity plan. Under Gratuity Plan, every employee who has completed five years or more of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset.

Description of Risk Exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow:

- i) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- ii) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- iii) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- iv) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability

A. Defined Contribution Plan

Contribution to defined contribution plan, recognized as expense for the year is as under:

INR in Lakhs

Particulars	2020-21	2019-20
Employer's contribution towards Provident Fund	181.20	159.07

B. Defined Benefit Plan

General description of the plan:

Gratuity	Leave Encashment
Funded	Unfunded



C. Method of valuation: Projected unit Credit Method

D. Reconciliation of opening and closing balance of defined benefit obligation:

Item	Gratuity		Leave	
	2020-21	2019-20	2020-21	2019-20
Net opening liability/(asset)	57294215	54289214	21250870	19477072
Expenses as recognized in P&L account	5325176	6162197	(873042)	6577510
Remeasurements	(4987202)	(1534742)	-	-
Contributions/benefits paid	(194419)	(1622454)		(4803712)
Net closing liability (asset)	57437770	57294215	20377828	21250870

E. Fair Value of Plan Assets :

Particulars	Gratuity		Leave	
	2020-21	2019-20	2020-21	2019-20
FV of plan assets at the beginning of the period	5944234	6239540	-	-
Expected Return on plan assets	371515	389971	-	-
Contributions paid by the employer	194419	1622454	-	-
Benefit paid by Fund	(529439)	(1476859)	-	-
Assets Acquired/Ceded on settlement	-	-	-	-
Actuarial Gains/(Losses) on plan assets	-	-	-	-
Return on plan assets excluding interest income	(77295)	(830872)	-	-
FV of plan assets at the end of the period	5903434	5944234	-	-

F. Amount recognized in the balance sheet:

Particulars	Gratuity		Leave	
	2020-21	2019-20	2020-21	2019-20
Present value of DBO/LTEB	63341204	63238449	20377828	21250870
FV of plan assets	5903434	5944234	-	-
Unrecognized past service cost (Non vested)	-	-	-	-
Net Liability/(Asset) recognized in Balance Sheet	57437770	57294215	20377828	21250870

G. Expense Recognized in Profit or Loss Statement

Particulars	Gratuity		Leave	
	2020-21	2019-20	2020-21	2019-20
Current Service Cost	5698980	5698980	3494751	3437379
Interest Cost	-	-	1328179	1217317
Actuarial (Gain)/Loss of obligations	-	-	1806750	1922814
Actuarial (Gain)/Loss of plan assets	-	-	-	-
Benefits paid directly by the employer	(3954692)	(2929859)	(7502722)	-



(As per Contra)				
Expected Return on plan assets	-	-	-	-
Net Interest Cost	3580888	3393076	-	-
Past Service Cost – Vested	-	-	-	-
Past Service Cost – Non Vested	-	-	-	-
Total Expense Recognized in Profit or Loss Statement	5325176	6162197	(873042)	6577510

H. Amount Recognized in Other Comprehensive Income

Particulars	Gratuity		Leave	
	2020-21	2019-20	2020-21	2019-20
Actuarial (Gain)/Loss on obligations– Due to change in Financial Assumptions	-	-	-	-
Actuarial (Gain)/Loss on obligations – Due to change in demographic Assumptions	-	-	-	-
Actuarial (Gain)/Loss – Due to experience variance	(5064497)	(2365614)	-	-
Return on plan assets other than amounts included in net interest cost	77295	830872	-	-
Re-measurement arising from change in asset ceiling	-	-	-	-
Net (Income)/Expense for the period recognized in Other Comprehensive Income	(4987202)	(1534742)	-	-

I. Changes in the present value of obligations

Particulars	Gratuity		Leave	
	2020-21	2019-20	2020-21	2019-20
Opening present value of DBO/LTEB	63238449	60528754	21250870	19477072
Interest Cost	3952403	3783047	1328179	1217317
Current service cost	5698980	5698980	3494751	3437379
Benefits paid directly by the employer	(3954692)	(2929859)	(7502722)	(4803712)
Benefits paid directly by the trust	(529439)	(1476859)	-	-
Actuarial (Gain)/ Loss on obligations - Due to experience variance	(5064497)	(2365614)	-	-
Actuarial (Gain)/ Loss on obligations	-	-	1806750	1922814
Closing present value of DBO/LTEB	63341204	63238449	20377828	21250870

J. Valuation Assumptions (Financial)

	2020-21	2019-20
Discount Rate	6.25%	6.25%
Estimated rate of increase in compensation levels	6%	6%
Expected rate of return on plan assets	6.25%	6.25%



