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THE
UNITED PROVINCES SUGAR
COMPANY LIMITED

THE UNITED PROVINCES SUGAR COMPANY LIMITED

BOARD OF DIRECTORS

Shri Arvind K. Kanoria
Managing Director

Shri Vivek M. Pittie*
Non Executive Independent Director

Dr. Anurag K. Kanoria
Non Executive Director

Shri Girdhari Lal Sultania*
Non Executive Independent Director

Smt. Lakshmi Iyer
Non Executive Independent Director

Shri Sidharth Prasad
Non Executive Independent Director

Dr. Bakshi Ram
Non Executive Independent Director

Shri Vedang V. Pittie
Non Executive Independent Director
(w.e.f. 22nd April, 2024)

Shri Yogendra Pal Singh
Whole Time Director designated as Executive Director

KEY MANAGERIAL PERSONNEL

Shri R. G. Panchbhai
Chief Financial Officer

STATUTORY AUDITORS

M/s. Bansi S. Mehta & Company,
Chartered Accountants

REGISTERED OFFICE

401-405, Jolly Bhavan No. 1,
10 New Marine Lines, Mumbai 400 020

FACTORY

Seorahi,
Kushinagar, Uttar Pradesh

* ceased to be an Independent Director of the Company with effect from the close of business hours on 31st March, 2024 upon completion of two consecutive terms of 5 years each

THE UNITED PROVINCES SUGAR COMPANY LIMITED

NOTICE

NOTICE is hereby given pursuant to the relevant provisions of the Companies Act, 2013 (the “Companies Act”) read with the Companies (Management and Administration) Rules, 2014, (the “Management Rules”) and other applicable provisions that the 101st Annual General Meeting (AGM) of the members of The United Provinces Sugar Company Limited will be held on Monday, 30th September, 2024 at 2.30 p.m. at the Registered Office of the Company at 401-405, Jolly Bhavan No.1, 10 New Marine Lines, Mumbai 400 020 to transact the following business

ORDINARY BUSINESS

1. To receive, consider and adopt the financial statements of the Company for the year ended 31st March, 2024 including the Statement of Profit & Loss and the Balance Sheet as at 31st March, 2024 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Shri Yogendra Pal Singh (DIN: 09656840) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for reappointment.

SPECIAL BUSINESS

3. **Ratification of Remuneration payable to Cost Auditors**

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 other applicable provisions, if any of the Companies Act, 2013 and the Rules framed thereunder and other applicable laws (including any statutory modification(s) or reenactment thereof for the time being in force), the remuneration of Messrs V. K. Jain & Company, Cost Accountants (ICWA Firm Registration No. 000049), appointed by the Board of Directors, on the recommendation of the Audit Committee, as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company for the Financial Year ending 31st March, 2025, at a remuneration of ₹ 30,000.00 (Rupees thirty thousand) only plus applicable taxes and reimbursement of out of pocket expenses, be and is hereby ratified.”

“RESOLVED FURTHER THAT approval of the Company be and is hereby accorded to the Board of Directors of the Company / a Committee of Directors / Persons authorized by the Board to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

4. **Appointment of Shri Vedang V. Pittie (DIN: 05130215) as a Non Executive Independent Director**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), and the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) or any other applicable (including any statutory modification(s) or reenactment thereof, for the time being in force) read with Schedule IV to the Act, the provisions of the Articles of Association of the Company, “Policy on Selection and Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity”, and based on the recommendation of the Nomination and Remuneration Committee and approval that of the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for appointment of Shri Vedang V. Pittie (DIN: 05130215), who was appointed as an Additional Director (in the capacity of an Independent Director) of the Company by the Board of Directors with effect from 22nd April, 2024 and who being eligible for appointment as an Independent Director has given his consent along with a declaration that he meets the criteria of independence under Section 149(6) of the Act read with Rules made thereunder and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of an Independent Director (under Non Executive category), not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years on the Board of Company

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with effect from 22nd April, 2024 upto 21st April, 2029 (both days inclusive)."

"RESOLVED FURTHER THAT the Board and/or any duly constituted Committee of the Board, be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, proper and /or expedient in connection therewith or incidental thereto, to give effect to the aforesaid resolution."

5. Reappointment of Shri Sidharth Prasad (DIN: 00074194) as a Non Executive Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions, if any of the Companies Act, 2013 ("the Act"), and the Companies (Appointment and Qualification of Directors) Rules, 2014, ("Rules") (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Act, the Articles of Association of the Company, "Policy on Selection and Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity", and on the recommendation of the Nomination and Remuneration Committee, and approval that of the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for reappointment of Shri Sidharth Prasad (DIN: 00074194) who holds office as an Independent Director upto 5th March, 2025 and who being eligible for reappointment for the second term as an Independent Director of the Company has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and the rules made thereunder and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, as an Independent Director, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company with effect from 6th March, 2025 upto 5th March, 2030 (both days inclusive)."

"RESOLVED FURTHER THAT the Board and/or any duly constituted Committee of the "Board, be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, proper and/ or expedient in connection therewith or incidental thereto, to give effect to the aforesaid resolution."

6. Approval of variation in remuneration payable to Shri Yogendra Pal Singh (DIN: 09656840) Whole Time Director designated as Executive Director

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

"RESOLVED THAT in partial modification of the resolution passed in the matter at the Annual General Meeting of the Company held on 29th September, 2022 and in accordance with the provision of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment thereof, for the time being in force) and subject to such approvals as may be necessary, "Policy on Selection and Remuneration of Directors, Key Managerial Personnel and other employees and Board Diversity and on the recommendation of the Nomination and Remuneration Committee, and approved that of the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded to an increase in the salary payable to Shri Yogendra Pal Singh (DIN 09656840) a Whole Time Director designated as Executive Director of the Company from ₹ 1,58,333/- (Rupees one lakh fifty eight thousand three hundred thirty three) only per month to ₹ 1,83,333/- (Rupees one lakh eighty three thousand three hundred thirty three) only per month with effect from 1st April, 2024 for the remaining tenure of his office, that is, upto 28th June, 2025."

"RESOLVED FURTHER THAT except the salary related perquisites, which will stand enhanced consequent to the aforesaid increase in salary, all other perquisites, retirement benefits and conditions of the appointment, will remain the same as at present and as approved by the shareholders in the Annual General Meeting held on 29th September, 2022."

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“RESOLVED FURTHER THAT in the event of inadequacy or absence of profits of the Company in any Financial Year, the said Shri Yogendra Pal Singh will be paid the aforesaid increased remuneration as minimum remuneration subject, however, to the limits prescribed under the said Schedule V to the Act.”

“RESOLVED FURTHER THAT the Board and/or any duly constituted Committee of the Board, be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, proper and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid resolution.”

7. Reappointment of Shri Yogendra Pal Singh (DIN: 09656840) as a Whole Time Director designated as Executive Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 178, 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment thereof, for the time being in force) and all other applicable law(s), regulation(s), guideline(s), and subject to such other approvals as may be necessary, the Articles of Association of the Company, “Policy on Selection and Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity” and on the recommendation of the Nomination and Remuneration Committee, and approved that of the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for reappointment of Shri Yogendra Pal Singh (DIN 09656840) as a Whole Time Director designated as Executive Director of the Company for a further period of 3 years with effect from 29th June, 2025 upto 28th June, 2028 (both days inclusive) whose office shall be liable to retire by rotation, on the terms and conditions including remuneration as set out hereunder.”

This remuneration, subject to the ceiling limits laid down in Section 197 read with Schedule V of the Act, by way of salary and perquisites shall be as follows

I. Salary

Salary (Basic) ₹ 1,83,333.00 (Rupees one lakh eighty three thousand three hundred thirty three) only per month in the scale of ₹ 1,00,000.00 per month to ₹ 3,00,000.00 per month as per rules of the Company.

II. Perquisites

Perquisites shall be restricted to an amount equal to the annual salary. Perquisites are classified into three categories ‘A’, ‘B’ and ‘C’ and the ceiling shall apply to Category ‘A’ only.

Explanation: Perquisites shall be evaluated as per Income Tax Rules, 1962, wherever applicable and in absence of any such rules perquisites shall be evaluated at actual cost.

CATEGORY ‘A’

i) Housing

Furnished accommodation with deduction of house rent of ₹ 200.00 (Rupees two hundred) only per month or House Rent Allowance in lieu thereof @ 40% of Basic Salary i.e. ₹ 73,333.00 (Rupees seventy three thousand three hundred thirty three) only per month.

ii) Medical Allowance

Medical Allowance @ 18.20% of Basic Salary i.e. ₹ 33,367.00 (Rupees thirty three thousand three hundred sixty seven) only per month for self and family.

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iii) Conveyance Allowance

Conveyance Allowance of ₹ 15,272.00 (Rupees fifteen thousand two hundred seventy two) only per month as per rules of the Company.

iv) Bonus/Exgratia

Bonus and exgratia equivalent to one month of Basic Salary i.e. ₹ 1,83,333.00 (Rupees one lakh eighty three thousand three hundred thirty three) only per annum.

v) Leave Travel Allowance (LTA)

Leave Travel Allowance for self and family once a year equivalent to one month Basic Salary i.e. ₹ 1,83,333.00 (Rupees one lakh eighty three thousand three hundred thirty three) only per annum.

For the purpose of Category 'A' 'family' means spouse, dependent children and dependent parents.

CATEGORY 'B'

(i) Provident Fund and Employees' Pension Scheme Contribution of the Company towards Provident Fund and Employees' Pension Scheme shall be as per the rules of the Company but not exceeding 12% of the salary.

(ii) Gratuity

As per the rules of the Company but shall not exceed the rate of half a month's salary for each completed year of service subject to a maximum of 20 months' salary.

(iii) Encashment of Leave

The appointee shall be entitled to encashment of leave as per rules of the Company at the end of tenure. These shall not be included in the computation of perquisites.

CATEGORY 'C'

(i) Car

Provision of car with driver for use of the business of the Company. Any use of car for private purposes shall be billed separately by the Company.

(ii) Telephone / Mobile

Telephone at residence with personal long distance calls being billed separately by the Company.

III. Other Terms Applicable to the Entire Tenure

- (i)** The Executive Director is liable to retire by rotation in terms of provisions of the Companies Act, 2013.
- (ii)** Remuneration for a part of the year shall be computed on a prorata basis.
- (iii)** This appointment may be terminated by either party by giving one month notice in writing or pay in lieu thereof to terminate this agreement within two months after close of a crushing season. If the Executive Director chooses to end his service with the Company in contravention to this condition, he will have to bear liquidated damages equal to two months of his basic salary.
- (iv)** In case the Executive Director opts to end his services with the Company on any date before 24 months of his date of appointment, then the Executive Director will be liable to refund the

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Company the amount paid by it towards compensation of loss of notice pay on the occasion of his joining the Company.

- (v) The Executive Director shall perform his duties and exercise his powers as Executive Director subject to directions, limitations or restrictions imposed by the Board of Directors.
- (vi) The Executive Director shall be directly responsible for day to day affairs of the factory including administration and production related matters according to the policies and procedures laid down by the Board of Directors from time to time.
- (vii) The Executive Director shall be responsible for effective implementation of man power for production purpose as per man power planning, wage and salary budget approved by the top management and according to the policies and procedures laid down by the Board of Directors from time to time.
- (viii) The Executive Director shall be responsible for maintaining the factory in working order and to comply with the Central and State legislation such as Central and Provincial Excise, Goods and Service Tax and with various provisions of Industrial Dispute Act, Factories Act, Industrial Dispute Act, Labour Laws, Pollution Control Laws, Sugar Control Order, Sugarcane Purchase and Regulation Act and Rules, Food Safety and Standard Act, Legal Metrology Act etc.
- (ix) The Executive Director shall be empowered to appoint, dismiss, retrench, lay off, relieve and/or to take disciplinary action against managers, officers, staff and workers in connection with day to day administrative matters with the approval of the Managing Director.
- (x) The Executive Director shall be responsible for allotment of factory quarters/premises to the staff and workers and to recover possession of such quarters/premises.
- (xi) The Executive Director shall be responsible for proper liaisoning with different authorities/departments connected with factory matters.
- (xii) The Executive Director shall also be responsible for making negotiations with labour unions and will submit his report to the Managing Director for information and necessary instructions.
- (xiii) The Executive Director shall devote his whole time and attention to the business of the Company. The Executive Director, so long he functions as such, shall not be paid any sitting fees for attending meetings of the Board of Directors or Committee thereof from the date of his appointment.
- (xiv) The Executive Director shall not during the continuance of his employment hereunder or at any time thereafter divulge or disclose to any person whatsoever or make any use whatsoever for his own purpose or for any purpose other than that of the Company, any information or knowledge obtained by him during his employment as to the business or affairs of the Company or its methods or as to any trade secrets or processes of the Company and the Executive Director shall during the continuance of his employment hereunder also endeavor to prevent any other person from doing so.
- (xv) The Executive Director shall not, so long as he functions as such, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company without prior approval of the Government.
- (xvi) The employment of the Executive Director shall cease with immediate effect if he shall become insolvent or make any compromise or arrangement with his creditors or shall cease to be a Director of the Company.
- (xvii) In case the Executive Director expires in the course of his employment, the Company shall pay his balance salary and current emoluments, if any, for the relevant month to his legal personal representative.

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- (xviii) The Executive Director upon termination of employment, shall immediately return to the Company any and all documents, manuals, data, records, confidential information, intellectual property, material, equipment and other property belonging to the Company that may be entrusted to and/or placed in his possession by virtue of and/or during the course of his employment with the Company, without making any copies thereof and/or extracts there from. The Executive Director shall also deliver to the Company immediately all notes, analysis, summaries and working papers relating thereto. The Company will settle his dues, if any, issue a relieving letter to him only upon his compliance with the terms of this Clause.
- (xix) The Executive Director shall, upon ceasing to be in the service of the Company, for any reason whatsoever, vacate the accommodation provided to him by the Company.
- (xx) Notice to be given by the Executive Director to the Company shall be sent by Registered Post/Speed Post Acknowledgment Due to the Company at its registered office for the time being. Notice to be given by the Company to the Executive Director under the Agreement shall either be delivered to him personally or sent by Registered Post/Speed Post Acknowledgement Due to his last known residential address. All notices given by the Executive Director to the Company or to the Executive Director by the Company shall be deemed to have been duly served upon the expiration of forty eight hours from the date of posting.
- (xxi) This Agreement represents the entire agreement between the parties hereto in relation to the terms and conditions of the Executive Director's employment with the Company and cancels and supersedes all prior agreements, arrangements or undertakings, if any, whether oral or in writing between the parties hereto on the subject matter hereof.

IV. Minimum Remuneration

In the event of loss or absence or inadequacy of net profit in any Financial Year during the tenure of the appointment, the Executive Director shall be paid the above remuneration by way of salary and perquisites as minimum remuneration, subject to restrictions, if any, set out in Schedule V to the Companies Act, 2013, from time to time.”

“RESOLVED FURTHER THAT the Board of Directors of the Company on the recommendation from the Nomination and Remuneration Committee of the Board, be and is hereby authorised and empowered to approve annual increments and to take such improvements to the above remuneration of Shri Yogendra Pal Singh, within the overall limits of the managerial remuneration as prescribed under the Act read with Schedule V thereto (as may be amended from time to time), and/or by way of any governmental guidelines or instructions, the intention being that no further approval of the Company would be required for such increment/improvements to the remuneration of the Whole Time Director.”

“RESOLVED FURTHER THAT the Board and/or any duly constituted Committee of the Board, be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, proper and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid resolution.”

8. Approval for increase in overall borrowing limits of the Company as per Section 180(1)(c) of the Companies Act, 2013

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

“RESOLVED THAT pursuant to Section 180(1)(c) of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or reenactment thereof, for the time being in force) and in supersession of all the earlier resolutions, the consent of the Members of the Company be and is hereby accorded to the Board of Director(s) (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board of Directors by this Resolution), to borrow any sum or sums of monies,

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from time to time, in any form including but not limited to by way of loans, financial facility, through the issuance of debentures, commercial paper or such other form, upon such terms and conditions as to interest, repayment, or otherwise and with or without security, as the Board may think fit for the purposes of the business of the Company notwithstanding that the money or monies to be borrowed, together with the monies already borrowed by the Company (apart from temporary loans obtained by the Company from its bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company and its free reserves, provided however, the total amount so borrowed (apart from the temporary loans obtained by the Company from its bankers in the ordinary course of business) shall not exceed at any point in time a sum equivalent to ₹ 300.00 crores (Rupees three hundred crores) only by way of fund based facilities and ₹ 100 crores (Rupees one hundred crores) only by way of non fund based facilities over and above the aggregate, of the paid up share capital and free reserves of the Company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required.”

