



Shreenath Mhaskoba Sakhar Karkhana Limited



**25th Annual Report
2023-24**



SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

Shreenath Mhaskoba Sakhar Karkhana Limited

CIN : U15424PN1999PLC013976

Regd. Off.: S. No. 12/2, 2nd Floor, Meghdoot Building, behind Bharat petrol pump, Old Lokhandi Pull

Lane, Hadapsar Pune 411028. Ph. No. 8551868899

Email : sharesmskl@gmail.com Web : www.shreenathsugar.com

BOARD OF DIRECTORS

| | |
|---------------------------------|--------------------------------|
| Pandurang Abaji Raut | Chairman and Managing Director |
| Vikas Ramchandra Raskar | Executive Chairman |
| Yogesh Dattatray Sasane | Vice Chairman |
| Mahesh Sambhajirao Karpe | Director |
| Hemantkumar Sambhajirao Karanje | Director |
| Anil Jaywantrao Bhujbal | Director |
| Kisan Dinkar Shinde | Director |
| Anil Laxman Badhe | Director |
| Pradeep Dattatray Landge | Director |
| Dnyandeo Tukaram Kadam | Director |
| Lata Satish Kendre | Director |
| Madhav Pandurang Raut | Joint Managing Director |
| Hanumant Baban Shivale | Independent Director |
| Bhagwan Dashrath Memane | Independent Director |
| Dattaram Maruti Raskar | Chief Executive Officer |
| Sandip Baban More | Chief Finance Officer |
| Pratik Vilas Naikawadi | Company Secretary |

AUDITORS

Pradeep Jagtap & Associates
Chartered Accountants, Pune

BANKERS

Pune District Central Co-operative Bank Limited
Janaseva Sahakari Bank Limited, Pune

REGISTERED OFFICE

S. No. 12/2, 2nd Floor, Meghdoot Building, behind Bharat petrol pump, Old Lokhandi Pull
Lane, Hadapsar Pune 411028

FACTORY

Shreenathnagar, Patethan, Post Rahu, Tal Daund, Dist. Pune 412207

CONTENTS

Notice
Directors Report
Auditors Report
Balance Sheet
Statement of Profit and Loss Account



SHREENATH MHASKOBA SAKHAR KARHANA LIMITED

Cash Flow Statement
Significant Accounting Policies
Notes on Accounts

CIN : U15424PN1999PLC013976
Website : www.shreenathsugar.com
Email : smsklho@rediffmail.com



SHREENATH MHASKOBA SAKHAR KARHANA LIMITED

Shreenath Mhaskoba Sakhar Karkhana Limited

CIN : U15424PN1999PLC013976

Regd. Off.: S. No. 12/2, 2nd Floor, Meghdoot Building, behind Bharat petrol pump, Old Lokhandi Pull Lane, Hadapsar Pune 411028. Ph. No. 8551868899

Email : sharesmskl@gmail.com Web : www.shreenathsugar.com

NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Members of Shreenath Mhaskoba Sakhar Karkhana Limited (**'the Company'**) will be held on Monday 30th September 2024 at 11.00 A.M. through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following businesses :

Ordinary Businesses :

Item No 1: Adoption of Audited Financial Statements:

To receive, consider and adopt the Audited Financial Statements for the year ended 31st March 2024, together with the Director's Report and the Auditor's Report thereon.

“RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”

Item No 2: To consider re-appointment of Mr. Hemantkumar Karanje, Director (DIN 02383559), is liable to retire by rotation at this Annual General Meeting and being eligible offers himself for re-appointment:

To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014; read with the applicable provisions of the Memorandum of Association and Articles of Association of the Company, Mr. Hemantkumar Karanje, Director (DIN 02383559) be and is hereby re - appointed as the Director of the Company, liable to retire by rotation.

Item No 3: To consider re-appointment of Mr. Anil Bhujbal, Director (DIN: 02383808), is liable to retire by rotation at this Annual General Meeting and being eligible offers himself for re-appointment:

To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014; read with the applicable provisions of the Memorandum of Association and Articles of Association of the Company, Mr. Anil Bhujbal, Director (DIN: 02383808), be and is hereby re-appointed as the Director of the Company, liable to retire by rotation.



SHREENATH MHASKOBA SAKHAR KARHANA LIMITED

Item No 4: To consider re-appointment of Mr. Anil Badhe, Director (DIN: 05179912), is liable to retire by rotation at this Annual General Meeting and being eligible offers himself for re-appointment:

To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014; read with the applicable provisions of the Memorandum of Association and Articles of Association of the Company, Mr. Anil Badhe, Director (DIN: 05179912), be and is hereby re-appointed as the Director of the Company, liable to retire by rotation.

Item No 5: To declare a Final Dividend on Equity Shares and Preference Shares for the Financial Year ended March 31, 2024

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

“RESOLVED THAT, pursuant to the provisions of section 123 (1) of the Companies Act 2013, read with the provisions contained in the Memorandum of Association and Articles of Association of the company in view of the recommendation of the Board of Directors of the Company; the consent of the members be and is hereby accorded to declare a final dividend of INR. 15 /- per Equity Share of INR 100/- (Rupees One Hundred Only) each fully paid-up of the Company; INR. 10,000/- (Rupees Ten Thousand Only) per Preference Share of INR. 1,00,000/- (Rupees One Lakh Only) each and INR. 250/- (Rupees Two Hundred-Fifty Only) per Preference Share of INR. 5,000/- (Rupees Five Thousand Only) each for the Financial Year 2023-24.

Special Businesses :

Item No 6: To consider and approve remuneration payable to M/s A J Paranjape & Co, Cost Accountants (Registration No. 100480) as Cost Auditors of the Company for the Financial Year 2024-25.

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rule 2014, and Companies (Cost Records and Audit) Rules 2014, as amended from time to time, the remuneration payable to M/s A J Paranjape & Co., Cost Accountants (Registration No. 100480) the Cost Auditors of the Company for the Financial Year 2024-25 as recommended by the Audit Committee of the Company and approved by the Board of Directors of the Company amounting to INR 75,000/- (Rupees Seventy Five Thousand Only) plus applicable taxes and re-imburement of expenses incurred / to be incurred on actual basis, be and is hereby ratified and confirmed.

Item No 7: Appointment of and remuneration payable to Mr. Pandurang Raut as Chairman & Managing Director of the Company.



SHREENATH MHASKOBA SAKHAR KARHANA LIMITED

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (“Act”) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) , the consent of members of the company be and is hereby accorded to re-appoint Mr. Pandurang Raut, who has already attained the age of 70 years, as Managing Director of the Company for a period of 5 Years with effect from 23rd March 2024 with an salary of Rs. 1,50,000 per month with allowances, bonus and any other applicable charges applied under the head of salary and upon the terms and conditions as set out, with liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary terms and conditions of the said appointment in such manner as may be agreed to between the Board and Mr. Pandurang Raut.”

RESOLVED FURTHER THAT in the event of any inadequacy or absence of profits in any financial year or years, the aforementioned salary approved herein be continued to be paid as minimum salary to the Director, subject to such other approvals as may be necessary.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation in the provisions of Schedule V of the Companies Act, 2013, relating to the payment of salary to the managerial personnel, the Board of Directors (hereinafter referred to as the ‘Board’) subject to the recommendations of the Nomination and Remuneration Committee be and is hereby authorized to vary the salary including commission and perquisites etc. within such prescribed limits.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution.”

Item No 8 : Appointment of and remuneration payable to Mr. Vikas Raskar as Whole Time Director

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (“Act”) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) , the consent of members of the company be and is hereby accorded to appoint Mr. Vikas Raskar as Whole Time Director of the Company for a period of 5 Years with effect from 23rd March 2024 with an salary of Rs. 75,000 per month with allowances, bonus and any other applicable



SHREENATH MHASKOBA SAKHAR KARHANA LIMITED

charges applied under the head of salary, with liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary terms and conditions of the said appointment in such manner as may be agreed to between the Board and Mr. Vikas Raskar.”

RESOLVED FURTHER THAT in the event of any inadequacy or absence of profits in any financial year or years, the aforementioned salary approved herein be continued to be paid as minimum salary to the Director, subject to such other approvals as may be necessary.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation in the provisions of Schedule V of the Companies Act, 2013, relating to the payment of remuneration to the managerial personnel, the Board of Directors (hereinafter referred to as the ‘Board’) subject to the recommendations of the Nomination and Remuneration Committee be and is hereby authorized to vary the salary including commission and perquisites etc. within such prescribed limits.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution.”

Item 9 : Variation in terms of 10 % Non-Convertible Cumulative Redeemable Preference Shares of Rs.1,00,000 of the company :

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

"RESOLVED THAT pursuant to Section 48 and other applicable provisions of the Companies Act, 2013 read with The Companies (Share Capital and Debentures) Rules, 2014 made thereunder as amended from time to time, in accordance with the Articles of Association and Memorandum of Association of the Company, the consent of the shareholders/members be and is hereby accorded for the variation in terms of existing 380, 10 % Non-Convertible Cumulative Redeemable Preference Shares (NCRPS) of Rs.1,00,000/- (Rupees One lac only) in following manner:

| | |
|---|--|
| Number of % Non-Convertible Cumulative Redeemable Preference Shares (NCRPS) to be redeemed. | 380 |
| Rate of Dividend | 10 % |
| Face of Value NCRPS | 1,00,000.00 |
| Redemption Value | Shall be redeemed at a Face Value of 1,00,000.00 |



SHREENATH MHASKOBA SAKHAR KARHANA LIMITED

| | |
|--------------------------|--|
| Redemption Date | On or any time before maturity date at the discretion of Board of Directors. |
| Authority for Redemption | Board of Directors |

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such deeds, matters and things, as it may in its absolute discretion, deem necessary, desirable or expedient and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**By Order of the Board of Directors
Shreenath Mhaskoba Sakhar Karkhana Limited**

**Place: Pune
Date: 03/09/2024**

**Sd/-
Pratik Naikawadi
Company Secretary**



Notes :

1. An explanatory statement pursuant to section 102 of the Companies Act, 2013 in respect of the above resolutions is enclosed and forms a part of the notice
2. The Ministry of Corporate Affairs ("MCA") has, vide its General Circular dated September 25, 2023, read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 ("Act") read with Rules made thereunder, the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the registered office of the Company.
3. In compliance with the provisions of Section 108 of the Act, the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means by remote e-voting and e voting at AGM (by using the electronic voting system provided by CDSL. Resolution(s) passed by members through e-voting is/are deemed to have been passed as if they have been passed at the AGM
4. The facility for e voting process shall be made available at the AGM after the meeting and the members attending the AGM who have not cast their vote through remote e-voting shall be able to exercise their rights at the AGM.
5. A member who has cast his vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to vote again and his vote, if any, cast at the AGM shall be treated as invalid.
6. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, 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 hereto. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
7. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013

DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

8. In compliance with the MCA Circulars and in accordance with Section 108 of the Companies Act, 2013 service of documents on members by a company is allowed through electronic mode. Accordingly, as a part of Green Initiative, soft copy of the Annual Report 2023-24 is being sent to all the members whose email address(es) are registered with the Company. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.shreenathsugar.com.



THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on Friday 27th September 2024 at 9.00 a.m. and ends on Sunday 29th September 2024 at 5 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Voting rights of a member (in case of electronic shareholding) shall be in proportion to his share in the paid-up equity share capital of the Company as on the cut-off date, i.e. 23rd September 2024.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

Login method for e-Voting for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in Demat mode with CDSL Depository | <ol style="list-style-type: none">1) Users who have opted for CDSL 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 users to login to Easi / Easiest are requested to visit cdsI website www.cdslindia.com and click on login icon & New System Myeasi Tab.2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.3) If the user is not registered for Easi/Easiest, option to register is available at cdsI website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.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. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. |



SHREENATH MHASKOBA SAKHAR KARHANA LIMITED

| | |
|---|---|
| | <p>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> |
| <p>Individual Shareholders holding securities in demat mode with NSDL Depository</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 redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. 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 (DP)</p> | <p>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 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 |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911 |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000 |

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) 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.
- 6) If you are a first-time user follow the steps given below:

| | For Physical shareholders and other than individual shareholders holding shares in Demat. |
|-----------------------|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details | 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. <ul style="list-style-type: none">• 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. |



| | |
|-------------------------------|--|
| OR Date of Birth (DOB) | |
|-------------------------------|--|

- (i) After entering these details appropriately, click on “SUBMIT” tab.
- (ii) 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.
- (iii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (iv) Click on the EVSN for the relevant Company Name i.e. Shreenath Mhaskoba Sakhar Karkhana Ltd on which you choose to vote.
- (v) 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.
- (vi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (vii) 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.
- (viii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (ix) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (x) 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.
- (xi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - 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.



SHREENATH MHASKOBA SAKHAR KARHANA LIMITED

- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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 mandatory 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;sharesmskl@gmail.com, 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 ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING AT THE 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 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 e-voting.
3. 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.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
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. Members who would like to express their views or ask questions with respect to the agenda items of the meeting will be required to register themselves as speaker by sending e-mail to sharesmskl@gmail.com from their registered e-mail address, mentioning their name, DP ID & Client ID / folio number and mobile number. Only those Members who have registered themselves as speaker by 10.30 a.m. on, 23rd September, 2024 will be able to speak at the meeting. The Company reserves the right to restrict the number of questions and / or number of speakers, depending upon availability of time, for smooth conduct of the AGM.

The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance by 10.30 a.m. on 23rd September, 2024 mentioning their name, demat account number/folio number, email id, mobile number at sharesmskl@gmail.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.



SHREENATH MHASKOBA SAKHAR KARHANA LIMITED

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 at the AGM after the meeting.
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 may 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 sharesmskl@gmail.com.
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.

The Scrutinizer shall, after the conclusion of voting at the AGM, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting / evoting at AGM and make, not later than 48 hours from conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour and against the resolution(s), invalid votes, if any, and whether the resolution(s) has/have been carried or not, to the Chairman

The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.shreenathsugar.com.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cDSLindia.com or contact at toll free no. 1800 21 09911.



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

Item no 6

The Board, on recommendation of the Audit Committee, approved the appointment of M/s A J Paranjape & Co., Cost Accountants (Registration No. 100480) as the Cost Auditors of the Company, 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, 2025 at a remuneration of Rs. 75,000 plus taxes, as applicable and reimbursement of out of pocket expenses. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 (as amended), the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company. Accordingly, the Board of Directors of the Company recommends the resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending on 31st March, 2024 for approval of the members of the Company. In this regard, consent of the Members is sought for passing the said resolution as approved by the Board of Directors and as set out in Item no. 6 of the accompanying Notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution. The Board accordingly recommends the Special Resolution as set out in Item No. 6 for approval by the Shareholders.

Item 7 :

As required under provisions of (3) of Section 196 of Companies Act, 2013 the following are the justifications for appointment of Mr. Pandurang Raut notwithstanding his having attained the age of 70:

1. The company has drawn up a Long Range Plan with enhanced vision and has an ambitious target for the company over the next 5 years.
2. Mr. Pandurang Raut having been serving the Company since 2002 now, has rich experience in various areas of operation of the business and specialized skills in innovation, product development and promoting and nurturing green field operations and therefore the Company requires his active involvement going forward.
3. The aforesaid Long Range Strategy Plan requires the involvement of Mr. Pandurang Raut on a Whole-time basis to continue to play a strategic leadership role and guide the management team of the Company and motivate them to realise the long term objectives.

Therefore his continued services are considered not only necessary but also is in the interest of the Company.

Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Pandurang Raut should be available to the Company for a further period of 5 (Five) years with effect from 23rd March 2024. He shall perform such duties as shall from time to time be entrusted to him by the Board, subject to superintendence, guidance and control of the Board.



SHREENATH MHASKOBA SAKHAR KARHANA LIMITED

The main terms and conditions for the re-appointment of Mr. Pandurang Raut as Managing Director (MD), are as follows:

Period : From 23rd March 2024 to 22nd March 2029

Current Salary of Rs. 1,50,000 p.m.

The annual increments which will be effective 1st April each year, will be decided by the Board based on the recommendation of the Nomination and Remuneration Committee (hereinafter called the "NRC") and will be performance-based and take into account the Company's performance as well.

Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Pandurang Raut the Company has no profits or its profits are inadequate, the Company will pay remuneration, by way of Salary, Benefits, Perquisites and Allowances and Performance linked bonus as specified above, subject to further approvals as required under Schedule V of the Act, or any modification(s) thereto.

Nature of Duties – The Managing Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and/or subsidiaries or any other executive body or any committee of such a company

In accordance with the provisions of Sections 196, 197 & other applicable provisions of the Act, read with Schedule V to the said Act, the proposed appointment and the terms of remuneration payable to Mr. Pandurang Raut require approval of members by passing Special Resolution. Hence, the members are requested to pass the Special Resolution accordingly.

The Board recommends the Resolution at Item No. 7 for approval of the shareholders.

The other relatives of Mr. Pandurang Raut may be deemed to be interested in the resolution, to the extent of their shareholding interest, if any, in the Company

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in the said resolution except Mr. Pandurang Raut.

Item 8 :

Mr. Vikas Raskar having been serving the Company since 2002 now, has rich experience in various areas of operation of the business and specialized skills in innovation and product development.

Current Salary is of Rs. 75,000 p.m.



SHREENATH MHASKOBA SAKHAR KARHANA LIMITED

The annual increments which will be effective 1st April each year, will be decided by the Board based on the recommendation of the Nomination and Remuneration Committee (hereinafter called the “NRC”) and will be performance-based and take into account the Company’s performance as well.

Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Vikas Raskar the Company has no profits or its profits are inadequate, the Company will pay remuneration, by way of Salary, Benefits, Perquisites and Allowances and Performance linked bonus as specified above, subject to further approvals as required under Schedule V of the Act, or any modification(s) thereto.

Nature of Duties – The Whole time Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and/or subsidiaries or any other executive body or any committee of such a company

In accordance with the provisions of Sections 196, 197 & other applicable provisions of the Act, read with Schedule V to the said Act, the terms of remuneration payable to Mr. Vikas Raskar require approval of members by passing Special Resolution. Hence, the members are requested to pass the Special Resolution accordingly.

The Board recommends the Resolution at Item No. 8 for approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in the said resolution except Mr. Vikas Raskar.

Item no 9 :

The Company had issued 380 10 % Non-Convertible Cumulative Redeemable Preference Shares of Rs.1,00,000 aggregating to Rs.3,80,00,000/- in various tranches to be redeemed within a period of 20 years of its issuance.

The Board of Directors of the Company in their meeting held on 03/09/2024 had discussed and approved (subject to seeking approval from the members of the Company) variation in the existing terms of 10 % Non-Convertible Cumulative Redeemable Preference Shares of Rs.1,00,000/- (Rupees One Lac Only) (NCRPCS) in terms of provisions of section 48 of the Companies Act 2013, in following manner:

| Particulars | Varied Terms of NCRPCS |
|---|------------------------|
| Number of % Non-Convertible Cumulative Redeemable Preference Shares (NCRPS) to be redeemed. | 380 |



SHREENATH MHASKOBA SAKHAR KARHANA LIMITED

| | |
|--------------------------|--|
| Rate of Dividend | 10 % |
| Face of Value NCRPS | 1,00,000.00 |
| Redemption Value | Shall be redeemed at a Face Value of 1,00,000.00 |
| Redemption Date | On or any time before maturity date at the discretion of Board of Directors. |
| Authority for Redemption | Board of Directors |

Mr. Pandurang Raut, Mr. Madhav Raut, Mr. Vikas Raskar and Mr. Yogesh Sasane are interested in this resolution. The Directors recommend the resolution for Member's approval as a Special Resolution.

**By Order of the Board of Directors
Shreenath Mhaskoba Sakhar Karkhana Limited**

**Place: Pune
Date: 03/09/2024**

**Sd/-
Pratik Naikawadi
Company Secretary**



SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

Shreenath Mhaskoba Sakhar Karkhana Limited

CIN : U15424PN1999PLC013976

Regd. Off.: S. No. 12/2, 2nd Floor, Meghdoot Building, behind Bharat petrol pump, Old Lokhandi Pull Lane, Hadapsar Pune 411028. Ph. No. 8551868899

Email : sharesmskl@gmail.com Web : www.shreenathsugar.com

DIRECTORS REPORT

To,
The Members,

The Directors have pleasure in presenting the 25th Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2024.

1. FINANCIAL RESULTS

The financial results for the year ended 31st March, 2024 are briefly given below:-

| | | | <i>Rs. In Lacs</i> | |
|--------|--|-------|--------------------|----------|
| | Particulars | | 2023-24 | 2022-23 |
| | Sales & Other Income | -- -- | 29377.24 | 38513.27 |
| | Profit before Depreciation, Interest & Tax | -- -- | 4086.48 | 4110.66 |
| Less : | Interest and Financial Charges | -- -- | 1036.29 | 808.95 |
| | Depreciation | -- -- | 980.24 | 931.92 |
| | Profit before Extraordinary items | -- -- | 2069.95 | 2369.79 |
| | Extraordinary items | -- -- | 119.00 | - |
| | Profit before Tax | -- -- | 2188.95 | 2369.79 |
| Less : | Provision for Income Tax | -- -- | 588.82 | 457.66 |
| | Provision for Deferred Tax | -- -- | -14.41 | -3.29 |
| | Mat credit carried forward | | | |
| | Profit after Tax | -- -- | 1614.54 | 1915.41 |
| Less : | Appropriation: | | | |
| | Proposed Dividend on Preference Shares | -- -- | 54.43 | 54.43 |
| | Proposed Dividend on Equity Shares | | 226.93 | 272.32 |
| | CSR | -- -- | | |
| | Corporate Dividend Tax | | | |
| | Capital Redemption | | | |
| | Income tax paid/MAT excess provided | | 1.54 | 59.81 |
| | Transfer to General Reserve | -- -- | 109.45 | 118.49 |
| | Surplus Carried to Balance Sheet | -- -- | 1222.20 | 1410.37 |



2. COMPANY'S AFFAIRS PERFORMANCE

Sugar Division

The company has crushed 5.95 Lac MT of cane as against 7.19 Lac MT for the previous year.

The production of sugar for the corresponding period was 6.10 Lac Qtl. as against 6.31 Lac Qtl. for the previous year.

The average selling rate of sugar for current year was Rs. 3547 /- per quintal as against Rs. 3359 /- per quintal during the previous period. During the period under the review the company sold 5.00 lac qtl. of sugar as against 7.38 lac qtl. of sugar during previous year.

Distillery Division

The distillery unit produced 369.21 Lac Litres of ethanol, rectified spirit, impure spirit, fusion oil. The company sold 160.40 Lac Litres of ethanol, rectified spirit, impure spirit, fusion oil and achieved a turnover of Rs. 9928.22 lacs.

Cogeneration Division

The company has exported 152.15 lacs kwh units of electricity in the financial year 2023-24 and achieved a turnover of Rs. 980.04 lacs.

3. TRANSFER TO RESERVES

During the reporting period under review, the Company has transferred Rs. 109.45 las to General Reserve.

4. DIVIDEND

The Board of Directors has recommended a dividend of Rs 15/- per equity share of Rs 100/- each fully paid-up of the Company and Rs. 10,000 per preference Share of Rs. 1,00,000 each and Rs. 250 per preference share of Rs. 5,000 each. Dividend is subject to approval of members at the ensuing Annual General Meeting and shall be subject to deduction of income tax at source

5. SHARES:

- **BUY BACK OF SECURITIES:**

The Company has not bought back any of its securities during the year under review.

- **SWEAT EQUITY:**

The Company has not issued any Sweat Equity Shares during the year under review.

- **BONUS SHARES:**

No Bonus Shares were issued during the year under review.

- **EMPLOYEES STOCK OPTION PLAN:**



The Company has not provided any Stock Option Scheme to the employees.

Dematerialisation of Shares: The Company has made the arrangement for dematerialisation of shares of the members. For this purpose the Company has appointed MCS Share Transfer Agent Ltd, Mumbai as the Registrar and Share Transfer Agent for converting the physical shares into demat format.

6. DIRECTORS

Pursuant to the provisions of Section 152 of the Act, Mr. Hemant Sambhajirao Karanje, Mr. Anil Jaywantrao Bhujbal and Mr. Anil Laxman Badhe, Directors of the Company, retires by rotation at the ensuing AGM and being eligible, offers themselves for re-appointment.

Mr. Dnyandeo Tukaram Kadam was appointed as additional director on 25/07/2023 who was regularized in in the 24th Annual General Meeting.

Directors' remuneration

The Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by provision of section 197 read with Schedule V to the Companies Act. The Company's remuneration policy is directed towards rewarding performance, based on review of achievements. The remuneration policy is in consonance with existing industry practice

| Director Name | Designation | Salary |
|----------------------------|--|---------|
| Mr.Pandurang Abaji Raut | Chairman & Managing Director | 2013604 |
| Mr.Vikas Ramchandra Raskar | Executive Chairman & Whole Time Director | 1009301 |
| Mr.Yogesh Dattatray Sasane | Vice Chairman | 515000 |
| Mr.Baban Mahadeo Narke | erstwhile CFO (till 31/07/2023) | 267485 |
| Mr.Sandip Baban More | CFO (w.e.f 28/11/2023) | 241550 |

7. PUBLIC DEPOSITS

During the financial year 2023-2024, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

8. INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

The company has appointed M/s. V.G. Naikawadi & Co, Chartered Accountants, as an internal auditor of the company. The Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, 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.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. The adequacy of internal financial controls with reference to the Financial Statements is satisfactory.