(Demographic)

Mortality basis	Indian Assured Lives Mortality (2012-14) Ult.
Attrition	5%
Disability	No explicit allowance
Leave availment factor	20%

Average weighted duration of liabilities

Sensitivity Analysis – Gratuity

Change in Valuation Assumption	Gratuity – PV of liability obligations for the year ended 2021	Gratuity – PV of liability obligations for the year ended 2020
Discount rate Δ (-1%)	67844605	67578952
Discount rate Δ (0%)	63341204	63238449
Discount rate Δ (+1%)	59373440	59408873
Salary Esc. Rate Δ (-1%)	59323517	59352418
Salary Esc. Rate Δ (0%)	63341204	63238449
Salary Esc. Rate Δ (+1%)	67823108	67557540

Sensitivity Analysis – Leave Encashment

Change in Valuation Assumption	Leave – PV of liability obligations for the year ended 2021	Leave – PV of liability obligations for the year ended 2020
Discount rate Δ (-1%)	21825668	22704085
Discount rate Δ (0%)	20377828	21250870
Discount rate Δ (+1%)	19106241	18845612
Salary Esc. Rate Δ (-1%)	19090176	18827704
Salary Esc. Rate Δ (0%)	20377828	21250870
Salary Esc. Rate Δ (+1%)	21818752	22696891

34. Segment Information:

A. Description of the segments and principal activities:

The Company's executive committee examines the Company's performance from a product and geographic perspective and has identified three reportable segments of its business:

a. Sugar Manufacturing: (India – Punjab and Uttar Pradesh)

This part of the business manufactures and sells sugar, molasses and bagasse. Whereas sugar is main product; others are the bye products and are produced at various stages of the production of the sugar. The Company has sugar manufacturing facilities at three locations in India viz. Buttar (Punjab), Moradabad and Rampur (Uttar Pradesh). The committee monitors the performance in the respective region separately. While the committee receives separate reports for each region, the facilities have been aggregated in to one reportable segment as they have similar average gross margins and similar expected growth rates.



b. Ethanol/ENA Manufacturing: (India – Punjab and Uttar Pradesh)

This part of business manufactures Ethanol & Liquor. The basic raw material for Ethanol & Liquor is molasses and grain. At present the Company has two manufacturing facilities in India viz. Lauhka (Punjab), Belwara (Uttar Pradesh). At Lauhka, Punjab location the company is manufacturing Ethanol as well as liquor where as at Belwara Uttar Pradesh manufacturing facility the company is manufacturing Ethanol only.

c. Power Generation: (India – Punjab and Uttar Pradesh)

This part of the business consumes the bye product bagasse from sugar process and co generates the power. The segment also procures fuel from outside to generate power. After meeting the captive requirements of the respective sugar unit the power is exported the respective State Grids under long term Power Purchase Agreements (PPA).

Segment reporting for the year ended March 31, 2021

Particulars	Sugar	Power	Distillery	Total Segments	Adjustments and eliminations	Consolidated
Revenue from operation						
External customers	74,287.81	7,009.42	40,910.13	122,207.37	-	122,207.37
Inter-segment	27,146.41	10,564.98	16.00	37,727.38	37,727.38	-
Total Revenue from operation	101,434.21	17,574.40	40,926.13	159,934.75	37,727.38	122,207.37
Other Income	303.57	19.51	196.07	519.15	-	519.15
Total Income	101,737.78	17,593.91	41,122.21	160,453.90	37,727.38	122,726.52
Operating Expenses	(91,839.16)	(15,173.81)	(33,142.08)	(140,155.05)	-	(102,427.67)
EBITDA	9,898.62	2,420.10	7,980.13	20,298.85	-	20,298.85
Depreciation and amortization	(1,711.21)	(418.11)	(571.82)	(2,701.14)	-	(2,701.14)
Finance Cost	(770.12)	(983.22)	(87.69)	(1,841.03)	-	(1,841.03)
Segment Profit/(Loss)	7,417.28	1,018.77	7,320.62	15,756.68	-	15,756.68
Total Assets	77,297.01	8,362.32	27,973.66	113,632.99	-	113,632.99
Total Liabilities	58,436.77	779.31	6,168.59	65,384.67	-	65,384.67