9. Approval for increase in limits under Section 180(1)(a) of the Companies Act, 2013 for securitization/ direct assignment and creating charge on the assets of the Company

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

“RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and the rules made thereunder and pursuant to the Memorandum of Association and Articles of Association of the Company and in supersession of all the earlier resolutions, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board of Directors by this Resolution) to mortgage, pledge, charge, hypothecate and/ or create security interest of every nature and kind whatsoever as may be necessary on such of the moveable or immovable assets and properties of the Company wherever situated, both present and future, including where such assets and properties constitute the whole or substantially the whole of the undertaking of the Company, in such manner as the Board/Committee of the Board may direct, to or in favour of financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusteeship companies, trusts, other bodies corporate (hereinafter referred to as the “Lending Agencies”) and trustees for the holders of debentures/bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure the due payment of the principal together with interest, premium on prepayment or on redemption, costs, charges, expenses and all other monies payable by the Company or any third party in respect of borrowings availed of from such lending agencies of an outstanding aggregate value not exceeding ₹ 300.00 crores (Rupees three hundred crores) only.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to finalise with the lending agencies / trustees, the documents for creating the aforesaid security interests and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.”

10. Approval for increase in the overall authority to the Board of Directors under Section 186 and other applicable provisions of the Companies Act, 2013

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

“RESOLVED THAT pursuant to Section 186 of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification(s) or reenactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, and in supersession of all earlier resolutions, consent of the

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Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this Resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of ₹ 150.00 crores (Rupees one hundred fifty crores) only over and above the limit of sixty percent of its paid up share capital, free reserves and securities premium account of the Company or one hundred percent of its free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable to give effect to the aforesaid Resolution.”

Place of Signature: Mumbai
Date: 13th August, 2024

By order of the Board
Arvind K. Kanoria
Managing Director
DIN - 00200202

THE UNITED PROVINCES SUGAR COMPANY LIMITED

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Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning special businesses under Item Nos. 3 to 10 of the accompanying Notice, is annexed hereto. Further additional information with respect to Item No. 2, 4, 5, 6 and 7 of this Notice respectively, as required under Secretarial Standard-2 (SS-2) on General Meetings issued by The Institute of Company Secretaries of India is also annexed to and shall be read as part of this Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES) TO ATTEND AND VOTE ON HIS/HER BEHALF AND SUCH PROXY(IES) NEED NOT BE MEMBER(S) OF THE COMPANY.**
3. A Proxy Form, in prescribed format (Form MGT-11), is being sent herewith, with instructions for filling, signing and submitting the same. The instrument of proxy, in order to be effective, must be deposited with the Company at its registered office not less than forty eight (48) hours before the commencement time of the 101st Annual General Meeting ("Meeting") of the Company. The Proxy Form, if not complete in all respects, will be considered invalid.
4. A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A Member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or Member. Proxy(ies) submitted on behalf of limited companies, societies etc. must be supported by an appropriate resolution/authority as applicable.
5. Pursuant to the provisions of Section 113 of the Act, Members who are Body Corporates/Companies and who intend to send their authorized representative(s) to attend the Meeting are requested to send, to the Company, a certified copy of the Resolution, of its Board of Directors or other governing body, authorizing such representative(s) along with the respective specimen signature(s) of those representative(s) authorized to attend and vote on their behalf at the Meeting.
6. The proxy holder shall prove his/her identity at the time of attending the meeting.
7. When a member appoints a proxy and both the member and proxy attend the meeting, the proxy stands automatically revoked.
8. In case of joint holders, only the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
9. The attendance of the members will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
10. The Registrar and Share Transfer Agent (RTA) of the Company for its share registry work (physical and dematerialized) is Link Intime India Private Limited ("LIPL") having its office at C-101, Embassy 247, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083.
11. Members are hereby informed that there is no unpaid dividend of earlier years which has been transferred or is due to be transferred to the Investor Education and Protection Fund for the year under review.
12. At the 99th AGM held on 29th September, 2022 the Members approved appointment of Messrs Bansi S. Mehta & Co., Chartered Accountants, Mumbai, having (ICAI Firm Registration No. 100991W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 104th AGM to be held in the year 2027, subject to ratification of their appointment by Members at every AGM, if so, required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the 101st AGM.

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13. As per Section 29 of the Act read with Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014, securities of a Company can be transferred only in a dematerialized form with effect from 1st April, 2019 except in the case of a request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to a dematerialized form. Members can contact the Company or its RTA for assistance in this regard.

14. Members who have not yet registered their email addresses are requested to register the same with their DP in case their shares are held by them in electronic form and with the RTA in case the shares are held by them in physical form.

Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number, mandate, nomination, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR and IFSC codes etc. to the DP in case the shares held by them in electronic form and to the RTA in case the shares are held by them in a physical form.

Members are entitled to make a nomination in respect of shares held by them in physical form and may send their requests in Form SH-13 which can be obtained from the RTA.

15. Members holding shares in physical form in an identical order of names in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the concerned share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such members after making requisite changes.

16. **Electronic dispatch of Annual Report, Process for Registration of Email ID for obtaining copy of the Notice and Annual Report**

In compliance with the Ministry of Corporate Affairs (MCA) Circulars, the Notice of the 101st AGM alongwith the Attendance Slip, Proxy Form and the Annual Report is being sent only through electronic mode (unless specifically requested for hard copies by the members) to all the Members whose email addresses are registered with the Company/RTA/Depositories.

Members may note that the Notice of the 101st AGM alongwith the Attendance Slip, Proxy Form and the Annual Report for the financial year ended 31st March, 2024, will also be available on the Company's website: www.upscl.in and on the website of the evoting agency: <https://eservices.nsdl.com>. The Company will also be sending printed copies of the Annual Report 2023-2024 to the shareholders on receipt of specific requests.

17. A route map and prominent landmark for easy location of the venue of the Meeting is enclosed with this Notice. Members may also note that the Notice of the Meeting along with the route map and the Annual Report 2023-2024 will also be available on the website of the Company www.upscl.in for download.
18. For convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by way of Attendance Slip, which is annexed to this Notice. Members are requested to bring their Attendance Slip, fill up and sign the same at the place provided and hand it over at the entrance of the venue of the Meeting.
19. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act read with Rules made thereunder will be available for inspection by the Members at the Meeting.
20. Relevant documents referred to in this Notice / Explanatory Statement are open for inspection by the Members at the Meeting and such documents will also be available for inspection in physical or in electronic form at the Registered Office of the Company on all working days, except Saturdays, from 11.00 A.M. to 1.00 P.M. upto and including the date of the Meeting and also at the Meeting.

NOTICE

21. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company on or before 22nd September, 2024 through email on mumbai@upscl.in and the same will be responded to by the Company.
22. This Notice is being sent to all the members whose names appear on the Register of Members/List of Beneficial Owners as received from the RTA of the Company on 13th August, 2024.
23. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Secretarial Standard on General Meetings issued by Institute of Company Secretaries of India, the Company is providing the facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM and for this purpose, it has appointed NSDL to facilitate voting through electronic means. Accordingly, the facility of casting votes by a Member using remote e-Voting system before the AGM as well as remote e-Voting during the AGM will be provided by NSDL. The remote e-Voting facility would be available during the following period:

Commencement of e-Voting	From 9.00 a.m. (IST) on Friday, 27th September, 2024
End of e-Voting	Upto 5.00 p.m. (IST) on Sunday, 29th September, 2024

During this period, Members holding shares either in physical form or in dematerialized form as on **Monday, 23rd September, 2024 ('Cut-Off date')** may cast their vote by remote e-Voting before the AGM. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut-Off date i.e., Monday, 23rd September, 2024.

Members will be provided with the facility for remote voting through electronic voting system at the AGM and those Members participating at the AGM, who have not already cast their vote by remote e-Voting before the Meeting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote on such resolution(s) again.

24. DETAILED PROCEDURE FOR REMOTE E-VOTING BEFORE THE AGM / REMOTE E-VOTING DURING THE AGM

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER

The remote e-voting period begins on Friday, 27th September, 2024 at 9:00 A.M. and ends on Sunday, 29th September, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. Monday, 23rd September, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, 23rd September 2024.

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

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





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual Shareholders holding securities in demat mode

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

NOTICE

Login method for Individual Shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ Section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. Shareholders/Members can also download NSDL Mobile App “NSDL SPEED-e” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 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 Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi App and then use your existing my easi username & password. 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. 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. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi App and then click on registration option.

NOTICE

	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN Number 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. 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.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility, upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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. NSDL and CDSL

Login Type	Helpdesk Details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
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 225 533

B) Login Method for e-Voting for shareholders other than Individual Shareholders holding securities in demat mode and shareholders holding securities in physical mode

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL:<https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ Section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsdl.com> with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

NOTICE

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 129895 then user ID is 129895001***

5. Password details for shareholders other than Individual Shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your Email ID. Trace the email sent to you from NSDL to your mailbox. Open the email and open the attachment i.e. a pdf file. Open the pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- "Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

NOTICE

Step 2: Cast your vote electronically on NSDL e-Voting system

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
2. Select “EVEN” (E-Voting Event Number) of The United Provinces Sugar Company Limited which is **129895**.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

1. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to patnibl@yahoo.com with a copy marked to evoting@nsdl.com. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to mumbai@upscl.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account Statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to mumbai@upscl.in. If you are an Individual Shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting for Individual Shareholders holding securities in demat mode.**

NOTICE

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

25. INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER

1. The procedure for e-Voting on the day of the AGM is the same as the instructions mentioned above for remote e-voting.
2. Only those Members/Shareholders who will be present in the AGM 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

Place of Signature: Mumbai
Date: 13th August, 2024

By order of the Board
Arvind K. Kanoria
Managing Director
DIN - 00200202

NOTICE

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

As required under Section 102 of the Companies Act, 2013 (as amended) the following Explanatory Statement sets out all material facts relating to Special Business under Item Nos. 3 to 10 in the accompanying Notice dated 13th August, 2024.

Item No. 3

Ratification of Remuneration Payable to Cost Auditors

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of Messrs V. K. Jain & Company, Cost Accountants (ICWA Firm Registration No. 000049) as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2025 at a remuneration of ₹ 30,000/- plus applicable taxes as well as all travelling, boarding, lodging and out of pocket expenses in relation to the conduct of their duties.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2025.

The Board of Directors recommends the ordinary resolution set out at Item No. 3 of the Notice for approval by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

Item No. 4

Appointment of Shri Vedang V. Pittie (DIN 05130215) as a Non Executive Independent Director of the Company

In terms of the provisions of the Companies Act, 2013, as amended ("the Act") and on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 22nd April, 2024 has approved the appointment of Shri Vedang V. Pittie (DIN: 05130215) as an Additional Director (under the category of Non Executive Independent Director) for a term of 5 (five) consecutive years with effect from 22nd April, 2024 to 21st April, 2029.

Further, pursuant to Section 161 of the Companies Act, 2013, Shri Vedang V. Pittie will hold office as a director upto the date of forthcoming Annual General Meeting. The Company has received a notice in writing under provisions of Section 160 of the Companies Act, 2013 from a member along with a deposit of ₹ 1,00,000/- proposing his candidature for the office of Director of the Company at the forthcoming Annual General Meeting.

Shri Vedang V. Pittie, has signified his consent in writing to act as a director of the Company in Form DIR- 2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014.

Shri Vedang V. Pittie has also informed the Company in Form DIR-8 pursuant to Rule 14 in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he was not disqualified to be appointed as a director under Section 164(2) of Companies Act, 2013.

Shri Vedang V. Pittie has informed the Company of his interests in Form MBP-1 pursuant to Section 184(1) of the Companies Act, 2013 read with Rule 9(1) of the Companies (Meetings of Board and its Powers) Rules, 2014.

Shri Vedang V. Pittie has given his consent to act as a Non Executive Independent Director of the Company and has furnished necessary declarations to the Board of Directors that he meets the criteria of independence as provided

NOTICE

under Section 149(6) of the Act. The directorships held by Shri Vedang V Pittie fall within the limits prescribed under the Companies Act, 2013.

Brief Profile of Shri Vedang V. Pittie

Date of Birth: 8th August, 1984

Qualification: Master of Commerce from the University of Mumbai. Participated in a training course relating to sugar engineering organised by the Sugar Milling Research Institute KwaZulu-Natal, Durban, South Africa.

Occupation: Industrialist

Credentials

Designation	Organisation	Period
Management Trainee	Harinagar Sugar Mills Limited	2008 – 2011
Executive	Harinagar Sugar Mills Limited	Since 2011

Shri Vedang V. Pittie is in charge of the sugar, distillery and co-generation operations of Harinagar Sugar Mills Limited.

Award: He has received an Industry Excellency Award from The Sugar Technologies Association of India (STAI) in 2017.

Directorship in other Companies: Jaisudan Investment And Trading Co. Pvt. Ltd.

Membership in other Board Committees: Nil

Shareholding as on 31st March, 2024: Nil

Shri Vedang V. Pittie does not hold by himself or any other person on a beneficial basis, any shares of the Company.

A brief resume of Shri Vedang V. Pittie, the nature of his expertise in specific functional areas and the name of the companies in which he holds directorship and membership/chairmanship of Board Committees, shareholding and relationship between Directors inter-se etc. are provided in the Annexure to this Explanatory Statement.

Shri Vedang V. Pittie will be entitled to sitting fees for attending meetings of the Board and Committee(s) thereof and reimbursement of out of pocket expenses incurred by him in connection thereto. In addition, he would be entitled to commission out of profits, if any, of the Company as determined by the Board of Directors of the Company based on the recommendations of the Nomination and Remuneration Committee of the Board and within the limits fixed / to be fixed by the Members of the Company.

In the opinion of the Board, Shri Vedang V. Pittie fulfils the conditions specified in the Act and the Rules made thereunder for appointment as a Non Executive Independent Director. The Board considers that the proposed appointment of Shri Vedang V. Pittie as a Non Executive Independent Director will be of significant value and benefit to the Company and recommends his appointment to the Members.

A draft letter of appointment setting out the terms and conditions of the appointment of Shri Vedang V. Pittie as a Non Executive Independent Director of the Company, along with a Notice under Section 160 of the Act and all the relevant documents referred to in this Notice and Explanatory Statement shall be open for inspection by the Members at the Registered Office of the Company, in physical or in electronic form, between 10:00 a.m. (IST) to 1:00 p.m. (IST) on all working days (Monday to Friday) upto the date of the Annual General Meeting.

Shri Vedang V. Pittie is interested in this Resolution as it pertains to his appointment. The relatives of Shri Vedang V. Pittie may be deemed to be interested in this resolution to the extent of their shareholding interest, if any, in the Company.

NOTICE

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

The explanatory statement together with the accompanying Notice and Annexure thereto may also be regarded as a disclosure under Secretarial Standard-2 on Board Meetings issued by The Institute of Company Secretaries of India.

The Board recommends the special resolution for appointment of Shri Vedang V. Pittie as a Non Executive Independent Director of the Company for a consecutive term of five years commencing from 22nd April, 2024 to 21st April, 2029 as set out at Item No. 4 of the accompanying Notice for approval by the Members of the Company.

Item No. 5

Reappointment of Shri Sidharth Prasad (DIN 00074194) as a Non Executive Independent Director

Shri Sidharth Prasad (DIN 00074194) is currently a Non Executive Independent Director of the Company. He joined the Board of Directors of the Company as Director on 29th January, 2016 and was appointed a Non Executive Independent Director with effect from 6th March, 2020 for a term of 5 (five) consecutive years upto 5th March, 2025 vide approval of shareholders at the 97th Annual General Meeting of the Company held on 25th September, 2020. As per Section 149(10) of the Act, an independent director shall hold office for a term of up to five consecutive years on the Board of a Company, but shall be eligible for reappointment for second term of upto five consecutive years on passing a special resolution by the Company and disclosure of such appointment in its Board's Report.

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee of the Board and on the basis of the results of the performance evaluation carried out by the said Committee and the Board, vide its resolution dated 13th August, 2024, reappointed Shri Sidharth Prasad as Non Executive Independent Director, not liable to retire by rotation for a second consecutive term of five years commencing from 6th March, 2025 to 5th March, 2030, subject to the approval of the Members through a special resolution.

As per Section 149(10) of the Act, inter alia prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Further Section 149(11) of the Act provides that an Independent Director may hold office for up to two consecutive terms.

The Company has also received a written declaration from Shri Sidharth Prasad stating that he is not disqualified from being appointed as director in terms of Section 164 of the Act and given his consent to continue to act as Director of the Company and he also meets the criteria of independence as provided under Section 149(6) of the Act.

Shri Sidharth Prasad, aged about 61 years, is a Bachelor in Commerce. He is an industrialist having rich business expertise in managing diversified industrial enterprises specifically in finance, accounts, corporate financial planning, restructuring and corporate communication.

Shri Sidharth Prasad does not hold by himself or any other person on a beneficial basis, any shares of the Company.

Brief resume of Shri Sidharth Prasad, nature of his expertise in specific functional areas and name of companies in which he holds directorship and membership/chairmanship of Board Committees, Shareholding and relationships between Directors inter-se etc are provided in the Annexure to this Explanatory Statement.

Shri Sidharth Prasad will be entitled to sitting fees for attending meetings of the Board and Committee(s) thereof and reimbursement of out of pocket expenses incurred by him in connection thereto. In addition, he would be entitled to commission out of profits, if any of the Company as determined by the Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee of the Board and within the limits fixed / to be fixed by the Members of the Company.

In the opinion of the Board, Shri Sidharth Prasad fulfils the conditions specified in the Act and the Rules made thereunder for reappointment as a Non Executive Independent Director. The Board considers that the proposed reappointment of Shri Sidharth Prasad, as a Non Executive Independent Director considering his skills, expertise, experience, integrity and knowledge in diverse areas, his background and contributions during his first tenure.