9. HOLDING COMPANIES, SUBSIDIARY COMPANIES AND ASSOCIATE COMPANIES



SHREENATH MHASKOBA SAKHAR KARHANA LIMITED

Company does not have any Holding Company, Subsidiary Company and Associate Company.

10. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, Annual Return of the Company as at 31st March, 2024 is uploaded on the website of the Company <http://www.shreenathsugar.com/>

11. NUMBER OF MEETINGS OF THE BOARD

Board Meeting

During the year eleven Board Meetings were convened and held, including one separate Meeting of Independent Directors. The intervening gap between the Meetings was within the period prescribed under Companies Act, 2013

| Sr. No | DATE | BOARD STRENGTH | NO. OF DIRECTORS PRESENT |
|--------|------------|----------------|--------------------------|
| 1 | 25/04/2023 | 14 | 14 |
| 2 | 30/05/2023 | 14 | 12 |
| 3 | 29/06/2023 | 13 | 9 |
| 4 | 25/07/2023 | 13 | 10 |
| 5 | 05/09/2023 | 14 | 12 |
| 6 | 21/10/2023 | 14 | 10 |
| 7 | 28/11/2023 | 14 | 12 |
| 8 | 29/12/2023 | 14 | 11 |
| 9 | 27/01/2024 | 14 | 11 |
| 10 | 23/02/2024 | 14 | 10 |
| 11 | 23/03/2024 | 14 | 10 |

12. COMMITTEES OF DIRECTORS:

Subject to the provisions of section 177 & 178 of the Companies Act, 2013 read with the relevant rules made there under and with a view to have a more focused attention on various facts of business and for better accountability, the Board has constituted various committees a mentioned below. Each of these Committees has been mandated to operate within a given framework.

(A) Audit Committee:

The Audit Committee consists of the following members

| Sr. No. | Name of the Director | Designation in the Committee |
|---------|------------------------------|------------------------------|
| 1. | Mr. Mahesh Sambhajirao Karpe | Chairperson |
| 2. | Mr. Bhagwan Dashrath Memane | Independent Director |
| 3. | Mr. Hanumant Baban Shivale | Independent Director |

The Board has been reviewing the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Companies Act, 2013.

The company has accepted all the recommendations as made by the audit committee during the financial year under review.



Meeting Details

Eight meetings of the Committee were held during the year. The meetings were held on April 26, 2023; June 29, 2023; August 4, 2023; September 2, 2023; October 21, 2023; November 11, 2023; January 27, 2024; and March 30, 2024.

(B) Nomination & Remuneration Committee:

The Nomination & Remuneration Committee consists of the following members:

| Sr. No. | Name of the Director | Designation in the Committee |
|---------|-----------------------------|------------------------------|
| 1 | Mr. Anil Jaywantrao Bhujbal | Chairperson |
| 2 | Mr. Bhagwan Dashrath Memane | Independent Director |
| 3 | Mr. Hanumant Baban Shivale | Independent Director |

The Company has accepted all the recommendation of the Nomination & Remuneration Committee as and when made to the Board of Directors by the Committee.

The Committee while giving approval to remuneration ensured that:

- the level and composition of remuneration is reasonable and sufficient to motivate directors to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Meeting Details

Three meeting were held on July 11, 2023; September 2,2023; and March 12,2024.

(C) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee consists of the following members

| Sr. No. | Name of the Director | Designation in the Committee |
|---------|-----------------------------|--------------------------------------|
| 1 | Mr. Bhagwan Dashrath Memane | Chairperson and Independent Director |
| 2 | Mr. Madhav Pandurang Raut | Member |
| 3 | Mr. Hanumant Baban Shivale | Independent Director |

The company has accepted all the recommendations as made by the Stakeholders Relationship Committee during the financial year under review.

Meeting Details

Two meeting were held on April 1, 2023; and December 28, 2023.



13. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AS PER SECTION 178

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure I** and is attached to this report.

14. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company is committed to Corporate Social Responsibility (CSR) by catering to the needs of the weaker sections of the society. Pursuant to the provisions of the Section 135 of the Companies Act, 2013, the Company has constituted a CSR Committee of the Board of Directors to monitor the CSR activities of the Company.

In accordance with its CSR philosophy and the specified activities under the Act, the CSR activities of the Company has thrust areas including eradicating extreme hunger and poverty; promotion of education; promoting gender equality and empowering women; reducing child mortality and improving maternal health; combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases; ensuring environmental sustainability; employment enhancing vocational skills; social business projects.

Over the past years, the Company has focused on several corporate social responsibility programs. The CSR policy, formulated by the Corporate Social Responsibility ("CSR") Committee and approved by the Board, continues unchanged.

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 II**

Meeting Details

Two meetings of the Committee were held during the year. The meeting was held on September 02, 2023; and March 30, 2024.

15. BOARDS FUNCTIONING:

Company's Board of Directors play a primary role in ensuring good governance and functioning of the Company. All statutory and other significant and material information is placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the shareholders. The Company has a procedure to inform the Board members about risk assessment and minimization procedure. The procedure is reviewed by the Board to ensure that the Company manages risks through the means of a properly defined framework. The Board also reviews on regular basis conformity to all the applicable laws by the Company. The Members of the Board have complete freedom to express their opinion, and decisions are taken after detailed discussion.

16. DIRECTOR'S RESPONSIBILITY STATEMENT

Directors' Responsibility Statement prepared pursuant to the provisions of Section 134(5) of the Companies Act, 2013, is furnished below as required under Section 134(3)(c).

Directors state that:-



SHREENATH MHASKOBA SAKHAR KARHANA LIMITED

- a) In the preparation of the Annual Accounts for the year ended 31st March, 2024 the applicable Accounting Standards have been followed along with the proper explanation relating to material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Annual Accounts have been prepared on a going concern basis;
- e) Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

17. DECLARATION BY INDEPENDENT DIRECTOR

All Independent Directors have given declarations under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

18. AUDITORS AND AUDITORS' REPORT

a) Internal Auditor

The Internal Auditor, V.G. Naikawadi & Co, Chartered Accountants, Pune have conducted internal audits periodically and submitted their reports to the Audit Committee. Their Reports have been reviewed by the Statutory Auditors and the Audit Committee.

b) Statutory Auditor:

Pradeep Jagtap and Associates, Chartered Accountant (M. No. 108019W)), were appointed as Auditor of the Company for a term of 5 (five) consecutive years at the annual general meeting held on 29th September 2023.

The Auditors Report to the Shareholders for the year under review contain the following qualification as under :-

- 1) Accounting standard 15 "Employee Benefits"-The Company has provided for gratuity liability on actual basis by way of debiting it to Profit & Loss a/c in the books of accounts. However, the provision is not based on actuarial valuation done by a qualified actuary. Similarly the Company has not invested separately the amount of gratuity payable. Also no provision has been made during the year for Leave Encashment.

Management's reply :



SHREENATH MHASKOBA SAKHAR KARHANA LIMITED

The company has done actuarial valuation in house, the management has proposed to get the actuarial valuation from approved institution in the ensuing financial year. The benefit of leave encashment is not carried forward as per the rules framed by the management. All employees therefore has to mandatorily avail the leave.

2) Company has not fully complied provisions of Companies (Prospectus and Allotment of Securities) Rules, 2014]: Dematerialisation of securities. At present dematerialisation of shares held by the Directors except shares held by two newly appointed directors in the financial year 2023-24 are in the dematerialised form.

Management's reply :

The company is in process of dematerialisation of shares.

3) Company has not provided interest on MSME suppliers outstanding.

Management's reply :

The company will provide interest on MSME suppliers outstanding, as and when if required.

4) As per notification No. ELD 2016/CR.252/Energy-1 of Industries, Energy and Labour Department of Maharashtra State electricity duty of 120 paise per unit for captive power consumption is required to be paid to Government. During the period under audit total captive power consumption is 21872812 units. Company has not paid or provided electricity duty as per above mentioned notification.

Management's reply :

The management will look into the matter.

5) During the period under expenses of personal nature of Rs.3.50 Lakhs have been charged in revenue account.

Management's reply :

The management henceforth will take care that such kind of expenses will not happen.

6) There was casual vacancy of CFO from 01/08/2023 to 28/11/2023.

As per section 203 of the Companies Act 2013, the vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy and in this regard company has appointed Mr. Sandip Baban More as CFO w.e.f 28/11/2023.

7) There is delay in filing of e-forms with MCA as required under regulations of Companies, 2013.

Management's reply :

The company will take care to file the forms in time henceforth.

No frauds have been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in Board's Report.

c) **Cost Audit:**

During the year under review, in accordance with Section 148(1) of the Act, the Company has maintained the accounts and cost records, as specified by the Central Government. Such cost accounts and records are subject to audit by M/s Harshad S. Deshpande & Associates, Cost Auditors of the Company for FY 2023-24.



The Cost accounts and records as required to be maintained under section 148 (1) of the Act are duly made and maintained by the Company

In terms of the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules 2014, and based on the recommendation of the Audit Committee, the Board of Directors has appointed A J Paranjape & Associates, Cost Accountants, as the Cost Auditors for the financial year 2024-25 to conduct the audit of the Company.

d) Secretarial Auditor :

The Board had appointed M/s S. Chetan & Co., Practicing Company Secretary, to conduct Secretarial Audit. The Secretarial Audit Report for the financial year ended March 31, 2024 is annexed herewith and marked as Annexure III to this Report.

The Secretarial Audit Report for the year under review contain the following qualification as under :-

1) There was casual vacancy of CFO from 01/08/2023 to 28/11/2023.

Management's reply :

As per section 203 of the Companies Act 2013, the vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy and in this regard company has appointed Mr. Sandip Baban More as CFO w.e.f 28/11/2023.

2) There is delay in filing of e-forms with MCA as required under regulations of Companies, 2013.

Management's reply :

The company will take care to file the forms in time henceforth.

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The company has not granted any loans. Particulars of investments made and guarantees given are provided in the financial statement (Please refer to Notes to the financial statement). Company has provided corporate guarantee to Shreenath Mhaskoba Credit Co-operative Ltd for individual loans of ₹ 8.00 lakhs each sanctioned to 100 H & T Contractors of the Company amounting to ₹ 800.00 lakhs. Company has also invested in unquoted shares of banks.

20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED IN SUB SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013

All the transactions carried out with related parties for the year under review were on arm's length basis, which were duly approved by the Audit Committee and are in compliance with the applicable provisions of the Companies Act, 2013. There are no material significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and the provisions of Section 188 of the Companies Act, 2013 and Rules made there under are not attracted. The Companies policy on Related Party Transactions is attached as "Annexure - IV".



Your Directors draw attention of the members to Notes to the financial statement, which set out related party disclosures.

21. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this report.

22. SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

During the year there are no significant/ material orders passed by the Regulators or courts or Tribunals impacting the going concern status of your Company and its operations in future.

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

A. Conservation of Energy and Technology Absorption:

- a) Wherever possible, energy conservation measures have been implemented, and there are no further areas where energy conservation measures can be taken. However, efforts to conserve and optimize the use of Energy through improved operational methods and other means will continue.

| A. | Power & Fuel Consumption | FY.2023-24 | F.Y.2022-23 |
|----|---|---|--|
| | ELECTRICITY | | |
| | a) Purchased from MSEDCL (units in Kwh) | 9,00,311 | 9,78,301 |
| | b) Own Generation | | |
| | i) Through Diesel Generation Sets (units in Kwh) | 25,615 | 19,869 |
| | Units Per liter of Diesel | | |
| | ii) Through Steam Turbine Generation (units in Kwh) | 10 MW - 2,87,82,285 4 MW - 20,21,156 3 MW - 64,16,690 Total - 3,72,20,131 | 10MW-3,39,00,250 4 MW - 43,73,026 3 MW - 70,85,175 Total - 4,53,58,451 |
| | Cane Crushed (M.T.) | 5,95,172 | 7,19,313 |
| | Units per Ton of Cane | 62.57 | 63.06 |
| | iii) Total Units Generated (units in Kwh) | 3,81,46,057 | 4,63,56,621 |

| B. | Consumption of Unit | FY.2023-24 | F.Y.2022-23 |
|----|---|-------------|-------------|
| | Total Generation of Electricity (units in Kwh) | 3,81,46,057 | 4,63,56,621 |
| | Less: Consumption for Sugar Plant (units) | 1,56,93,735 | 1,57,56,481 |
| | Less: Consumption for Distillery Plant (units in Kwh) | 47,01,048 | 41,83,337 |
| | Less: Export to grid (units in Kwh) | 1,52,15,699 | 2,07,21,443 |



| | | | |
|--|---|-----------|-----------|
| | Less: Consumption for Others (units in KwH) | 1,31,620 | 1,26,052 |
| | Less : Consumption for CBG plant | 2,23,517 | - |
| | Less : Captive Consumption | 21,80,438 | 55,69,308 |

- b) The Company has no collaborations and is engaged in the manufacture of the products by its own developed methods/operations. The Company has setup a Research and Development Center whose emphasis is on product development, product quality, Cost reduction, energy conservation and improvement in process productivity. The Company has also setup Laboratory and Quality Control Department to ensure the quality of different products manufactured.

B. Foreign Exchange Earnings and Outgo:

| Sr. No. | Particulars | Amount in Rs. |
|---------|--|---------------|
| i | Foreign Exchange earned in terms of actual inflows during the year | Nil |
| ii | Foreign Exchange outgo during the year in terms of actual outflows | Nil |

24. RISK MANAGEMENT POLICY

The Company has formulated Policy for Risk Management. The same is attached as **Annexure V**.

25. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a vigil mechanism policy to deal with instance of fraud and mismanagement, if any. The vigil mechanism policy is herewith attached as “**Annexure- VI**”. The Company has established a vigil mechanism and oversees through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of employees and the Company.

26. BOARD EVALUATION

The Board of Directors has carried out an annual performance evaluation of its committees and individual directors pursuant to the provisions of the Companies Act, 2013.

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

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

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent



Directors and performance of the board as a whole was evaluated, taking into account the views of all directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

27. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business during the Financial Year under review

28. PARTICULARS OF EMPLOYEES

No employee of the Company was in receipt of remuneration which attracts the disclosure Rule 5(2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed of during the year 2023-24:

Number of complaints received: NIL

Number of complaints disposed off: NIL

30. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR :

No application is made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016

31. DISCLOSURE REGARDING ONE TIME SETTLEMENT WITH BANKS AND OR FINANCIAL INSTITUTIONS: Not applicable.

32. APPRECIATION

The Directors wish to place on record their sincere appreciation of the continued support from the Company's Bankers, its valued Customers, Distributors, Suppliers, etc.

The Directors are also thankful to the officials of the Government of India, State Governments, Local Authorities for their continued help and timely assistance extended to the Company.



SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

By Order of the Board of Directors
For Shreenath Mhaskoba Sakhar Karkhana Limited

Place: Pune
Date: 03/09/2024

Pandurang Raut
Chairman & Managing Director
[DIN 00786746]

Vikas Raskar
Vice Chairman
[DIN 01687322]



NOMINATION AND REMUNERATION POLICY

The company considers Human Resources as its invaluable assets. This policy on the nomination and remuneration of the Directors, Key Managerial Persons (KMPs) and other employees has been formulated in terms of the Companies Act, 2013, in order to pay equitable remuneration to the Directors, Key Managerial Persons (KMPs) and other employees of the company and to harmonize the aspiration of human resources consistent with the Goal of the company.

While formulating this Policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

- a) "the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) remuneration to Directors, KMP and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals".

1. OBJECTIVE:

The Nomination and Remuneration Committee and this Policy is in compliance with Section 178 of the Companies Act, 2013 .

The Key Objectives of the Committee would be:

- a) to guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) to evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- c) to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

2. DEFINITIONS:

a) **Key Managerial Personnel:** Key Managerial Personnel means—

1. Chief Executive Officer or the Managing Director or the Manager;
2. Company Secretary,
3. Whole-time Director;
4. Chief Finance Officer; and
5. such other officer as may be prescribed.

b) **Senior Management:** Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors. This would also



include all members of management one level below the executive directors including all functional heads.

3. ROLE OF COMMITTEE:

The role of the Committee inter alia will be the following:

- a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) To recommend to the Board the appointment and removal of Senior Management
- c) To carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.
- d) To recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive.
- e) To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- f) To ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks,
- g) To devise a policy on Board diversity;
- h) To develop a succession plan for the Board and to regularly review the plan;

4. COMMITTEE MEMBERS' INTERESTS:

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

5. NOMINATION DUTIES:

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;
- b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;
- c) Identifying and recommending Directors who are to be put forward for retirement by rotation.



SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

- d) Determining the appropriate size, diversity and composition of the Board; Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- e) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- f) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- g) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- h) Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- i) Recommend any necessary changes to the Board.
- j) Considering any other matters as may be requested by the Board; and

6. REMUNERATION DUTIES:

The duties of the Committee in relation to remuneration matters include:

- a) To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- b) To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- c) To delegate any of its powers to one or more of its members or the Secretary of the Committee.
- d) To consider any other matters as may be requested by the Board;

On behalf of the Board of Directors
For Shreenath Mhaskoba Sakhar Karkhana Limited

Mr. Anil Jaywantrao Bhujbal
Chairman of the Committee



CORPORATE SOCIAL RESPONSIBILITY POLICY

1. OBJECTIVE:

This Policy has been formulated in compliance with Section 135 of the Companies Act, 2013 read along with the applicable rules thereto.

2. CSR VISION:

Company's vision is to be a responsible industry leader and demonstrate environmental, transparent and ethical behavioral practices which will contribute to the economic and sustainable development within the company, industry, and improvement in quality of life of society at large. The Company's CSR activities build an important bridge between business operations and social commitment evolving into an integral part of business functions, goals and strategy.

3. SCOPE:

This Policy shall apply to all CSR projects/programmers/activities undertaken by the Company in India as per Schedule VII of the Act.

4. DEFINITIONS:

1) Corporate Social Responsibility (CSR) means and includes but is not limited to:

Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013 ('Act').

2) CSR Committee means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.

3) CSR Policy relates to the activities to be undertaken by the Company as specified in Schedule VII to the Act and the expenditure thereon.

4) Net Profit means the net profit of the Company as per its financial statement prepared in accordance with applicable provisions of the Act (Section 198), but shall not include the following viz;

(i) Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise and

(ii) Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act

Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956 shall not be required to be re-calculated in accordance with the provisions of the Act.



5. ROLE OF THE CSR COMMITTEE:

Formulate and recommend to the Board, a Corporate Social Responsibility Policy in compliance with Section 135 of the Companies Act, 2013.

- a) Identify the activities to be undertaken as per Schedule VII of the Companies Act, 2013.
- b) Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- c) Recommend the amount of CSR expenditure to be incurred on the earmarked CSR activities.
- d) Monitor the implementation of the CSR Policy from time to time.
- e) Such other functions as the Board may deem fit.

6. ROLE OF THE BOARD:

After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company.

Ensure that the CSR activities included in this Corporate Social Responsibility Policy are undertaken by the Company.

The Board of the Company may decide to undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a Company established under section 8 of the Act by the company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, or otherwise provided that – If such trust, society or company is not established by the company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, it shall have an established track record of three years in undertaking similar programs or projects/activities;

Ensure that in each financial year the Company spends at least 2% of the average net profits of the company made during the three immediate preceding financial years, calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy. Further, while spending the amount earmarked for CSR activities, preference should be given to local areas and areas around the Company where it operates,

As per Section 135 of the Act, specify the reasons for under spending the CSR amount in the Board's Report.

7. CSR MONITORING AND REPORTING FRAMEWORK:

In compliance with the Act and to ensure funds spent on CSR Activities are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework has been put in place.

The CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the CSR activities.

The respective CSR personnel will present their annual budgets along with the list of approved CSR activities conducted by the Company to the CSR Committee together with the progress made from time to time as a part of the evaluation process under the monitoring mechanism.



8. CSR EXPENDITURE:

The CSR activities undertaken in India only shall amount to CSR Expenditure.

CSR Expenditure shall include all expenditure including contribution to corpus for CSR activities approved by the Board on the recommendation of the CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

9. DISCLOSURE OF THE POLICY:

The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed on the Company's website and shall be disclosed in the Board's report as well.

10. CSR REPORTING:

The Board Report of a Company shall include details on CSR containing particulars specified in Annexure to the CSR Rules as per the prescribed format.

11. MISCELLEANOUS:

This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made there under or any other applicable enactment for the time being in force.

12. CORPORATE SOCIAL RESPONSIBILITY PROGRAMS AND PROJECTS

The projects undertaken by the company shall be other than that, that are required in ordinary course of the company. Company broadly proposes to undertake in following projects:

- a) The Company will carry on its CSR activities in areas or subjects as prescribed under the Schedule VII of the Act, as amended from time to time. An illustrative list of such areas or subjects is outlined below:
 - (i) eradicating hunger, poverty and malnutrition, promoting health care (including preventive health care) and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
 - (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
 - (iii) promoting gender equality empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
 - (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to Clean Ganga



- (v) Fund set-up by the Central Government for rejuvenation of river Ganga; protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
 - (vi) measures for the benefit of armed forces veterans, war widows and their dependents;
 - (vii) training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
 - (viii) contribution to the Prime Minister's National Relief Fund or any other fund including Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund' (PM CARES Fund) set up by the Central Government for socioeconomic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
 - (ix) contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;
 - (x) contributions to public funded Universities;
 - (xi) rural development projects;
 - (xii) slum area development;
 - (xiii) disaster management, including relief, rehabilitation and reconstruction activities.
- Any other activity as may be specified under the Act or the CSR Rules from time to time.

b) The Company's CSR projects and programs will be undertaken by the Company either by itself or jointly with other organisations.

d) The CSR projects and programs may also be implemented through registered public charitable trusts or a registered society, registered under Sections 12A and 80G of the Income Tax Act, 1961, companies established under Section 8 of the Companies Act, 2013 (corresponding to Section 25 of the Companies Act, 1956) and/or through any implementing entity established under the Act and CSR Rules.