Segment reporting for the year ended March 31, 2020

INR in lakhs

Particulars	Sugar	Power	Distillery	Total Segments	Adjustments and eliminations	Consolidated
Revenue from operation						
External customers	98,895.84	6,543.18	25,629.04	131,068.06	-	131,068.06
Inter-segment	24,545.24	10,925.84	14.55	35,485.62	35,485.62	-
Total Revenue from operation	123,441.08	17,469.01	25,643.59	166,553.69	35,485.62	131,068.06



Other Income	692.31	96.82	107.20	896.33	-	896.33
Total Income	124,133.39	17,565.83	25,750.79	67,450.02	35,485.62	131,964.40
Operating Expenses	(99,104.28)	(16,774.26)	(20,093.04)	(135,971.58)	-	(135,971.58)
EBITDA	25,029.11	791.57	5,657.75	31,478.43	-	31,478.43
Depreciation and amortization	(1,626.27)	(1,350.91)	(414.56)	(3,391.74)	-	(3,391.74)
Finance Cost	(1,154.01)	(975.83)	(111.34)	(2,241.17)	-	(2,241.17)
Segment Profit/(Loss)	2,248.83	(1,535.17)	5,131.85	25,845.52	-	25,845.52
Total Assets	72,904.52	8,756.24	25,723.07	1,06,383.83	-	1,06,383.83
Total Liabilities	63,971.15	9,074.19	7,418.27	80,463.61	-	80,463.61

35. Fair Value of Financial Instruments

The comparison of carrying value and fair value of financial instruments by categories that are not measured at fair value are as follows:

The management assessed that trade receivables, cash and cash equivalents, other bank balances, loans and advances to related parties, interest receivable, trade payables, capital creditors, other current financial assets and liabilities are considered to be the same as their fair values, due to their short term nature.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

INR in lakhs

Category	Note No.	Carrying Value		Fair Value	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Financial assets at amortized cost					
Investments	4	0.20	-	0.20	-
Loans	5	3112.72	6445.36	3112.72	6445.36
Other Financial Assets	6	242.07	238.26	242.07	238.26
Trade Receivables	10	14072.26	14361.64	14072.26	14361.64
Cash & Cash Equivalents	11	6693.88	4959.83	6693.88	4959.83
Bank Balance	11	971.26	1890.17	971.26	1890.17
Total		25092.39	27895.26	25092.39	27895.26
Financial liabilities at amortized cost					
Borrowings	15	17920.26	30914.97	17920.26	30914.97
Trade Payable	19	49838.58	45455.96	49838.58	45455.96
Total		67758.84	76370.93	67758.84	76370.93

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:



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

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(i) Quantitative disclosure of fair value measurement hierarchy for financial assets

INR in lakhs

Particulars	Carrying value	Fair Value		
		Level 1	Level 2	Level 3
Loans and security deposits (refer note no. 5 & 6)				
March 31, 2021	3211.62	-	3211.62	-
March 31, 2020	6525.12	-	6525.12	-
Investments (refer note no. 4)				
March 31, 2021	0.20	-	0.20	-
March 31, 2020	0.20	-	0.20	-

(ii) Quantitative disclosure of fair value measurement hierarchy for financial liabilities

INR in lakhs

Particulars	Carrying value	Fair Value		
		Level 1	Level 2	Level 3
Non-Current borrowings including current maturities (refer note no. 15)				
March 31, 2021	11940.48	-	11940.48	-
March 31, 2020	17031.41	-	17031.41	-
Current borrowings (refer note no. 15)				
March 31, 2021	5979.78	-	5979.78	-
March 31, 2020	13883.56	-	13883.56	-

36. Financial risk management objectives and policies

The Company has instituted an overall risk management programme which also focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. Financial risk management is carried out by Finance department under policies approved by the Board of Directors from time to time. The Finance department, evaluates and hedges financial risks in close co-operation with the various stakeholders. The Board of Directors approves written principles for overall financial risk management, as well as written policies covering specific areas, such as credit risk, use of derivative financial instruments and non-derivative financial instruments.

The Company is exposed to market risk, credit risk and liquidity risk. These risks are managed pro-actively by the Senior Management of the Company, duly supported by various Groups and Committees.

(a) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company employs prudent liquidity risk management practices which inter alia means maintaining sufficient cash and the



availability of funding through an adequate amount of committed credit facilities. Given the nature of the underlying businesses, the corporate finance maintains flexibility in funding by maintaining availability under committed credit lines and this way liquidity risk is mitigated by the availability of funds to cover future commitments. Cash flow forecasts are prepared and the utilized borrowing facilities are monitored on a daily basis and there is adequate focus on good management practices whereby the collections are managed efficiently. The Company while borrowing funds for large capital project, negotiates the repayment schedule in such a manner that these match with the generation of cash on such investment. Longer term cash flow forecasts are updated from time to time and reviewed by the Senior management of the Company.