NOTICE

The Board is of the opinion that the continued association of Shri Sidharth Prasad will be of immense value and benefit of the Company and recommends his reappointment to the Members.

A draft letter of reappointment setting out terms and conditions of the reappointment of Shri Sidharth Prasad as a Non Executive Independent Director of the Company, along with a Notice under Section 160 of the Act and all the relevant documents referred to in this Notice and Explanatory Statement shall be open for inspection by the Members at the Registered Office of the Company, in physical or in electronic form, between 10:00 a.m. (IST) to 1:00 p.m. (IST) on all working days (Monday to Friday) upto the date of Annual General Meeting.

Shri Sidharth Prasad is interested in this Resolution as it pertains to his reappointment. The relatives of Shri Sidharth Prasad may be deemed to be interested in this resolution to the extent of their shareholding interest, if any, in the Company.

Save and except Shri Sidharth Prasad, none of the other Directors, Key Managerial Personnel and their respective relatives are concerned or interested, financially or otherwise, in the Resolution of the agenda.

The explanatory statement together with the accompanying Notice and annexure thereto may also be regarded as a disclosure under Secretarial Standard-2 on Board Meetings issued by The Institute of Company Secretaries of India.

The Board recommends the special resolution for reappointment of Shri Sidharth Prasad as a Non Executive Independent Director of the Company for a consecutive term of five years commencing from 6th March, 2025 to 5th March, 2030 as set out at Item No. 5 of the accompanying Notice for approval by the Members of the Company.

Item Nos. 6 and 7

Approval of variation in remuneration payable to and Reappointment of Shri Yogendra Pal Singh (DIN: 09656840), Whole Time Director designated as Executive Director

Shri Yogendra Pal Singh was appointed as a Whole Time Director designated as Executive Director by the shareholders of the Company at the Annual General Meeting held on 29th September, 2022 for a period of (3) three years with effect from 29th June, 2022 to 28th June, 2025. Considering the increasing activities of the Company and the consequent rise in the responsibilities that the Executive Director is required to shoulder and also having regard to the present pattern of remuneration prevailing in the industry, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, at its meeting held on 13th August, 2024 have decided that, subject to the consent of the Members in the ensuing Annual General Meeting, the remuneration payable to Shri Yogendra Pal Singh be revised upwards and increased as set out in the proposed resolutions at Item Nos. 6 and 7 of the Notice for the remainder of tenure of his Office, that is upto 20th June, 2025.

Shri Yogendra Pal Singh was appointed as a Whole Time Director designated as Executive Director by the shareholders of the Company at the Annual General Meeting held on 29th September, 2022.

Further, the Board of Directors of the Company at its meeting held on 13th August, 2024 have pursuant to recommendation of the Nomination and Remuneration Committee approved the reappointment of Shri Yogendra Pal Singh as a Whole Time Director designated as Executive Director of the Company for a further period of 3 years with effect from 29th June, 2025 upto 28th June, 2028 on the remuneration and terms and conditions as set out in the Resolution at Item No. 7 of the Notice subject to approval by the Shareholders in the forthcoming Annual General Meeting of the Company.

Profile of Shri Yogendra Pal Singh

Date of Birth: 7th July, 1959

Qualifications: Master of Science (Agriculture)

Occupation: Service

Expertise in specific functional areas

THE UNITED PROVINCES SUGAR COMPANY LIMITED

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He has been employed in the Company as Executive Director from 4th June, 2022. He was appointed as Whole Time Director designated as Executive Director with effect from 29th June, 2022 onwards.

Shri Yogendra Pal Singh is an able administrator with a vast experience of over 40 years in the matters of sugar industry. He has been looking after the sugarcane development, sugar production and administration matters as Unit Head of the sugar factory of the Company under supervision and guidance of the Managing Director of the Company.

Directorship in other Companies: NIL

Membership in other Board Committees: NIL

Shareholding as on 31st March, 2024: NIL

The Board considers that the Company would be benefited by his rich experience and guidance.

Shri Yogendra Pal Singh is interested in the resolution set out at Item Nos. 6 and 7 of the Notice with regard to his reappointment. The relatives of Shri Yogendra Pal Singh may be deemed to be interested in the resolutions to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 6 and 7 of the Notice.

The explanatory statement together with the accompanying Notice and annexure thereto may also be regarded as a disclosure under Secretarial Standard-2 on Board Meetings issued by The Institute of Company Secretaries of India.

The Board recommends the special resolution for Variation in Remuneration payable to Shri Yogendra Pal Singh and Reappointment as Whole Time Director designated as Executive Director for a consecutive term of three years commencing from 29th June, 2025 to 28th June, 2028 as set out at Item Nos. 6 and 7 of the accompanying Notice for approval by the Members of the Company.

Item No. 8

Approval for increase in overall borrowing limits of the Company as per Section 180(1)(c) of the Companies Act, 2013

Under Section 180(1)(c) of the Companies Act, 2013 the Board of Directors of the Company cannot, except with the consent of the Members in a General Meeting, borrow monies apart from temporary loans obtained from the bankers of the Company in the ordinary course of business, in excess of the aggregate of the paid up capital and free reserves of the Company, that is to say reserves not set apart for any specific purpose. The shareholders at the Annual General Meeting of the Company held on 26th September, 2014 had accorded their consent to the Board of Directors to borrow upto ₹ 100.00 crores (Rupees hundred crores) only.

Taking into consideration the requirement of additional funds to meet the cost of the Company's capital expenditure programmes and increased working capital requirements including funds for general corporate and/or other purposes to augment its business activities, it is anticipated that the limit of ₹ 100.00 crores (Rupees hundred crores) only sanctioned by the shareholders will not be adequate and is likely to be exceeded. The consent of the shareholders is, therefore, sought in accordance with the provisions of Section 180(1)(c) of the Act, to borrow monies, as aforesaid not exceeding ₹ 300.00 crores (Rupees three hundred crores) only outstanding at any time over and above the aggregate of the paid up capital of the Company and its free reserves.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board of Directors therefore recommends the special resolution set out at Item No. 8 of the Notice for approval by the shareholders.

NOTICE

Item No. 9

Approval for increase in limits under Section 180(1)(a) of the Companies Act, 2013 for securitization/direct assignment and creating charge on the assets of the Company

During the course of its business the Company has to approach banks/financial institutions/other lenders for financial assistance which is normally secured by mortgages, charges and hypothecations over the movable and/or immovable properties of the Company, both present and future, as required by its lenders. The shareholders at the Annual General Meeting of the Company held on 26th September, 2014 had accorded their consent to creating such charges upto an aggregate limit of ₹ 100 crores. Taking into consideration the requirement of additional funds to meet the cost of the Company's capital expenditure programmes, increased working capital requirements and also for general corporate purpose and to augment its business activities, the borrowings of the Company against which such charges may have to be created are likely to increase upto ₹ 300.00 crores (Rupees three hundred crores) only.

Section 180(1)(a) of the Companies Act, 2013 provides inter alia, that the Board of Directors of a public company shall not without the consent of the Members of the Company in a General Meeting, sell, lease or otherwise dispose of the whole or substantially the whole of any such undertaking of the Company, or where the Company owns more than one undertaking, of the whole or substantially the whole of each such undertaking. Since the creation of mortgages, charges and hypothecations in respect of further loans to be raised by the Company may be regarded as otherwise disposal of the Company's undertakings, it has been thought advisable that the limit of ₹ 100.00 crores (Rupees hundred crores) only be enhanced to ₹ 300.00 crores (Rupees three hundred crores) only with the approval of the members pursuant to Section 180(1)(a) of the above Act.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 9 of the Notice.

The Board of Directors therefore recommends the special resolution set out at Item No. 9 of the Notice for approval by the shareholders.

Item No. 10

Approval for increase in overall authority to the Board of Directors under Section 186 and other applicable provisions of the Companies Act, 2013

The Company has been making investments in, giving loans and guarantees to and providing securities in connection with loans to various persons and bodies corporate (including its subsidiary) from time to time, in compliance with the applicable provisions of the Companies Act, 2013 (the Act).

The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a General Meeting.

The shareholders at the Extra Ordinary General Meeting held on 18th November, 2022 vide a special resolution authorised the Board of Directors (including any Committees of the Board of Directors as the Board may authorize from time to time) to utilize upto ₹ 50.00 crores (Rupees fifty crores) only for investing in the securities of the Bodies Corporate and/or to give loans to Bodies Corporate and/or to give any guarantees and/or provide securities to any Bodies Corporate in connection with the financial assistance availed by them. It has been thought advisable that the limit of ₹ 50.00 crores (Rupees fifty crores) only be enhanced to ₹ 150.00 crores (Rupees one hundred fifty crores) only with the approval of the Members of the Company pursuant to Section 186 of the above Act.

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This is an enabling resolution conferring authority on the Board for making the said inter corporate loans, guarantees/securities and/or investments as set out in the resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the Special Resolution.

Your Directors recommend the special resolution as set out at Item No. 10 of the Notice for approval by the shareholders.

Place of Signature: Mumbai

Date: 13th August, 2024

Registered Office

401 - 405, Jolly Bhavan No.1,

10, New Marine Lines,

Mumbai - 400 020

By order of the Board

Arvind K. Kanoria

Managing Director

DIN - 00200202

NOTICE

**ANNEXURE TO ITEM NOS. 2, 4, 5, 6 AND 7 OF THE NOTICE CONVENING
THE ANNUAL GENERAL MEETING OF THE COMPANY**

As per the requirements of Clause 1.2.5 of the Secretarial Standard - 2 issued by the Institute of Company Secretaries of India, a statement containing the requisite details of the concerned Directors is given below

Name of Director	Shri Vedang V Pittie (Item No. 4)	Shri Sidharth Prasad (Item No. 5)	Shri Yogendra Pal Singh (Item Nos. 2, 6 and 7)
Director Identification Number (DIN)	05130215	00074194	09656840
Nationality	Indian	Indian	Indian
Date of first appointment on the Board	22nd April, 2024	29th January, 2016	29th June, 2022
Date of Birth	8th August, 1984	30th March, 1963	7th July, 1959
Age	40 Years	61 years	65 years
Qualifications	Master of Commerce Training course relating to sugar engineering organised by the Sugar Milling Research Institute KwaZulu-Natal, Durban, South Africa	Bachelor of Commerce	Master of Science (Agriculture)
Capacity	Non Executive Independent Director	Non Executive Independent Director	Whole Time Director designated as Executive Director
Specific area of Expertise	Industrialist having rich experience in areas of sugar, distillery and co-generation operations	Industrialist having rich business expertise in managing diversified industrial enterprises specifically in Finance, Accounts, Corporate Financial Planning, Restructuring and Corporate Communication	Sugarcane development and management, sugar production and administration matters as Unit Head of the sugar factory
List of Directorship in other Indian Companies	Jaisudan Investment And Trading Co. Pvt. Ltd.	L.H. Sugar Factories Limited, ISGEC Heavy Engineering Limited, Shrikar Hotels Private Limited, Prasad Heritage Projects Private Limited, Ganga Heritage Resorts Private Limited, Imperial Heritage Hotels Private Limited, Shrikar Pharmaceuticals Private Limited	None
Chairmanship/Membership in the Committees of the Boards of Companies in which he is a Director	None	None	None
Number of shares held in the Company as on 31st March, 2024	NIL	NIL	NIL
Remuneration last drawn by such person, if applicable	NIL	₹ 5,000/-	₹ 41,00,001/-
Terms and conditions of appointment/reappointment	Appointment as Non Executive Independent Director not liable to retire by rotation for the term of 5 consecutive years commencing from 22nd April, 2024 to 21st April, 2029 entitled to receive sitting fees as per provision of Companies Act, 2013	Reappointment as Non Executive Independent Director not liable to retire by rotation for the term of 5 consecutive years commencing from 6th March, 2024 to 5th March, 2030 entitled to receive sitting fees as per provision of the Companies Act, 2013	Approval of reappointment as Whole Time Director designated as Executive Director is proposed for a further period of 3 years with effect from 29th June, 2025 upto 28th June, 2028 at a remuneration of ₹ 44,00,146/- per annum as set out in the resolution in Item No. 7 of the Notice

THE UNITED PROVINCES SUGAR COMPANY LIMITED

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Name of Director	Shri Vedang V. Pittie (Item No. 4)	Shri Sidharth Prasad (Item No. 5)	Shri Yogendra Pal Singh (Item Nos. 2, 6 and 7)
Details of Remuneration sought to be paid	(i) Sitting fees for attending Board/ Committee Meeting (ii) Reimbursement of expenses incurred for attending Board / Committee Meeting	(i) Sitting fees for attending Board/ Committee Meeting (ii) Reimbursement of expenses incurred for attending Board / Committee Meeting	As set out in the resolution of Item No. 7.
Number of Board Meetings attended during the year 2023-2024	Not Applicable	One out of Four	One out of Four
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None	None
Summary of Performance Evaluation Report	Not Applicable	The Nomination and Remuneration Committee and the Board evaluated the performance of Shri Sidharth Prasad, rated him satisfactory on all parameters and recommended for his reappointment	Not Applicable

Place of Signature: Mumbai
Date: 13th August, 2024

Registered Office
401 - 405, Jolly Bhavan No.1,
10, New Marine Lines,
Mumbai - 400 020

By order of the Board
Arvind K. Kanoria
Managing Director
DIN - 00200202

DIRECTORS' REPORT

Your Directors present their 101st Annual Report together with the Audited Financial Statements of the Company for the year ended 31st March, 2024 as below

	2023-2024	(₹ in Lakhs) 2022-2023
	₹	₹
Financial Results		
Revenue from Operations and Other Income	35,915.78	30,638.97
Profit/(Loss) before Finance Costs, Depreciation and Tax	4,028.96	2,576.83
Less: Finance Costs	1,154.71	1,208.71
Profit/(Loss) before Depreciation and Tax	2,874.25	1,368.12
Less: Depreciation and Amortization Expense	692.91	679.58
Profit/(Loss) before Tax	2,181.34	688.54
Less: Tax Expense - Deferred Tax Charge	558.85	935.17
Profit/(Loss) for the Year	1,622.49	(246.63)
Other Comprehensive Income/(Loss) Net of Tax		
Items that will not be reclassified to Profit and Loss		
Remeasurement Gain/(Loss) of Net Defined Benefit Liability	(11.91)	(51.98)
Income Tax related to above	3.00	13.08
Other Comprehensive Income/(Loss)	(8.91)	(38.90)
Total Comprehensive Income/(Loss) for the Year	1,613.58	(285.53)
Dividend		

Your Directors do not recommend any dividend for the year ended 31st March, 2024.

Transfer to Reserves

No amount is proposed to be transferred to the General Reserve during the year.

Operations and Financial Results

The sugar factory of the Company has crushed 80.17 lakh Quintals (Q) of sugarcane and produced 9.07 lakh Q of white crystal sugar at a recovery of 11.32 during the year under consideration against a crush of 68.14 lakh Q of sugarcane and a production of 7.54 lakh Q of white crystal sugar at a recovery of 11.17 during the previous financial year.

The crushing season of 2023-2024 at the factory commenced on 22nd November, 2023 and ended on 4th April, 2024. During the above season of 135 days, your mill crushed a total of 70.42 lakh Q of sugarcane which produced 8.02 lakh Q of white crystal sugar at a sugar recovery of 11.38% against a crush of 79.14 lakh Q of sugarcane and a production of 8.80 lakh Q of white crystal sugar at a recovery of 11.13% over 151 crop days in the previous season.

The sugarcane crushing, sugar recovery and sugar production during the financial year has been higher on account of an increased availability of sugarcane in the reserved area of the factory during this period.

The sugarcane crush and sugar production during season 2023-2024 has, however, been lower as compared to the previous season on account of insufficient and late rains which affected the yield and consequently the availability of sugarcane to the factory for crushing.

DIRECTORS' REPORT

There has been a gross turnover of ₹ 35,915.78 lakhs during the financial year under review against ₹ 30,638.97 lakhs in the previous financial year and the EBITDA for the financial year under review stands at ₹ 4,028.96 lakhs against ₹ 1,208.71 lakhs in the previous financial year. The Company has generated a total comprehensive income of ₹ 1,613.58 lakhs during the year against a total comprehensive loss of ₹ 285.53 lakhs in the previous year.

Sugarcane & Sugar Policy

The essential features of the Government Policies related to sugarcane and sugar for 2023-2024 season are as under

- (a) The Central Government determined a Fair and Remunerative Price (FRP) for sugarcane at ₹ 315.00/Q linked to a basic recovery of 10.25% subject to a premium of ₹ 3.07/Q for every 0.10% increase in recovery.
- (b) The State Government of Uttar Pradesh increased the State Advised Price (SAP) by ₹ 20.00/Q across all varieties for season 2023-2024 and consequently the SAP for early maturity and normal varieties of sugarcane stood at ₹ 370.00/Q and ₹ 360.00/Q respectively for the said season.
- (c) The Central Government maintained the Minimum Selling Price (MSP) of sugar at ₹ 31.00 per kg.
- (d) A policy of partial control on molasses has been continued by the State Government in Uttar Pradesh.
- (e) In view of initial expectation of tight demand - supply situation, the Central Government has not announced any export quota for sugar season 2023-2024.