Annual Report on Corporate Social Responsibility (CSR)

1. Brief outline on CSR Policy of the Company: Refer Section: Corporate Social Responsibility (CSR) in the Board's Report

2. Composition of CSR Committee

| Sr. No. | Name of Director | Designation | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|----------------------------|----------------------|--|--|
| 1 | Mr.Yogesh Dattatray Sasane | Chairman | 2 | 2 |
| 2 | Mr.Bhagwan Dashrath Memane | Independent Director | 2 | 2 |
| 3 | Mr.Hanumant Baban Shivale | Independent Director | 2 | 2 |

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 : <https://shreenathsugar.com/>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable : NA

5. Details of the amount available for set off in pursuance of subrule (3) of Rule 7 of the Rules, and the amount required for set off for the financial year, if any:

| Sr No | Financial Year | Amount available for set-off from preceding financial years | Amount required to be set-off for FY:, if any |
|-------|----------------|---|---|
| 1 | 2020-21 | - | - |
| 2 | 2021-22 | 4,38,031 | - |
| 3 | 2022-23 | 4,04,871 | - |

6. a) Average net profit of the Company as per sub-section (5) of section 135.:
Rs. 22,17,46,787/-

b) Two percent of average net profit of the Company as per section 135(5):
Rs. 44,34,936/-

c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. :

d) Amount required to be set off for the financial year, if any :Nil

e) Total CSR Obligation for the financial year (7a+7b-7c) : Rs. 44,34,936/-



SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

7. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) :
Rs. 60,31,093/-
- (b) Amount spent in Administrative Overheads.:
- (c) Amount spent on Impact Assessment, if applicable :
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)] : Rs. 60,31,093/-
- (e) CSR amount spent or unspent for the Financial Year:

| Total Amount Spent for the Financial Year (in Rs.) | Amount Unspent | | | | |
|--|---|------------------|---|--------|------------------|
| | 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 |
| | | | | | |
| 60,31,093/- | NA | NA | NA | NA | NA |

- (f) Excess amount for set off :

| Sr.No. | Particulars | Amount |
|--------|---|-------------|
| 1 | Two percent of average net profit of the company as per section 135(5) | 44,34,936/- |
| 2 | Total amount spent for the Financial Year | 60,31,093/- |
| 3 | Excess amount spent for the financial year [(ii)-(i)] | 15,96,157/- |
| 4 | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | |
| 5 | Amount available for set off in succeeding financial years [(iii)-(iv)] | 15,96,157/- |

8. (a) Details of Unspent CSR amount for the preceding three financial years: NOT APPLICABLE

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|-------|--------------|--|--|--|---|--|--------------------|
| Sr No | Preceding FY | Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.) | Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.) | Amount Spent in the Financial Year (in Rs) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any | Amount remaining to be spent in succeeding Financial Years (in Rs) | Deficiency, if any |
| | | | | | Amount | Date of | |



SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| | | | | | | | | |
|---|------|------------|--|--|--|----------|--|--|
| | | | | | | transfer | | |
| 1 | FY 1 | NIL | | | | | | |
| 2 | FY 2 | | | | | | | |
| 3 | FY 3 | | | | | | | |

9. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired : Not applicable

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

On behalf of the Board of Directors
For Shreenath Mhaskoba Sakhar Karkhana Limited

Mr.Yogesh Dattatray Sasane
Chairman of the Committee

**S. CHETAN & CO**

COMPANY SECRETARIES

Office No.6 Satyagiri Apartement

2147 Sadashiv Peth Pune 411030

Mobile.:+91971060030

Email : cschetan05@gmail.com

Form No. MR-3**SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2024

[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

Shreenath Mhaskoba Sakhar Karkhana Limited**(CIN: U15424PN1999PLC01397)**

S. No. 12/2, 2nd Floor, Meghdoot Building,

Old Lokhandi Pull Lane, Hadapsar

Pune 411028 Maharashtra

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shreenath Mhaskoba Sakhar Karkhana Limited**, (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, and also information provided by the Company, its officers, agents and authorized representative during conduct of secretarial audit, we hereby report that in our opinion, and to best of our information, knowledge and belief and according to explanation given to us, the Company has, during the audit period covering the financial year ended on **31st March, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2024** according to the provisions of:

(i) The Companies Act, 2013, (herein after referred to as “the Act”) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder; **(not applicable as Company is unlisted Public Company)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder ;**(not applicable as Company has not accepted deposits during the year under review);**

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowing;**(not applicable as there is no Foreign Direct Investment in the Company, the Company has not made any Overseas Investment and not availed External Commercial Borrowings);**

(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; **(not applicable to the Company during audit period)**

(b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015); **(not applicable to the Company during audit period)**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(not applicable to the Company during audit period)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(not applicable to the Company during audit period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ;**(not applicable to the Company during audit period);**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(not applicable to the Company during audit period);**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(not applicable to the Company during audit period)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(not applicable to the Company during audit period)**

(vi) Based on the representation made by the Management of the Company, following laws applicable specifically to the Company:

- (i) Sugar Cess Act, 1982;
- (ii) The Sugar (Control) Order, 1966;
- (iii) The Sugarcane (Control) Order, 1966;
- (iv) The Sugar Development Fund Act, 1982;
- (v) Food and Safety Standards Act, 2006;
- (vi) The Essential Commodities Act, 1955;
- (vii) The Indian Boilers Act, 1923;
- (viii) Levy Sugar Price Equalisation Fund Act, 1976
- (ix) The Legal Metrology Act, 2009
- (x) Environment Protection Act, 1986
- (xi) Factories Act, 1948
- (xii) The Electricity Act, 2003;

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

- (i) Secretarial Standards as issued by The Institute of Company Secretaries of India.

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

| Sr. No | Relevant Provision for Compliance | Observation |
|---------------|---|--|
| 1. | Section 203 (1) of Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 | During the reporting period, there was vacancy of Chief Financial Officer (CFO) from 31.07.2023 till 27.11.2023. The Company has appointed new CFO on 28.11.2023. |
| 2. | The Companies Act, 2013 read with The Companies Rules, 2014 | There is delay in filing of e-forms with MCA as required under regulations of Companies, 2013 |

Based on the information provided and records maintained, we further report that;

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

2. As per information provided by the Management, adequate notice was provided to all Directors to Schedule Board Meetings, agenda and detailed notes on agenda were sent with adequate notice period;
3. The decisions are carried through majority, the dissenting members' views, if any, are captured and recorded as part of the minutes

We further report that there is adequate system 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.

We further report that during audit period there have been enlisted major actions or events undertaken by the Company which have major bearing on Company's affairs in pursuance of the above law, rules, regulations, standards etc: -

1. The Company had received show cause notice under section 454(4) and section 203 of the Companies Act, 2013 from Registrar of Companies (ROC) Pune for non-appointment of Full Time Company Secretary for the period 01.04.2014 to 30.06.2019, an adjudication order under section 454(3) was passed with penalty of Rs.5,00,000 (Rs. Five Lakh) on Company and Rs. 2,89,000/- (Rs. Two Lakh Eighty Nine Thousand) of each of Director by the ROC, Pune, on which appeal was filed with Regional Director (RD), Mumbai, Maharashtra, but the Regional Director (RD), has confirmed the order passed by Registrar of Companies (ROC), Pune and there was no relief granted.
2. The Company is not fully complied with Dematerialization of Shares as required under Section 29 of Companies Act, 2014 read with The Companies (Prospectus and Allotment of Securities) Rules, 2014
3. Further, appointment of Chairman & Managing Director and his remuneration was sanctioned as per special resolution passed in extra ordinary general meeting held on 01/01/2019 for the period of 5 years. The period of 5 years is expired on 31/12/2023. As per Nomination and Remuneration Committee meeting held on 12/03/2024 the committee discussed about appointment and remuneration payable to the Chairman & Managing Director for a further period of 5 years and recommended board for further process. Further board has sanctioned this further extension vide meeting dated 23/03/2024, resolution no.9 which will be placed before the coming AGM to be held by passing a special resolution for approval.

Similarly, appointment of Executive Chairman and Whole-time Director his remuneration was sanctioned as per special resolution passed in extra ordinary general meeting held on 01/01/2019. As per Nomination and Remuneration

Committee meeting held on 12/03/2024 the committee discussed about appointment and remuneration payable to the Executive Chairman & Whole-time Director for a further period of 5 years and recommended board for further process. Board has sanctioned the same in board meeting held on 23/03/2024, resolution no.10 which will be placed before the coming AGM to be held by passing a special resolution for approval.

4. There are various pending cases against Company under Corporate Disputes and other sections of the Companies Act:

Cases pending against the Company are mentioned below:

| Case Status | Case Category | Court | Litigant(s) | Case No. |
|--------------------|--|---|------------------------------------|----------------------|
| Pending | Corporate Disputes | National Company Law Tribunal (NCLT) | Gaikwad Babanrao Sopanrao And Ors. | CP - 255/2022 |
| Pending | Corporate Disputes | National Company Law Tribunal (NCLT) | Gaikwad Babanrao Sopanrao And Ors. | COMP.APPL - 209/2023 |
| Pending | Under Companies Act 2013, Under Section 134 | District Judge - 1 And Addl. Session Judge Pune | Union of India, MCA ROC Pune | 9/2023 |
| Pending | Under Companies Act 2013, Under Section 135(7),135 | District Judge - 1 And Addl. Session Judge Pune | Union of India, MCA ROC Pune | 7/2023 |
| Pending | Under Companies Act 2013, Under Section 86, 77 | Civil Judge J.D. And J.M.F.C Pimpri | Union of India, MCA ROC Pune | 4303/2022 |

For S. Chetan & Co.

Place: Pune
Date:03.09.2024

Sd/-
CS Chetan Suryawanshi
Membership No: F11644
C.P. No.: 16384
Peer Review No:4104/2023
UDIN: F011644F001116242

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE A

To,
The Members
Shreenath Mhaskoba Sakhar Karkhana Limited
(CIN: U15424PN1999PLC013976)
S. No. 12/2, 2nd Floor, Meghdoot Building,
Old Lokhandi Pull Lane, Hadapsar
Pune 411028 Maharashtra

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

5. 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 S. Chetan & Co.

Place: Pune
Date: 03.09.2024

Sd/-
CS Chetan Suryawanshi
Membership No: F11644
C.P. No.: 16384
Peer Review No:4104/2023



Related Party Transaction Policy

A. INTRODUCTION:

This policy on Related Party Transactions (hereinafter referred to as “Policy”) of Shreenath Mhaskoba Sakhar Karkhana Limited (hereinafter referred to as “the Company”) and the amendment to this Policy, if any, by the board of directors of the Company or any committee thereof shall be effective from the date on which it is notified from time to time.

The Company always been committed to best corporate governance practices and this Policy is prepared for ensuring compliance with the provisions of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and other provisions as may be applicable.

B. OBJECTIVE:

The Policy is framed to ensure due and proper compliance with the applicable statutory provisions and to fortify that proper procedure is defined and followed for approval / ratification and reporting of transactions, if any, as applicable, between the Company and any of its Related Parties (hereinafter referred to as “RP”). The provisions of this Policy are designed to govern the transparency of approval process and disclosures requirements to accord fairness in the treatment of related party transactions.

C. DEFINITIONS:

- (1) **Arm’s length transaction:** The transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- (2) **Government Company:** In accordance with Section 2(45) of the Companies Act, 2013 read with related rules issued thereon, Government Company means any company in which not less than fifty one per cent of the paid-up share capital is held by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments, and includes a company which is a subsidiary company of such a Government company;
- (3) **Ordinary Course of business:** Includes, but not limited to, activities that are necessary, normal, and incidental to the business.
- (4) **Related Party:** In accordance with Clause 49 of Listing Agreement including any statutory modification, amendment thereof as may be issued from time to time, an entity shall be considered as related party to the Company if:
 - (i) Such entity is a related party under Section 2(76) of the Companies Act, 2013; or
 - (ii) Such entity is a related party under the applicable Accounting Standards.

In accordance with Section 2(76) of the Companies Act, 2013, Related Party in relation to a company means:

- (i) a director or his relative;
- (ii) a key managerial personnel or his relative;
- (iii) a firm, in which a director, manager or his relative is a partner;
- (iv) a private company in which a director or manager or relative is a member or director;
- (v) a public company in which a director or manager is a director and holds along with his relatives, more than two per cent. of its paid-up share capital;
- (vi) anybody corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- (vii) any person on whose advice, directions or instructions a director or manager is accustomed to act: Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;
- (viii) any company which is—
 - a holding, subsidiary or an associate company of such company; or
 - a subsidiary of a holding company to which it is also a subsidiary;
- (ix) A Director (other than Independent Director) or KMP of the holding company of such company or his relative.

(5) The Accounting Standard 18 defines related party as: “parties are considered to be related if at any time during the reporting period one party has the ability to control the other party or exercise significant influence over the other party in making financial and / or operating decisions.”

The Accounting Standard 18 deals only with related party relationships described below:

- (a) enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise (this includes holding companies, subsidiaries and fellow subsidiaries);
- (b) associates and joint ventures of the reporting enterprise and the investing party or venture in respect of which the reporting enterprise is an associate or a joint venture;
- (c) individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual;
- (d) key management personnel and relatives of such personnel; and
- (e) Enterprises over which any person described in (c) or (d) is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the reporting enterprise.

In the context of this Accounting Standard, the following are deemed not to be related parties:

(a) two companies simply because they have a director in common notwithstanding paragraph (d) or (e) above (unless the director is able to affect the policies of both companies in their mutual dealings);

(b) a single customer, supplier, franchiser, distributor, or general agent with whom an enterprise transacts a significant volume of business merely by virtue of the resulting economic dependence; and

(c) the parties listed below, in the course of their normal dealings with an enterprise by virtue only of those dealings (although they may circumscribe the freedom of action of the enterprise or participate in its decision-making process):

- (i) Providers of finance;
- (ii) Trade unions;
- (iii) Public utilities;
- (iv) Government departments and government agencies including government sponsored bodies

No disclosure is required in the financial statements of state-controlled enterprises as regards related party relationships with other state-controlled enterprises and transactions with such enterprises. State-controlled enterprise means an enterprise which is under the control of the Central Government and/or any State Government(s).

(6) Related Party Transactions:

(a) In accordance with Revised Clause 49, related party transaction is a transfer of resources, services or obligations between a Company and a related party, regardless of whether a price is charged or not.

Explanation: A "transaction" with a related party shall be construed to include single transaction or a group of transactions in a contract."

(b) In accordance with Companies Act, 2013, Related Party Transaction includes the following transactions between the related parties:

- sale, purchase or supply of any goods or materials;
- selling or otherwise disposing of, or buying, property of any kind;
- leasing of property of any kind;
- availing or rendering of any services;
- appointment of any agent for purchase or sale of goods, materials, services or property;
- such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- Underwriting the subscription of any securities or derivatives thereof, of the company.

(7) Material Related Party Transactions:

In accordance with Section 188 of the Companies Act, 2013 read with related rules issued thereon including any statutory modification, amendment thereof as may be issued from time to time Material Related Party Transaction means the Transactions which are not on Arm's Length Basis and

/ or are not in the Ordinary Course of Business and exceed limits provided for the specified transactions as mentioned below:

- (i) sale, purchase or supply of any goods or materials directly or through appointment of agents exceeding twenty five percent of the annual turnover as mentioned in clause (a) and clause (e) respectively of sub-section (1) of section 188;
- (ii) selling or otherwise disposing of, or buying, property of any kind directly or through appointment of agents exceeding ten percent of net worth as mentioned in clause (b) and clause (e) respectively of sub-section (1) of section 188;
- (iii) leasing of property of any kind exceeding ten percent of the net worth or exceeding ten percent of turnover as mentioned in clause (c) of sub-section (1) of section 188;
- (iv) availing or rendering of any services directly or through appointment of agents exceeding ten percent of the net worth as mentioned in clause (d) and clause (e) of sub-section (1) of section 188;
- (v) appointment to any office or place of profit in the company, its subsidiary company or associate company at a monthly remuneration exceeding two and half lakh rupees as mentioned in clause (f) of sub-section (1) of section 188; or
- (vi) remuneration for underwriting the subscription of any securities or derivatives thereof of the company exceeding one percent of the net worth as mentioned in clause (g) of sub-section (1) of section.

(8) Relatives: In accordance with Section 2 (77) of the Companies Act, 2013 read with related rules issued thereon including any statutory modification, amendment thereof as may be issued from time to time, relative with reference to any person, means anyone who is related to another, if:

- (i) they are members of a Hindu Undivided Family;
- (ii) they are husband and wife; or
- (iii) a person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely:-
 - a) Father including step-father;
 - b) Mother including step-mother;
 - c) Son including step-son;
 - d) Son's wife;
 - e) Daughter;
 - f) Daughter's husband;
 - g) Brother including step-brother;
 - h) Sister including step-sister

(9) Key Managerial Personnel's (KMPs): In relation to a company, KMP means:

- (i) the Chief Executive Officer or the managing director or the manager;
- (ii) the company secretary;
- (iii) the whole-time director;

- (iv) the Chief Financial Officer; and
- (v) Such other officer as may be prescribed under Companies Act, 2013.

(10) Subsidiary Company: The terms Subsidiary Company shall have the same meaning as specified under Companies Act, 2013 read with related rules issued thereon including any statutory modification and amendment thereof as may be issued from time to time.

D. DETERMINING “ORDINARY COURSE OF BUSINESS”:

“In the Ordinary Course of Business” means all such acts and transactions undertaken by the Company, including, but not limited to sale or purchase of goods, property or services, leases, transfers, providing of guarantees or collaterals, in the normal routine in managing trade or business and is permitted by the objects clause of the Memorandum of Association of the Company. The Company should take into account the frequency of the activity and its continuity carried out in a normal organized manner for determining what is in the ordinary course of business.

E. ASCERTAINING “ARMS’ LENGTH” IN RELATED PARTY TRANSACTIONS:

The expression “arms’ length transaction” means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

A Related Party with whom the Related Party Transaction is undertaken must have been selected using the same screening / selection criteria / underwriting standards and procedures as may be applicable in case of an unaffiliated party.

The Company shall produce evidence to the satisfaction of the Audit Committee for complying with the said procedure, as and when applicable as required.

F. PROCEDURE:

(1) Details To Be Provided To The Audit Committee: In accordance with Companies Act, 2013 read with related rules issued thereon, including any statutory modification and amendment thereof, with respect to Related Party Transactions following information, to the extent relevant, shall be presented to the Audit Committee:

- A general description of the transaction(s), including the nature, duration of the contract, material terms and conditions and particulars of the contract or arrangement;
- The name of the Related Party and the basis on which such person or entity is a Related Party;
- Name of director or KMP who is related;
- Nature of relationship;
- Any advance paid or received for the contract or arrangement, if any;
- Period of transaction;
- Maximum amount of transaction that can be entered into;

- The Related Party's interest in the transaction(s), including the Related Party's position or relationship with, or ownership of, any entity that is a party to or has an interest in the transaction(s);
- The indicative base price / current contracted price and the formula for variation in the price if any. Other commercial terms, both included as part of contract and not considered as part of the contract;
- Any other material information regarding the transaction(s) or the Related Party's interest in the transaction(s).

The Audit Committee shall also review and approve subsequent modification of transactions of the Company with Related Parties.

Further, in accordance with Section 184 of the Companies Act, 2013 and all other applicable provisions, every director of a company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into, shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting.

G. MECHANISM FOR APPROVAL FOR RELATED PARTY TRANSACTIONS :

Approval of Audit Committee:

All related party transactions and subsequent material modifications shall require prior approval of Audit Committee.

The Company may also obtain omnibus approval from the Audit Committee for such transaction.

Approval of the Board:

All related party transactions which are not in the Ordinary course of business or do not qualify as an Arm's Length Transaction will be put up for prior approval of the Board.

Approval of the Shareholders:

All material related party transaction and subsequent material modifications shall be placed for prior approval of the shareholders

H. RATIFICATION OF THE RELATED PARTY TRANSACTIONS:

Where any contract or arrangement, which is considered as a Related Party Transaction exclusively as per Companies Act, 2013, is entered into by a director or any other employee, without obtaining the consent of Audit Committee or the Board or the shareholders of the Company, as the case may be, such transaction shall be ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into.

In case such transaction is not ratified within the specified period, such contract or arrangement shall be voidable at the option of the Board and if the contract or arrangement is with a related party to any director, or is authorised by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

I. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY:

In the event of inadvertent omission to seek the approval of the Related Party Transaction in accordance with the Policy, the matter shall be reviewed by the Audit Committee.

J. DISCLOSURE:

Director's report shall contain details of Related Party Transactions as required under the Companies Act, 2013.

K. MODIFICATIONS AND AMENDMENTS IN THE POLICY:

The Audit Committee will review and may amend this policy as may be required from time to time in accordance with the provisions of the Companies Act, 2013, rules made therein, and any further amendments and notifications as may be made effective in this regard. Any subsequent notification, circular, guidelines or amendments under Companies Act, 2013, accounting standards and all other applicable laws, as may be issued from time to time shall be mutatis mutandis applicable without any further modification or amendment in this policy.



Risk Management Policy

The Company's Risk Management Policy is designed to provide the framework to identify, assess, monitor and manage the risks associated with the Company's business. The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Company's risk profile.

The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that the Company's objectives and activities are aligned with the risks and opportunities identified by the Board.

The risks involved in a Sugar factory and the specific uncertainties for the Company continue to be regularly monitored, the full Board of the Company formally reviews such risks at least annually. All proposals reviewed by the Board include a consideration of the issues and risks of the proposal.

The potential exposures associated with running the Company are managed by the Directors and Chief Financial Officer who have significant broad-ranging industry experience, work together as a team and regularly share information on current activities.

The key objective of the policy is:

- Identify the weather conditions which affect production of Sugarcane
- Analyze Sugar price volatility trend in India
- Identify Systematic and unsystematic risk in sugar industries
- Understand the impact of risk on stakeholders
- Critically examine the current policy framework
- Explore the risk management measures to mitigate unpredictable risk

Where necessary, the Board draws on the expertise of appropriate external consultants to assist in dealing with or mitigating risk. The Company's main areas of risk include:

- Financial Risk
- Operational Risk
- Human Risk
- Political Risk
- Economic cycle/marketing Risk
- Legal and compliance Risk

Additionally, it is the responsibility of the Board to assess the adequacy of the Company's internal control systems and that its financial affairs comply with applicable laws and regulations and professional practices.

Regular consideration is given to all these matters by the Board. The Company has in place an internal control framework to assist the Board in identifying, assessing, monitoring and managing risk.

The framework can be described under the following headings:

- Continuous Disclosure/ Financial Reporting
- Operations Review
- Investment Appraisal

The Company's internal control system is monitored by the Board and assessed regularly to ensure effectiveness and relevance to the Company's current and future operations. Procedures have been put into place to ensure the state in writing to the Board that the integrity of the financial statements is founded on a sound system of risk management and internal compliance and control and that the Company's risk management and internal compliance and control system is operating efficiently and effectively.

AMENDMENTS

This policy may be amended subject to the approval of Board of Directors, from time to time in line with the business requirement of the company or any statutory enactment or amendment thereto.

DISCLAIMER CLAUSE

The management cautions that the risks outlined above are not exhaustive and are for information purposes only. Management is not an expert in assessment of risk factors, risk mitigation measures and management perceptions of risks. Readers are therefore requested to exercise their own judgment in assessing various risks associated with the company.

SUMMARY OF RISK MANAGEMENT POLICY

The Company has established a risk management policy which sets out a framework for a system of risk management and internal compliance and control, whereby the Board delegates day-to-day management of risk to the Managing Director. The Managing Director, with the assistance of senior management as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the Board on risk management. The policy also sets out the Company's risk profile.



VIGIL MECHANISM POLICY

1. Preface:

Shreenath Mhaskoba Sakhar Karkhana Limited is committed to conduct its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics and to full and accurate disclosures. The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Any actual or potential violation of these Standards, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the Directors, Employees in pointing out such violations of these Standards cannot be undermined.

2. Applicability:

Section 177 (9) of the Companies Act, 2013 read with Rule 7 of The Companies (Meeting of Board and its Powers) Rules, 2014 mandates the following classes of companies to constitute a vigil mechanism:

- I. Every listed company;
- II. Every other company which accepts deposits from the public; and
- III. Every company which has borrowed money from banks and public financial institutions in excess of Rs. 50 Crores.

Accordingly, this Vigil Mechanism (“the Policy”) has been formulated with a view to provide a mechanism for directors and employees of the Company to approach the Vigilance Officer of the Company.

3. Policy Objectives:

The Vigil Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Standards, Codes of Conduct or policy adopted by the Company from time to time.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Vigilance Officer. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

4. Definitions:

- a) “Employee(s)” means every employee of the Company (whether working in India or abroad), including the directors in the employment of the Company.



SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

- b) “Company” means “**Shreenath Mhaskoba Sakhar Karkhana Limited**”.
- c) “Disciplinary Action” means any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- d) “Director” means every Director of the Company, past or present.
- e) “Fraud” in relation to affairs of a company or anybody corporate, includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of, the company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss.
- f) “Investigator(s)” mean those persons authorized, appointed, consulted or approached by the Vigilance Officer and including the auditors of the Company and the police.
- g) “Policy” means the Vigil Mechanism.
- h) “Protected Disclosure” means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- i) “Protected Disclosure Form” is a form by which a submission is made to the Company regarding this Policy and is available at the Company’s website.
- j) “Subject” means a person or group of persons against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- k) “Whistleblower” means an Employee or director making a Protected Disclosure under this Policy.
- l) “Wrongful Gain” means the gain by unlawful means of property to which the person gaining is not legally entitled.
- m) “Wrongful Loss” means the loss by unlawful means of property to which the person losing is legally entitled.

5. Scope:

- a) The Whistleblower’s role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.



SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

- b) Whistleblowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Vigilance Officer or the Investigators.
- c) Protected Disclosure will be appropriately dealt with by the Vigilance Officer.
- d) This Policy covers disclosure of any unethical and improper or malpractices and events which have taken place/ suspected to take place involving:
 - a) Breach of Business Integrity and Ethics
 - b) Breach of terms and conditions of employment and rules thereof
 - c) Intentional Financial irregularities, including fraud, or suspected fraud
 - d) Deliberate violation of laws/regulations
 - e) Gross or Wilful Negligence causing substantial and specific danger to health, safety and environment
 - f) Manipulation of company data/records
 - g) Pilferation of confidential/propriety information
 - h) Gross Wastage/misappropriation of Company funds/assets

6. **Eligibility:**

All Employees and Directors of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

7. **Procedure:**

- a) All Protected Disclosures should be addressed to the Vigilance Officer of the Company for investigation.
- b) The contact details of the Vigilance Officer are as under:

Name and Address – Mr. Sandip More

Shreenath Mhaskoba Sakhar Karkhana Limited,

S. No. 12/2, 2nd Floor, Meghdoot Building, behind Bharat petrol pump, Old Lokhandi Pull Lane, Hadapsar Pune- 411028

Email- smsklho@rediffmail.com

- c) If a protected disclosure is received by any executive of the Company other than Vigilance Officer, the same should be forwarded to the Company's Vigilance Officer for further appropriate action. Appropriate care must be taken to keep the identity of the Whistle blower confidential.
- d) Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be printed, typed or written in a legible



SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

handwriting in English, Hindi or in the regional language of the place of employment of the Whistle blower.

- e) The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle blower. The Vigilance Officer shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.
- f) Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
- g) The Whistle blower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures will not be entertained as it would not be possible to interview the Whistle blowers.