The table below represents the maturity profile of Company's financial liabilities at the end March 31, 2021 and March 31, 2020 based on contractual undiscounted payments:-

INR in lakhs

March 31, 2021	0-1 Years	1-5 Years	More than 5 Years	Total
Interest bearing borrowings	6,802.10	3,712.29	4,737.52	15,251.91
Non-Interest bearing borrowings:				
Trade and Other payable (refer note no. 19)	49,838.58	-	-	49,838.58
Other financial liabilities (refer Note no. 15)	-	-	-	-
% to Total	87%	6%	7%	100%
March 31, 2020	0-1 Years	1-5 Years	More than 5 Years	Total
Interest bearing borrowings	13,446.52	3,158.65	4,906.13	21,511.30
Non-Interest bearing borrowings:				
Trade and Other payable (refer note no. 19)	45,455.96	-	-	45,455.96
Other financial liabilities (refer Note no. 15)	3,380.45	-	-	3,380.45
% to Total	89%	4%	7%	100%

Reconciliation of Interest bearing borrowings

INR in lakhs

	Schedule No	As at March 31, 2021	As at March 31, 2020
Non-Current borrowings	15	11,118.16	14,088.00
Adjustment for Non-Interest bearing Unsecured Loans		(2,668.36)	(6,023.22)
Adjustment for Interest accrued and due		-	-
Short-term borrowings	15	6,802.10	13,446.52
		15,251.90	21,511.30

(b) Credit Risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks, foreign exchange transactions and other financial assets.

(i) Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Management evaluate credit risk relating to customers on an ongoing basis. Receivable control



management team assess the credit quality of the customer, taking into account its financial position, past experience and other factors. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on group\category basis. The calculation is based on exchange losses, historical data and available facts as on date of evaluation. Trade receivables comprise a customer base including Sugar dealers, state electricity board, oil manufacturing companies apart from related to distillery. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

(ii) Financial instruments and cash deposit

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department team in accordance with the Company's policy. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company.

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings. The sensitivity analyses in the following sections relate to the position as at March 31, 2021 and March 31, 2020. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of at March 31, 2021 and March 31, 2020.

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue, expense or capital expenditure is denominated in foreign currency). The company is not exposed to material foreign currency risk.

(e) Interest rate risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligation at floating interest rates which is not material.

(f) Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of raw material and therefore requires a continues supply. The Company operations may impact due to changes in prices of those raw materials.

Commodity price sensitivity of Raw material		(Rs in lakhs)
Nature	Change in year-end price	Effect on profit before tax
For the year ended March 31, 2021	10%	(9930.80)
For the year ended March 31, 2021	-10%	9930.80
For the year ended March 31, 2020	10%	(8518.81)
For the year ended March 31, 2020	-10%	8518.81

37. Capital Management

For the purpose of the Company's capital management, capital includes issued equity attributable to the equity shareholders of the Company, Liability Component of Compound Financial Instrument (CFI), security premium and all other equity reserves. The primary objective of the Company's capital management is that it maintain an efficient capital



structure and maximize 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 net debt, interest bearing loans and borrowings, less cash and cash equivalents, other bank balances.

(Rs. in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Borrowings	17,920.26	27,534.53
Other financial liabilities	0.00	3,380.45
Less: Cash and Cash equivalents	(6,693.88)	(4,959.83)
Less: Other bank balances	(1,114.44)	(2,048.67)
Net Debt	10,111.95	23,906.48
Equity share capital	15,353.95	15,353.95
Other equity	20,953.89	5,147.33
Total Equity	36,307.84	20,501.27
Total Capital and net debt	46,419.79	44,407.75
Gearing ratio (Times)	0.28	1.17

38. Impact of COVID-19 Pandemic

The ongoing Covid-19 pandemic, has effected the country and the entire globe, which has contributed to a significant decline in global and local economic activities. The company has also got effected as there was severe disruption in supply chains and delay in realization of trade receivables. The extent to which the Covid-19 pandemic will impact the company's financials will depend on future developments, which are uncertain. The company has opted for the utilization of Moratorium benefit provided by the Reserve Bank of India. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID-19 situation evolves in India and globally. The Company will continue to closely monitor and any variation due to the changes in situations will be taken into consideration, if necessary, as and when it crystallizes.