Prospects and Outlook for season 2024-2025

The standing sugarcane crop of the factory is in reasonably good health as on date. This augers well for an improved crush and recovery in the incoming season subject to conducive climatic conditions in the coming months.

The Central Government has been active in encouraging the production of ethanol by sugar factories which has reduced the cyclical nature of the industry. An ambitious target of a 20.00% ethanol blend in petrol has been set to be achieved by 2025-2026.

The viability of the industry on a long term basis continues to be impaired due to non linkage of the price of its raw material i.e. sugarcane to that of its finished product i.e. sugar. Any reform on this front on the part of the Central and/or State Government will greatly contribute to the long term viability of the industry.

Board of Directors and its Composition

The Board of the Company is duly constituted with an optimum combination of Executive and Non Executive Directors.

None of the Directors of the Company are disqualified as per applicable provisions of the Companies Act, 2013 ("the Act").

(i) Directors and Key Managerial Personnel (KMP)

Appointment/Resignation/Cessation of Directors

Changes in the Board of Directors during the Financial Year 2023-2024

- a) Dr. Bakshi Ram (DIN: 02235466) was appointed as an Additional Director (Non Executive Independent Director) on the Board of the Company with effect from 30th November, 2022 and was regularized at the 100th Annual General Meeting of the Company (AGM) held on 29th September, 2023.
- b) Shri Vivek M. Pittie (DIN: 00066885), Independent Director of the Company completed his second and final term as an Independent Director of the Company. Accordingly, Shri Pittie ceased to hold office with effect from close of business hours of 31st March, 2024.

DIRECTORS' REPORT

- c) Shri Girdhari Lal Sultania (DIN: 00060931), Independent Director of the Company completed his second and final term as an Independent Director of the Company. Accordingly, Shri Girdhari Lal Sultania ceased to hold office with effect from close of business hours of 31st March, 2024.

The Board would like to place on record its sincere appreciation for the valuable contribution made by Shri Vivek M. Pittie and Shri Girdhari Lal Sultania during their long association with the Company.

(ii) Reappointment of Directors

- (a) The Board recommends the approval of the Members for reappointment of Shri Sidharth Prasad (DIN: 00074194) as a Non Executive Independent Director, for his second term of five consecutive years with effect from 6th March, 2025 to 5th March, 2030 (both days inclusive). Shri Sidharth Prasad has the required integrity, expertise and experience for reappointment as an Independent Director of your Company.
- (b) The Board recommends the approval of the Members for the reappointment of Shri Yogendra Pal Singh (DIN 09656840) as a Whole Time Director designated as Executive Director for further period of three years with effect from 29th June, 2025 to 28th June, 2028 on the same terms and conditions including the remuneration.

(iii) Retirement by Rotation

Shri Yogendra Pal Singh, Director of the Company, retires from the Board by rotation and being eligible offers himself for reappointment at the incoming Annual General Meeting.

(iv) Appointment after the Financial Year

At its meeting held on 22nd April, 2024, on recommendation of the Nomination and Remuneration Committee, the Board approved the appointment of Shri Vedang V. Pittie (DIN: 05130215) as an Additional Director, in the category of Non Executive Independent Director, of the Company for a term of 5 (five) consecutive years with effect from 22nd April, 2024. The appointment is subject to approval of the shareholders at the ensuing AGM.

The Board recommends for the approval of the Members, the appointment of Shri Vedang V. Pittie as a Non Executive Independent Director of your Company for a term of five consecutive years with effect from 22nd April, 2024. Shri Vedang V. Pittie has the required integrity, expertise, experience and proficiency for appointment as a Non Executive Independent Director of your Company.

No other changes occurred at the Board level.

In compliance with Secretarial Standard a brief resume of the Director proposed to be appointed/reappointed forms a part of the Notes and Explanatory Statement to the Notice of the ensuing AGM.

Other Information

With a view to improve the financial health of the Company, Shri Arvind K. Kanoria has voluntarily opted to reduce his remuneration with effect from 1st April, 2020 to a token amount of ₹ 1.00 per month only i.e. ₹ 12.00 per annum only against an amount of ₹ 84.00 lakhs per annum approved by the shareholders.

The Board recommends for approval of the members the following as a Special Resolutions

- a) Approval for increase in overall borrowing limits of the Company as per Section 180(1)(c) of the Companies Act, 2013 from ₹ 100.00 crores to ₹ 300.00 crores.
- b) Approval for increase in limits under Section 180(1)(a) of the Companies Act, 2013 for securitization/direct assignment and creating charge on the assets of the Company from ₹ 100.00 crores to ₹ 300.00 crores.
- c) Approval for increase in overall authority to the Board of Directors under Section 186 and other applicable provisions of the Companies Act, 2013 from ₹ 50.00 crores to ₹ 150 crores.

DIRECTORS' REPORT

Declaration by Independent Directors

Pursuant to the provisions of Section 149(7) of the Act read with the Rules made thereunder the Independent Directors have submitted declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Schedule and Rules framed thereunder and that during the year, there has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Independent Directors have also confirmed compliance with the Code of Conduct of the Company and also with the Code for Independent Directors prescribed in Schedule IV to the Act.

The Board of Directors confirm that the Independent Director appointed during the year also met the criteria of integrity, expertise, experience and proficiency in terms of Rule 8 of the Companies (Accounts) Rules, 2014 (as amended).

Separate Meeting of Independent Directors

A separate meeting of the Independent Directors was held in terms of Schedule IV of the Companies Act 2013.

Board Meetings and Annual General Meeting

The Board of your Company meets at least four times in a year and the gap between two meetings does not exceed one hundred and twenty days. An annual calendar of meetings is circulated in advance to all the Directors. In case of exigencies, resolutions are passed through circulation in terms of Section 175 of the Act.

During the year ended 31st March, 2024, four Board Meetings were held on 25th June 2023, 25th August 2023, 24th November 2023 and 23rd February, 2024 and these meetings were well attended by the Directors.

The 100th AGM of the Company was held on 29th September, 2023. No Extraordinary General Meetings were held and no resolution was passed by Postal Ballot during the year.

Directors' Responsibility Statement

The Board of Directors acknowledges its responsibility towards ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in preparation of the annual accounts for the year ended 31st March, 2024 and states that.

- (i) The applicable accounting standards have been followed along with proper explanation relating to material departures, if any in preparation of the annual accounts;
- (ii) 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/loss of the Company for that period;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on a going concern basis;
- (v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- (vi) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Policy on Selection and Remuneration of Directors

The Company has in place a Policy on Selection and Remuneration of Directors, Key Managerial Personnel (KMP) and Other Employees and on Board Diversity ("NRC and Board Diversity Policy") which provides for process w.r.t.

DIRECTORS' REPORT

selection, appointment and remuneration of directors, key managerial personnel and senior management employees including other matters as provided under Section 178(3) of the Act.

Following are the salient features of the NRC and Board Diversity Policy

- to provide criteria and terms and conditions with regard to identifying persons who are qualified to become directors (executive and non executive including independent directors), key managerial personnel and persons who may be appointed in senior management positions.
- to recommend the remuneration of the directors, key managerial personnel and senior management personnel in alignment with the Company's business strategies, values, key priorities and goals.
- to provide rewards linked directly to the effort, performance, dedication and achievement of the Company's targets by the employees.
- to monitor and periodically review and recommend improvement in board diversity aspects and measure progress accordingly.
- undertake any other matters as the Board may decide from time to time.

The Nomination and Remuneration Committee and the Board Diversity Policy is annexed as Annexure - I.

The remuneration paid to the Directors for the Financial Year 2023-2024 was as per the terms laid down in the Appointment and Remuneration Policy of the Company and the details are as under

₹ in Lakhs

Sl. No.	Particulars of Remuneration	Name of Directors						Total
		Shri Vivek M. Pittie	Dr. Anurag K. Kanoria	Shri Girdhari Lal Sultania	Shri Sidharth Prasad	Smt. Lakshmi Iyer	Dr. Bakshi Ram	
1	Independent Directors							
	Fee for attending Board/Committee Meetings	0.15	—	0.05	0.05	0.20	0.05	0.50
	Commission	—	—	—	—	—	—	—
	Others, please specify	—	—	—	—	—	—	—
	Total (1)	0.15	—	0.05	0.05	0.20	0.05	0.50
2	Other Non Executive Directors							
	Fee for attending Board/Committee Meetings	—	0.15	—	—	—	—	0.15
	Commission	—	—	—	—	—	—	—
	Others	—	—	—	—	—	—	—
	Total (2)	—	0.15	—	—	—	—	0.15
	Total = (1+2)	0.15	0.15	0.05	0.05	0.20	0.05	0.65
3.	Total Managerial Remuneration							40.02**
4.	Overall Ceiling as per the Act *	Overall ceiling for Non Executive Directors is 1% of the net profit calculated as per Section 198 of the Companies Act, 2013.						

** Total managerial remuneration paid to the Managing Director and the Whole Time Director. The Non Executive Directors are not paid any remuneration except sitting fees.

Board Evaluation

Pursuant to the provisions of the Act, the Board has carried out an evaluation of its own performance and that of its Committees as well as an evaluation of the performance of the individual directors.

THE UNITED PROVINCES SUGAR COMPANY LIMITED

DIRECTORS' REPORT

Key Managerial Personnel (KMP)

During the year under review, pursuant to the provisions of Sections 2(51) and 203 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the KMP Personnel of the Company are Shri Arvind K. Kanoria, Managing Director, Shri R.G. Panchbhai, Chief Financial Officer and Shri Yogendra Pal Singh, Whole Time Director designated as Executive Director.

During the year, there has been no change in the KMP of the Company.

The remuneration paid to the KMP of the Company during the year under review is as under

Remuneration to Managing Director, Whole Time Directors and/or KMP

₹ in lakhs

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		KMP	Total Amount
		Shri Arvind K. Kanoria** Managing Director	Shri Yogendra Pal Singh, Executive Director	Shri R.G. Panchbhai, CFO	
1	Gross Salary				
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0.01	40.01	22.63	62.65
(b)	Value of perquisites under Section 17(2) of the Income Tax Act, 1961	—	—	—	—
(c)	Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	—	—	—	—
2	Stock Option	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission			—	—
	- as a % of profit	—	—	—	—
	- Others, please specify	—	—	—	—
5	- Others, please specify	—	—	—	—
	Total	0.01	40.01	22.63	62.65
	Ceiling as per the Act*	84.00 lakhs	60.00 lakhs	NIL	NIL

* The ceiling given is as per Schedule V to the Companies Act, 2013.

** Shri Arvind Kanoria, Managing Director has voluntarily withdrawn ₹ 1/- per month as his remuneration against ₹ 84.00 lakhs as per his terms of appointment.

Particulars of Employees

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), are given in a separate annexure attached hereto as Annexure - II and forms a part of this Report.

Share Capital

The paid up equity share capital of the Company as on 31st March, 2024 stood at ₹ 2,55,00,000/- comprising of 25,50,000 equity shares of ₹ 10/- each. The Company has neither issued any shares with differential voting rights nor granted stock options nor sweat equity during the year under review.

DIRECTORS' REPORT

The shareholding of the Directors of the Company (including the promoter director) is as under
Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of the total shares of the Company	No. of Shares	% of the total shares of the Company
1	Smt. Lakshmi Iyer, Non Executive Independent Director	3,000	0.12	3,000	0.12
2	Shri Arvind K. Kanoria, Managing Director *	24,19,766	94.90	24,19,766	94.90
3	Shri Ram Gopal Panchbhai, Chief Financial Officer	1	—	1	—

Note: 1. Shri Vivek M. Pittie, Dr. Anurag Kanoria, Shri Girdhari Lal Sultania and Shri Sidharth Prasad, Directors of the Company are holding qualification shares jointly with Shri Arvind K. Kanoria as second holder and the same has been shown under his shareholding.

2. * Includes in his own name and jointly with other family members.

Reduction of Share Capital

As reported in the Annual Report for 2022-2023, the Board of Directors at its meeting held on February 24, 2023, has approved a Scheme of Capital Reduction in accordance with Section 66 of the Companies Act, 2013 read with the National Company Law Tribunal ('NCLT') (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013. The same has also been approved by the shareholders at the EGM held on March 24, 2023. The aforesaid scheme proposes that subject to the approval of the NCLT and other statutory authorities as and where applicable, the issued, subscribed and paid up share capital of the Company will be reduced from ₹ 255.00 lakhs to ₹ 241.98 lakhs and consequently the number of issued, subscribed and paid up shares also reduced from 25.50 lakhs to 24.20 lakhs. If the Scheme of Capital Reduction is approved, payment of consideration to shareholders will be made against shares held on the record date.

In pursuance of the above, the Company has submitted a petition before the NCLT for its approval and the same is under the consideration of the Tribunal.

Subsidiary, Associate and Joint Venture Company

The Company does not have any subsidiary, associate or joint venture as on 31st March, 2024.

Credit Rating

Credit rating from an outside agency has not been sought, as the Company does not avail of any working capital borrowing from any financial institution.

Cash Flow Analysis

The Cash Flow Statement for the year ended 31st March, 2024 is included in the Annual Financial Statements in conformity with the provisions of the Act.

Inter Corporate Loans, Guarantees and Investments

The Company has not lent any money or made any investment or provided any guarantee during the year under review.

Deposits

The Company has not accepted any deposits from the public and there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

THE UNITED PROVINCES SUGAR COMPANY LIMITED

DIRECTORS' REPORT

Internal Financial Controls

The Company has an established internal financial control system to ensure the orderly and efficient conduct of its business including adherence to its policies, the safeguarding of assets, the prevention and detection of frauds and errors, the accuracy and completeness of its accounting records and the timely preparation of reliable financial statements. During the year, such controls were reviewed and no reportable material weakness was observed.

Related Party Transactions

There have been no materially significant related party transactions entered into by the Company during the financial year with the promoters, the directors, the key managerial personnel or their relatives which may be in conflict with the interest of the Company at large.

All related party transactions have been placed before the Audit Committee and have also received approval from the Board. The details of related party transactions are set out in the Notes to the Financial Statements. Since all related party transactions entered by the Company were in the ordinary course of business and also on an arm's length basis, the particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act along with the justification for entering into such contracts or arrangements in Form AOC-2 do not form a part of this Report.

Committees of the Board

Pursuant to various requirements under the Act, the Board of Directors has constituted/reconstituted whenever necessitated an Audit Committee and a Nomination and Remuneration Committee particulars of these committees are as under

Audit Committee

During the year ended 31st March, 2024, 4 (four) Audit Committee Meetings were held on 25th June 2023, 25th August 2023, 24th November 2023 and 23rd February, 2024. The composition of the Audit Committee are as follows

Sl. No.	Name of the Directors	Position	Category
1.	Shri Vivek M. Pittie	Chairman	Independent, Non Executive
2.	Smt. Lakshmi Iyer	Member	Independent, Non Executive
3.	Shri Girdhari Lal Sultania	Member	Independent, Non Executive
4.	Shri Arvind K. Kanoria	Member	Promoter, Executive

Shri Vivek M. Pittie, Independent Non Executive Director and Chairman of the Audit Committee, was present at the AGM of the Company to answer queries related to the accounts of the Company to the satisfaction of the shareholders.

All the recommendations made by the Audit Committee during the year were accepted by the Board.

Nomination and Remuneration Committee

During the year ended 31st March, 2024, 3 (three) Nomination and Remuneration Committee Meetings were held on 25th June 2023, 25th August 2023 and 24th November 2023. The composition of the Nomination and Remuneration Committee is as under

DIRECTORS' REPORT

Sl. No.	Name of the Directors	Position	Category
1.	Smt. Lakshmi Iyer	Chairperson	Independent, Non Executive
2.	Shri Vivek M. Pittie	Member	Independent, Non Executive
3.	Shri Girdhari Lal Sultania	Member	Independent, Non Executive
4.	Dr. Anurag K. Kanoria	Member	Non Executive

CSR Committee

The CSR Committee shall be constituted by the Board as and when required as part of the Act.

Vigil Mechanism/Whistle Blower Policy

The Company has adopted a whistle blower policy as envisaged in the Companies Act, 2013 and the Rules prescribed thereunder so as to enable its directors, employees and all stakeholders of the Company to report any genuine concern and to provide for adequate safeguards against any victimization of individuals who use such a mechanism and make provisions for direct access to the Chairman of Audit Committee.

Prevention of Sexual Harassment

The Company has zero tolerance towards sexual harassment at its work places and has put in place a policy on anti sexual harassment in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, seasonal, contractual, temporary, trainees) are covered under this policy. No complaints have been received during the year under review.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars related to the conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in Annexure - III attached hereto and form a part of this Report.

Risk Management Policy and Framework Policy

The Company has laid down a policy on risk assessment and minimization and the same is periodically reviewed by the Audit Committee and the Board. The policy facilitates identification of risk at an appropriate time and ensures necessary steps to be taken to mitigate such risk.