8. Investigation:

- a) All Protected Disclosures reported under this Policy will be thoroughly investigated by the Vigilance Officer or the Investigators so appointed who will investigate / oversee the investigations under the authorization of the Vigilance Officer. If Vigilance Officer has a conflict of interest in any given case, then he should rescue himself and the other Director of the Company should deal with the matter on hand.
- b) The Vigilance Officer may at his sole discretion, consider involving any Investigators for the purpose of investigation.
- c) The decision to conduct an investigation taken by the Vigilance Officer is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistle-blower that an improper or unethical act was committed.
- d) The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- e) Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- f) Subjects shall have a duty to co-operate with the Vigilance Officer or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- g) Subjects have a right to consult with a person or persons of their choice, other than the Vigilance Officer and/or Investigators and/or the Whistle-blower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.
- h) Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.



- i) Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- j) Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- k) The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

9. Protection:

- a) No unfair treatment will be meted out to a Whistleblower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistleblowers. Complete protection will, therefore, be given to Whistleblowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistleblower may experience as a result of making the Protected Disclosure. Thus, if the Whistleblower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistleblower to receive advice about the procedure, etc.
- b) A Whistleblower may report any violation of the above clause to the Vigilance Officer, who shall investigate into the same and recommend suitable action to the management.
- c) The identity of the Whistleblower shall be kept confidential to the extent possible and permitted under law. Whistleblowers are cautioned that their identity may become known for reasons outside the control of the Vigilance Officer (e.g. during investigations carried out by Investigators).
- d) Any other Employee or Director assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

10. Confidentiality:

The Whistleblower, Vigilance Officer, the Subject and everybody involved in the process shall, maintain confidentiality of all matters under this Policy, discuss only to the extent or with those persons as required under this policy for completing the process of investigations and keep the papers in safe custody.

11. Investigators:

- a) Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Vigilance Officer when acting within the course and scope of their investigation.



- b) Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- c) Investigations will be launched only after a preliminary review which establishes that:
 - I. the alleged act constitutes an improper or unethical activity or conduct, and
 - II. either the allegation is supported by information specific enough to be investigated, or matters that do not meet this standard may be worthy of management review, but investigation itself should not be undertaken as an investigation of an improper or unethical activity.

12. Decision:

- a) If an investigation leads the Vigilance Officer to conclude that an improper or unethical act has been committed, the Vigilance Officer shall recommend to the management of the Company to take such disciplinary or corrective action as it deems fit.
- b) It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

13. Disqualifications:

- a) While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- b) Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a mala fide intention.
- c) Whistleblowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistleblowers, the Company would reserve its right to take/recommend appropriate disciplinary action.

14. Retention of documents:

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of 7 (seven) years.

15. Amendment:

- a) The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and directors unless the same is notified to the Employees and directors in writing.

Independent Audit Report on the Financial Statements

To the members of

Shreenath Mhaskoba Sakhar Karkhana Limited

We have audited the accompanying Standalone financial statements of the Shreenath Mhaskoba Sakhar Karkhana Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Independent Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the independent auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the independent auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Basis for Qualified Opinion

a) Accounting standard 15 "Employee Benefits"-The Company has provided for gratuity liability on actual basis by way of debiting it to Profit & Loss a/c in the books of accounts. However, the provision is not based on actuarial valuation done by a qualified actuary. Similarly, the Company has not invested separately the amount of gratuity payable.

Also, no provision has been made during the year for Leave Encashment.

The Company should strictly follow AS 15.

b) Company has not fully complied provisions of Companies (Prospectus and Allotment of Securities) Rules, 2014]: Dematerialization of securities. At present dematerialisation of only shares held by the Directors except shares held by two newly appointed directors in the financial year 2023-24 are in the dematerialised form. 25.79% shares of the company have been dematerialised.

c) Company has not provided interest on MSME suppliers outstanding.

d) As per notification No.ELD 2016/CR.252/Energy-1 of Industries, Energy and Labour Department of Maharashtra State electricity duty of 120 paise per unit for captive power consumption is required to be paid to Government. During the period under audit total captive power consumption is 21872812 units. Company has not paid or provided electricity duty as per above mentioned notification.

e) During the period under audit expenses of personal nature of Rs.3.50 lakhs have been charged in revenue account.

f) There was casual vacancy of CFO from 01/08/2023 to 28/11/2023.

g) There is delay in filing of e-forms with MCA as required under regulations of Companies, 2013

Independent Auditors Qualified Opinion

Except for the effects of the matters described in "Basis for qualified opinion" para, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2024, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order 2020, ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3&4 of the Order.
- B. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. Except for the effects of the matters described in "Basis for qualified opinion" para, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent of its applicability.

- e. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. Qualified remarks relating to the maintenance of accounts and other matters connected there with are as stated in the “Basis for qualified opinion” paragraph above.
- g. 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”.
- h. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by provision of section 197 read with Schedule V to the Companies Act except the following.

Appointment of Chairman & Managing Director and his remuneration is sanctioned as per special resolution no.1 & 2 passed in extra ordinary general meeting held on 01/01/2019 for the period of 5 years. However, the period of 5 years is expired on 31/12/2023. However, as per Nomination and Remuneration Committee meeting held on 12/03/2024 the committee discussed about appointment and remuneration payable to the Chairman & Managing Director for a further period of 5 years and recommended board for further process. Further board has sanctioned this further extension vide meeting dated 23/03/2024, resolution no.9 which will be placed before the coming AGM to be held by passing a special resolution for approval.

Similarly, appointment of Executive Chairman and Whole-time Director his remuneration is sanctioned as per special resolution no.1 & 2 passed in extra ordinary general meeting held on 01/01/2019. As per Nomination and Remuneration Committee meeting held on 12/03/2024 the committee discussed about appointment and remuneration payable to the Executive Chairman & Whole-time Director for a further period of 5 years and recommended board for further process. Board has sanctioned the same in board meeting held on 23/03/2024, resolution no.10 which will be placed before the coming AGM to be held by passing a special resolution for approval.

- i. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements-Refer Note 2.27(B) to the financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
 - iv) With respect to clause (e) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended
 - a. The management has represented that, to the best of it’s knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the

understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- b. Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v) The final dividend paid by the Company during the year in respect for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. However, the Company has not placed a statement containing the names, their last known addresses and unpaid dividend to be paid to each person on the website of the Company and any other website approved by the Central Government for this purpose after expiry of 90 days of making any transfer of an amount to the unpaid dividend account.

As stated in note to the financial statements, the Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting.

- vi) Based on our examination, which included test checks, the Company has used accounting ERP for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the ERP. Further, during the course of our audit we did not come across any instance of the audit trial feature being tampered with. It is necessary to get the system audit done from third party professional.

For M/s PRADEEP JAGTAP & ASSOCIATES

CHARTERED ACCOUNTANTS

CA PRADEEP. J. JAGTAP

PARTNER

Membership No. : 042123

F. R. No : 108019W

Place: PUNE

Date: 03/09/2024

UDIN – 24042123BKGXUS8136

“Annexure A” to the Independent Auditors’ Report

(Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the financial statements of the Company for the year ended 31.03.2024.)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) According to information and explanations given to us the Company has not recognised intangible assets in its books.

(b) The Management of the company has physically verified Property and Plant and Equipment at reasonable intervals, and as per information given to us no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given to us and on the basis of records examined by us, we report that the title deeds of immovable properties (other than properties where the Company is the lessee and lease agreement are duly executed in favour of the lessees) disclosed in the financial statements are held in the name of the Company, except the following immovable property.

| | |
|---|---|
| 1 | Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee – No Reason got not being held in the name of Company - Notary done, Litigation issue Gross Carrying Value - ₹ 1,00 lakhs Held in Name of - Zurunge Vishnu Umaji Period held indicate range where applicable - 30/08/2010 |
| 2 | Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee – No Reason got not being held in the name of Company - Notary done, Litigation issue Gross Carrying Value - ₹ 1.00 lakhs Held in Name of - Zurunge Vitthal Umaji Period held indicate range where applicable - 30/08/2010 |
| 3 | Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee – No Reason got not being held in the name of Company - Notary done, Litigation issue Gross Carrying Value - ₹ 1.00 lakhs Held in Name of - Zurunge Balasaheb Kisan Period held indicate range where applicable - 30/08/2010 |
| 4 | Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee – No Reason got not being held in the name of Company - Notary done, Litigation issue Gross Carrying Value - ₹ 1.00 lakhs Held in Name of - Zurunge Keru Kisan Period held indicate range where applicable - 30/08/2010 |
| 5 | Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee – No Reason got not being held in the name of Company - Notary done, Litigation issue Gross Carrying Value - ₹ 0.50 lakhs Held in Name of - Zurunge Pandurang Bapu Period held indicate range where applicable - 30/08/2010 |

| | |
|----|---|
| 6 | <p>Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee – No Reason got not being held in the name of Company - Notary done, Litigation issue Gross Carrying Value - ₹ 0.50 lakhs Held in Name of - Zurunge Laxman Babu Period held indicate range where applicable - 30/08/2010</p> |
| 7 | <p>Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee – No Reason got not being held in the name of Company - Notary done, Litigation issue Gross Carrying Value - ₹ 0.50 lakhs Held in Name of - Zurunge Parashram Babu Period held indicate range where applicable - 30/08/2010</p> |
| 8 | <p>Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - Notary done, Litigation issue Gross Carrying Value - ₹ 0.50 lakhs Held in Name of - Zurunge Sitaram Babu Period held indicate range where applicable - 30/08/2010</p> |
| 9 | <p>Description of Property - Gat No.60 Village - Kolave (Kadam Family) Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - Litigation issue Gross Carrying Value - ₹ 2.00 lakhs Held in Name of - Kadam Ganesh Maruti, Shinde Parvatibai Pandurang, Kadam Shankar Ganpat & Kadam Santosh Maruti Period held indicate range where applicable - 21/07/2014</p> |
| 10 | <p>Description of Property - 05 AAR Land at River Site Gat No.43 Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - Pipeline Land amount Advanced pending due to minimum area required for registration. Gross Carrying Value - ₹ 2.50 lakhs Held in Name of - Ghadage Baban Tukaram Period held indicate range where applicable - 15/05/2017 & 21/06/2017</p> |
| 11 | <p>Description of Property - Forest Land at Nandur, Tal. Daund, Dist. Pune Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - The amount paid to get exchange of the land from government. Gross Carrying Value - ₹ 2.00 lakhs Held in Name of - Shree Gajanan Enterprises (Sandesh Salvi) Period held indicate range where applicable - 24/11/2018 & 25/02/2019</p> |
| 12 | <p>Description of Property - Gat No.82/01 at Vadgaon Budruk, Tal. Khed, Dist. Ratnagiri (More Family - Forest Land) Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - The amount paid to get exchange of the land from government. Gross Carrying Value - ₹ 3.00 lakhs Held in Name of - More Sandip Devu, More Santosh Anaji, More Sachin Anaji, More Vaman Dhondbarao, More Mahendra Pandurang & More Sandeep Gunaji Period held indicate range where applicable - 25/02/2019 & 07/03/2019</p> |

(d) According to the information and explanations given to us and on the basis of records examined by us, the Company has neither revalued any of its property, Plant and Equipment (including Right of Use assets) or

intangible assets or both during the year. Accordingly reporting clause 3(i)(d) of the order is not applicable. However Land, Building, Plant & Machinery of the Company was revalued as at 31st March, 2015 on net replacement value as per the report of M/s Inventa Engineering Services, Government Approved valuer (Regd. No. CAT-I/796 and the cost of respective asset aggregating to ₹ 35,04,47,013/- was substituted by the revalued amount of ₹ 1,24,89,53,000/- and the resultant increase was credited to Revaluation Reserve A/c.

(e) According to the information and explanations give to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act 1988 (45 of 1988) and rules made there under, Accordingly reporting under clause 3(i)(e) of the order is not applicable.

(ii) (a) Physical verification of inventories have been conducted by the management during the year which, in our opinion, is reasonable intervals, and in our opinion the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on verification between physical stock and book records were not 10% or more in aggregate for such class of inventories.

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 Crore, in aggregate, from banks on the basis of security of current assets, according to the information and explanation given to us and on the basis of records examined by us, the quarterly returns or statements filed by the company with such banks of financial institutions are in agreement with the books of the Company subject to certain minor discrepancies.

(iii) According to the information and explanations given to us and on the basis of examination of books and records by us.

a) The company has not granted any loans or provided advances in the nature of loans. However Company has provided corporate guarantee to Shreenath Mhaskoba Credit Co-operative Ltd for individual loans of ₹ 8.00 lakhs each sanctioned to 100 H & T Contractors of the Company amounting to ₹ 800.00 lakhs.

A) According to the information's and explanations given Reporting Clause of the order 3(iii) (A) is not applicable.

B) According to the information's and explanations given the balance outstanding at the balance date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates is ₹ 399.98 lakhs as on 31.03.2024.

b) According to the information's and explanations given to us the terms and conditions of investments made guarantee provided or security given are not prejudicial to the company's interest.

c) As per information and explanations given to us Company has not granted any loans or advances in the nature of Loans. Hence Reporting under clause 3(iii) (c) is not applicable.

d) As per information and explanations given to us there are no overdue for more than ninety days. Accordingly reporting under clause 3(iii)(d) of the order is not applicable.

e) As per information and explanations given to us Company has not granted any loans or advances in the nature of Loans. Hence Reporting under clause 3(iii) (e) is not applicable.

f) The company has not granted any loans or advances in the nature of loans that are either repayable on demand or without specifying any terms or period of repayment. Hence Reporting under clause 3(iii) (f) is not applicable.

iv) According to the information and explanation given to us the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to grant of loans, investment made, guarantees given and securities provided.

v) According to the information and explanation given to us the company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under clause 3(v) of the order is not applicable.

vi) According to the information and explanations given to us no maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of The Companies act. Accordingly reporting under clause 3(i)(vi) of the order is not applicable.

(a) According to information & explanation given to us and on the basis of our examination of the books of accounts and records, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it as on the last date of the financial year i.e. 31.03.2024. According to information & explanation given to us, though there has been slight delay in depositing some of the statutory dues on which late payment charges & interest has also been deposited along with the dues, there are no arrears of undisputed dues payable on the last day of the financial year for a period of 6 months from the date they become payable.

b) According to information and explanations given to us and on the basis of the books and records examined by us details of statutory dues referred to in sub-clause (a) above, which have not been deposited on account of disputes as on March 31, 2024 and the forum where the dispute is pending are given below.

b-1) Relating to Income Tax

| Nature of Dues | Name of Statute | Period to which the amount relates | ₹ in lakhs | Forum where dispute is pending |
|-----------------------|------------------------|---|-------------------|---------------------------------------|
| Income Tax | Income Tax Act,1961 | A.Y. 2018 – 19 | 185.10 | CIT (Appeals) |
| Income Tax | Income Tax Act,1961 | A.Y. 2020 – 21 | 201.62 | CIT (Appeals) |
| Income Tax | Income Tax Act,1961 | A.Y. 2021 – 22 | 164.68 | CIT (Appeals) |

b-2) Office of the commissioner of the CGST Audit I, Pune has issued show cause cum demand of ₹ 18.57 lakhs vide notice No. SCNNo.CGST-I/D-V/R-IV/Audit-I/AC/03/2018-19 dated 04/07/2018. Company has submitted reply to show cause on 15.09.2018. However case is still pending.

b-3) As per notification No.ELD 2016/CR.252/Energy-1 of Industries, Energy and Labour Department of Maharashtra State electricity duty of 120 paise per unit for captive power consumption is required to be paid to Government. During the period under audit total captive power consumption is 21872812 units. Company has not paid or provided electricity duty as per above mentioned notification. During the year 2020-21 Company has reversed duty amounting to ₹ 250.63 lakhs which was appearing in the Balance Sheet as provision made in prior years.

b-4) As per Pune District Collector order dated 15/07/2018 ₹ 47.33 lakhs was require to be deposited in 4 instalments of ₹ 11.83 lakhs each relating to purchase of land out of which 2 instalments amounting to ₹ 23.66 lakhs were paid. Balance amount of ₹ 23.66 lakhs is still outstanding. It was told to us that amount which was payable is related to the land purchase for commercial purpose as per District Collector opinion, but the same land is brought for agriculture purpose and hence the levied charges are not applicable. For this the Company has appointed the Advocate.

viii. According to the information and explanations given to us, the Company did not have any transactions relating to the previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961 hence reporting clause is not applicable.

ix. (a) According to the information and explanations given to us as also on the basis of the books and records examined by us, the Company has not defaulted in repayments of loans or other borrowings or in the payment of interest thereon to any lender. Accordingly reporting under clause 3(ix) of the order is not applicable.

(b) According to the information and explanations given to us and on the basis of our audit procedures the Company is not declared wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and on the basis of books and records examined by us the term loans taken during the year have been applied for purposes for which those were

obtained. Due to voluminous transactions we are unable to establish any audit trail of funds raised on long term loans taken during the year have been applied for purposes for which those were obtained. Hence unable to comment on nature of such transactions and amount.

(d) Due to voluminous transactions we are unable to establish any audit trail of funds raised on short term basis utilised for long term purposes. Hence unable to comment on nature of such transactions and amount.

(e) According to information and explanations given to us the Company has not its subsidiaries, associates or joint ventures. Hence reporting clause No 3 (ix) (e) of the order is not applicable.

(f) According to information and explanations given to us the Company has not its subsidiaries, associates or joint ventures. Hence reporting clause No 3 (ix) (f) of the order is not applicable.

x) (a) Based upon the audit procedures performed and the information and explanations given to us by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. Hence reporting clause under 3 (x) (a) is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, Hence reporting clause under order 3 (x) (b) is not applicable.

I. Preferential Allotment & Private Placement

It was told to us that the Company is in the process of dematerialisation of its securities. At present dematerialisation of only shares held by the Directors except shares held by two newly appointed directors in the financial year 2023-24 are in the dematerialised form. 25.79% shares of the company have been dematerialised.

xi) (a) Based upon the audit procedures performed and the information and explanation given by the management, we report that no fraud by the Company or any fraud on the company has been noticed or reported during the year.

(b) According to the information and explanations given to us no report under section 143(12) of the Act has been filed in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government during the year and up to the date of this report.

(c) As represented to us by the Management the Company has not received any whistle blower complaint during the year. However following notices were served on the Company.

i) The Company has received notice from Regional Director, Western Region, Ministry of Corporate Affairs on 31st December 2021 regarding inspection under section 206(5) of the Companies Act 2013. The Company has submitted reply and necessary information / documents in regards to the above-mentioned notice to the Regional Director, Western Region, Ministry of Corporate Affairs.

ii) The Company had received show cause notice under section 454(4) and section 203 of the Companies Act, 2013 from Registrar of Companies (ROC) Pune for nonappointment of Full Time Company Secretary for the period 01.04.2014 to 30.06.2019, an adjudication order under section 454(3) was passed with penalty of Rs.5,00,000 (Rs. Five Lakh) on Company and Rs. 2,89,000/- (Rs. Two Lakh Eighty Nine Thousand) of each of Director by the ROC, Pune, on which appeal was filed with Regional Director (RD), Mumbai, Maharashtra, but the Regional Director (RD), has confirmed the order passed by Registrar of Companies (ROC), Pune and there was no relief granted. However, the company filed petition with high court on 25/08/2024 vide acknowledge no.AMH20230050879C202400010.

iii) Following are the details of cases filed with ROC. Status of all these cases is pending.

| Case Category | Court | Litigant(s) | Case No. |
|--------------------|-------------------------------|------------------------------------|---------------|
| Corporate disputes | National Company Law Tribunal | Gaikwad Babanrao Sopanrao and Ors. | CP – 255/2022 |

| | | | |
|---|--|------------------------------------|---------------------|
| Corporate disputes | National Company Law Tribunal | Gaikwad Babanrao Sopanrao and Ors. | COMP. APPL-209/2023 |
| Under Companies Act 2013, Under Section 134 | District Judge – 1 and Addl.Session Judge Pune | Union of India MCA ROC, Pune | 9/2023 |
| Under Companies Act 2013, Under Section 135(7), 135 | District Judge–1 and Addl.Session Judge Pune | Union of India MCA ROC, Pune | 7/2023 |
| Under Companies Act 2013, Under Section 86, 77 | Civil Judge J.D. and J.M.F.C Pimpri | Union of India MCA ROC, Pune | 4303/2022 |

We are of the opinion that Company should develop a whistle blower mechanism.

xii. In our opinion and explanations given, the Company is not a Nidhi Company. Accordingly reporting clause 3 (xii) (a), (b) and (c) of the Order is not applicable.

xiii. According to the information and explanations given to us and on the basis of records of the Company examined by us, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in financial statements as required by the applicable accounting standards. However, monitoring and supervisory controls over related party transactions and arm's length price thereof need to be further strengthened strictly. Following advances/amount due are long outstanding as on 31/03/2024

i) Advance to Farmers - ₹ 463.04 lakhs.

xiv. (a) According to the information and explanations given to us, in our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business. However Internal Audit system should be strengthened and area of coverage should be also enlarged. Scope of Internal Audit should be defined so as to cover all operations area of the Company including financial reporting.

(b) We have considered the reports of the Internal Auditors for the period under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us and on the basis of the books and records examined by us the Company has not entered into any non-cash transactions with directors or persons connected to its directors. Accordingly, reporting under clause 3(xv) of the Order is not applicable.

xvi) (a) According to Information and explanations given to us and on the basis of books and records examined by us, the Company is not required to be registered under Section 45-1A of the Reserve Bank of India Act 1934, Hence reporting under clause 3 (xvi) (a), and (b) of the Order is not applicable.

(b) According to information and explanations given to us there is no core investment company within the Group and accordingly reporting under clause 3(xvi) (c) and (d) of the Order is not applicable.

xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Hence reporting clause of the order 3(xvii) of the order not applicable.

xviii) There has been no resignation by the statutory auditor during the year under audit. Hence reporting under clause of the order 3 (xviii) of the order is not applicable.

xix) On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention which caused us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not as assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to give the date of the audit report and we neither given any

guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) (a) According to information and explanations given to us no amount in respect of other than ongoing projects is required to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub section (5) of Section 135 of the said Act.

(b) As per information and explanations given to us there is no on-going Project hence reporting under clause 3 (xx) (b) of the order is not applicable.

xxi) According to information and explanations given to us reporting under clause 3(xxi) of the order is not applicable to the Company.

For M/s PRADEEP JAGTAP & ASSOCIATES

CHARTERED ACCOUNTANTS

CA PRADEEP. J. JAGTAP

PARTNER

Membership No. : 042123

F. R. No : 108019W

Place: PUNE

Date: 03/09/2024

UDIN – **24042123BKGXUS8136**

“Annexure B” to the Independent Auditor’s Report of even date on the stand alone Financial Statements of Shreenath Mhaskoba Sakhar Karkhana Ltd.

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 Shreenath Mhaskoba Sakhar Karkhana Limited ("the Company") as at 31st March, 2024 in conjunction with our audit of the standalone 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.

Auditor's 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 u/s 143(10) of Companies Act, 2013, to the extent applicable to an audit of internal financial controls, and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, 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 ICAI.

For M/s PRADEEP JAGTAP & ASSOCIATES

CHARTERED ACCOUNTANTS

CA PRADEEP J. JAGTAP

PARTNER

Membership No. : 042123

F. R. No : 108019W

Place: PUNE

Date: 03/09/2024

UDIN – **24042123BKGXUS8136**

SHREENATH MHASKOBA SAKHAR KARKHANA LTD.

Factory : Shreenath Nagar, At.Patethan, Tal.Daund, Dist.Pune, 412207.