39. The Centre Govt. pursuant to notification no. 1(6)/2020-SP-I dated December 29, 2020 notified a scheme for providing assistance to sugar mills @ INR 6000/- per MT on Export of Sugar covering expenses on marketing cost including handling, upgrading and other processing costs and cost of international and internal transport and freight charges on export of sugar with a view to facilitate to export of sugar during the season 2020-21 thereby improving the liquidity position of sugar mills enabling them to clear cane price dues of farmers for Sugar Season 2020-21.

Maximum Admissible Export Quantity (MAEQ): Scheme provides conditions and stipulations, which inter alia provides that on fulfillment of which the subsidy prescribed there under shall be made available. Upon assessment of the conditions prescribed and present level of uncertainties, subsidy has not been accounted for in the standalone financial statements on consideration of prudence.

During the year ended March 31,2021 an amount to Rs. 2035.29 lakhs has been recognized as financial assistance in Revenue from operations pertaining to export made under Maximum Admissible Export Quota (MAEQ) allotted to the Company as per the notification no. 1 (14)/ 2019-SP-1 dated 12.09.2019 issued by Ministry of Consumer affairs and Food & Public Distribution for improving of liquidity position of sugar mills enabling them to clear cane price dues of farmers for sugar season 2019-20 and cane price arrears of previous sugar season, and for providing assistance to sugar mills for expenses on marketing cost including handling, upgrading and other procuring cost and cost of international and internal transport and freight charges on export of sugar.



40. Exceptional Item :-

Gain Due to One Time Settlement (OTS)

During the year under consideration, the company has paid the entire amount as per OTS agreement with Bank of Baroda (BOB). The excess of outstanding loan liabilities of BOB over the OTS amount as per agreement amounting to Rs. 7204.84 Lakhs has been disclosed as exceptional Item in the statement of Profit & Loss.

41. Based on and to the extent of information available with the Company under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

(Rs. In Lakhs)

Particulars	31.03.2021	31.03.2020
(i) Principal amount due to suppliers under MSMED Act, as at the end of the year	279.60	334.22
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v) Interest paid to suppliers under MSMED Act (under Section 16)	-	-
(vi) Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

42. As required by Ind AS 116 'Lease' the company has recognised "right of use" assets which have been amortized over the term of lease. Further, finance cost in respect of corresponding lease liabilities has been measured and considered in these financial statements.

The Company's lease asset class primarily consist of leases for building.

The Company 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.

The Company has shown its leased assets as Right-Of-Use ("ROU") assets during the year ended March 31, 2021 under note no. 3. Depreciation charge for Right-Of-Use assets is included under depreciation and amortization expense in the Statement of Profit and Loss. Further, to above, the Company has certain lease arrangement on short term basis, expenditure on which has been 143 recognized under line item "Rent" under Other expenses. The effect of adoption of Ind AS 116 'Leases' is not material on the profit before tax, profit for the year and earnings per share.

Movement in lease liabilities:

Particulars	(INR in Lakhs)
Balance as at 1 st April 2020	-
Addition to lease liabilities	59.70
Finance cost accrued during the year	5.53
Payment of lease liabilities	17.44
Balance as on 31 st March 2021	47.79
- Non –Current	36.36
- Current	11.43



43. During the Current year, Company transferred INR Nil (Previous year INR Nil) to Capital Redemption Reserve.
44. An asset classified under property, plant and equipment (Refer note no. 3) was capitalized in excess of INR 500.71 Lakhs in March 2020. The financial statements of financial year 2019-20 have been restated to correct this error. The effect of the restatement on those financial statement is summarized below. There is no effect in the financial statements of 2020-21

Particulars	INR in Lakhs
Decrease in Freehold Building	208.07
Decrease in Plant & Machinery	292.64
Decrease in Trade Payable	208.07
Decrease in Other Current Liabilities	292.64
Decrease in Depreciation on Freehold Building	5.73
Decrease in Depreciation on Plant & Machinery	9.52
(Increase) in Other Appropriation under Retain Earnings	(15.25)

45. Previous year figures have been recasted/regrouped/rearranged wherever necessary to make them comparable with that of current year.

Gaurav Garg
Chief Financial Officer

Manmohan K. Raina
Company Secretary

Rana Inder Pratap Singh
Managing Director
(DIN 00075107)

Rana Veer Pratap Singh
Director
(DIN 00076808)

As per our report of even date attached.
FOR ASHWANI K. GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS

Place : Chandigarh
Dated : 21-06-2021
UDIN : 21091721AAAAJD7511

(CA Arvinder Singh)
Partner
Membership No. : 091721
FRN : 003803N



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