Compliance of Secretarial Standards

The Company has complied with the applicable Secretarial Standards i.e., Secretarial Standard on meeting of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

Auditors

Statutory Auditors and Auditors' Report

The Members of the Company, at their 99th Annual General Meeting held on 29th September, 2022, approved the appointment of Messrs Bansi S. Mehta & Co., Chartered Accountants, (Firm Registration No. 100991W) ("BSM") as the Statutory Auditors of the Company to hold office for a further term of five years commencing from the conclusion of the 99th Annual General Meeting (AGM) upto the conclusion of the 104th AGM of the Company to be held in the year 2027. BSM have provided their consent and confirmed that they meet the eligibility criteria prescribed under Section 141 of the Act read with Rule 4 of the Company (Audit and Auditors) Rules, 2014 and that they are not disqualified to act as Statutory Auditors of the Company.

DIRECTORS' REPORT

BSM have confirmed that the firm holds a valid certificate issued by the Peer Review Board of the ICAI. They have also furnished a declaration of independence as well as their arm's length relationship with the Company and declared that they have not taken up any prohibited non audit assignments for the Company.

The Auditors' Report for the financial year 2023-2024 is unmodified i.e. it does not contain any qualification(s), reservation(s) or adverse remark(s) and forms part of this Annual Report.

The Statutory Auditors have not reported any incident of fraud in terms of the second proviso to Section 143(12) of the Act to the Audit Committee of the Company during the financial year under review.

Secretarial Auditors and Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Smt. Dipika Jain, Practicing Company Secretary (Certificate of Practice No. 18466), as Secretarial Auditor to undertake the Secretarial Audit of the Company for the year ended March 31, 2024. The Secretarial Audit Report for the financial year 2023-2024 is appended to this Report as Annexure - IV and form part of the Report.

The contents of the said Audit Report are self explanatory and do not call for any further comments by the Board.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

Internal Audit

Pursuant to Section 138 of the Act read with the Companies (Accounts) Rules, 2014, Messrs Sanghai & Associates, Chartered Accountants had been appointed as the Internal Auditor of the Company for the financial year 2023-2024. The Board, on the recommendation of the Audit Committee at its meeting held on 13th August, 2024 reappointed Messrs Sanghai & Associates as the Internal Auditor of the Company for the financial year 2024-2025.

Cost Auditors and Cost Audit Report

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and rules made thereunder, the Board of the Company, on the recommendation of the Audit Committee, has reappointed Messrs V.K. Jain & Company, Cost Accountants (ICWA Firm Registration No. 000049), as Cost Auditors to conduct cost audits related to sugar for the year ending March 31, 2025. The Cost Accountants have confirmed that their appointment is within the limits of Section 141(3)(g) of the Act and free from any of the disqualifications specified under Section 141(3) and the proviso to Section 148(3) read with Section 141(4) of the Companies Act, 2013.

The Cost Audit Report for financial year 2022-2023 was filed with the Central Government within the statutory timeline and will be filed within the prescribed timeline for financial year 2023-2024.

The Cost Audit Report for the financial year ended 31st March, 2023 does not contain any qualification, reservation, adverse remark or disclaimer.

During the year under review, the Cost Auditors did not report any instance of fraud committed by the officers or employees of the Company under Section 143(2) of the Act.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, since the remuneration to be paid to the Cost Auditors for financial year 2024-2025 is required to be ratified by the members, the Board of Directors recommends the same for ratification at the ensuing AGM. The proposal forms a part of the notice of the AGM.

Reporting of Fraud by Auditors

During the year under review, the Statutory Auditor and the Secretarial Auditor of the Company have not reported any instance of fraud committed by its officers or employees as required to be reported under Section 143(12) of the Act either to the Audit Committee or to the Board.

DIRECTORS' REPORT

Micro, Small & Medium Enterprises (MSME) Return

The Ministry of Corporate Affairs vide its order dated 22nd January, 2019 has directed all companies who source goods or services from micro and small enterprises and whose payments to such suppliers exceed forty five days during the year to file a MSME Return and the Company has accordingly filed the same.

Change in Nature of Business

There is no change in the nature of the business of the Company.

Material Changes and Commitments

Except those disclosed in this Annual Report, there are no material changes and commitments affecting the financial position of the Company between the end of the financial year i.e. 31st March, 2024 and on the date of this Report.

Significant and Material Orders

There are no significant/material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

Proceedings under the Insolvency and Bankruptcy Code 2016

During the year under review, no Corporate Insolvency Resolution application was made or proceeding was initiated, by/against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended). Further, no application/proceeding by/against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended) is pending as on 31st March, 2024.

One Time Settlement with Banks or Financial Institutions

No one time settlement with bank or financial institutions was entered into with any bank or institution during the year.

Modernisation and Expansion of Sugar Factory

The modernisation and expansion of the sugarcane crushing capacity of the sugar factory of the Company to 6,000 TCD has been successfully completed during season 2022-2023.

The Company has accordingly taken up a program for the further modernisation and expansion of its factory in a phased manner.

Consolidated Financial Statements

The Company does not have any subsidiary or associate and hence the preparation of consolidated financial statements is not applicable to the Company pursuant to the provisions of Accounting Standard 21 of the Act and the Listing Regulations.

Employee Stock Options Scheme

The Company does not have a policy for grant of employee stock options.

Annexures forming a part of this Report

The Annexures referred to in this Report along with all other information which is required to be disclosed are annexed herewith and form a part of this Report.

Annexure Particulars

- I Policy on Selection and Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity.

DIRECTORS' REPORT

II Particulars of Employees.

III Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo.

IV Secretarial Audit Report.

Acknowledgment

The Board expresses its gratitude to all stakeholders of the Company for the confidence they have reposed in it.

The Board also records its special appreciation for the dedication and contribution made by all the employees of the Company.

Place of Signature: Mumbai

Date: 13th August, 2024

By order of the Board

Arvind K. Kanoria

Managing Director

DIN - 00200202

ANNEXURE I TO THE DIRECTORS' REPORT

POLICY ON SELECTION AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES AND ON BOARD DIVERSITY

I. SELECTION POLICY

A. Introduction

Subsection (3) of Section 178 of the Companies Act, 2013 states that the Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.

This policy sets out the general guidelines for the selection of candidates on the Board of Directors, key managerial personnel and other persons in senior management to assist the Board in performing its duties as well as to ensure constitution of the Board with an optimum combination of executive and non executive directors including independent directors who possess diverse experience and expertise in strategic management and governance and provide long term vision and direction to the Company.

B. Selection and Composition of the Board Membership, Criteria and Diversity

The Board of Directors should be composed of individuals who have demonstrated significant achievement in the fields of business, education, the professions and/or public service. They should have the requisite intelligence as well as education and experience to make a significant contribution to the deliberations of the Board in light of the business of the Company and should bring a broad range of experience to the Board.

The role of the Nomination and Remuneration Committee is to annually review the appropriate skills and characteristics of the members of the Board in the context of the current structure of the Board. Such assessment should include issues of diversity, age, experience, qualifications, ethics, the willingness to participate in matters of the Board and any other criteria that the Committee may find relevant at that point of time. A variety and balance of skills, background and experience is desirable.

The composition of the Board shall meet the conditions prescribed under the Companies Act, 2013. The proposed appointee shall possess a director identification number and also meet the criteria laid down in the Companies Act, 2013.

Attributes

The overall ability and experience of individual board candidates should determine their suitability. The following attributes may be considered as desirable in any candidate for the Board of Directors

- Experience - A candidate should have extensive experience in business, administration, profession, governance and/or public service. An ideal Board candidate may have had experience in more than one of these areas.
- Education - Ideally, it is desirable that a candidate should hold a degree from a respected college or university. In some cases, it is further desirable for the candidate to have also earned a masters or special acumen in governance & administration. However, such criteria are not meant to exclude an exceptional candidate who does not meet the same.
- Personal - The candidate should be of the highest moral and ethical character. The candidate should exhibit independence, objectivity and be capable of serving as a representative of the stakeholders.
- Individual Characteristics - The candidate should have such personal qualities so as to be able to make a substantial and active contribution to the deliberations of the Board. These qualities include intelligence, self assuredness, high ethics, interpersonal skills, independence, judgment, courage along with willingness to ask difficult questions, communication skills and commitment.

ANNEXURE I TO THE DIRECTORS' REPORT

- Availability - The candidate must be willing to commit as well as have sufficient time available to discharge the duties of membership. The candidate should not have any prohibited interlocking relationships.
- Compatibility - The candidate should be able to develop a good working relationship with other members of the Board and contribute to the working relationship of the Board with the senior management of the Company.
- Compliance - The candidate should meet the compliance requirements prescribed under the Companies Act, 2013, the Listing Regulations and other rules & regulations or standards set out by the Company.

Predominance of Independent Directors

Independence promotes integrity, accountability and governance. The Board of Directors shall comprise of a requisite number of independent directors as prescribed under the law.

Selection and Orientation of New Directors

The Nomination and Remuneration Committee shall identify candidates for the Board and recommend them for appointment to the Board and subsequently for approval by the shareholders as prescribed under the law. The Board delegates such screening process to the Committee with direct inputs from the Chairman of the Board or Managing Director or any other committee. The management of the Company, working in conjunction with the Committee, shall develop an appropriate familiarization program for a new director that includes background briefings, meetings with senior management and visits to the facilities of the Company etc.

Assessing Performance of the Board and Committees

The Nomination and Remuneration Committee shall evaluate the performance of each director and report annually to the Board on the results of its assessment process. The performance evaluation of independent directors shall be done by the entire Board of Directors. The independent directors in their meeting shall review the performance of non independent directors and the Board as a whole. While assessing the performance, the Board and the Committee shall take into account the attendance of the directors in the meeting of the Board and the Committee, the performance of the business, the accomplishment of long term strategic objectives, the role & functioning of various committees, compliances and any other matter it may deem fit. The purpose of such assessment shall be to increase the effectiveness of the Board.

C. Selection of Key Managerial Personnel

The above criteria shall also apply for selection of Key Managerial Personnel (KMP) excepting those which are not applicable for persons in senior management. Where appointment or performance of any KMP requires a specific qualification or degree, the person should also possess such specific qualification or degree. Keeping oneself upto date for performing duties on issues and emerging trends is an important part of the responsibilities. KMP must take reasonable steps to remain current in professional development, corporate governance and discharging duties and responsibilities.

A KMP shall meet the conditions prescribed under the Companies Act, 2013 and other rules and regulations as may be applicable.

II. REMUNERATION POLICY

A. Introduction

The Remuneration Policy is designed to attract, motivate and retain talented employees in a competitive market. The purpose of the remuneration policy is to motivate employees to excel in their performance, recognize their contribution, retain talent in the organization, reward, merits and protect organizational

ANNEXURE I TO THE DIRECTORS' REPORT

stability and flexibility and create sustainable long term value for the shareholders. Therefore, the Company has formulated its Remuneration Policy with the following objectives

1. Ensuring that 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;
2. Ensuring that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3. Ensuring that the remuneration 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.

Occasions may, however, arise where it is appropriate to act differently than set out in this policy in exceptional cases due to some extraordinary talent of the candidate and/or on account of outstanding performance. The Remuneration Policy applies to the directors, key managerial personnel and other employees of the Company.

B. Criteria for Remuneration

The Remuneration Policy reflects a balance between the interests of the main stakeholders of the Company as well as a balance between the short term and long term strategy of the Company. As a result, the structure of the remuneration package for the Managing Board and senior executives is designed to balance short term operational performance with the medium and long term objective of creating sustainable value within the Company. The Company strives for a high performance in the field of sustainability and aims to maintain a good balance between economic gain, respect for people and concern for the environment in line with the values and business principles of the Company to ensure that highly skilled and qualified senior executives can be attracted and retained. The Company aims for a total remuneration level that is comparable to levels provided by other companies that are similar to the Company in terms of size and complexity.

The following elements shall be considered for payment of remuneration to executive directors, KMP and other employees

- Industry average, remuneration drawn by peers considering nature and volume of responsibilities, qualification, experience, immediate previous position held in an earlier organization and responsibilities occupied, responsibilities shouldered in the Company, contribution made to the Company, achievements, rewards or recognitions, behavioral patterns and work ethics, evaluation of performance etc.

C. Remuneration to Executive Directors and Non Executive Directors

The remuneration of the executive directors consists of salary and perquisites. The managing director is also entitled to receive a profit based annual commission. The salary, perquisites and the commission shall be recommended by the Nomination and Remuneration Committee for approval by the Board of Directors. After approval from the Board of Directors approval of the shareholders is to be sought.

The non executive directors are entitled for sitting fees for attending each meeting of the Board of Directors. The sitting fees shall be recommended by the Nomination and Remuneration Committee for approval by the Board. Thereafter, approval of the shareholders shall be sought for payment of sitting fees, if any, to the non executive directors.

Any review of the remuneration to executive directors and non executive directors shall be on the basis of performance evaluation of directors and as per recommendation of the Nomination and Remuneration Committee.

The salary, perquisites and commission to the managing director and whole time director and sitting fees to the non executive directors shall be subject to provisions of the Act, including prescribed rules & schedules thereunder.

ANNEXURE I TO THE DIRECTORS' REPORT

D. Remuneration to KMP, Senior Executives and other Employees

In order to attract and retain managerial expertise, the elements of the remuneration of the KMP and senior executives are determined on the basis of the work they do and the value they create as well as of the conditions in other similar companies. Each element of the remuneration has been weighed in order to ensure a continuous positive development of the Company both in the short and long term as well as of the employees to enhance productivity.

Remuneration of employees largely consists of base remuneration, perquisites, bonus, exgratia etc. The components of the total remuneration vary for different cadres/grades and are governed by industry patterns, qualification and experience of the employees, responsibilities handled by him, individual performance, amongst others. Employees/workers may be granted an advance/loan, with or without interest, in case of genuine needs such as medical, education, housing, marriage or for any other genuine purpose subject to and in conformity with the applicable laws and regulations as amended from time to time. The remuneration to employees/workers shall also comply with the applicable regulations and policies of the respective governments. As the factory of the Company is situated in the state of Uttar Pradesh, the remuneration to employees/workers there should be in compliance with the policies of the Uttar Pradesh Government including the Wage Board.

The Company may, however, give compensation in the form of reward or incentive to any employee for any outstanding or extraordinary performance by him which is over and above the benchmark set for him during any year.

An annual appraisal of performance of KMP, senior executives and other employees shall be done by the respective reporting authority/head of the department in association with Human Resource Department. Any increase in remuneration shall be done based on such performance evaluation.

E. Long Term Incentive, Employee Stock Option Scheme

The Company does not have an employee stock option scheme.

III. REVIEW

The Nomination and Remuneration Committee may review this Policy periodically and suggest revisions to the Board to ensure that the Policy serves its purpose and accurately reflects the sense of the Board and the Company.

Place of Signature: Mumbai
Date: 13th August, 2024

By order of the Board
Arvind K. Kanoria
Managing Director
DIN - 00200202

ANNEXURE II TO THE DIRECTORS' REPORT

Statement of Particulars of Employees as Required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended)

Employed throughout the Financial Year ended 31st March, 2024

Sl. No.	Name of Employee	Designation, Nature of Duties	Remuneration (₹ in lakhs)	Qualification and Experience (years)	Date of Appointment	Date of Birth and Age (years)	Last employment held before joining the Company
1	Shri Arvind K. Kanoria	Managing Director	0.01	Bachelor of Commerce (41 years)	12.11.1990	08.03.1961 (63 years)	None
2	Shri Pratik Barasia	Executive Officer	29.00	Bachelor of Science (16 years)	01.01.2021	23.10.1986 (38 years)	Partner, Kokonut Clothing LLP
3	Shri Ram Gopal Panchbhai	Chief Financial Officer	24.73	Bachelor of Commerce (45 years)	10.01.1980	01.05.1955 (69 years)	Ryam Commerce & Plantation Limited, Financial Controller
4	Shri Yogendra Pal Singh	Whole Time Director designated as Executive Director	40.01	Master of Science (Agriculture) (40 years)	04.06.2022	07.07.1959 (65 years)	Chadha Sugar & Industries Pvt. Ltd., Vice President
5	Shri Sandeep Kumar Singh	General Manager (Engineering)	23.42	Bachelor of Engineering, National Sugar Institute (29 years)	20.10.2022	02.04.1967 (58 years)	Govind Sugar Mill, Aira DGM (Engineering)
6	Shri Mahesh Kumar Agarwal	General Manager (Finance)	12.13	Bachelor of Commerce (33 years)	27.07.2017	01.05.1966 (58 years)	Magdh Sugar & Energy Limited, Unit: Sidhwalia, Chief Accountant
7	Shri Dilip Mishra	General Manager (Production)	16.25	Master of Science, ANSI (30 years)	12.11.1992	15.07.1967 (57 years)	None
8	Shri Pramod Kumar	General Manager (Cane)	26.45	Master of Science (Agriculture) (24 years)	01.11.2021	20.04.1975 (49 years)	Balrampur Chini Mills Limited, Deputy General Manager (Cane)
9	Shri Deepak Kumar Srivastava	Deputy General Manager (Engineering)	14.98	Diploma in Mechanical Engineering and PGDME (36 years)	25.10.2011	11.11.1967 (57 years)	Balrampur Chini Mills Limited, Additional Chief Engineer
10	Shri Manish Verma	Deputy General Manager (Electrical)	15.88	Bachelor of Engineering (Electrical) (29 years)	10.07.2017	08.04.1969 (55 years)	Dalmia Bharat Sugar Industries Limited, Additional General Manager (Electrical)

ANNEXURE II TO THE DIRECTORS' REPORT

Statement of Particulars of Employees as Required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended)