Registered Office :- S.No. 12/2, 2nd floor, Meghdoot Building,
Behind Bharat Petrol Pump, Old Lokhandi Pull Lane, Hadapsar, Pune - 411028**Balance Sheet As at 31-Mar-2024**

₹ in Lacs

| Particulars | Note No. | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|--|----------|-------------------|------------------|-------------------|------------------|
| I. EQUITY AND LIABILITIES | | | | | |
| 1 Shareholders' Funds | | | 16,080.30 | | 14,740.79 |
| (a) Share Capital | 2.1 | 2221.41 | | 2,221.41 | |
| (b) Reserves and Surplus | 2.2 | 13858.89 | | 12,519.38 | |
| 2 Share Application money pending allotment | | - | | - | |
| 3 Non-Current Liabilities | | | 4,674.17 | | 2,111.07 |
| (a) Long-Term Borrowings | 2.3 | 4,674.17 | | 2,111.07 | |
| 4 Current Liabilities | | | 20,718.93 | | 16,861.03 |
| (a) Short-Term Borrowings | 2.5 | 15,426.33 | | 12,060.72 | |
| (b) Trade Payables | 2.6 | 1,646.96 | | 1,621.45 | |
| (c) Other Current Liabilities | 2.7 | 2,151.45 | | 1,922.59 | |
| (d) Short-Term Provisions | 2.8 | 1,494.19 | | 1,256.27 | |
| Total | | | 41,473.40 | | 33,712.89 |
| II. ASSETS | | | | | |
| 1 Non-Current Assets | | | 16,497.63 | | 13,850.20 |
| (a) Fixed Assets | 2.9 | 16,256.74 | | 13,502.09 | |
| (i) Property, plant and equipment | | 16,256.74 | | 13,502.09 | |
| (ii) Property, plant and equipment and Intangible assets | | - | | - | |
| (b) Non-Current Investments | 2.10 | 121.42 | | 92.40 | |
| (c) Deferred Tax Assets (Net) | 2.4 | 83.29 | | 68.88 | |
| (d) Other Non-Current Assets | 2.11 | 36.18 | | 186.82 | |
| 2 Current Assets | | | 24,975.77 | | 19,862.70 |
| (a) Inventories | 2.12 | 20,338.07 | | 15,952.88 | |
| (b) Trade receivables | 2.13 | 1,991.51 | | 1,729.75 | |
| (c) Cash and Cash Equivalents | 2.14 | 1,731.71 | | 1,276.71 | |
| (d) Short-Term Loans and Advances | 2.15 | 914.47 | | 903.37 | |
| Total | | | 41,473.40 | | 33,712.89 |
| Significant Accounting Policies | 1 | | | | |
| Notes to Accounts | 2 | | | | |

The accompanied notes form an integral part of the standalone financial statement

As Per Our report of even date

For M/s PRADEEP JAGTAP & ASSOCIATES
CHARTERED ACCOUNTANTS**For Shreenath Mhaskoba Sakhar Karkhana Ltd.****CA PRADEEP J. JAGTAP**
Partner

Membership No. : 042123

F. R. No : 108019W

Place: PUNE

Date: 03/09/2024

UDIN – 24042123BKGXUS8136**Mr.P.A.Raut**
Chairman &
Managing Director**Mr.V.R.Raskar**
Executive Chairman**Mr.Y.D.Sasane**
Vice Chairman**Mr.D.M.Raskar**
Chief Executive Officer**Mr.S.B.More**
Chief Finance Officer**Mr.P.V.Naikwadi**
Company Secretary

SHREENATH MHASKOBA SAKHAR KARKHANA LTD.

Factory : Shreenath Nagar, At.Patethan, Tal.Daund, Dist.Pune, 412207.

Registered Office :- S.No. 12/2, 2nd floor, Meghdoot Building,

Behind Bharat Petrol Pump, Old Lokhandi Pull Lane, Hadapsar, Pune - 411028.

Statement of Profit and Loss For the year ended 31-Mar-2024

₹ in Lacs

| | Particulars | Note No. | As on 31-Mar-2024 | | As on 31-Mar-2023 | |
|-------------|---|----------|-------------------|------------------|-------------------|------------------|
| I | Revenue from Operations | | | | | |
| | Revenue from Operations | 2.16 | | 29,313.50 | | 38,444.07 |
| II | Other Income | 2.17 | | 63.74 | | 69.20 |
| III | TOTAL INCOME (I + II) | | | 29,377.24 | | 38,513.27 |
| IV | EXPENSES | | | 27,307.28 | | 36,143.48 |
| | Cost of Materials Consumed | 2.18 | 22,734.93 | | 24,604.88 | |
| | Purchases of Stock-in-Trade | 2.19 | - | | - | |
| | Changes in Inventories of traded goods | 2.20 | 0.04 | | 0.16 | |
| | Changes in Inventories of Finished Goods | 2.21 (a) | -4,367.13 | | 3,746.52 | |
| | Changes in Inventories of work-in-progress | 2.21 (b) | -25.91 | | 23.90 | |
| | Employee Benefit Expenses | 2.22 | 1,757.63 | | 1,635.95 | |
| | Finance Costs | 2.23 | 1,036.29 | | 808.95 | |
| | Depreciation and Amortization Expenses | 2.24 | 980.24 | | 931.92 | |
| | Other Expenses | 2.25 | 5,191.19 | | 4,391.20 | |
| | TOTAL EXPENSES | | | 27,307.28 | | 36,143.48 |
| V | Profit before Exceptional and Extraordinary Items and Tax (III-IV) | | | 2,069.95 | | 2,369.79 |
| VI | Exceptional Items | | | - | | - |
| VII | Profit before Extraordinary Items and Tax (V-VI) | | | 2,069.95 | | 2,369.79 |
| VIII | Extraordinary Items | 2.26 | | 119.00 | | - |
| IX | Profit Before Tax (VII-VIII) | | | 2,188.95 | | 2,369.79 |
| X | Tax Expense | | | 574.41 | | 454.38 |
| (1) | Current Tax | | 588.82 | | 457.66 | |
| | Less:MAT Credit Entitlement | | 167.39 | | 43.61 | |
| | Net Current Tax | | 421.43 | | 414.05 | |
| (2) | Deferred Tax | | -14.41 | | -3.29 | |
| XI | Profit/(Loss) for the period from Continuing Operations(IX-X) | | | 1,614.54 | | 1,915.41 |
| XII | Profit(Loss) for the Period (IX-X) | | | 1,614.54 | | 1,915.41 |
| XIII | Appropriation | | | 392.34 | | 505.04 |
| | Proposed Dividend on Equity Shares | | 226.93 | | 272.32 | |
| | Proposed Dividend on Preference Shares | | 54.43 | | 54.43 | |
| | Income Tax Paid / MAT excess provided | | 1.54 | | 59.81 | |
| | Transfer to General Reserve | | 109.45 | | 118.49 | |
| | Transfer to Balance Sheet | | | 1,222.20 | | 1,410.37 |
| IX | Earnings per Equity Share | | | | | |
| 1 | Basic | | | 103.12 | | 123.01 |
| 2 | Diluted | | | 103.12 | | 123.01 |

The accompanied notes form an integral part of the standalone financial statement

As Per Our report of even date

For M/s PRADEEP JAGTAP & ASSOCIATES
CHARTERED ACCOUNTANTS

For Shreenath Mhaskoba Sakhar Karkhana Ltd.

CA PRADEEP J. JAGTAP
Partner

Membership No. : 042123

F. R. No : 108019W

Place: PUNE

Date: 03/09/2024

UDIN – 24042123BKGXUS8136

Mr.P.A.Raut
Chairman &
Managing Director

Mr.V.R.Raskar
Executive Chairman

Mr.Y.D.Sasane
Vice Chairman

Mr.D.M.Raskar
Chief Executive Officer

Mr.S.B.More
Chief Finance Officer

Mr.P.V.Naikwadi
Company Secretary

SHREENATH MHASKOBA SAKHAR KARKHANA LTD
S.NO. 12/2, 2ND FLOOR, MEGHDOOT BUILDING, PUNE-SOLAPUR ROAD.
BEHIND BHARAT PETROL PUMP, OLD LOKHANDI PULL LANE, HADAPSAR, PUNE-411028

Cash Flow Statement

₹ in Lacs

| S.R. | Particulars | As on 31.03.2024 | | As on 31.03.2023 | |
|----------|---|------------------|------------------|------------------|------------------|
| A | CASH FLOW FROM OPERATING ACTIVITIES:- | | | | |
| | Net Profit/(Loss) before Tax & Exceptional Items | | 2,069.95 | | 2,369.79 |
| | <i>Adjustments for :</i> | | 1,989.42 | | 1,899.93 |
| | <i>Depreciation and Amortization of Expenses</i> | 980.24 | | 931.92 | |
| | <i>Loss of Asset</i> | - | | 179.07 | |
| | <i>Dividend Income</i> | -5.89 | | -4.01 | |
| | <i>Interest Income</i> | -21.23 | | -17.62 | |
| | <i>Bad Debts</i> | - | | 1.61 | |
| | <i>Finance Cost</i> | 1,036.29 | | 808.95 | |
| | Operating profit before working capital changes | | 4,059.37 | | 4,269.71 |
| | <i>Adjustments for (increase)/decrease in operating assets</i> | | -4,327.00 | | -2,480.52 |
| | <i>(Increase) / Decrease in trades receivables</i> | -261.76 | | -548.51 | |
| | <i>Increase / (Decrease) in trades payable</i> | 25.51 | | -5,444.44 | |
| | <i>(Increase) / Decrease in inventories</i> | -4,385.20 | | 3,763.19 | |
| | <i>(Increase) / Decrease in Other Current & Non Current Assets</i> | 150.64 | | 50.04 | |
| | <i>(Increase) / Decrease in Short-Term Loans and Advances</i> | -11.10 | | -123.33 | |
| | <i>Increase / (Decrease) in Other Current Liabilities</i> | 228.86 | | -310.27 | |
| | <i>Increase / (Decrease) in Short-Term Provisions</i> | -73.94 | | 132.81 | |
| | Cash Generated from / (used in) operations | | -267.63 | | 1,789.20 |
| | <i>Tax expenses</i> | | -233.11 | | -581.56 |
| | Cash flow before exceptional and extraordinary items | | -500.74 | | 1,207.63 |
| | Exceptional / extraordinary items | | 119.00 | | 129.59 |
| | NET CASH FLOW FROM OPERATING ACTIVITIES | | -381.74 | | 1,337.22 |
| B | CASH FLOW FROM INVESTMENT ACTIVITIES:- | | | | |
| | <i>Capital Expenditure on Fixed Assets</i> | -1,798.97 | | -144.76 | |
| | <i>WIP</i> | -1,935.92 | | -1,374.51 | |
| | <i>Acquisition of Non-Current Investments</i> | -29.02 | | -10.05 | |
| | <i>Dividend Income</i> | 5.89 | | 4.01 | |
| | <i>Interest Income</i> | 21.23 | | 17.62 | |
| | NET CASH USED IN INVESTING ACTIVITIES | | -3,736.79 | | -1,507.68 |
| C | CASH FLOW FROM FINANCING ACTIVITIES:- | | | | |
| | <i>Finance Cost</i> | -1,036.29 | | -808.95 | |
| | <i>Dividend & Dividend Tax Paid</i> | -326.74 | | -281.36 | |
| | <i>Proceeds from long term borrowings</i> | 3,688.00 | | 1,350.00 | |
| | <i>Repayment of long-term borrowings</i> | -1,643.43 | | -1,375.21 | |
| | <i>Long Term Installment-Next Year</i> | 518.53 | | -148.89 | |
| | <i>Capital Reserve</i> | 7.87 | | - | |
| | <i>Net Increase / (Decrease) in Short-Term Borrowings</i> | 3,365.61 | | -1,250.15 | |
| | NET CASH FROM FINANCING ACTIVITIES | | 4,573.55 | | -2,514.56 |
| | NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C) | | 455.01 | | -2,685.03 |
| | CASH & CASH EQUIVALENTS - OPENING BALANCE | | 1,276.71 | | 3,961.73 |
| | CASH & CASH EQUIVALENTS - CLOSING BALANCE | | 1,731.71 | | 1,276.71 |

See accompanying notes forming part of the financial statements

As Per Our report of even date

For M/s PRADEEP JAGTAP & ASSOCIATES
CHARTERED ACCOUNTANTS

For Shreenath Mhaskoba Sakhar Karkhana Ltd.

CA PRADEEP J. JAGTAP

Partner

Membership No. : 042123

F. R. No : 108019W

Place: PUNE

Date: 03/09/2024

UDIN – 24042123BKGXUS8136

Mr.P.A.Raut

Chairman &

Managing Director

Mr.V.R.Raskar

Executive Chairman

Mr.Y.D.Sasane

Vice Chairman

Mr.D.M.Raskar

Chief Executive Officer

Mr.S.B.More

Chief Finance Officer

Mr.P.V.Naikwadi

Company Secretary

Notes forming part of the Financial Statements for the year ended 31st March 2024.

1.0 Significant accounting policies**1.1 Basis of preparation of financial statements**

The accompanying financial statements have been prepared on going concern basis under historical cost convention on the accrual basis of accounting in conformity with the accounting principles generally accepted in India (Indian GAAP) and relevant provisions prescribed in the Companies Act, 2013, besides the pronouncements / guideline of ICAI and Securities and Exchange Board of India (SEBI).

The accounting policies have been consistently applied by the Company and are consistent with those used in previous year.

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

1.2 Use of estimates

The preparation of the Financial Statements in conformity with GAAP in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities and assets as at the date of the financial statements and reported amounts of revenue and expenses during the period. Actual results might differ from the estimates.

Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

1.3 Property, plant and equipment, intangible assets and capital work-in-progress

Property, plant and equipment are stated at actual cost less accumulated depreciation. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, finance charges and other incidental expenses directly attributable to bringing the asset to its working condition for the intended use and also includes pro-rata allocation of pre-operative expenses incurred during the construction / installation stage and after deducting the Central Excise CENVAT claimed against Capital goods and Capital subsidies received for assets under construction or installation.

On 31st March, 2015, the company had revalued its fixed asset mainly Land, Building, Plant & Machinery of Sugar Factory as at 31st March, 2015 on net replacement value as per the report of **M/s Inventa Engineering Services**, Government Approved valuer (Regd. No. CAT-I/796 and the cost of respective asset aggregating to ₹ 3,501.17 lakhs was substituted by the revalued amount of ₹ 12,489.53 lakhs and the resultant increase was credited to Revaluation Reserve A/c.

During the financial year company has undertaken Expansion of Distillery 120 KLPD project. Total cost incurred on this project is Rs.4,114.86 lakhs. Project is not completed since 31.03.2024. Hence shown as a Capital WIP in financial statements of 31.03.2024. All costs incurred including interest on Loan taken for project is shown as Capital WIP.

During the financial year, the digester of the distillery department of the Company has got damaged due to major accident on 03/12/2022. The Company has taken necessary steps for lodging the insurance claim with ICICI Lombard. Other necessary legal requirements of intimating the incidence to the concerned authorities have also been complied by the Company. The original cost of the said digester as per the records is 378.21 Lakhs. The depreciated value as of date 03/12/2022 of said digester is Rs.210.45 lakhs. After consideration of revaluation reserve appearing in books of accounts of Company in respect of this digester resulted loss of Rs.179.07 lakhs has been recognised and debited to P&L Account. Due to this accident performance of the distillery unit is hampered and projected CBG unit could not be made operational at the scheduled date of project start.

The said digester was totally destroyed in the accident which took place on 03/12/2022. The entire amount of loss due to this accident amounting to Rs.179.07 was debited to the profit and loss account for the previous year ended 31/03/2023. During the period under audit an amount of Rs.118.99 lakhs has been received against the insurance claim of digester. The said amount has been shown as extra ordinary item as per note no.2.26.

₹ in Lacs

| | |
|-------------------------------|--------------------|
| Capital Work-in-Process (WIP) | To be completed in |
|-------------------------------|--------------------|

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| | Less than 1 year | 1-2 years | 2-3 year | more than 3 years |
|---------------------------------|------------------|-----------|----------|-------------------|
| Distillery Expansion (120 KLPD) | 705.17 | 3,409.69 | - | - |

Useful lives of property, plant and equipment

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, the management has determined that no changes are required to the useful lives of assets.

1.4 Depreciation and amortisation

- Depreciation on Fixed Assets is provided in accordance with the useful life of the asset as specified in Schedule II to the Companies Act, 2013 (as amended) and estimated by the management.
- Depreciation/amortisation on assets added, sold or discarded during the year has been provided on pro-rata basis.

1.5 Impairment of assets

In accordance with Accounting Standard 28- Impairment of Assets (As 28), the carrying amounts of the Company's assets are reviewed of each Balance sheet date to determine whether there is any indication of impairment. If any such indications exist, the assets' recoverable amount is estimated as the higher of the net selling price and its value in use. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. If at the Balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

1.6 Prior period & Extra ordinary items (Compliance of AS-5)

There are no prior period items. During the period under audit an amount of Rs.118.99 lakhs has been received against the insurance claim of digester which was expense out in last year. The said amount has been shown as extra ordinary item as per note no.2.26.

1.7 Government grants and assistance

- Government grant related to depreciable fixed assets is adjusted with the value of the depreciable fixed assets if any As Per AS 12. If not related to a depreciable fixed asset the amount is credited to capital reserve. During the financial year Government grant amounting to Rs. 7.87 lakhs is received towards interest subvention.
- Government grants received relating to revenue operations are recognised as income of the related year. During the financial year no government grants related to revenue operations is received.

1.8 Foreign currency transactions

There are no Foreign transaction during the financial year 2023-24,

1.9 Investments

- Investments of the Company are classified as Current or long term investments based on management's intentions at the time of purchased. In financial year all investment are shown as non-current investments. Valuation of non-current investment are shown at cost less provisions for diminution recorded to recognized any decline, other than temporary if any , in the carrying value of each investment. Cost includes acquisitions charges such as brokerage, fees and duties.
- Current investments if any are carried at the lower of cost and fair value category wise.
- In Profit loss statement dividend on Bank shares of Rs.5.89 lakhs is shown.
- Long terms investments are in the nature of shares of different Co-operative Banks. Shown at nominal paid up value of shares.

1.10 Inventories

- Inventories (other than By-products) are valued at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventory comprises of purchase price, cost of conversion and other cost that have been incurred in bringing the inventories to their respective present location and condition. Interest costs are not included in value of inventories.

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

- b) Assets identified and technically evaluated as obsolete and held for disposal are valued at their estimated net realisable value.
- c) By-products are valued at net realisable value.

1.11 Excise Duty, Service Tax, Sales Tax, Vat & GST

- a) GST Benefit is accounted for by reducing the purchase cost of Material/Fixed Assets.
- b) Vat Tax related earlier to GST Act is shown as receivable to the extent receivable.
- c) RCM has been paid on security services, transport (GTA) & Advocate fees by the Company.

1.12 Revenue recognition

- a) Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Sale of goods is recognised at the time of transfer of substantial risk and rewards of ownership to the buyer for a consideration.
- b) Gross turnover excludes VAT, GST etc.
- c) Dividend income is recognised when the Company's right to receive dividend is established.
- d) Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.
- e) All other income are accounted for on accrual basis.

1.13 Expenses

All the expenses are accounted for on accrual basis.

1.14 Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of a qualifying asset is capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit and Loss in the period in which they are incurred. During the period under audit finance cost incurred on CBG project amounting to Rs.92.68 lakhs and on Distillery 120 KLPD project amounting to Rs.142.47 lakhs has been capitalised.

1.15 Cash flow statement

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

1.16 Earnings per share

Basic earnings per share is computed by dividing the net profit/(loss) after tax (including the post tax effect of extra ordinary items, if any) for the period attributable to equity shareholders. Weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit/(loss) for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

1.17 Taxes on income

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, when there is a brought forward loss or unabsorbed depreciation under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably / virtually certain to be realised.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternate tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and write down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. As on 31/03/2024 outstanding MAT credit amount is Rs.0 lakhs.

1.18 Retirement Benefits

- a) Contributions to Provident Fund are accounted on accrual basis and charged to Profit and Loss Account for the year under consideration.
- b) AS 15 "Employee Benefits": Provision for Gratuity has been provided in the books of Accounts of the Company on actual basis by way of debit to P&L A/c, however no actuarial valuation has been obtained by the Company. The Company has not invested separately the amount of gratuity payable.
- c) Provision of Leave Encashment is not done by the Company.

1.19 Segment reporting

The main activity of the Company is manufacturing of Sugar from sugar cane. As a manufacturing process, other by-product namely molasses, bagasse, ethanol etc. are procured. Generation of power through Co-gen plant is also one of the activities of the Company for which input is from sugar cane processing plant. Primary segments of the Company are Sugar, Distillery, Co-generation. Petrol pump is the separate activity of the Company having separate license, but under the same PAN number. All the above mentioned activities are located in Pune District at Rahu, Taluka Daund, under one geographical location. The Company has already undertaken CBG project. However same is under development. Reportable segments of the Company are not based on geographical segments. In annual accounts disclosure of segment reporting is covered in other disclosure point No. 2.27(H) for the year ended 31/03/2024.

Segments are identified based on the dominant source and nature of risks and returns and the internal organisation and management structure. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- a) Inter segment transfer is accounted for based on the transaction price agreed to between segments which is primarily market led.
- b) Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment.
- c) Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been disclosed as "Unallocable".

1.20 Provisions, Contingent Liabilities and Contingent Assets

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

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

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

Contingent Liabilities

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. In annual accounts disclosure of contingent liability is covered in other disclosure point No. 2.27(B) for the year ended 31/03/2024.

1.21 Additional Regulatory Information

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in Additional Regulatory Information

a. Ratios

| S.No. | Ratio | Current Year | Previous Year | Varaince | Reason |
|-------|----------------------------------|--------------|---------------|----------|--------------------------------|
| (a) | Current Ratio | 1.21 | 1.18 | 3% | Increase in stock |
| (b) | Debt-Equity Ratio | 3.88 | 3.61 | 7% | Due to additional borrowings |
| (c) | Debt Service Coverage Ratio | 2.19 | 1.86 | 18% | Increase in Profitability |
| (d) | Return on Equity Ratio | 0.20 | 0.25 | -20% | Increase in Reserve & Surplus |
| (e) | Inventory turnover Ratio | 1.43 | 1.48 | -3% | Decrease in turnover |
| (f) | Trade Receivables Turnover Ratio | 15.75 | 26.41 | -40% | Realisation of dues |
| (g) | Trade Payables Turnover Ratio | 17.09 | 6.68 | 156% | Trade Payables Increase |
| (h) | Net Capital Turnover Ratio | 2.74 | 4.11 | -33% | Decrease in Cost of Goods sold |
| (i) | Net Profit Ratio | 7.47 | 6.16 | 21% | Decrease in Turnover |
| (j) | Return on Capital Employed | 15.54 | 18.86 | -18% | Increase in Reserve & Surplus |
| (k) | Return on Investment | 13.37 | 17.43 | -23% | Increase in Reserve & Surplus |

Note: The company shall explain the items included in numerator and denominator for computing the above ratios. Explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding year.

b. The title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date except for the following:-

| | |
|---|---|
| 1 | Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - Notary done, Litigation issue Gross Carrying Value - Rs.1.00 lakh Held in Name of - Zurunge Vishnu Umaji Period held indicate range where applicable - 30/08/2010 |
| 2 | Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - Notary done, Litigation issue Gross Carrying Value - Rs.1.00 lakh Held in Name of - Zurunge Vitthal Umaji Period held indicate range where applicable - 30/08/2010 |
| 3 | Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - Notary done, Litigation issue |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| | |
|----|---|
| | <p>Gross Carrying Value - Rs.1.00 lakhs Held in Name of - Zurunge Balasaheb Kisan Period held indicate range where applicable - 30/08/2010</p> |
| 4 | <p>Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - Notary done, Litigation issue Gross Carrying Value - Rs.1.00 lakh Held in Name of - Zurunge Keru Kisan Period held indicate range where applicable - 30/08/2010</p> |
| 5 | <p>Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - Notary done, Litigation issue Gross Carrying Value - Rs.0.50 lakhs Held in Name of - Zurunge Pandurang Bapu Period held indicate range where applicable - 30/08/2010</p> |
| 6 | <p>Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - Notary done, Litigation issue Gross Carrying Value - Rs.0.50 lakh Held in Name of - Zurunge Laxman Bapu Period held indicate range where applicable - 30/08/2010</p> |
| 7 | <p>Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - Notary done, Litigation issue Gross Carrying Value - Rs.0.50 lakh Held in Name of - Zurunge Parashram Bapu Period held indicate range where applicable - 30/08/2010</p> |
| 8 | <p>Description of Property - Karkhana Site (12-R) Gat No.223 Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - Notary done, Litigation issue Gross Carrying Value - Rs.0.50 lakh Held in Name of - Zurunge Sitaram Bapu Period held indicate range where applicable - 30/08/2010</p> |
| 9 | <p>Description of Property - Gat No.60 Vilege - Kolave (Kadam Family) Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - Litigation issue Gross Carrying Value - Rs.2.00 lakhs Held in Name of - Kadam Ganesh Maruti, Shinde Parvatibai Pandurang. Kadam Shankar Ganpat & Kadam Period held indicate range where applicable - 21/07/2014</p> |
| 10 | <p>Description of Property - 05 AAR Land at River Site Gat No.43 Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - Pipeline Land amount Advanced pending due to minimum Gross Carrying Value - Rs.2.50 lakhs Held in Name of - Ghadage Baban Tukaram Period held indicate range where applicable - 15/05/2017 & 21/06/2017</p> |
| 11 | <p>Description of Property - Forest Land at Nandur, Tal.Daund, Dist.Pune Whether promoter director or their relative or employee - No</p> |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| | |
|----|--|
| | Reason got not being held in the name of Company - The amount paid to get exchange of the land from Gross Carrying Value - Rs.2.00 lakhs Held in Name of - Shree Gajanan Enterprises (Sandesh Salvi) Period held indicate range where applicable - 24/11/2018 & 25/02/2019 |
| 12 | Description of Property - Gat No.82/01 at VadgaonBudruk, Tal.Khed, Dist. Ratnagiri (More Family - Forest) Whether promoter director or their relative or employee - No Reason got not being held in the name of Company - The amount paid to get exchange of the land from Gross Carrying Value - Rs.3.00 lakhs Held in Name of - More Sandip Devu, More Santosh Anaji, More Sachin Anaji, More Vaman Dhondbarao, More Period held indicate range where applicable - 25/02/2019 & 07/03/2019 |

c. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

d. The Company has a Working Capital limit of 150.00 Crore for its sugar production activity from Pune District Central Co-Operative Bank Ltd. As per sanction conditions all requirements are submitted to the bank. The average difference is not material and is less than 1% from books of accounts due to finalization of accounts at the end of the year.

e. The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at anytime during the financial year or after the end of reporting period but before the date when the financial statements are approved.

f. Borrowings from banks and financial institutions

During the financial year following term loans / working capital limits availed by the company.