Employed throughout the Financial Year ended 31st March, 2024

Sl. No.	Name of Employee	Designation, Nature of Duties	Remuneration (₹ in lakhs)	Qualification and Experience (years)	Date of Appointment	Date of Birth and Age (years)	Last employment held before joining the Company
11	Shri Yashwant Singh	General Manager (Human Resources and Administration & Legal)	10.73	Bachelor of Art, Bachelor of Law and Master of Business Administration (Human Resources) (30 years)	07.05.2022	01.07.1960 (64 years)	The United Provinces Sugar Company Limited, Sr. Manager (Administration & Legal)
12	Shri Anil Kumar Jha	Senior Manager (Store)	10.19	Master of Business Administration (37 years)	11.12.2017	05.04.1961 (63 years)	Magdh Sugar & Energy Limited, Unit: Narkatiaganj, Store Officer

Notes:

- 1) Remuneration includes salary, contribution to provident fund by the Company, Bonus, allowances and monetary value of perquisites paid but does not include any provision made for gratuity or leave benefit as same are determined on an actuarial basis for the Company as a whole.
- 2) With a view to improve the financial health of the Company, Shri Arvind K. Kanoria, Managing Director has voluntarily opted to receive his remuneration with effect from 1st April, 2020 to a token amount of ₹ 1.00 per month only i.e., ₹ 12.00 per annum only against an amount of ₹ 84.00 lakhs per annum approved by the shareholders as his remuneration.
- 3) Except for the appointment of the Managing Director and the Executive Director, all appointments are non contractual and terminable by a notice on either side.
- 4) Shri Arvind K. Kanoria, Managing Director and Dr. Anurag K. Kanoria, Director are related to each other.
- 5) Shri Pratik Barasia is the husband of the daughter of Shri Arvind K. Kanoria and hence related to Shri Arvind K. Kanoria.
- 6) Shri Arvind K. Kanoria and Shri Pratik Barasia hold 53.27% and 10.00% equity shares respectively of the Company.
- 7) None of the employees are covered under Rule 5(2)(i), (ii) and (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Place of Signature: Mumbai
Date: 13th August, 2024

By order of the Board
Arvind K. Kanoria
Managing Director
DIN - 00200202

ANNEXURE III TO THE DIRECTORS' REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Out go required under the Companies (Accounts) Rules, 2014

A. Conservation of Energy

1. The Company continues to give high priority to the conservation of energy on an ongoing basis and some of the significant measures taken by it are as below
 - (i) Phase wise replacement of centrifugal station DC drives to efficient AC drives
 - (ii) Upgradation of evaporator station by installing energy efficient falling film evaporators to reduce steam consumption.
 - (iii) Replacement of conventional drives with variable frequency drives wherever feasible.
 - (iv) New and modern Distributed Control Systems (DCS) installed for optimum utility and smooth running of units
 - (v) Installation of planetary gears in replacement of inefficient worm wheel type gears is for saving of electrical energy.
 - (vi) Installation of screw pumps / high flow pumps in place of inefficient geared pumps.
 - (vii) Installation of auto feed control valves on continuous centrifugal machines.
 - (viii) Installation of electrical vaporizer (syrup side) inbuilt electric heaters to stop live steam consumption in boiling house.
 - (ix) Installation of air scrappers in A centrifugal machines, high speed bagging machines, planetary drives and vacuum pump.
 - (x) Installation of venturi at wet scrubber of boiler.
 - (xi) Installation of energy efficient motors.
 - (xii) Installation of capacitor banks.
 - (xiii) Recycling of process water to conserve natural resources by installing rotary air cooled air compressor.
 - (xiv) Replacement of conventional inefficient bulbs with efficient CFL lights and LED lamps and installation of energy efficient motors.

The impact of the above measures has reduced the consumption of fuel and power and consequently the cost of production.

2. The steps taken by the Company for utilizing alternate sources of energy;
 - (i) The sugar plant of the Company has a bagasse based power generation plant which is used for its captive consumption needs during the crushing season.
 - (ii) Recycling of process water to conserve natural resources.

The capital investment on energy conservation equipment during the financial year 2023-2024 is ₹ 2,342.51 lakhs.

B. Technology Absorption

1. The Company has continued to strengthen its sugarcane development activities during the year under review. Such development includes the advocacy of early maturing varieties, single row farming, use of genuine pesticides and fertilizers as well as a proactive response towards arresting incidents of disease.

ANNEXURE III TO THE DIRECTORS' REPORT

The Company also carried out the following sugarcane development activities during the financial year 2023-2024.

- Distribution of trichoderma, chlorpyrifos and coragen amongst sugarcane growers on landed cost from original manufacturers to control pests and protect sugarcane from disease.
- Procurement and distribution of mechanized implements to ensure activities are done timely, efficiently and cost effectively.
- Motivation of sugarcane growers for adopting inter cropping of other crops along with sugarcane.
- Education of sugarcane growers for proper use of fertilizers and manure for healthy development & growth of sugarcane.
- Use of a soil testing lab to analyze macro and micro nutrients in the soil to help determine the optimal dosage of fertilizers required.
- Adoption of ratoon crop management to increase yield and recovery.
- Encouragement of sowing of seeds using STT (Settling Transplant Technique) which has several advantages that include reduction in quantity of seed required and quicker propagation of newer varieties.

Due to the above efforts, it is expected that a higher yield of disease free sugarcane will be available resulting in a higher return to the sugarcane growers of the area and the Company.

2. The Company has not imported any technology.
3. Expenditure incurred on Research & Development: NIL

C. Foreign Exchange Earnings and Outgo

	For the year ended 31st March, 2024	For the year ended 31st March, 2023
1. Foreign Exchange earned in terms of actual inflows	NIL	NIL
2. Foreign Exchange outgo in terms of actual outflows	NIL	NIL

Place of Signature: Mumbai
Date: 13th August, 2024

By order of the Board
Arvind K. Kanoria
Managing Director
DIN - 00200202

ANNEXURE IV TO THE DIRECTORS' REPORT

Form - MR - 3
Secretarial Audit Report
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

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

To,
The Members
The United Provinces Sugar Company Limited
401/405, Jolly Bhavan No. 1
10, New Marine Lines, Mumbai - 400 020

I have conducted the Secretarial Audit regarding compliance of the applicable statutory provisions and adherence to good corporate practices by The United Provinces Sugar Company Limited (hereinafter called 'the Company'). The said Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct and statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company and its officers, agents and authorized representatives during the conduct of my secretarial audit, I hereby report that, in my opinion, the Company has during the audit period covering the financial year ended on 31st March, 2024 generally complied with the statutory provisions listed hereunder and also that the Company has a proper process and compliance mechanism in place to such extent subject to the reporting made hereinafter.

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

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder. Not applicable as the Company is not a Listed Company.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder.
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (Not applicable to the Company during the audit period).
- (v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'). Not applicable as the Company is not a Listed Company.
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
 - 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 clients.

ANNEXURE IV TO THE DIRECTORS' REPORT

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
 - i) The Securities and Exchange Board of India (Issue and Listing of Non Convertible Securities) Regulations, 2021; and
 - j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other Laws applicable to the Company;
- (i) The Sugar (Control) Order, 1966.
 - (ii) The Food Safety and Standards Act, 2006 and Rules and Regulations made thereunder.
 - (iii) The Essential Commodities Act, 1955.
 - (iv) The Legal Metrology Act, 2009.
 - (v) The Electricity Act, 2003.
 - (vi) The U. P. Sugarcane (Regulation of Supply & Purchase) Act, 1953.
 - (vii) The Payment of Wages Act, 1956.
 - (viii) The Minimum Wages Act, 1948.
 - (ix) The Employee Provident Fund and Miscellaneous Provisions Act, 1952.
 - (x) The Payment of Gratuity Act, 1972.
 - (xi) The Bombay Shops and Establishments Act, 1948.
 - (xii) The Maharashtra Labour Welfare Fund Act, 1953.
 - (xiii) The Environment (Protection) Act, 1986.
 - (xiv) The Factories Act, 1948.
 - (xv) The Industrial Dispute Act, 1947.

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

Secretarial Standards on the Meetings of the Board of Directors, Committees and General Meetings issued by The Institute of Company Secretaries of India, with which the Company has generally complied with.

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

Reliance has been put by me on the compliance systems prevailing in the Company and the legal compliance certificates received from the unit head as regards compliance of laws specifically applicable to the industry to which the Company specifically belongs.

I further report that

The Board of Directors of the Company is duly constituted with a proper balance of executive directors and non executive directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

ANNEXURE IV TO THE DIRECTORS' REPORT

Adequate notice is given to all directors regarding schedulment of the Board meetings and the Agenda and Detailed Notes on Agenda are sent at least seven days in advance of the meeting and a system exists for seeking and obtaining further information and clarification on the items on agenda before the meeting and for meaningful participation at the meeting.

During the audit period under review, all decisions at the Board Meetings and the Committee Meetings have been carried out unanimously.

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

I further report that at the Extraordinary General Meeting held on 24th March, 2023, the shareholders of the Company has passed a Special Resolution, for reduction of Share Capital by cancelling and extinguishing, 1,30,234 equity shares of ₹ 10/- each held by public shareholders, subject to the approval of National Company Law Tribunal, Mumbai Bench. The matter is pending before National Company Law Tribunal, Mumbai branch.

I further report that during the Audit period there were no other specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., referred to above.

Place : Kolkata
Dated : 27th July, 2024

Dipika Jain
Practicing Company Secretary
Membership No. 50343
Certificate of Practice No. 18466
UDIN: A050343F000836975
P.R. No.: 1935/2024

Note:

This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this Report.

ANNEXURE - A

To,
The Members,
The United Provinces Sugar Company Limited,
401/405, Jolly Bhavan No. 1
10, New Marine Lines, Mumbai - 400 020

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of the financial records and the books of accounts of the Company.
4. Wherever required, I have obtained the representation of the management regarding the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of procedures on a test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
Dated : 27th July, 2024

Dipika Jain
Practicing Company Secretary
Membership No. 50343
Certificate of Practice No. 18466

THE UNITED PROVINCES SUGAR COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT

To the Members of The United Provinces Sugar Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **The United Provinces Sugar Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit and total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annexures to Director's Report, Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable

INDEPENDENT AUDITORS' REPORT

and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

INDEPENDENT AUDITORS' REPORT

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

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

Report on Other Legal and Regulatory Requirements

1. 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; except for the matter stated in paragraph 1(i)(vi) under the heading of "Report on Other Legal and Regulatory Requirements" on reporting under Rule 11(g) of the Companies (Audit and Auditors) (as amended);
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rule, 2015, as amended;
 - e. On the basis of the written representations received from directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. With respect to the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A";
 - g. With respect to the 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 remuneration paid during the current year by the Company to its directors is in accordance with the provisions of Section 197 read with Schedule V of the Act.

- h. The remarks relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (1)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 1(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) under the heading of "Report on Other Legal and Regulatory Requirements"
- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 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, as required under the applicable law or accounting standards;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.

INDEPENDENT AUDITORS' REPORT

- (iv) (a) The Management has represented that, to the best of its 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 [Refer Note 43(h) to the financial statements];
- (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the Note 43(i) to the financial statements, 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 have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided in (a) and (b) above, contain any material misstatement.
- v. Since the Company has neither declared nor paid any dividend during the year, the question of commenting on whether the same is in accordance with Section 123 of the Companies Act, 2013 does not arise.
- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the year ended March 31, 2024 which do not have a feature of recording audit trail (edit log) facility.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we enclose in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 24036148BKHBK1487

PLACE : Mumbai
DATED : August 13, 2024

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1(f) under the heading of "Report on Other Legal and Regulatory Requirements" in our Independent Auditor's Report of even date on the Financial Statements for the year ended March 31, 2024.

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

We have audited the internal financial controls with reference to financial statements of **The United Provinces Sugar Company Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

- c. 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 with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal controls over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 24036148BKHBK1487

PLACE : Mumbai
DATED : August 13, 2024

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date on the Financial Statements for the year ended March 31, 2024.

- i. a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ("PPE") and relevant details of Right-of-use Assets.
B. The Company has maintained proper records showing full particulars of Intangible Assets.
- b. The management of the Company verifies PPE and Right-of-use Assets according to a phased programme designed to cover all items over a period of three years, which, in our opinion, is at reasonable intervals. Pursuant to the programme, a portion of the items of PPE have been verified by the management during the year, and 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 of the Company examined by us, we report that, the title deeds of 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, are held in the name of the Company.
- d. According to the information and explanations given to us and on the basis of the books and records of the Company examined by us, we report that, the Company has neither revalued any of its Property, Plant and Equipment nor its Intangible Assets during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable. We also report that since the Company has adopted Revaluation Model as its accounting policy for Freehold Land as a class of PPE, the same was last revalued for the year ended March 31, 2022. The said Revaluation though is not based on the valuation by a Registered Valuer, in terms of the Act and Rules made thereunder, but is based on the valuer who is the Government Approved Valuer and is on the panel of some of the public sector banks; the amount of change then was ₹ 877.10 lakhs, being more than 10% in the aggregate of the then net carrying value of Freehold Land under PPE. [Refer Note 2A (iv) to the financial statements].
- e. According to the information and explanations given 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 (as amended in 2016) and Rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable.
- ii. a. Physical verification of inventories has been conducted by the management during the year which, in our opinion, is at 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 each class of inventory.
- b. According to the information and explanations given to us and on the basis of records of the Company examined by us, during the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. According to the information and explanations given to us and on the basis of the books and records of the Company examined by us, the Company has not made any investment in, provided any security or guarantee or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnership or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us and on the basis of the books and records of the Company examined by us,
 - the Company has not made any investments, or given any guarantee or provided any security in connection with a loan during the year that would attract the provisions of Section 185 and 186 of the Act;
 - the Company has also not given any loan to any person specified under Section 185 of the Act;

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

- v. In our opinion and according to the information and explanations given to us and on the basis of the books and records of the Company examined by us, the Company has not accepted deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and rules made thereunder, to the extent applicable. Accordingly, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as specified by the Central Government for maintenance of cost records under Section 148(1) of the Act, in respect of sugar manufactured by the Company and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the said accounts and records with a view to determine whether they are accurate or complete.
- vii. a. According to the information and explanations given to us and on the basis of the books and records of the Company examined by us, except for one instance, the Company has been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Services Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues, as applicable to it, with the appropriate authorities. There are no arrears of outstanding statutory dues on the last day of the financial year, for a period of more than six months from the date they become payable.
- b. According to the information and explanations given to us and on the basis of the books and records of the Company 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;

Sr. No.	Name of statute	Nature of the dues	Amount (₹ in Lakhs)	Period to which the Amount relates	Forum where dispute is pending
1.	The UP Sugarcane (Purchase Tax) Act, 1961	Purchase Tax	31.45	2016-2017	High Court
2.	Indian Stamp Act, 1899	Stamp duty	0.61 (*0.31)	2003-2004	High Court
3.	Indian Stamp Act, 1899	Stamp duty	4.78 (*1.48)	2006-2007	High Court
4.	Food Safety and Standards Act, 2006	Penalty	0.10	2012-2013	High Court
5.	Uttar Pradesh Municipal Corporation Act, 1959	Property Tax	0.66	1985-1994	A.D.M. Kushinagar

* indicates amount deposited or paid under dispute

- viii. According to the information and explanations given to us, the Company did not have any transaction relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- ix. a. According to the information and explanations given to us and on the basis of the books and records of the Company examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year; Loans or advances in the nature of loans obtained from an other company in the form of current account are repayable on demand on any date six months subsequent to the date of disbursement for which the interest is periodically paid.
- b. According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or government authority.

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

- c. According to the information and explanations given to us and on the basis of the books and records of the Company examined by us, no term loans have been obtained by the Company during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable.
- d. According to the information and explanations given to us and the procedures performed by us, as also on an overall examination of the financial statements of the Company, we report that the funds raised on short-term basis by way of unsecured loans, repayable on demand, from a party aggregating to ₹ 2,950.00 lakhs out of which ₹ 1,184.99 lakhs for the year have been utilized for long-term purposes including repayment of long-term borrowings.

The Company does not have any subsidiary, associate or joint venture. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable.

- x. a. According to the information and explanations given to us and on the basis of the books and records of the Company examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.
- b. According to the information and explanations given to us and on the basis of the books and records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a. On the basis of books and records of the Company examined by us and according to the information and explanations given to us, we report that no material fraud by the Company or any fraud on the Company has been noticed or reported during the year in the course of our audit.
- b. To the best of our knowledge, no report under Section 143(12) of the Act has been filed by the auditors in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto 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 and upto the date of this report.
- xii. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the provisions of Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. a. According to the information and explanations given to us, in our opinion, the Company has internal audit system commensurate with the size and nature of its business.
- b. The reports of the internal auditors for the year under audit, issued to the Company during the year and till date, have been considered by us 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 of the Company examined by us, the Company has not entered into any non-cash transaction with its directors or persons connected with to its directors. Accordingly, reporting under clause 3(xv) of the Order is not applicable.
- xvi. a. As per the information and explanations given to us and on basis of books and records of the Company examined by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934; the Company has not conducted any Non-banking Financial or Housing Finance activities during the year; The Company is not a Core Investment Company (CIC) as defined in the

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

regulations made by the Reserve Bank of India. Accordingly, reporting under clauses 3(xvi)(a), 3(xvi)(b) and 3(xvi)(c) of the Order are not applicable to the Company.

- b. According to the information and explanations provided by the management of the Company, the Company does not have CIC within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). We have not, however, separately evaluated whether the information provided to us is accurate and complete. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation by the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and more particularly, 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 causes 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 an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give 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. As per the information and explanations given to us and on basis of books and records of the Company examined by us, we report that since the Company has average net losses during the immediately preceding three financial years, it is not required to spend any money under sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause (xx) of the Order is not applicable to the Company for the year.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No.100991W

PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 24036148BKHBK1487

PLACE : Mumbai
DATED : August 13, 2024

THE UNITED PROVINCES SUGAR COMPANY LIMITED

BALANCE SHEET AS AT MARCH 31, 2024

₹ in Lakhs

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	2A	17,210.45	15,346.69
(b) Capital Work In Progress	2B	271.00	NIL
(c) Right of Use Assets	2C	17.69	20.22
(d) Other Intangible Assets	2D	20.21	15.30
(e) Financial Assets			
Other Financial Assets	3	15.70	15.72
(f) Other Non Current Assets	4	15.11	16.66
Total Non Current Assets		17,550.16	15,414.59
Current Assets			
(a) Inventories	5	17,729.21	14,583.44
(b) Financial Assets			
(i) Trade Receivables	6	4.99	64.87
(ii) Cash and Cash Equivalents	7	514.72	825.18
(iii) Bank Balances other than (ii) above	8	21.31	12.55
(c) Other Current Assets	9	1,024.48	253.12
Total Current Assets		19,294.71	15,739.16
TOTAL ASSETS		36,844.87	31,153.75
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	10	255.00	255.00
(b) Other Equity	11	3,508.81	1,893.02
Total Equity		3,763.81	2,148.02
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	NIL	304.58
(ii) Lease Liabilities	38	17.35	19.56
(b) Provisions	13	534.74	507.83
(c) Deferred Tax Liabilities (Net)	14	969.91	414.06
(d) Other Non Current Liabilities	15	NIL	1.72
Total Non Current Liabilities		1,522.00	1,247.75
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	15,704.58	13,593.89
(ii) Lease Liabilities	38	2.21	2.05
(iii) Trade Payables	17		
A. Total outstanding dues of micro enterprises and small enterprises		105.46	168.05
B. Total outstanding dues of creditors other than micro enterprises and small enterprises		14,729.08	12,594.07
(iv) Other Financial Liabilities	18	316.84	429.17
(b) Other Current Liabilities	19	360.75	609.89
(c) Provisions	20	340.14	360.86
Total Current Liabilities		31,559.06	27,757.98
TOTAL EQUITY AND LIABILITIES		36,844.87	31,153.75

Material Accounting Policy Information

1

See accompanying Notes forming part of the Financial Statements

2 - 43

As per our report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**

Chartered Accountants

Firm Registration No. 100991W

PARESH H. CLERK

Partner

Membership No. 36148

Place : Mumbai

Date : August 13, 2024

Arvind K. Kanoria

Managing Director

DIN - 00200202

R. G. Panchbhai

Chief Financial Officer

Lakshmi Iyer

Non Executive Independent Director

DIN - 00591643

Dr. Anurag K. Kanoria

Non Executive Director

DIN - 00200630

THE UNITED PROVINCES SUGAR COMPANY LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

₹ in Lakhs

Particulars	Note No.	For the Year ended March 31, 2024	For the Year ended March 31, 2023
I Revenue From Operations	21	35,776.36	30,432.08
II Other Income	22	139.42	206.89
III Total Income (I+II)		35,915.78	30,638.97
IV EXPENSES			
Cost of Materials consumed	23	30,590.31	24,798.58
Changes in Inventories of Finished Goods, By Products and Work in Progress	24	(2,729.57)	(730.45)
Employee Benefits Expense	25	1,820.25	1,862.71
Finance Costs	26	1,154.71	1,208.71
Depreciation and Amortisation Expense	2A, 2C and 2D	692.91	679.58
Other Expenses	27	2,205.83	2,131.30
Total Expenses (IV)		33,734.44	29,950.43
V Profit before Exceptional Items and Tax (III-IV)		2,181.34	688.54
VI Exceptional Items		NIL	NIL
VII Profit before Tax (V+VI)		2,181.34	688.54
VIII Tax Expense			
Current Tax	30	NIL	NIL
Deferred Tax	30	558.85	935.17
(Excess)/Short Provision of Tax of earlier years		NIL	NIL
Total Tax Expenses		558.85	935.17
IX Profit/(Loss) for the year (VII-VIII)		1,622.49	(246.63)
X Other Comprehensive Income/(Loss)			
i. Items that will not be reclassified to Profit and Loss			
a. Actuarial (Loss)/Gain on Defined Benefit Obligation		(11.91)	(51.98)
b. Increase in carrying amount on Revaluation of Land		NIL	NIL
ii. Income Tax relating to above			
a. Income tax relating to above Actuarial (Loss)/Gain		3.00	13.08
b. Income tax relating to above Revaluation		NIL	NIL
Other Comprehensive Income/(Loss)		(8.91)	(38.90)
XI Total Comprehensive Income/(Loss) for the year		1,613.58	(285.53)
XII Earnings Per Equity Share (Face Value ₹ 10 Per Share) Basic and Diluted (in ₹)	29	63.63	(9.67)

Material Accounting Policy Information

1

See accompanying Notes forming part of the Financial Statements

2 - 43

As per our report of even date attached
For **BANSI S. MEHTA & CO.**

For and on behalf of the Board of Directors

Chartered Accountants
Firm Registration No. 100991W

Arvind K. Kanoria
Managing Director
DIN - 00200202

Lakshmi Iyer
Non Executive Independent Director
DIN - 00591643

PARESH H. CLERK
Partner
Membership No. 36148
Place : Mumbai
Date : August 13, 2024

R. G. Panchbhai
Chief Financial Officer

Dr. Anurag K. Kanoria
Non Executive Director
DIN - 00200630

THE UNITED PROVINCES SUGAR COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. Equity Share Capital

As at March 31, 2024

₹ in Lakhs

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
255.00	NIL	255.00	NIL	255.00

As at March 31, 2023

₹ in Lakhs

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
255.00	NIL	255.00	NIL	255.00

B. Other Equity (Refer Note 11)

₹ in Lakhs

Particulars	Reserves and Surplus					Total
	Capital Reserve	General Reserve	Revaluation Surplus	Reserve for Storage of Molasses	Retained Earnings	
Balance as at April 1, 2023	252.43	578.68	6,896.55	10.87	(5,845.51)	1,893.02
Changes in accounting policy or prior period item	NIL	NIL	NIL	NIL	NIL	NIL
Restated balance at the beginning of the current reporting period	252.43	578.68	6,896.55	10.87	(5,845.51)	1,893.02
Revaluation Surplus on Land sold	NIL	NIL	NIL	NIL	NIL	NIL
Profit / (Loss) for the year	NIL	NIL	NIL	NIL	1,622.49	1,622.49
Other Comprehensive Income/(Loss), net of income tax						
- Remeasurement of Defined Benefit Plans	NIL	NIL	NIL	NIL	(8.91)	(8.91)
- Increase in Carrying amount of Revaluation of Land	NIL	NIL	NIL	NIL	NIL	NIL
Total Comprehensive Income/(Loss) for the year	NIL	NIL	NIL	NIL	1,613.58	1,613.58
Additions made to Reserve for Storage of Molasses	NIL	NIL	NIL	2.21	NIL	2.21
Balance as at March 31, 2024	252.43	578.68	6,896.55	13.08	(4,231.93)	3,508.81

THE UNITED PROVINCES SUGAR COMPANY LIMITED

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024
(Contd...)**

B. Other Equity (Refer Note 11)

₹ in Lakhs

Particulars	Reserves and Surplus					Total
	Capital Reserve	General Reserve	Revaluation Surplus	Reserve for Storage of Molasses	Retained Earnings	
Balance as at April 1, 2022	252.43	578.68	6,984.91	9.67	(5,648.34)	2,177.35
Changes in accounting policy or prior period item	NIL	NIL	NIL	NIL	NIL	NIL
Restated balance at the beginning of the current reporting period	252.43	578.68	6,984.91	9.67	(5,648.34)	2,177.35
Revaluation Surplus on Land sold	NIL	NIL	(88.36)	NIL	88.36	NIL
Profit / (Loss) for the year	NIL	NIL	NIL	NIL	(246.63)	(246.63)
Other Comprehensive Income/(Loss), net of income tax						
- Remeasurement of Defined Benefit Plans	NIL	NIL	NIL	NIL	(38.90)	(38.90)
- Increase in Carrying amount Revaluation of Land	NIL	NIL	NIL	NIL	NIL	NIL
Total Comprehensive Income/(Loss) for the year	NIL	NIL	(88.36)	NIL	(197.17)	(285.53)
Additions made to Reserve for Storage of Molasses	NIL	NIL	NIL	1.20	NIL	1.20
Balance as at March 31, 2023	252.43	578.68	6,896.55	10.87	(5,845.51)	1,893.02

During the year ended March 31, 2023, the Company has sold the Land situated at Babhnauli, Uttar Pradesh, for ₹ 90.00 lakhs and consequently, Revaluation Surplus arising to such land sold is transferred to Retained Earnings.

As per our report of even date attached
For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148

Place : Mumbai
Date : August 13, 2024

For and on behalf of the Board of Directors

Arvind K. Kanoria
Managing Director
DIN - 00200202

R. G. Panchbhai
Chief Financial Officer

Lakshmi Iyer
Non Executive Independent Director
DIN - 00591643

Dr. Anurag K. Kanoria
Non Executive Director
DIN - 00200630

THE UNITED PROVINCES SUGAR COMPANY LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

	₹ in Lakhs	
	For the year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) Before Exceptional Items and Tax	2,181.34	688.54
Adjustments to reconcile Profit and Loss to net cash provided by Operating Activities :		
Finance Costs	1,154.71	1,208.71
Depreciation and Amortisation Expense	692.91	679.58
(Profit)/Loss on Sale of Property, Plant and Equipment	(2.06)	(0.60)
Sundry Balances written off	5.06	1.07
Sundry credit balances written back	(22.08)	(12.62)
Interest Income	(1.41)	(2.33)
Government Grants	(77.23)	(168.18)
Transfer to Storage Fund for Molasses	2.21	1.20
Operating Profit / (Loss) before Working Capital Changes	3,933.45	2,395.37
Adjustments to reconcile Operating Profit to Cash Flow provided by changes in Working Capital :		
(Increase) / Decrease in Inventories	(3,145.77)	(930.23)
(Increase) / Decrease in Trade Receivables	64.94	(20.86)
(Increase) / Decrease in Other Non Current and Current Assets	(769.81)	(166.56)
(Increase) / Decrease in Other Current and Non Current Financial Assets	0.02	(2.00)
Increase / (Decrease) in Trade Payables	2,139.69	1,218.60
Increase / (Decrease) in Other Current and Non Current Liabilities	(250.86)	(6.57)
Increase / (Decrease) in Other Current and Non Current Financial Liabilities	(112.33)	155.38
Increase / (Decrease) in Short Term Provisions	6.19	34.26
Cash Generated / (Used) from Operations	1,865.52	2,677.39
Income Taxes Paid (net)	NIL	NIL
Net Cash Generated / (Used) from Operating Activities	1,865.52	2,677.39
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase to Property, Plant and Equipment and Intangible Assets	(2,830.77)	(650.97)
Proceeds from Property, Plant and Equipment and Intangible Assets	14.34	89.40
Investments in Fixed Deposits with Banks	NIL	NIL
Maturity of Fixed deposits with Banks	(8.76)	1.80
Interest Income	1.41	2.33
Net Cash Generated / (Used) from Investing Activities	(2,823.78)	(557.44)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (Repayment) of Non Current Borrowings	(304.58)	(1,143.89)
Proceeds / (Repayment) of Current Borrowings	2,110.69	736.21
Principal Payment of Lease Liabilities	(3.60)	(5.71)
Interest Paid on Lease Liabilities	(1.55)	(1.76)
Finance Costs paid	(1,153.16)	(1,206.95)
Net Cash Generated / (Used) from Financing Activities	647.80	(1,622.10)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(310.46)	497.85
Add: Cash and Cash Equivalents at the Beginning of the Year	825.18	327.33
Cash and Cash Equivalents at the End of the Year	514.72	825.18
Net Increase / (Decrease) in Cash and Cash Equivalents	(310.46)	497.85

THE UNITED PROVINCES SUGAR COMPANY LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024 (Contd...)

Notes

- The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows'.
- Reconciliation of Cash and Cash Equivalents as per Statement of Cash Flows ;

₹ in Lakhs

	As At March 31, 2024	As At March 31, 2023
a. Cash on Hand	15.38	12.29
b. Balances with Banks on Current Accounts	499.34	812.89
	514.72	825.18

- Additions to Property, Plant and Equipment includes addition to other Intangible Assets and adjusted for movement in Capital Work in Progress, if any.
- Proceeds / (Repayment) from Long Term Borrowings and Short Term Borrowings have been shown on net basis.
- Changes in liabilities arising from Financing Activities, including changes from cash flows and non cash changes:

₹ in Lakhs

Particulars	As at April 1, 2023	Cash Flows	Non Cash changes	Reclassif- ication	As at March 31, 2024
Borrowings - Non Current	304.58	NIL	NIL	(304.58)	NIL
Borrowings - Current	13,593.89	1,806.11	NIL	304.58	15,704.58
Lease Liabilities	21.61	(3.60)	1.55	NIL	19.56

₹ in Lakhs

Particulars	As at April 1, 2022	Cash Flows	Non Cash changes	Reclassif- ication	As at March 31, 2023
Borrowings - Non Current	1,448.47	NIL	NIL	(1,143.89)	304.58
Borrowings - Current	12,857.68	(407.68)	NIL	1,143.89	13,593.89
Lease Liabilities	25.56	(5.71)	1.76	NIL	21.61

- Figure in brackets represent Cash Outflow from respective activities.

As per our report of even date attached
For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148

Place : Mumbai
Date : August 13, 2024

For and on behalf of the Board of Directors

Arvind K. Kanoria
Managing Director
DIN - 00200202

R. G. Panchbhai
Chief Financial Officer

Lakshmi Iyer
Non Executive Independent Director
DIN - 00591643

Dr. Anurag K. Kanoria
Non Executive Director
DIN - 00200630

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 Corporate Information and Material Accounting Policy Information

A Corporate Information

The United Provinces Sugar Company Limited (“the Company”) is engaged in the business of manufacturing and selling of Sugar and its by-products.

The Company is a public limited company incorporated and domiciled in India and has its registered office at 401/405, Jolly Bhavan No. 1, 10 New Marine Lines, Mumbai - 400020.

These aforesaid financial statements for the year ended March 31, 2024 are approved for issue by the Board of Directors of the Company on August 13, 2024.

B Material Accounting Policy Information

1.1 Basis of Preparation

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (“Ind AS”) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended, from time to time, and notified under Section 133 of the Companies Act, 2013 (the ‘Act’) and other relevant provisions of the Act.

These financial statements are prepared on an accrual basis under the historical cost convention, except for the following assets and liabilities:

- i. Certain financial assets and liabilities that are measured at fair value.
- ii. Employee’s Defined Benefit Liability measured at present value of Defined Benefit Obligation as per independent actuarial valuation.

These financial statements are presented in Indian Rupees (“INR” or “₹”), which is also the Company’s functional currency, and all amounts are rounded off to the nearest lakhs (INR ₹ 00,000) up to two decimals, except when otherwise indicated.

1.2 Property, Plant and Equipment (PPE)

An item of PPE is recognized as an asset when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE (other than Capital Work in Progress and Freehold Land) are stated at cost less accumulated depreciation and / or accumulated impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any cost directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management. Cost includes, for qualifying assets, borrowing costs capitalized in accordance with the Company’s accounting policy on borrowing costs.

If significant parts of an item of PPE have different useful lives, then those are accounted as separate items (major components) of PPE.

Items such as spare parts, stand by equipment and service equipment are classified as and when they meet the definition of PPE, as specified in Ind AS 16 on “Property, Plant and Equipment” and are material.

The carrying amount of an item of PPE is derecognized upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising from the derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss.

Freehold Land as a class of PPE is measured at a revalued amount, being the fair value of Freehold Land at the date of the revaluation. Thus, on revaluation, the carrying amount of the Freehold Land is adjusted to the revalued amount. A revaluation is made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of each reporting period.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

If the carrying amount of the Freehold Land is increased as a result of a revaluation, the increase shall be recognized in Other Comprehensive Income and accumulated in equity under the heading of Revaluation Surplus. However, the increase shall be recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss. If the carrying amount of Freehold Land is decreased as a result of a revaluation, the decrease shall be recognized in profit or loss. However, the decrease shall be recognized in Other Comprehensive Income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognized in Other Comprehensive Income reduces the amount accumulated in equity under the heading of Revaluation Surplus.