1. Term Loan

During the financial year company has availed Rs.40.00 crores out of total sanction limit of Rs.54.00 crores for 120 KLPD Distillery project under consortium finance in which lead bank is Janseva Sahakari Bank Ltd, Hadapsar, Pune. Total outstanding amount of this loan is Rs.40.32 crores. This term loan has been utilised for long term purposes for which same was availed.

During the financial year company has availed Rs.10.00 Lakhs out of total sanction limit of Rs.10.00 Lakhs for purchase of Mahindra Bolero from Shreenath Mhaskoba Credit Co-Operative Society Ltd, Patethan, Pune. Total outstanding amount of this loan is Rs.7.69 Lakhs. This term loan has been utilised for purchase of Vehicle purposes for which same was availed.

2. Working Capital Loan

During the financial year PDCC bank has sanctioned Rs.150 crore pledge CC limit against security of sugar stock. The maximum outstanding amount during the year was Rs.0 crore. The said short term facility was utilised for which the same was sanctioned.

During the financial year PDCC bank has sanctioned Rs.14.85 crore in the month of Jun-23 preseasonal loan (against security of sugar stock. The maximum outstanding amount during the year was 7.50 crore and the outstanding as on 31/03/2024 is Rs.0 crore. The said short term facility was utilised for which the same was sanctioned." Said Loan is closed during the financial year.

g. Details in respect of utilization of borrowed funds and share premium shall be provided in respect of :

a. Transactions where an entity has provided any advance, loan, or invested funds to any other person (s) or entity/ entities, including foreign entities.

| |
|-----------------------------|
| Outstanding amount in lakhs |
| Advances - 730.43 |
| Investment - 121.42 |
| Loans - Nil |

b. Transactions where an entity has received any fund from any person (s) or entity/ entities, including foreign entity.

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| |
|--|
| Outstanding amount in lakhs |
| Retention Money (including security deposit) - 1787.72 |
| Long Term Loans - 4674.18 |
| Short Term Loans - 15426.34 |

f. The Company does not have any transactions with struck-off companies however outstanding amount paid for purchase of molasses from New Phaltan Works Ltd of Rs.90.48 lakhs is unrecoverable since this company declared insolvent by the NCLT.

g. The Company has registered all charges with ROC except charge of loan of Shreenath Mhaskoba Credit Co-Op Soc. Ltd of Rs.10.00 lakh taken on Aug-2022 for purchase of vehicle.

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

i. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

20. CSR: Company is covered under section 135 of the Companies Act. Following are details of CSR activity of the Company.

a. amount required to be spent by the company during the year, Rs.44.35 lakhs.

b. amount of expenditure incurred, Rs.60.31 lakhs.

c. shortfall at the end of the year, - Nil

d. total of previous year's shortfall, - Nil

e. reason for shortfall, - Not applicable

f. nature of CSR activities, - Animal Welfare, Cloths distribution, Tree plantation, Ambulance Services, Farmer welfare, School, Apprentice, Medical & Child care expenditures.

g. Details of related party transactions that is contribution to a trust contolled by the company in relation to CSR expenditure as per relevant accounting standered. :- Nil

h. The company has spent excess of Rs. 15.96 lakhs which shall be carried forward in the next year and be expended towards CSR.

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

2. Notes to accounts

Previous period's figures have been grouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

2.1. Share Capital

2.1.1. A) Authorized, Issued, Subscribed and Paid-up share capital

₹ in Lacs

| Particulars | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|--|-------------------|-----------------|-------------------|-----------------|
| | Number of Shares | Amount | Number of Shares | Amount |
| a) Authorised Share Capital | | | | |
| Equity Shares of ₹ 100 each | 16,50,000 | 1,650.00 | 16,50,000 | 1,650.00 |
| Preference Share of ₹ 1,00,000 each (10% Non-Convertible Cumulative Redeemable Preference Shares-term 20 years) | 605 | 605.00 | 605 | 605.00 |
| Preference Share of ₹ 5000 each (5% Non-Convertible Cumulative Redeemable Preference Shares-term 20 years) | 6,900 | 345.00 | 6,900 | 345.00 |
| Total | 16,57,505 | 2,600.00 | 16,57,505 | 2,600.00 |
| b) Subscribed and fully paid | | | | |
| Equity Shares of ₹ 100 each | 15,12,862 | 1,512.86 | 15,12,862 | 1,512.86 |
| Preference Share of ₹ 1,00,000 each (10% Non-Convertible Cumulative Redeemable Preference Shares-term 20 years) | 380 | 380.00 | 380 | 380.00 |
| Preference Share of ₹ 5,000 each (5% Non-Convertible Cumulative Redeemable Preference Shares-term 20 years) | 6,571 | 328.55 | 6,571 | 328.55 |
| Total | 15,19,813 | 2,221.41 | 15,19,813 | 2,221.41 |
| c) Reconciliation of number and amount of equity shares outstanding at the beginning and at the end of the reporting year | | | | |
| Equity Shares (Face Value ₹ 100) | | | | |
| Shares outstanding at the beginning of the year | 15,12,862 | 1,512.86 | 15,12,862 | 1,512.86 |
| Shares Issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 15,12,862 | 1,512.86 | 15,12,862 | 1,512.86 |
| Preference Shares (Face Value ₹ 1,00,000) | | | | |
| Shares outstanding at the beginning of the year | 380 | 380.00 | 380 | 380.00 |
| Shares Issued during the year | - | - | - | - |
| Shares Redeem during the year | - | - | - | - |
| Shares outstanding at the end of the year | 380 | 380.00 | 380 | 380.00 |
| Preference Shares (Face Value ₹ 5,000) | | | | |
| Shares outstanding at the beginning of the year | 6,571 | 328.55 | 6,571 | 328.55 |
| Shares Issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 6,571 | 328.55 | 6,571 | 328.55 |

d) The Company has only one class of equity shares. The Company declares and pays dividend in Indian rupees. The holders of equity shares are entitled to receive dividend when declared and are entitled to one vote per share.

e) The company has extended the period of redemption of preference share of ₹ 100000/- each for period not exceeding 20 years from the date of issue of preference shares instead of 8 years as per extraordinary general meeting held on 01/05/2018

f) The company has extended the period of redemption of preference share of ₹ 5000/- each for period not exceeding 20 years from the date of issue of preference shares instead of 7 years as per extraordinary general meeting held on 01/05/2018

g) The company has restructured its authorized share capital in the EGM held on February 14th 2014.

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

h) Shareholders holding more than 5% of Share

₹ in Lacs

| Particulars | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|--|-------------------|--------|-------------------|--------|
| | Number of Shares | Amount | Number of Shares | Amount |
| Preference Share Holder (₹100000/-each)-% | | | | |
| Babanrao Sopanrao Gaikwad - 9.48% | 36 | 36.00 | 36 | 36.00 |
| Vandana Babanrao Gaikwad - 5.79% | 22 | 22.00 | 22 | 22.00 |
| Madhav Pandurang Raut - 7.11% | 27 | 27.00 | 27 | 27.00 |
| Pandurang Abaji Raut - 5% | 19 | 19.00 | 19 | 19.00 |
| Punam Madhav Raut - 8.69% | 33 | 33.00 | 33 | 33.00 |
| Hema Vikas Raskar - 8.69% | 33 | 33.00 | 33 | 33.00 |
| Vikas Ramchandra Raskar - 8.95% | 34 | 34.00 | 34 | 34.00 |

i) Promoters & Directors shareholding

| Promoter's Name | No. of Shares As at 31-Mar-2024 | % of Total Shares | % Change during the year | No. of Shares As at 31-Mar-2023 |
|------------------------------|---------------------------------|-------------------|--------------------------|---------------------------------|
| Raut Pandurang Abaji | 21,500 | 1.82 | 0% | 21,500 |
| Raskar Vikas Ramchandra | 47,582 | 3.81 | 0% | 47,582 |
| Gaikwad Babanrao Sopanrao | 31,137 | 3.02 | 0% | 31,137 |
| Karpe Mahesh Sambhajirao | 14,787 | 0.67 | 0% | 14,787 |
| Sasane Yogesh Dattatray | 24,700 | 2.09 | 0% | 24,700 |
| Bhujbal Anil Jaywantrao | 7,375 | 0.33 | 0% | 7,375 |
| Karanje Hemant Sambhajirao | 8,715 | 0.39 | 0% | 8,715 |
| Badhe Anil Laxman | 6,062 | 0.27 | -40% | 10,062 |
| Shinde Kisan Dinkar | 6,565 | 0.30 | 0% | 6,565 |
| Raut Madhav Pandurang | 19,474 | 2.09 | 0% | 19,474 |
| Memane Bhagwan Dashrath | 100 | - | 0% | 100 |
| Shivale Hanumant Baban | 100 | - | 0% | 100 |
| Kendre Lata Satish | 1,000 | 0.05 | 0% | - |
| Tawde Vinod Shreedhar | 60,096 | 2.92 | 71% | 35,056 |
| Kadam Dnyandeo Tukaram | 5,385 | 0.24 | 0% | - |
| Kadam Pandurang Tukaram | - | - | -100% | 9,046 |
| Fulsundar Sitaram Bhausahab | 6,362 | 0.29 | 0% | 6,362 |
| Chakankar Dattatray Kondiba | 10,125 | 0.46 | 0% | 10,125 |
| Dhamdhare Ankushrao Balbhima | 13,092 | 0.59 | 0% | 13,092 |
| Kendre Satish Patloba | 13,526 | 0.61 | 0% | 13,526 |
| Abnawe Shrihari Sonaba | - | - | -100% | 11,616 |
| Abnawe Rajesh Shrihari | 5,808 | 0.26 | 0% | - |
| Ambekar Dattatray Baburao | 6,950 | 0.31 | 0% | 6,950 |
| Bhumkar Dattatray Ramchandra | 6,454 | 0.29 | 0% | 6,454 |
| Bankar Rajesh Nivruti | 7,975 | 0.36 | 0% | 7,975 |
| Kachare Raghunath Mhaskoji | - | - | -100% | 8,875 |
| Kachare Bharati Manohar | 8,875 | 0.40 | 0% | - |
| Kamthe Shivaji Maruti | 8,121 | 0.37 | 0% | 8,121 |
| Kadam Shrikant Laxman | 4,550 | 0.20 | 0% | 4,550 |
| Landge Pradeep Dattatray | 34,500 | 1.55 | 0% | 34,500 |
| Jadhav Dasharath Dinkar | 6,960 | 0.76 | 0% | 6,960 |
| Tilekar Bhagwan Vitthal | 5,775 | 0.26 | 0% | 5,775 |
| Mhetre Shilpa Sandeep | 8,375 | 0.38 | 0% | 8,375 |
| Raskar Krishnakant Vasant | 6,233 | 0.28 | 0% | 6,233 |
| Charwad Ravindra Balasaheb | 16,396 | 0.74 | 0% | 16,396 |
| Dangat Sangram Gansham | 1,500 | 0.07 | 0% | 1,500 |
| Hanamghar Sandeep Raghunath | 6,250 | 0.28 | 0% | 6,250 |
| Gurgule Arun Pandurang | 19,250 | 0.87 | 0% | 19,250 |
| Darekar Mukund Sadashiv | 4,283 | 0.19 | 0% | 4,283 |
| Bhujbal Ravindra Dnyaneshwar | 5,300 | 0.24 | 0% | 5,300 |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

2 . Notes to accounts

Previous period's figures have been grouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

2.1 Share Application money pending allotment

₹ in Lacs

| Particulars | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|---|-------------------|--------|-------------------|--------|
| | Number of Shares | Amount | Number of Shares | Amount |
| a) Application money received against subscription and fully paid up share capital | | | | |
| Equity Shares of ₹ 100 each | - | - | - | - |
| Preference Share of ₹ 1,00,000 each (10% Non-Convertible Cumulative Redeemable Preference Shares-term 20 years) | - | - | - | - |
| Preference Share of ₹ 5,000 each (5% Non-Convertible Cumulative Redeemable Preference Shares-term 20 years) | - | - | - | - |
| Total | - | - | - | - |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

2.2. Reserves and Surplus

₹ in Lacs

| Particulars | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|--|-------------------|------------------|-------------------|------------------|
| a) Revaluation Reserve | | 3,965.03 | | 3,965.03 |
| Balance as per last account | 3,965.03 | | 3,996.41 | |
| Add : Revaluation Current Year | - | | -31.37 | |
| b) General Reserve | | 607.03 | | 497.58 |
| Balance as per last account | 497.58 | | 379.09 | |
| Add: Transfer from Surplus in the Statement of Profit and Loss | 109.45 | | 118.49 | |
| c) Capital Redemption Reserve | | 493.04 | | 493.04 |
| d) Capital Reserve | | 232.06 | | 224.19 |
| e) Surplus in the Statement of Profit and Loss | | 8,561.74 | | 7,339.54 |
| Balance as per last account | 7,339.54 | | 5,929.17 | |
| Add: Income Tax / MAT | -0.00 | | - | |
| Add: Profit for the year/period | 1,222.20 | | 1,410.37 | |
| Total | | 13,858.89 | | 12,519.38 |

i) Revaluation reserve has been credited with ₹ 3,965.03 lakhs on account of revaluation of fixed asset as stated below in the schedule no.2.9 Fixed asset point no.(i) & (iii).

2.3. Long-Term Borrowings

₹ in Lacs

| Particulars | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|---------------------------------|-------------------|-----------------|-------------------|-----------------|
| Secured | | | | |
| Term Loans | | | | |
| From banks | | 5,557.10 | | 3,512.53 |
| PDCC - Soft Loan New | - | | 617.19 | |
| JSB - Distillery Expansion Loan | 274.13 | | 654.53 | |
| JSB - Machinery | 4,060.20 | | 637.61 | |
| Vehicle Loan | 7.69 | | 9.35 | |
| Consortium Finance Account-CBG | 1,073.92 | | 1,088.61 | |
| JSB - Expansion Consortium | 141.16 | | 505.23 | |
| Less : Installment-Next Year | | 882.93 | | 1,401.46 |
| Total | | 4,674.17 | | 2,111.07 |

a) Nature of securities:

- i) Rupee Term Loans from Consortium Finance Banks is secured by way of first equitable mortgage on immovable properties, hypothecation of movable properties and personal guarantee by all the directors of the company, both present and future, pertaining to Company.
- ii) Rupee Term Loans from Consortium Finance Banks for Expansion, Co-Generation, Boiler, CBG, Soft Loan & Distillery is secured by way of first equitable mortgage on immovable properties, hypothecation of movable properties and personal guarantee by all the directors of the company, both present and future, pertaining to Company.

b) Terms of Repayment :

₹ in Lacs

| Name of the banks / entities | Amount outstanding as on 31st March, 2024 | Rate of interest | Repayment of loan installment amount | Repayment of loan interest amount |
|--|---|------------------|--------------------------------------|-----------------------------------|
| A. Consortium Finance Account-Expansion | | | | |
| A. JSB-Expansion Consortium | 141.16 | 11.25% | | |
| F.Y. 2024 - 2025 | | | 141.16 | 5.91 |
| B. Janseva Sah.Bank Ltd.-CBG | | | | |
| F.Y. 2024 - 2025 | 1,073.92 | 11.25% | 240.00 | 110.69 |
| F.Y. 2025 - 2026 | | | 240.00 | 83.69 |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| | | | | |
|------------------------------------|----------|--------|--------|--------|
| F.Y. 2026 - 2027 | | | 240.00 | 56.69 |
| F.Y. 2027 - 2028 | | | 240.00 | 29.69 |
| F.Y. 2028 - 2029 | | | 113.92 | 4.72 |
| C. SMCOP SOC.-Vehicle Loan | | | | |
| | 7.69 | 12.00% | | |
| F.Y. 2024 - 2025 | | | 2.64 | 0.74 |
| F.Y. 2025 - 2026 | | | 2.64 | 0.45 |
| F.Y. 2026 - 2027 | | | 2.41 | 0.16 |
| D. JSB Machinery Loan | | | | |
| | 4,060.20 | 9.75% | | |
| F.Y. 2024 - 2025 | | | 225.00 | 395.87 |
| F.Y. 2025 - 2026 | | | 900.00 | 341.03 |
| F.Y. 2026 - 2027 | | | 900.00 | 253.28 |
| F.Y. 2027 - 2028 | | | 900.00 | 165.53 |
| F.Y. 2028 - 2029 | | | 900.00 | 77.78 |
| F.Y. 2029 - 2030 | | | 235.20 | 5.98 |
| F. JSB Distillery Expansion | | | | |
| | 274.13 | 11.00% | | |
| F.Y. 2024 - 2025 | | | 274.13 | 17.78 |

2.4. Deferred Tax Liabilities (Net)

₹ in Lacs

| Particulars | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|--|-------------------|---------------|-------------------|---------------|
| Depreciation | | -222.22 | | -186.15 |
| As per Income Tax Act | 758.02 | | 745.77 | |
| Less : As per Company Act | 980.24 | | 931.92 | |
| Add : Allowable Expenses disallowed last year u/s 40(a)(ia) & 43(b) | | 56.55 | | 53.89 |
| ISMA & Wisma Fees | 0.81 | | 0.97 | |
| H&T Welfare Fund | 24.20 | | 24.20 | |
| Chief Minister Fund | 31.54 | | 28.72 | |
| Less : disallowed u/s 40(a)(ia) & 43(b) 36(i)(va) | | 120.35 | | 104.28 |
| Chief Minister Fund | 29.76 | | 31.54 | |
| ISMA & Wisma Fees | 0.92 | | 0.81 | |
| H&T Welfare Fund | 59.52 | | 71.93 | |
| MSME Outstanding | 30.16 | | | |
| Total difference as per Income Tax Act and Companies profit | | -286.02 | | -236.55 |
| Tax difference on above | | -83.29 | | -68.88 |
| Balance as per last account | | -68.88 | | -65.60 |
| Net transfer to profit and loss appropriation a/c | | -14.41 | | -3.29 |
| Total Deferred Tax Liability | | -83.29 | | -68.88 |

i) Carried forward losses have been recognised as deferred tax assets as per latest Income Tax assessment order / return of income filed by the Company as there is virtual certainty that such deferred tax asset can be realised against future taxable profits in the forthcoming financial years

ii) Deferred tax assets and deferred tax liabilities have been offset wherever they relate to the same governing taxation laws.

2.5. Short-Term Borrowings

₹ in Lacs

| Particulars | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|---------------------------------------|-------------------|-----------|-------------------|-----------|
| Loans repayable on demand | | | | |
| Working capital loans | | | | |
| From banks | | 14,543.41 | | 10,659.26 |
| PDCC - Pledge CC | 14,543.41 | | 10,659.26 | |
| Add : Long Term Installment-Next Year | | 882.93 | | 1,401.46 |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| | | | | |
|--------------|--|------------------|--|------------------|
| Total | | 15,426.33 | | 12,060.72 |
|--------------|--|------------------|--|------------------|

a) Nature of securities:

i) Working capital (cash credit) loans with PDCC Bank is secured by way of hypothecation of entire stock of sugar, sugar in process including book debts, second equitable mortgage on movable and immovable properties and personal guarantee by all the directors of the company, both present and future, pertaining to Company.

ii) Working capital (cash credit) loans with PDCC Bank is secured by way of hypothecation of stock, stores material and receivables of distillery and registered simple mortgage on assets of the Company and personal guarantee of all directors.

2.6. Trade Payables

₹ in Lacs

| Particulars | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|--|-------------------|-----------------|-------------------|-----------------|
| Total outstanding dues of Micro and Small Enterprises | | 30.16 | | 144.01 |
| (i) MSME | | | | |
| Less than 1 year | 19.87 | | 141.48 | |
| 1-2 Years | 1.88 | | - | |
| 2-3 Years | - | | 2.53 | |
| More than 3 Years | 8.41 | | - | |
| (ii) Others | | | | |
| Less than 1 year | 1,722.03 | | 1,582.67 | |
| 1-2 Years | -5.16 | | -34.57 | |
| 2-3 Years | - | | 5.83 | |
| More than 3 Years | -15.73 | | 8.29 | |
| (iii) Other-Disputed | | | | |
| Less than 1 year | - | | - | |
| 1-2 Years | - | | - | |
| 2-3 Years | - | | -90.48 | |
| More than 3 Years | -84.34 | | 6.14 | |
| Total outstanding dues of other than Micro and Small Enterprises | | 1,616.80 | | 1,477.44 |
| Total | | 1,646.96 | | 1,621.45 |

2.7. Other current liabilities

₹ in Lacs

| Particulars | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|---|-------------------|----------|-------------------|----------|
| Retention Money | | 1,787.71 | | 1,682.15 |
| Unpaid salaries and other payroll dues | | 235.85 | | 207.49 |
| Salary & Wages | 169.40 | | 149.44 | |
| Bonus Payable | 59.88 | | 55.32 | |
| Patsantha Deduction-RD | 0.15 | | 0.13 | |
| Union Fees Payable-Employees | 0.18 | | 0.18 | |
| Petrol Allowance Payable | 2.11 | | 2.06 | |
| Directors Allowance | 3.76 | | - | |
| LIC Payable | 0.36 | | 0.36 | |
| Statutory remittance | | 127.89 | | 32.95 |
| TDS-Security Deposit | 7.27 | | 7.61 | |
| TDS Payable | 6.50 | | 7.17 | |
| TCS Payable | 1.22 | | 0.07 | |
| Profession Tax | 0.90 | | 0.77 | |
| Provident Fund | 14.31 | | 13.35 | |
| Provident Fund-Contractors | - | | 0.23 | |
| GST | 44.80 | | -45.52 | |
| TDS-Purchases | 0.82 | | 0.32 | |
| Unpaid Dividend | 52.08 | | 48.95 | |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| | | | | |
|-------|--|----------|--|----------|
| Total | | 2,151.45 | | 1,922.59 |
|-------|--|----------|--|----------|

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

2.8. Short-Term Provisions

₹ in Lacs

| Particulars | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|------------------------------------|-------------------|-----------------|-------------------|-----------------|
| Provision for employee benefits | | 556.00 | | 361.44 |
| Gratuity | 539.53 | | 344.96 | |
| Leave Encashment | 16.47 | | 16.47 | |
| Other Provisions | | 360.40 | | 336.51 |
| H&T Annual Fees | 0.15 | | - | |
| Loan Installment - Employee | 0.82 | | 0.54 | |
| Panipatti Deduct | 0.05 | | 0.05 | |
| Loan Installment - Employee Bank | 1.38 | | 2.16 | |
| Loan-Farmers | - | | 1.09 | |
| Chief Minister Fund | 29.76 | | 41.46 | |
| Wisma | 1.73 | | 1.92 | |
| H&T Welfare Maharashtra State | 231.09 | | 195.77 | |
| Testing Fees | - | | 1.16 | |
| Harvester Insurance | - | | -0.88 | |
| Professional Fees | 13.08 | | 7.16 | |
| Transport Charges Payable-Ethanol | 71.44 | | 71.44 | |
| Electricity Bills | 12.26 | | 15.50 | |
| Sugar Cane Scheme | - | | 0.49 | |
| Loan Deduction - Farmer | -3.00 | | -3.00 | |
| Loan Installment - Employee SMCCS | 1.63 | | 1.66 | |
| Income Tax / MAT Payable | | 296.43 | | 231.57 |
| Current Year Tax | 588.82 | | 457.66 | |
| Less : MAT entitlement | 167.39 | | 43.61 | |
| Less : Advance Tax | 100.00 | | 150.00 | |
| Less : TDS | 25.00 | | 32.48 | |
| Proposed Dividend & Tax | | 281.36 | | 326.74 |
| On Equity Shares | 226.93 | | 272.32 | |
| On Preference Shares | 54.43 | | 54.43 | |
| Total | | 1,494.19 | | 1,256.27 |

Dividend & DDT of ₹ 6.93 lakhs was proposed on Preference Share of ₹ 5000/- each for F.Y.2016-17. However

this dividend was not approved at AGM. Hence reversal of that proposed dividend and DDT of ₹ 6.93 lakhs.

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

2.10 Non Current Investments

₹ in Lacs

| Particulars | Balance | | Name of the Body Corporate | Subsidiary / Associate/ JV / Controlled Entity/ Others | Face Value | No. of Shares / Units | | Quoted / Unquoted | Partly Paid / Fully Paid | Whether Stated at Cost | Valued other than cost then specify Basis of Valuation |
|--|---------------|--------------|--|--|------------|-----------------------|---------|-------------------|--------------------------|------------------------|--|
| | 2023-24 | 2022-23 | | | | 2023-24 | 2022-23 | | | Yes / No | |
| Other Investments | | | | | | | | | | | |
| Investments in equity instruments | | | | | | | | | | | |
| Dindayal Nagari Sh.B.k | 5.00 | 5.00 | Dindayal Nagari Sh.B.k | Others | 50 | 10000 | 10,000 | Unquoted | Fully paid | Yes | - |
| Jalgaon Janata Sh. Bk | 5.00 | 1.00 | Jalgaon Janata Sh. Bk | Others | 25 | 20000 | 4,000 | Unquoted | Fully paid | Yes | - |
| Janseva Sh Bk(Borivali) | 5.00 | 5.00 | Janseva Sh Bk(Borivali) | Others | 25 | 20000 | 20,000 | Unquoted | Fully paid | Yes | - |
| Janseva Sah Bank Ltd Pune | 5.00 | 5.00 | Janseva Sah Bank Ltd Pune | Others | 100 | 5000 | 5,000 | Unquoted | Fully paid | Yes | - |
| Jijamata Mahila Sah.Bk | 5.00 | 5.00 | Jijamata Mahila Sah.Bk | Others | 25 | 20000 | 20,000 | Unquoted | Fully paid | Yes | - |
| Rajashri Shahu Sah. Bank Ltd | 1.75 | 1.75 | Rajashri Shahu Sah. Bank Ltd | Others | 100 | 1750 | 1,750 | Unquoted | Fully paid | Yes | - |
| Sangli Urban Co.Op Bank Ltd | 5.00 | 5.00 | Sangli Urban Co.Op Bank Ltd | Others | 10 | 50000 | 50,000 | Unquoted | Fully paid | Yes | - |
| Vai Urban Bank | 5.25 | 5.25 | Vai Urban Bank | Others | 25 | 21000 | 21,000 | Unquoted | Fully paid | Yes | - |
| Vardha Nagri Sah. Bank | 5.00 | 5.00 | Vardha Nagri Sah. Bank | Others | 50 | 10000 | 10,000 | Unquoted | Fully paid | Yes | - |
| Vasai Janata Sh. Bank | 5.00 | 3.13 | Vasai Janata Sh. Bank | Others | 25 | 19980 | 12,500 | Unquoted | Fully paid | Yes | - |
| Vasai Janata Sh. Bank | - | 1.87 | Vasai Janata Sh. Bank | Others | 187 | 0 | 1,000 | Unquoted | Fully paid | Yes | - |
| Yavatmal Urbanco-opBk | 5.00 | 5.00 | Yavatmal Urbanco-opBk | Others | 25 | 20000 | 20,000 | Unquoted | Fully paid | Yes | - |
| Sampada Sah. Bank Ltd | 5.00 | 5.00 | Sampada Sah. Bank Ltd | Others | 1000 | 500 | 500 | Unquoted | Fully paid | Yes | - |
| Shreenath Mhaskoba Credit Co-Op. Society | 5.00 | 5.00 | Shreenath Mhaskoba Credit Co-Op. Society | Others | 100 | 5000 | 5,000 | Unquoted | Fully paid | Yes | - |
| Pune Cantonment Sh.Bk | 5.00 | 5.00 | Pune Cantonment Sh.Bk | Others | 100 | 5000 | 5,000 | Unquoted | Fully paid | Yes | - |
| Janata Sahakari Bank Ltd | 5.05 | 5.05 | Janata Sahakari Bank Ltd | Others | 5050 | 100 | 100 | Unquoted | Fully paid | Yes | - |
| Deogiri Nagari Sah. Bank | 5.00 | 5.00 | Deogiri Nagari Sah. Bank | Others | 25 | 20000 | 20,000 | Unquoted | Fully paid | Yes | - |
| The Vaidyanath Urban Co.Op.Bank Ltd | 5.00 | 5.00 | The Vaidyanath Urban Co.Op.Bank Ltd | Others | 25 | 20000 | 20,000 | Unquoted | Fully paid | Yes | - |
| PDCC Bank | 25.10 | 0.10 | PDCC Bank | Others | 50 | 50200 | 200 | Unquoted | Fully paid | Yes | - |
| Sopanrao Balkrishna Dhasal Agro Products Ltd | 1.00 | 1.00 | Sopanrao Balkrishna Dhasal Agro Products Ltd | Others | 100 | 1000 | 1,000 | Unquoted | Fully paid | Yes | - |
| The Bhagyalaxmi Mahila Sah. Bank Ltd | 7.75 | 7.75 | The Bhagyalaxmi Mahila Sah. Bank Ltd | Others | 1000 | 775 | 775 | Unquoted | Fully paid | Yes | - |
| Bhagini Nivedita Sah. Bank Ltd | 0.02 | - | Bhagini Nivedita Sah. Bank Ltd | Others | 25 | 80 | - | Unquoted | Fully paid | Yes | - |
| Khamgaon Urban co-opBk | 5.50 | 5.50 | Khamgaon Urban co-opBk | Others | 100 | 5500 | 5,500 | Unquoted | Fully paid | Yes | - |
| Total | 121.42 | 92.40 | | | | | | | | | |

i) Market value of unquoted investment is unascertainable. Hence valued at Cost.

S.No. 12/2, 2nd floor, Meghdoot Building, Behind Bharat Petrol Pump, Old Lokhandi Pull Lane, Hadapsar, Pune - 411028.

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

2.11 Other Non-Current Assets

₹ in Lacs

| Particulars | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|----------------------------------|-------------------|--------------|-------------------|---------------|
| Income Tax | | - | | - |
| Add : Advance Tax | 100.00 | | 150.00 | |
| Less : MAT / Income Tax Transfer | 100.00 | | 150.00 | |
| MAT credit entitlement | | 0.00 | | 167.39 |
| Opening Balance | 167.39 | | 211.13 | |
| Less:-excess provided last year | - | | 0.13 | |
| Less : Current year entitlement | 167.39 | | 43.61 | |
| Service Tax-Pre-Deposit | | 4.45 | | 4.45 |
| GST | | 31.73 | | 14.98 |
| Total | | 36.18 | | 186.82 |

2.12. Inventories (valued at lower of cost or net realisable value, unless stated otherwise)

₹ in Lacs

| Particulars | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|------------------------------------|-------------------|------------------|-------------------|------------------|
| a.Finished goods | | 17,617.44 | | 13,383.28 |
| Free Sugar | 17,617.44 | | 13,383.28 | |
| b.Distillery | | 2,025.41 | | 1,073.54 |
| ENA | - | | 58.00 | |
| RS | 296.63 | | 691.53 | |
| Ethanol | 1,704.06 | | 286.42 | |
| IS/TA | - | | 12.60 | |
| Fusel Oil | 0.24 | | 0.11 | |
| Compost | 24.48 | | 24.87 | |
| c.By-Products * | | 346.73 | | 697.12 |
| Molasses | 284.75 | | 544.80 | |
| Bagasse | 61.98 | | 152.32 | |
| d.Others | | 96.08 | | 564.59 |
| RS | 96.08 | | 2.99 | |
| Dryer Powder | 0.00 | | - | |
| Molasses | - | | 561.60 | |
| e.Work-in-Process | | 25.91 | | - |
| CBG | 25.91 | | - | |
| f.Stock-in-trade | | 0.65 | | 0.69 |
| Diesel | 0.65 | | 0.69 | |
| g.Stores and Spares Parts @ | | 225.86 | | 233.67 |
| Store Stock | 225.86 | | 233.67 | |
| Total | | 20,338.07 | | 15,952.88 |

* Valued at net realizable value.

@ Valued at FIFO method

2.13 Trade receivables

₹ in Lacs

| Particulars | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|----------------------------|-------------------|--|-------------------|--|
| Undisputed-Good | | | | |
| Less than 6 months | 878.22 | | 617.22 | |
| 6 months - 1 year | 658.90 | | -1,102.87 | |
| 1-2 years | -0.29 | | 355.91 | |
| 2-3 years | - | | 665.84 | |
| More than 3 years | 96.49 | | 554.50 | |
| Undisputed-Doubtful | | | | |
| Less than 6 months | 0.04 | | -1.14 | |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| | | | |
|-------------------------|--------|-----------------|-----------------|
| 6 months - 1 year | 0.02 | | - |
| 1-2 years | - | | - |
| 2-3 years | - | | -4.53 |
| More than 3 years | 14.11 | | 24.51 |
| Undisputed-Goods | | | |
| Less than 6 months | 143.53 | | -139.42 |
| 6 months - 1 year | 198.54 | | 313.12 |
| 1-2 years | - | | -47.12 |
| 2-3 years | - | | 232.79 |
| More than 3 years | 1.96 | | 260.93 |
| Total | | 1,991.51 | 1,729.75 |

2.14 Cash and Cash Equivalents

₹ in Lacs

| Particulars | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|----------------------------|-------------------|-----------------|-------------------|-----------------|
| Balances with banks | | 1,729.59 | | 1,275.00 |
| On current accounts | 1,388.91 | | 953.49 | |
| Fixed Deposits | 340.68 | | 321.52 | |
| Cash on hand | | 2.13 | | 1.70 |
| Total | | 1,731.71 | | 1,276.71 |

2.15 Short-Term Loans and Advances

₹ in Lacs

| Particulars | As at 31-Mar-2024 | | As at 31-Mar-2023 | |
|---|-------------------|---------------|-------------------|---------------|
| Security Deposits | | 70.46 | | 68.50 |
| Other loans and advances | | | | |
| Advance to suppliers and others | | 730.42 | | 713.73 |
| Advance-Farmers | 647.49 | | 649.04 | |
| Advance-Staff | 8.78 | | 6.59 | |
| Advance-Land | 15.50 | | 15.50 | |
| Advance-Suppliers | 58.65 | | 42.60 | |
| Cenvat, Vat and other taxes/duties | | 30.66 | | 67.37 |
| VAT | 30.66 | | 67.37 | |
| Prepaid expenses | | 76.57 | | 49.71 |
| Others | | 2.47 | | 2.14 |
| Stationery Stock-Sugar | 1.52 | | 1.20 | |
| Ghodganga Sakhar Karkhana | 0.95 | | 0.95 | |
| TDS (Tax Deducted at Source) | | 0.63 | | 0.63 |
| TDS-Fixed Deposit (Bank) | 1.99 | | 1.64 | |
| TDS-Others | 0.47 | | 0.47 | |
| TCS-Purchases-u/s 206CR | 12.36 | | 2.24 | |
| TDS-SALE-206C (1H)- ABOVE 50 LAKHS | 10.80 | | 28.75 | |
| Less-Transfer to Income Tax | 25.00 | | 32.48 | |
| Dividend Receivable | | 3.27 | | 1.28 |
| Total | | 914.47 | | 903.37 |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

2 . 16 . Revenue from Operations

₹ in Lacs

| Particulars | For the year ended 31-Mar-2024 | | For the year ended 31-Mar-2023 | |
|--|--------------------------------|------------------|--------------------------------|------------------|
| Sale of goods (Net) | | 18,930.45 | | 26,922.09 |
| Sugar | 17,764.65 | | 24,801.88 | |
| Power | 985.59 | | 1,287.02 | |
| Molasses | - | | 444.00 | |
| Bagasse | 70.28 | | 329.14 | |
| Store Spares | 4.61 | | 19.24 | |
| Power-Other than MSEDCL | (5.54) | | 22.81 | |
| Trading Income-Co-Gen | 110.08 | | 15.50 | |
| Water | 0.59 | | 0.80 | |
| Steam | 0.20 | | 1.71 | |
| Other Operating Revenues | | 215.92 | | 181.57 |
| Pressmud | 4.04 | | 0.01 | |
| Ash | 22.13 | | 6.86 | |
| Sales relating project management services | 33.27 | | 55.10 | |
| Chemical | 0.16 | | 12.89 | |
| Chemical-Fertilizer | 25.89 | | 7.68 | |
| Wood | 0.18 | | 0.27 | |
| Scrap | 130.26 | | 98.75 | |
| Traded Goods | | - | | - |
| Diesel | - | | - | |
| CBG Unit | | 27.87 | | - |
| Compressed Bio Gas (CBG) | 27.87 | | - | |
| Distillery Unit | | 10,139.24 | | 11,340.41 |
| Ethanol | 7,701.23 | | 5,787.71 | |
| Ethanol-Syrup | 1,569.53 | | 4,442.26 | |
| Relief-B Heavy Ethanol | - | | 66.42 | |
| Relief-Sugar Syrup Ethanol | - | | 39.92 | |
| Crotonaldehyde | 19.32 | | 21.45 | |
| RS (Rectified Spirit) | 587.52 | | 716.48 | |
| Compost | 103.63 | | 145.04 | |
| Co2 | 107.41 | | 119.58 | |
| Ethanol-RTKL | 49.81 | | 0.41 | |
| Diethyl Phthalate(Dep) | 0.63 | | - | |
| Denatonium Sacharde | 0.18 | | 0.26 | |
| Fusion Oil | - | | 0.88 | |
| Revenue from operations (Net) | | 29,313.50 | | 38,444.07 |

2 . 17 . Other income

₹ in Lacs

| Particulars | For the year ended 31-Mar-2024 | | For the year ended 31-Mar-2023 | |
|---------------------------------------|--------------------------------|-------|--------------------------------|-------|
| Interest & Dividend income | | 27.12 | | 21.63 |
| Interest on Deposits | 18.14 | | 14.78 | |
| Interest-Others | 3.09 | | 2.84 | |
| Dividend Income-Bank Shares | 5.89 | | 4.01 | |
| Sugar Unit | | 32.28 | | 46.05 |
| Hire Charges-Tyregadi | 23.43 | | 28.98 | |
| Other Income | 8.66 | | 16.67 | |
| Other Deduction-H&T | 0.10 | | 0.36 | |
| Weighbridge Fees | 0.09 | | 0.04 | |
| Distillery Unit | | 4.34 | | 1.51 |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| | | | | |
|--------------------------|------|--------------|------|--------------|
| Lease-Land (New Project) | 3.50 | | 0.81 | |
| Penalty | 0.84 | | 0.70 | |
| Total | | 63.74 | | 69.20 |

2 . 18 . Cost of Materials Consumed

₹ in Lacs

| Particulars | For the year ended 31-Mar-2024 | | For the year ended 31-Mar-2023 | |
|----------------------------------|--------------------------------|------------------|--------------------------------|------------------|
| Cost of Material Consumed | | 22,734.93 | | 24,604.88 |
| Sugar Cane | 22,734.93 | | 24,604.88 | |
| Total | | 22,734.93 | | 24,604.88 |

2 . 19 . Purchases of Trade Goods

₹ in Lacs

| Particulars | For the year ended 31-Mar-2024 | | For the year ended 31-Mar-2023 | |
|------------------------------------|--------------------------------|----------|--------------------------------|----------|
| Purchases of Stock-in-Trade | | - | | - |
| Diesel | - | | - | |
| Total | | - | | - |

2 . 20 . Changes in Inventories

₹ in Lacs

| Particulars | For the year ended 31-Mar-2024 | | For the year ended 31-Mar-2023 | |
|------------------------------|--------------------------------|-------------|--------------------------------|-------------|
| Stock-in-Trade-Diesel | | 0.04 | | 0.16 |
| -Opening Balance | 0.69 | | 0.85 | |
| Less : Closing Balance | 0.65 | | 0.69 | |
| Total | | 0.04 | | 0.16 |

2 . 21 (a). Changes in Inventories of Finished goods, By-products and work-in-progress

₹ in Lacs

| Particulars | For the year ended 31-Mar-2024 | | For the year ended 31-Mar-2023 | |
|-------------------------------|--------------------------------|------------------|--------------------------------|-----------------|
| Finished goods - Sugar | | | | |
| -Opening Balance | | 13,383.28 | | 16,388.85 |
| Free Sugar | 13,383.28 | | 16,388.85 | |
| -Less : Closing Balance | | 17,617.44 | | 13,383.28 |
| Free Sugar | 17,617.44 | | 13,383.28 | |
| Total (A) | | -4,234.17 | | 3,005.58 |
| By Products | | | | |
| -Opening Balance | | 697.12 | | 938.86 |
| Molasses | 544.80 | | 714.56 | |
| Bagasse | 152.32 | | 224.30 | |
| -Less : Closing Balance | | 346.73 | | 697.12 |
| Molasses | 284.75 | | 544.80 | |
| Bagasse | 61.98 | | 152.32 | |
| Total (B) | | 350.39 | | 241.74 |
| Others | | | | |
| -Opening Balance | | 564.59 | | 638.82 |
| RS | 2.99 | | 109.70 | |
| Molasses | 561.60 | | 529.12 | |
| -Less : Closing Balance | | 96.08 | | 564.59 |
| RS | 96.08 | | 2.99 | |
| Molasses | - | | 561.60 | |
| Total (D) | | 468.51 | | 74.23 |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| Distillery Unit | | | | |
|-------------------------|----------|------------------|--------|-----------------|
| -Opening Balance | | 1,073.54 | | 1,498.51 |
| ENA | 58.00 | | - | |
| RS | 691.53 | | 465.56 | |
| Ethanol | 286.42 | | 922.04 | |
| IS/TA | 12.60 | | 71.07 | |
| Fusel Oil | 0.11 | | 0.33 | |
| Sanitizer | - | | 2.11 | |
| Compost | 24.87 | | 37.40 | |
| -Less : Closing Balance | | 2,025.41 | | 1,073.54 |
| Syrup | - | | 58.00 | |
| RS | 296.63 | | 691.53 | |
| Ethanol | 1,704.06 | | 286.42 | |
| IS/TA | - | | 12.60 | |
| Fusel Oil | 0.24 | | 0.11 | |
| Dryer Powder | 0.00 | | - | |
| Compost | 24.48 | | 24.87 | |
| Total (E) | | -951.87 | | 424.97 |
| Total | | -4,393.04 | | 3,770.42 |

2 . 21 (b). Changes in Inventories of Finished goods, By-products and work-in-progress ₹ in Lacs

| Work-In-Progress | | | | |
|-------------------------|-------|---------------|-------|--------------|
| -Opening Balance | | - | | 23.90 |
| Syrup | - | | 19.50 | |
| Compost | - | | 4.40 | |
| -Less : Closing Balance | | 25.91 | | - |
| CBG | 25.91 | | | |
| Total (C) | | -25.91 | | 23.90 |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

2 . 22 . Employee Benefit Expenses

₹ in Lacs

| Particulars | For the year ended 31-Mar-2024 | | For the year ended 31-Mar-2023 | |
|---|--------------------------------|-----------------|--------------------------------|-----------------|
| Salaries and Wages | | 1,435.42 | | 1,410.24 |
| Salaries and Wages-Factory | 944.23 | | 959.00 | |
| Salaries and Wages-Office | 227.57 | | 216.65 | |
| Salaries and Wages-Co-Gen | 44.41 | | 40.13 | |
| Dist-Salary & Wages Exp. | 105.19 | | 95.97 | |
| Cbg-Salary & Wages | 12.15 | | - | |
| Bonus-Salary | 101.86 | | 98.49 | |
| Contribution to Provident Fund and other Funds | | 77.74 | | 77.18 |
| Gratuity Expenses | | 207.06 | | 53.61 |
| Staff Welfare Expenses | | 37.40 | | 94.92 |
| Petrol & Telephone Allowance | 8.31 | | 9.44 | |
| Conveyance & Tour Allowance | 10.00 | | 37.56 | |
| Hospitability Expenses | 7.02 | | 8.49 | |
| Hospitability Expenses-Dist | 0.06 | | 0.08 | |
| Hospitability Expenses-CBG | 0.01 | | - | |
| Hospitability Expenses-Co-Gen | 0.01 | | 0.02 | |
| Hotel, Boarding & Lodging Expenses | 1.00 | | 1.15 | |
| Medical & Other Welfare Expenses | 0.75 | | 33.21 | |
| Director Allowance | 10.25 | | 4.97 | |
| Total | | 1,757.63 | | 1,635.95 |

2 . 23 . Finance Costs

₹ in Lacs

| Particulars | For the year ended 31-Mar-2024 | | For the year ended 31-Mar-2023 | |
|--------------------------|--------------------------------|-----------------|--------------------------------|---------------|
| Interest Expense | | | | |
| On Long-term borrowings | | 359.21 | | 321.39 |
| Sugar Factory | 182.46 | | 223.51 | |
| CBG Unit | 24.72 | | - | |
| Distillery Unit | 152.03 | | 97.88 | |
| On Short-term borrowings | | 653.50 | | 433.55 |
| Others | | 23.58 | | 54.02 |
| Loan Relating Expenses | 9.23 | | 39.02 | |
| Bank Charges-Dist | 4.19 | | 8.75 | |
| Bank Charges | 9.78 | | 6.20 | |
| Bank Charges-CBG | 0.00 | | - | |
| Bank Charges-Co-Gen | 0.39 | | 0.06 | |
| Total | | 1,036.29 | | 808.95 |

2 . 24 . Depreciation and Amortization Expenses

₹ in Lacs

| Particulars | For the year ended 31-Mar-2024 | | For the year ended 31-Mar-2023 | |
|---------------------|--------------------------------|---------------|--------------------------------|---------------|
| Depreciation | | 980.24 | | 931.92 |
| Sugar Unit | 449.94 | | 462.27 | |
| Co-Gen Unit | 104.30 | | 89.31 | |
| Diesel Pump | 0.02 | | 0.02 | |
| CBG Unit | 44.93 | | - | |
| Distillery Unit | 381.05 | | 380.32 | |
| Tangible Assets | 980.24 | | 931.92 | |
| Total | | 980.24 | | 931.92 |

2 . 25 . Other Expenses

₹ in Lacs

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| Particulars | For the year ended 31-Mar-2024 | | For the year ended 31-Mar-2023 | |
|--|--------------------------------|----------|--------------------------------|----------|
| Consumption of stores and spare parts | | | | |
| -Opening Balance | | 233.67 | | 226.27 |
| Store Material | 233.67 | | 226.27 | |
| Add : Purchases | | | | |
| Sugar Unit | | 689.53 | | 949.71 |
| Chemicals | 113.72 | | 192.30 | |
| Grease | 15.24 | | 17.05 | |
| Oil | 18.54 | | 20.72 | |
| Store Spares Consumable | 292.62 | | 427.84 | |
| Packing Material | 211.66 | | 267.60 | |
| Boiler Wood | 3.28 | | 1.56 | |
| Chemicals-Fertiliser | 17.53 | | 12.52 | |
| CBG | 16.95 | | 10.11 | |
| Distillery Unit | | 1,987.24 | | 486.23 |
| Chemicals | 193.90 | | 197.96 | |
| Oil | - | | 2.22 | |
| Molasses | 1,511.79 | | 96.00 | |
| Boiler Wood-Dist | 13.78 | | 23.59 | |
| Ethanol | 56.35 | | - | |
| Syrup | - | | 114.07 | |
| SDS | 139.41 | | - | |
| Spares | 72.02 | | 52.39 | |
| -Less : Closing Balance | | 225.86 | | 233.67 |
| Store Material | 225.86 | | 233.67 | |
| Consumption of stores and spare parts | | 2,684.58 | | 1,428.55 |
| Payment to Auditors | | 10.00 | | 8.62 |
| As Auditor for Statutory Audit | 4.26 | | 3.81 | |
| As Tax Audit | 2.09 | | 1.75 | |
| As Auditor for Internal Audit | 1.50 | | 1.50 | |
| For Secretarial Audit | 2.15 | | 1.56 | |
| Professional Fees | | 61.93 | | 76.53 |
| Corporate Social Responsibility (CSR) | | 60.31 | | 42.88 |
| Charity & Donation | | 9.36 | | 7.18 |
| ROC Fees | | 0.58 | | 0.49 |
| Power and fuel | | 189.54 | | 173.06 |
| Electrical Bill-Factory | 47.29 | | 45.69 | |
| Petrol & Diesel-DG Set | 13.92 | | 10.15 | |
| Electrical Bill-Office | 49.32 | | 33.81 | |
| Electrical Bill-Dist. | 64.57 | | 47.05 | |
| Electrical Bill-Co-Gen | 14.45 | | 36.36 | |
| Rent | | 40.12 | | 58.90 |
| Hire Charge-Room-Distillery | 6.21 | | 15.73 | |
| Hire Charges-CBG | 1.23 | | - | |
| Hire Charges-HO OFFICE-CBG | 0.01 | | - | |
| Hire Charges-HO OFFICE-Co-Gen | 0.50 | | - | |
| Hire Charges-HO OFFICE-Dist | 4.75 | | - | |
| Hire Charges-Other | 27.41 | | 43.18 | |
| Repairs to machinery | | 669.37 | | 955.52 |
| Building & Machinery | 437.02 | | 653.97 | |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| | | | | |
|--|--------|--------|--------|--------|
| Other Repairs-Vehicle | 8.18 | | 5.61 | |
| Distillery | 176.36 | | 209.56 | |
| Co-Gen | 35.86 | | 78.62 | |
| CBG | 0.54 | | - | |
| Other Repairs | 11.41 | | 7.77 | |
| Insurance | | 45.49 | | 36.09 |
| Insurance-Manufacturing Related | 16.10 | | 14.60 | |
| Insurance-Other | 29.39 | | 21.49 | |
| Rates and taxes (excluding taxes on income) | | 1.48 | | 16.46 |
| GST Paid | -1.19 | | 9.31 | |
| Professional Tax | 0.03 | | 0.03 | |
| VAT | 2.64 | | 7.12 | |
| Office & Site Expenses | | 10.07 | | 16.57 |
| Office Expenses | 8.02 | | 13.29 | |
| Site Expenses | 1.85 | | 3.25 | |
| Office Expenses-Dist | 0.20 | | 0.03 | |
| Advertisement Expenses | | 16.00 | | 38.13 |
| Legal Fees | | 146.03 | | 169.37 |
| Govt Permission & License Exp-Factory | 99.61 | | 137.81 | |
| Govt Permission & License Exp-Distillery | 45.86 | | 30.64 | |
| Govt Permission & License Exp-CBG | 0.50 | | - | |
| Govt Permission & License Exp-Co-Gen | 0.06 | | 0.92 | |
| Telephone Expenses | | 3.50 | | 3.42 |
| Labour Charges Paid | | 522.79 | | 608.73 |
| Labour Charges-Factory | 260.61 | | 286.74 | |
| Labour Charges-Distillery | 134.09 | | 74.17 | |
| Sugar Cane H&T Relating Labour Charges | 128.08 | | 247.82 | |
| Other Admin Expenses | | 554.69 | | 632.81 |
| Petrol & Diesel | 31.87 | | 44.69 | |
| Diesel-CBG | 0.69 | | - | |
| C.N.G. (Compressed Natural Gas) | 0.50 | | - | |
| Petrol Pump-Expenses | 0.09 | | - | |
| AGM-Expenses | 2.05 | | - | |
| Function & Festival Expenses | 7.46 | | 21.81 | |
| Postage, Telegram, Fax & Stamp Expenses | 0.66 | | 0.98 | |
| Postage, Telegram, Fax & Stamp Expenses-CBG | 0.00 | | - | |
| Postage, Telegram, Fax & Stamp Expenses-Dist | 0.07 | | 0.04 | |
| Inspection Fee-Co-Gen | - | | 0.40 | |
| Other Expenses-Pump | - | | 0.35 | |
| Printing & Stationery Expenses | 4.32 | | 6.65 | |
| Printing & Stationery Expenses-Distillery | 0.30 | | 0.05 | |
| Store Packing Expenses | 0.83 | | 0.25 | |
| AMC Charges | 0.25 | | - | |
| Transport Charges Paid | 43.77 | | 11.82 | |
| Transport Charges Paid-Distillery | 402.78 | | 274.19 | |
| Transport Charges Paid-Distillery-Pressmud | 21.62 | | 57.64 | |
| Loss of Asset Damages | - | | 179.07 | |
| Internet Expenses | 7.61 | | 6.15 | |
| Sample Testing Expenses | 1.04 | | 3.98 | |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| | | | |
|---|-------|-----------------|-----------------|
| Co-Gen Admin Exp. | 8.67 | | 2.36 |
| Supervision Charges-Distillery | 15.77 | | 13.94 |
| Commitment Charges | 3.27 | | 8.21 |
| Distillery Relating Expenses | 1.09 | | 0.23 |
| Bad Debts | - | | 1.61 |
| Miscellaneous expenses | | 8.96 | 16.19 |
| Interest, Surcharge & Cess on MAT | | 24.90 | - |
| Waste to Energy Expenses | | 107.27 | 51.00 |
| Expenses relating to Management Services | | 24.21 | 48.14 |
| CBG Project Expenses | | - | 2.56 |
| Total | | 5,191.19 | 4,391.20 |

2 . 26 . Extraordinary Items

₹ in Lacs

| Particulars | For the year ended 31-Mar-2024 | | For the year ended 31-Mar-2023 | |
|--------------------------|--------------------------------|---------------|--------------------------------|---|
| Income | | 119.00 | | - |
| Insurance Claim-Digester | 119.00 | | - | |
| Total | | 119.00 | | - |

2 . 27 Other Disclosure

A) The Company has obtained balance confirmation letters from some of the creditors and parties to whom company has given advances against amounts due to and/or from them. In respect of the parties from whom confirmation is not received, their balances are carried as reflected in the books of accounts. The accounts of some Debtors & Creditors & Advances given are subject to confirmation / reconciliation. The Management does not expect any material difference affecting the financial statements on such reconciliation / adjustments.

B) Contingent Liabilities not provided for in respect of :-

- i) Office of the commissioner of the CGST Audit I, Pune has issued show cause cum demand of ₹ 18.57 lakhs vide notice No.SCN No.CGST-I/D-V/R-IV/Audit-I/AC/03/2018-19 dated 04/07/2018. Company has submitted reply to show cause on 15/09/2018. However case is still pending.
 - ii) As per notification No.ELD 2016/CR.252/Energy-1 of Industries, Energy and Labour Department of Maharashtra State electricity duty of 120 paise per unit for captive power consumption is required to be paid to Government. During the period under audit total captive power consumption is 21872812 units. Company has not paid or provided electricity duty as per above mentioned notification.
 - iii) a) During the period under audit company has given corporate guarantee to Shreenath Mhaskoba Credit Co-Op Society Ltd for individual loans of Rs 8.00 lakhs each sanction to 100 H&T Contractors of the Company amounting to Rs.800.00 lakhs.
 - b) During the period under audit bank guarantee of Rs.5.00 lakhs for IOCL of Bank of Baroda for the period 10/10/2023 to 10/10/2028.
 - c) There is bank guarantee of Rs.10.00 lakhs for MPCB of Bank of Baroda for the period 31/12/2022 to 31/08/2028.
 - d) There is bank guarantee of Rs.25.00 lakhs is renewed for 2 years for MPCB of Bank of Baroda.
 - iv) In respect of A.Y. 2018-19 amount of ₹ 185.10 lakhs demand was raised against disallowance by the Income Tax Department. The Company has filed an appeal with CIT.
 - v) Outward supply of Co-Generation of power is exempt under GST hence the credit of GST paid on inputs is not available as per rule 42 & 43 of GST rules. However company has availed ineligible ITC of Rs.16.77 lakhs during the financial year 2021-22. During the financial year under audit, the Company has not availed ineligible ITC of Co-Generation of Power.
 - vi) Department of Goods and Service Tax, Pune has issued notice of demand u/s 32 of ₹ 41.32 lakhs vide Assessment Order U/s 23 (2) of Maharashtra Value Added Tax Act-2002. [Form 303 (231)] dated 20/03/2021. Company has filed an appeal with Deputy Commissioner of State Tax, (Appeals) E-703, Pune Division-4, Pune.
 - vii) In respect of A.Y. 2020-21 amount of ₹ 201.62 lakhs demand was raised against disallowance by the Income Tax Department. The Company has filed an appeal with CIT.
 - viii) In respect of A.Y. 2021-22 amount of ₹ 164.68 lakhs demand was raised against disallowance by the Income Tax Department. The Company has filed an appeal with CIT.
- C)** Based on the information / documents available with the Company, information as per the requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 are as follows:

| ₹ in Lacs | | | |
|-----------|--|-------------------|-------------------|
| S.N | Particulars | As at 31-Mar-2024 | As at 31-Mar-2023 |
| a) | The principal amount remaining unpaid to suppliers as at the end of accounting year. | 30.16 | 144.01 |
| b) | The interest due thereon remaining unpaid to suppliers as at the end of accounting year. | - | - |
| c) | The amount of interest paid in terms of Section 16, along with the amount of payment made to the suppliers beyond the appointed day during the year. | - | - |
| d) | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under | - | - |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| | | | |
|----|---|---|---|
| e) | The amount of interest accrued during the year/period and remaining unpaid at the end of the accounting year* | - | - |
| f) | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Micro and Small Enterprises | - | - |

* Included in the line item "Total outstanding dues of Micro and Small Enterprises" under Notes no. 2.6.

D) Based on the review made at the Balance Sheet date, MAT credit of ₹ 0/- recognised in earlier years is carried forward as the Management is confident that there will be sufficient taxable profit during the specified period to utilise the same.

E) Related party disclosures as per Accounting Standard-18 are given below

I Key Management Personnel

| | |
|-------------------------------|--|
| 1 Mr. Raut Pandurang Abaji | Chairman & Managing Director |
| 2 Mr. Raskar Vikas Ramchandra | Executive Chairman |
| 3 Mr. Sasane Yogesh Dattatray | Vice Chairman |
| 4 Mr. Raskar Dattaram Maruti | Chief Executive Officer |
| 5 Mr. Narke Baban Mahadev | Chief Finance Officer up to 31/07/2023 |
| 6 Mr. More Sandip Baban | Chief Finance Officer from 28/11/2023 |
| 7 Mr. Naikwadi Pratik Vilas | Company Secretary |

Designation

II Directors

| | |
|-------------------------------|--|
| 1 Mr.Karpe Mahesh Sambhajirao | 7 Mr.Kadam Dnyandeo Tukaram |
| 2 Mr.Karanje Hemant Sambhaji | 8 Mr.Raut Madhav Pandurang |
| 3 Mr.Bhujbal Anil Jaywantrao | 9 Mrs.Kendre Lata Satish |
| 4 Mr.Shinde Kisan Dinkar | 10 Mr.Shivale Hanumant Baban |
| 5 Mr. Badhe Anil Laxman | 11 Mr.Memane Bhagwan Dashrath |
| 6 Mr.Landage Pradip Dattatray | 12 Mr.Kadam Pandurang Tukaram up to 07/06/23 |

III Relatives of Director & Key Management Person Nature of relationship

| | |
|---------------------------------|---|
| 1 Mr.Shinde Someshwar Dinkar | Brother of Director Mr.Shinde Kisan Dinkar |
| 2 Mr.Shinde Tanmay Kisan | Son of Director Mr.Shinde Kisan Dinkar |
| 3 Mrs.Raut Subhadra Pandurang | Wife of Chairman & Managing Director Mr.Raut Pandurang Abaji |
| 4 Mrs.Narke Shashikala Baban | Wife of Chief Finance Officer Mr. Narke Baban Mahadev |
| 5 Mrs.Bhujbal Sangita Anil | Wife of Director Mr.Bhujbal Anil Jaywantrao |
| 6 Mrs.Raut Punam Madhav | Wife of Director Mr.Raut Madhav Pandurang |
| 7 Mr.Karanje Virbhaval Sambhaji | Son of Director Mr.Karanje Hemant Sambhaji |
| 8 Mr.Bankar Rajesh Nivruti | Son in law of Daughters of Chairman & Managing Director Mr.Raut Pandurang Abaji |
| 9 Mrs.Bankar Kavita Rajesh | Daughter of Chairman & Managing Director Mr.Raut Pandurang Abaji |
| 10 Mrs.Shinde Sima Someshwar | Brother's Wife of Director Mr.Shinde Kisan Dinkar |
| 11 Mr.Kedari Sahil Shivaji | Son in law of Executive Chairman Mr. Raskar Vikas Ramchandra |
| 12 Mr.Kadam Laxman Pandurang | Son of Director Mr.Kadam Pandurang Tukaram |
| 13 Mrs.Shinde Shubhangi Kisan | Wife of Director Mr.Shinde Kisan Dinkar |

IV Other entities in which KMP/Relatives of KMP can exercise significant influence

| | |
|--|---|
| 1 Shrinath Mhaskoba Credit Co-op. Soceity Ltd. | Mr. Raut Pandurang Abaji - Chairman & Managing Director Mr. Narke Baban Mahadev - Chief Finance Officer Mr. Raskar Vikas Ramchandra - Executive Chairman Mr.Bhujbal Anil Jaywantrao - Director Mrs.Varsha Mahesh Karpe Wife of Director Mr.Mahesh Sambhajirao karpe |
| 2 Regola Bio Chemical Pvt. Ltd. | Mr. Raut Pandurang Abaji - Chairman & Managing Director Mr. Raskar Vikas Ramchandra - Executive Chairman Mr.Bhujbal Anil Jaywantrao - Director |

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| | |
|---|---|
| 3 Nath Bio Chemical Industries PVT. LTD. | Mr.Shinde Kisan Dinkar - Director Mr. Narke Baban Mahadev - Chief Finance Officer |
| 4 Zenith Bio Chemical Pvt Ltd | Mr.Karpe Mahesh Sambhajirao - Director |
| 5 Shri Shri Milk Products | Mr. Raut Pandurang Abaji - Chairman & Managing Director Mr. Raut Madhav Pandurang - Director |
| 6 Sopanrao Balkrushna Dhasal Agro Product Ltd | Mr.Karpe Mahesh Sambhajirao - Director |
| 7 Krushinath Green Energy Ltd | Mr.Karpe Mahesh Sambhajirao - Director |
| 8 Vasundhara Green Bio-energy Private Limited | Mr. Raskar Vikas Ramchandra - Executive Chairman |
| 9 Meghdoot Electric Company | Mr. Raut Madhav Pandurang - Director |
| 10 Shree Gurudatta Earthmovers | Mr.Memane Bhagwan Dashrath - Independent Director |
| 11 Kadam Patil Stationery | Mr.Kadam Laxman Pandurang Son of Director Mr.Kadam Pandurang Tukaram |
| 12 Shree Devram Stone Crusher | Mr. Sasane Yogesh Dattatray - Vice Chairman |
| 13 Someshwar Vastra Bhandar | Mr. Shinde Someshwar Dinkar brother of Director Mr.Shinde Kisan Dinkar |
| 14 Someshwar Petroleum (Diesel) | Mrs.Shinde Ratnabai Dinkar mother of Director Mr.Shinde Kisan Dinkar |
| 15 Vaibhav Transport | Mr.Kadam Laxman Pandurang Son of Director Mr.Kadam Pandurang Tukaram |
| 16 Mahalaxmi Traders | Mr.Kadam Laxman Pandurang Son of Director Mr.Kadam Pandurang Tukaram |
| 17 Pandurang Krushi Seva Kendra | Mr.Kadam Laxman Pandurang Son of Director Mr.Kadam Pandurang Tukaram |
| 18 Kadam Patil Petroleum | Mr.Kadam Laxman Pandurang Son of Director Mr.Kadam Pandurang Tukaram |
| 19 Saptasiddhi Associates | Mr. Sasane Yogesh Dattatray - Vice Chairman |
| 20 Cybas Agro Neutraceuticals | Mr. Sasane Yogesh Dattatray - Vice Chairman |

V Transactions with Related parties :

₹ in Lacs

| Sr. No | Particulars | Key Management Personnel | Enterprise in which Directors has significant influence | Relatives of Director & Key Management personnel |
|--------|---------------------------------------|--------------------------|---|--|
| 1 | Purchase of Goods | 10.85 | 702.43 | 722.51 |
| 2 | Purchase of Fixed Assets | - | - | - |
| 3 | Hire Charges | 12.24 | - | - |
| 4 | Other Services | - | 27.18 | 80.80 |
| 5 | Sale of Goods | 0.02 | 355.44 | 5.56 |
| 6 | Remuneration paid / provided | 60.26 | 10.25 | - |
| 7 | Amount received for Shares | - | - | - |
| 8 | Advance Paid against Fixed Assets | - | - | - |
| 9 | Outstanding Balances as on 31.03.2024 | | | |
| i) | Payables | 8.85 | 5.46 | 8.25 |
| ii) | Receivables | - | 1,055.30 | 0.84 |

- The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.
- No amount has been written back / written off during the year in respect of due to / from related parties.
- The amount due from related parties are good and hence no provision for doubtful debts in respect of dues from such related parties is required.

F) Remuneration to Directors (KMP)

₹ in Lacs

| | |
|--|----------|
| a) During the financial year 2023-24 Company has earned a Profit | 2,188.95 |
| b) Salary to Chairman and Managing Director Mr.P.A.Raut | 20.14 |
| c) Salary to Executive Chairman Mr.V.R.Raskar | 10.09 |
| d) Salary to Vice Chairman Mr.Y.D.Sasane | 5.15 |
| e) Salary to Company Secretary Mr.P.V.Naikawadi | 3.69 |
| f) Salary to Chief Executive Officer Mr.D.M.Raskar | 17.57 |
| g) Salary to Chief Finance Officer Mr.B.M.Narke | 2.67 |
| h) Salary to Chief Finance Officer Mr.S.B.More | 2.42 |

G) Remuneration to Auditors

₹ in Lacs

SHREENATH MHASKOBA SAKHAR KARKHANA LIMITED

| Particulars | 2023-24 | 2022-23 |
|--------------------------------|----------------|----------------|
| Statutory Audit Fees | 4.26 | 3.81 |
| Tax Audit Fees | 2.09 | 1.75 |
| Income Tax Consultation | 2.09 | 1.75 |
| Internal Audit | 1.50 | 1.50 |
| Secretarial Audit | 2.15 | 1.56 |

H) Segment information as per Accounting Standard-17 on 'Segment Reporting' for 2023-24

- a) The Company has identified Five primary business segments viz. Sugar, Distillery, Petrol Pump, Co-generation and CBG. However CBG unit of the Company is not yet started. Segments have been identified and reported taking into account the nature of the products, the differing risks and returns, the organisational structure and internal business reporting system.
- b) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- c) Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

₹ in Lacs

| S. N | Particulars | Sugar Division | Distillery Division | Petrol Pump | CBG Division | Co-Gen Division | Subtotal | Elimination | Total |
|------|----------------------------|----------------|---------------------|-------------|--------------|-----------------|-----------|-------------|-----------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 1 | Segment Revenue | | | | | | | | |
| a | External Turnover | 18,022.78 | 10,172.52 | - | 27.87 | 1,090.32 | 29,313.50 | - | 29,313.50 |
| b | Inter Segment Turnover | 8,425.55 | 18.57 | - | - | 3,717.85 | 12,161.96 | -12,161.96 | - |
| | Gross Turnover | 26,448.33 | 10,191.09 | - | 27.87 | 4,808.17 | 41,475.46 | -12,161.96 | 29,313.50 |
| | Net Turnover | 26,448.33 | 10,191.09 | - | 27.87 | 4,808.17 | 41,475.46 | -12,161.96 | 29,313.50 |
| 2 | Segment Result | | | | | | | | |
| | Profit / (Loss) Before Tax | -146.70 | 1,762.72 | -0.14 | -83.93 | 656.99 | 2,188.95 | - | 2,188.95 |
| | Less : Provision for Tax | - | - | - | - | - | 574.41 | - | 574.41 |
| | Net Profit after Tax | -146.70 | 1,762.72 | -0.14 | -83.93 | 656.99 | 1,614.54 | - | 1,614.54 |
| 3 | Other Information | | | | | | | | |
| | Segment Assets | 30,341.84 | 11,594.16 | 18.04 | 1,751.84 | 2,172.08 | 45,877.96 | - | 45,877.96 |
| | Segment Liabilities | 30,341.84 | 11,594.16 | 18.04 | 1,751.84 | 2,172.08 | 45,877.96 | - | 45,877.96 |
| | Depreciation | 449.94 | 381.05 | 0.02 | 44.93 | 104.30 | 980.24 | - | 980.24 |

I) Earnings per share :

₹ in Lacs

| S. N. | Particulars | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
|-------|---|-----------------------------|-----------------------------|
| a) | Profit after tax | 1,614.54 | 1,915.41 |
| b) | Amount used as the numerator - (A) Profit available to Equity Share holders | 1,560.11 | 1,860.98 |
| c) | Weighted average number of Equity Shares Outstanding used as the denominator for computing Basic Earnings per Share - (B) | 15,12,862 | 15,12,862 |
| d) | Weighted average number of Equity Shares Outstanding used as the denominator for computing Diluted Earnings per Share - C | 15,12,862 | 15,12,862 |
| e) | Nominal value of Equity Shares (₹) | 100.00 | 100.00 |
| f) | Basic & Diluted Earnings per Share (₹) (A/B) | 103.12 | 123.01 |

J) QUANTITATIVE DETAILS

₹ in Lacs

| Sr. No. | Product | Unit | 2023-24 | | 2022-23 | |
|-----------|--------------------------------|------|----------|-----------|----------|-----------|
| | | | Qty | Value | Qty | Value |
| a) | Raw Material Consumed : | | | | | |
| i) | Sugarcane | M.T. | 5,95,172 | 22,734.93 | 7,19,313 | 24,604.88 |
| ii) | Bagasse | M.T. | 1,41,943 | 2,701.97 | 1,55,669 | 2,701.97 |
| iii) | Molasses | M.T. | 31,330 | 3,809.43 | 33,607 | 2,688.56 |
| b) | Stock of Raw Material | | | | | |
| i) | Sugarcane | M.T. | - | - | - | - |
| ii) | Molasses | M.T. | 3,350 | 284.75 | 6,810 | 544.80 |
| iii) | Bagasse | M.T. | 2,025 | 54.35 | 8,465 | 146.93 |
| iv) | Ash | M.T. | - | - | - | - |
| v) | Pressmud | M.T. | - | - | - | - |

| Sr. No. | Product | Unit | Opening Stock | | Production | Purchase | Conversion of partly process stock | Intr. & Own Consumption | Sale | | Closing Stock | |
|-----------|---------------------------------------|------|--|-----------|-------------|----------|------------------------------------|-------------------------|-------------|-----------|---------------|-----------|
| | | | Qty | Value | | | | | Qty | Value | Qty | Value |
| c) | Finished Goods | | (Installed Capacity - 4500 TCD) | | | | | | | | | |
| 1 | Sugar | Qtl. | 4,04,660 | 13,383.28 | 6,10,740 | - | - | - | 5,00,716 | 17,764.65 | 5,14,684 | 17,617.44 |
| 2 | Molasses | M.T | 6,810 | 544.80 | 27,870 | - | - | 31,330 | - | - | 3,350 | 284.75 |
| 3 | Syrup | M.T | - | - | 9,270 | - | - | 9,270 | - | - | - | - |
| 4 | Baggase | M.T | 8,465 | 146.93 | 1,61,125 | - | - | 1,64,977 | 2,588 | 69.44 | 2,025 | 54.35 |
| 5 | Beld-Bagasse | M.T | 421 | 5.39 | 202 | - | - | 322 | 29 | 0.83 | 272 | 7.62 |
| 6 | Ash | M.T | - | - | 8,952 | - | - | - | 8,952 | 22.13 | - | - |
| 7 | Pressmud | M.T | - | - | 22,742 | - | - | 21,934 | 808 | 4.04 | - | - |
| d) | Electricity (10 M.W. TG Set) | | | | | | | | | | | |
| 1 | Electricity | kwh | - | - | 3,72,45,746 | 9,00,311 | - | 2,29,30,358 | 1,52,15,699 | 980.04 | - | - |
| e) | Finished Goods | | (Installed Capacity - 55000 KLPD) | | | | | | | | | |
| 1 | Rectified Spir | Ltr | 19,99,470 | 691.53 | 1,77,48,480 | - | 11,470 | 1,80,29,310 | 10,31,846 | 587.52 | 6,75,324 | 296.63 |
| 2 | Rectified Spir | Ltr | 8,637 | 2.99 | 18,51,290 | - | 1,04,640 | 15,36,554 | - | - | 2,18,733 | 96.08 |
| 3 | ENA | Ltr | - | - | - | - | - | - | - | - | - | - |
| 4 | Impure Spirit | Ltr | 36,445 | 12.60 | 7,41,357 | - | 1,972 | 7,75,830 | - | - | - | - |
| 5 | Ethanol | Ltr | 7,87,949 | 286.42 | 1,65,79,555 | - | 16,116 | 15,36,556 | 1,50,08,387 | 9,340.70 | 38,79,557 | 1,704.06 |
| 6 | Fusion Oil | Ltr | 750 | 0.11 | 930 | - | - | - | - | - | 1,680 | 0.24 |
| 7 | Molasses | M.T | 7,020 | 561.60 | - | 14,000 | 31,330 | 52,350 | - | - | 0 | - |
| 8 | Syrup | M.T | 716 | 58.00 | - | - | 9,270 | 9,986 | - | - | 0 | - |
| 9 | Compost | M.T | 4,455 | 24.87 | 15,854 | - | - | - | 16,427 | 103.63 | 3,881 | 24.48 |
| 10 | Co2 | M.T | - | - | 2,307 | - | - | - | 2,307 | 107.41 | - | - |
| 11 | Dryer Powder | M.T | - | - | 50 | - | - | - | - | - | 50 | 0.00 |
| f) | Finished Goods | | (Installed Capacity - 5 MT) | | | | | | | | | |
| 1 | CBG-WIP | M.T | - | - | 36,700 | - | - | - | - | - | 36,700 | 25.91 |
| g) | Trading | | | | | | | | | | | |
| 1 | Diesel | Ltr | 703 | 0.69 | - | - | - | - | - | - | 703 | 0.65 |