Capital Work in Progress and Capital Advances

Items of PPE which are not ready for intended use on the date of Balance Sheet are disclosed as Capital Work in Progress. It is carried at cost, less accumulated impairment loss, if any. The items classified under Capital Work in Progress are capitalized to the respective items of PPE on their completion and ready for intended use. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Advances paid towards acquisition of PPE outstanding at each reporting date are classified as Capital Advances under the head Other Non Current Assets.

1.3 Depreciation

Depreciation on Property, Plant and Equipment (other than Capital Work in Progress and Freehold Land) is commenced when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Management. Depreciation is provided on the Straight Line Method as per the useful lives specified in Part C of Schedule II to the Companies Act, 2013, other than the following:

- Items of PPE costing up to ₹ 5,000/- are fully depreciated in the year of purchase / capitalization.
- The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Estimated useful lives of the assets are as follows:

Asset	Useful Life
Building	10 to 60 Years
Plant and Equipment	3 to 25 Years
Furniture and Electrical Fittings	5 to 10 Years
Motor Vehicles and Cycles	8 Years

- Depreciation of an asset ceases at the earlier date, the asset is retired from active use and is held for disposal and the date the asset is derecognized.
- Freehold Land is not depreciated.

1.4 Intangible Assets and Amortization

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis as per Schedule II to the Companies Act, 2013. Intangible assets, computer software is amortized over a period of five years. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any change in estimate being accounted for on a prospective basis.

1.5 Impairment of Non Financial Assets

If any indication of impairment exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset is estimated and impairment loss (if any) is recognized and the carrying amount is reduced to its recoverable amount.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but up to the amount that would have been determined, had no impairment loss been recognized for that asset. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Inventories

Inventories (other than by products) are valued at the lower of cost and net realizable value. Cost of inventory comprises of purchase price, cost of conversion and other directly attributable costs that have been incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories. The cost of inventories is computed on a weighted average basis.

Inventories are written down on a case-by-case basis if the anticipated net realizable value declines below the carrying amount of the inventories. Such write downs are recognized in the Statement of Profit and Loss. When the reason for a write-down of the inventories ceases to exist, the write-down is reversed.

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

By products are valued at net realizable value.

1.7 Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalized net of income earned on temporary investments from such borrowings. All other borrowing costs are covered in the period in which they are incurred.

1.8 Government Grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants/subsidy will be received.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to Statement of Profit or Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e., by equal annual installment. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in Statement of Profit and Loss in the period in which they become receivable.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1.9 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provision is not recognized for future operating losses.

Provision is 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. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Contingent liability is disclosed in the case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognized but where an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Provisions, Contingent liabilities and Contingent assets are reviewed at each reporting date and are adjusted to reflect the current best estimate.

1.10 Revenue Recognition

Sale of Goods

Revenue from sale of goods is recognized upon transfer of significant risks and rewards of ownership of the goods to the buyer, which is on dispatch of goods to buyer.

Revenue recognized represents the transaction price towards satisfaction of a performance obligation allocated to that performance obligation. The transaction price is the amount of consideration fixed, variable or both, to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

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

Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income is accrued on a timely basis, by reference to the principal outstanding and at the interest rate applicable.

Insurance Claim

Insurance Claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1.11 Leases

As a Lessee

The Company's leased assets consist of leases for buildings. At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

(i) the contract involves the use of an identified asset; (ii) the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and (iii) the Company has the right to direct the use of the asset.

The Company recognizes a Right of Use Asset and a Lease Liability at the lease commencement date. The Right of Use Asset is initially measured at cost, which comprises the initial amount of the Lease Liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The Right of Use Asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the Right of Use Asset or the end of the lease term. The estimated useful lives of Right of Use Assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the Right of Use Asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the Lease Liability.

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

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

When the Lease Liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the Right of Use Asset or is recorded in profit or loss if the carrying amount of the Right of Use Asset has been reduced to zero.

Short Term Leases and Leases of Low Value Assets

The Company has elected not to recognize Right of Use assets and Lease liabilities for short term lease of Property, Plant and Equipment that have a lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an operating expense as per the terms of the lease.

Refer Note 38 for disclosures pursuant to Ind AS 116.

1.12 Employee Benefits

i. Short Term Employee Benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

ii. Long Term Employee Benefits

a. Defined Contribution Plan

Provident Fund

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident fund, in which both employees and the Company make monthly contributions at a specified percentage of the employee's eligible salary (currently 12%). Provident Fund is classified as Defined Contribution Plans as the Company has no further obligation beyond making the contribution. The Company's contribution is charged to the Statement of Profit and Loss as incurred.

b. Defined Benefit Plan

Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement or death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. The Company pays these benefits as and when due based on its own liquidity.

Remeasurement, comprising actuarial gains and losses, is reflected immediately in the Balance Sheet with a charge or credit to retained earnings through Other Comprehensive Income (OCI). Remeasurement is not reclassified to Statement of Profit and Loss in subsequent periods. Past service cost is recognized immediately for both vested and the non-vested portion. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation.

Compensated absences:

The Company provides for encashment of absence or absence with pay subject to certain rules. The employees are entitled to accumulate absences subject to certain limits for future encashment/availment. The liability is recognized based on the number of days of unutilized leave at each Balance Sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and Loss in the period in which they arise.

1.13 Taxes on Income

Income Tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income-tax Act, 1961 and other tax laws, as applicable.

Deferred Tax

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized, or the liability is settled based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognized for all taxable temporary differences.

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the current tax liabilities and assets on a net or simultaneous basis.

Current and Deferred Tax for the year

Current and deferred tax are recognized in Statement of Profit or Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

1.14 Financial Instruments

Financial Assets and Financial Liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

Amortized Cost

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

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through OCI

A financial asset shall be classified and measured at FVTOCI, if both of the following conditions are met

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

Fair Value through Profit or Loss

A financial asset shall be classified and measured at FVTPL, unless it is measured at amortized cost or at FVTOCI.

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

Classification and Subsequent Measurement: Financial Liabilities

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

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when any financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Other Financial Liabilities

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

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

Impairment of Financial Assets

The Company recognizes loss allowance for its financial assets in the form of Trade Receivables.

For Trade Receivables, being not material, in view of the Company's credit policy and past history of insignificant bad debts, instead of recognizing allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Company makes provision for doubtful debts based on specific identification. The Company will reassess the model periodically and make the necessary adjustments for loss allowance, if required.

Derecognition of Financial Assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Financial Liabilities and Equity Instruments

- Classification as Debt or Equity

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

- Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by a Company are recognized at the proceeds received.

Derecognition of Financial Liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

1.15 Critical Accounting Judgements and Key Sources of Estimation

The preparation of the financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key Estimates, Assumptions and Judgements

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Income Taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognized based upon the likely timing and the level of future taxable profits. Also refer Note 30.

Property, Plant and Equipment / Intangible Assets

Property, Plant and Equipment / Other Intangible Assets are depreciated/amortized over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortization to be recorded during any reporting

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period. The depreciation/amortization for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortized/depreciable amount is charged over the remaining useful life of the assets.

Defined Benefit Plans

The cost of the defined benefit gratuity plan and the present value of gratuity obligations and compensated absences are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Also refer Note 36.

Fair Value measurement of Financial Instruments

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

Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Recent pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amends the existing standards under the Companies (Indian Accounting Standards) Rules, 2015, as issued and amended from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company, which would come into force with effect from April 1, 2024.

THE UNITED PROVINCES SUGAR COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2A. Property, Plant and Equipment

₹ in Lakhs

Description of Assets	Freehold Land	Buildings	Plant and Equipment	Furniture and Electrical Fittings	Motor Vehicles and Cycles	Machinery Zamindary (Tubewell)	Total
I. Gross Block							
Balance as at April 1, 2022	7,301.00	1,757.87	19,876.41	75.21	36.95	0.25	29,047.69
Additions	NIL	48.87	588.15	5.48	NIL	NIL	642.50
	[Refer Note (iv) below]						
Disposal	(89.40)	NIL	NIL	NIL	NIL	NIL	(89.40)
Balance as at March 31, 2023	7,211.60	1,806.74	20,464.56	80.69	36.95	0.25	29,600.79
Additions	NIL	88.76	2,456.52	6.72	NIL	NIL	2,552.00
Disposal	NIL	NIL	NIL	(0.35)	(13.99)	NIL	(14.34)
Balance as at March 31, 2024	7,211.60	1,895.50	22,921.08	87.06	22.96	0.25	32,138.45
II. Accumulated Depreciation							
Balance as at April 1, 2022	NIL	692.65	12,793.43	65.07	27.66	0.24	13,579.05
Depreciation for the year	NIL	47.23	623.80	2.55	1.47	NIL	675.05
Disposal	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Balance as at March 31, 2023	NIL	739.88	13,417.23	67.62	29.13	0.24	14,254.10
Depreciation for the year	NIL	36.51	644.33	5.21	1.47	NIL	687.52
Disposal	NIL	NIL	NIL	(0.33)	(13.29)	NIL	(13.62)
Balance as at March 31, 2024	NIL	776.39	14,061.56	72.50	17.31	0.24	14,928.00
III. Net Block (I-II)							
Balance as at March 31, 2024	7,211.60	1,119.11	8,859.52	14.56	5.65	0.01	17,210.45
Balance as at March 31, 2023	7,211.60	1,066.86	7,047.33	13.07	7.82	0.01	15,346.69

Additional Information

- Certain Freehold Land measuring 17 Hectares included in Freehold Land above have been vested during the year 1976-77 in the Uttar Pradesh State Government in respect of which compensation has not been determined and consequently, no adjustment has been made in the above Gross Block of Freehold Land as shown above.
- There is no adjustment to Property, Plant and Equipment on account of borrowing costs and exchange differences.
- Certain Freehold Land and Buildings, Plant and Equipment are hypothecated against long term borrowings, details of which have been given in Notes 12 and 16.
- Since the Company follows revaluation model for its Freehold Land as a class of Property, Plant and Equipment, it is measured at a revalued amount. The Revaluation, though not based on the valuation by a Registered Valuer in terms of the Companies Act, 2013 and Rules made thereunder, is based on the Valuer who is Government Approved Valuer and is on panel of some of the public sector banks. The last such valuation was carried out on May 04, 2022 for the year ended March 31, 2022. The Company has continued the carrying amount so increased even as at March 31, 2024. Accordingly, the carrying amount of the Freehold Land is recognised in Other Comprehensive Income and accumulated in Other Equity under Revaluation Surplus, net of tax, as the case may be.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2B. Capital Work in Progress : Ageing

₹ in Lakhs

Particulars	As at March 31, 2024				
	Amount in Capital Work in Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Plant and Machineries In Progress (Sugar Plant at Seorahi)	267.61	NIL	NIL	NIL	267.61
Building Under Construction (Sugar Plant at Seorahi)	3.39	NIL	NIL	NIL	3.39
Total	271.00	NIL	NIL	NIL	271.00

₹ in Lakhs

Particulars	As at March 31, 2023				
	Amount in Capital Work in Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Plant and Machineries In Progress (Sugar Plant at Seorahi)	NIL	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL

2C. Right of Use Assets (ROU)

₹ in Lakhs

Description of Asset	Buildings
I. Gross Block	
Balance as at April 1, 2022	69.22
Additions	NIL
Disposal	NIL
Balance as at March 31, 2023	69.22
Additions	NIL
Disposal	NIL
Balance as at March 31, 2024	69.22
II. Accumulated Depreciation	
Balance as at April 1, 2022	44.62
Amortisation for the year	4.38
Disposal	NIL
Balance as at March 31, 2023	49.00
Amortisation for the year	2.53
Disposal	NIL
Balance as at March 31, 2024	51.53
III. Net Block (I-II)	
Balance as at March 31, 2024	17.69
Balance as at March 31, 2023	20.22

THE UNITED PROVINCES SUGAR COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2D. Other Intangible Assets

₹ in Lakhs

Particulars	Computer Software
I. Gross Block	
Balance as at April 1, 2022	10.41
Additions	14.78
Disposal	NIL
Balance as at March 31, 2023	25.19
Additions	7.77
Disposal	NIL
Balance as at March 31, 2024	32.96
II. Accumulated Amortisation	
Balance as at April 1, 2022	9.74
Amortisation for the year	0.15
Disposal	NIL
Balance as at March 31, 2023	9.89
Amortisation for the year	2.86
Disposal	NIL
Balance as at March 31, 2024	12.75
III. Net Block (I-II)	
Balance as at March 31, 2024	20.21
Balance as at March 31, 2023	15.30

3. Other Financial Assets : Non Current

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered Good		
Fixed Deposits with Bank (remaining maturity more than 12 months)	NIL	NIL
Security Deposits	15.70	15.72
Total	15.70	15.72

4. Other Non Current Assets

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless otherwise stated		
Advances other than Capital Advances		
Balances with Government Authorities	2.52	2.52
Other Advances	0.15	0.15
Less : Allowances for Doubtful Advances	(0.15)	(0.15)
	NIL	NIL
Prepaid Expenses	4.57	5.61
Advance Income Tax paid (Net of Provision for Taxation)	8.02	8.53
Total	15.11	16.66

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5. Inventories

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Materials	5.38	4.92
Work in Progress	244.78	288.80
Finished Goods	16,231.78	13,458.19
Stores and Spares	1,239.35	806.34
Stores in Transit	3.58	19.42
Stock of Loose Tools	4.34	5.77
Total	17,729.21	14,583.44

Notes:

- i. The cost of inventories [Aggregate of amounts of Cost of Materials Consumed (Note 23) and Changes in inventories of Finished goods, Stock in Trade and Work in Progress (Note 24)] recognised as an expense during the year is ₹ 27,860.74 lakhs (March 31, 2023 : ₹ 24,068.13 lakhs).
- ii. For mode of valuation of Inventories - Refer Note 1.6.

6. Trade Receivables

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered Good	5.97	65.85
Less : Allowance for Doubtful Trade Receivables	(0.98)	(0.98)
Total	4.99	64.87

Ageing for Trade Receivables

₹ in Lakhs

Particulars	As at March 31, 2024						
	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Considered Good - Unsecured Undisputed Disputed Total Less : Allowance for Doubtful Trade Receivables	NIL	NIL	NIL	4.99	NIL	0.98	5.97
	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	4.99	NIL	0.98	5.97
						(0.98)	(0.98)
Total Trade Receivables							4.99

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Ageing for Trade Receivables (Contd...)

₹ in Lakhs

Particulars	As at March 31, 2023						
	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Considered Good - Unsecured							
Undisputed	NIL	64.87	NIL	NIL	NIL	0.98	65.85
Disputed	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	NIL	64.87	NIL	NIL	NIL	0.98	65.85
Less : Allowance for Doubtful Trade Receivables						(0.98)	(0.98)
Total Trade Receivables							64.87

7. Cash and Cash Equivalents

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks in Current Accounts	499.34	812.89
Cash on Hand	15.38	12.29
Total	514.72	825.18

8. Bank Balances other than Cash and Cash Equivalents

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed Deposits with Bank (Original Maturity of more than 3 Months but less than 12 Months)	18.75	10.64
Earmarked Balances with Banks For Molasses Storage Fund	2.56	1.91
Total	21.31	12.55

9. Other Current Assets

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Advances other than Capital Advances		
Balances with Government Authorities	115.69	105.38
Advances to Employees	7.69	3.00
Advances to Suppliers	883.10	127.26
Prepaid Expenses	15.86	14.01
Advance Against Expenses	NIL	NIL
Other Advances	2.14	3.47
Total	1,024.48	253.12

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

10. Equity Share Capital

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Share Capital 50,00,000 Equity Shares at ₹ 10/- par value	500.00	500.00
Issued, Subscribed and Paid up Share Capital 25,50,000 Equity shares at ₹ 10/- par value	255.00	255.00
Total Issued, Subscribed and Paid up Share Capital	255.00	255.00

Terms/Rights attached to Equity Shares

- i. The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each holder of the Equity Shares is entitled to one vote per share.
- ii. The Company declares and pays dividend in India rupees. Final dividend, if any, proposed by the Board of Directors is recorded as a liability on the date of the approval of the shareholders in the ensuing Annual General Meeting; in case of interim dividend, it is recorded as a liability on the date of declaration by the Board of Directors of the Company. The Company has not declared dividend during the year as also in the previous year.
- iii. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding. However, no such preferential amount exists currently.

a. Reconciliation of the number of shares outstanding and Paid Up Equity Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Balance as at the beginning of the year	25,50,000	255.00	25,50,000	255.00
Add: Shares issued during the year	NIL	NIL	NIL	NIL
Less: Shares bought back during the year	NIL	NIL	NIL	NIL
Balance as at the end of the year	25,50,000	255.00	25,50,000	255.00

b. Shareholders having more than 5% holding

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% Holding	No. of Shares	% Holding
Shri Arvind K. Kanoria	13,58,306	53.27%	13,58,306	53.27%
Shri Paritosh Kanoria	5,10,000	20.00%	5,10,000	20.00%
Shri Pratik Pawankumar Barasia	2,55,000	10.00%	2,55,000	10.00%
Smt. Shikha Pratik Barasia	2,55,000	10.00%	2,55,000	10.00%
Total	23,78,306	93.27%	23,78,306	93.27%

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

c. Disclosure of Shareholding of Promoters in Equity Shares

Name of Promoter	Equity Shares Held by Promoters		Equity Shares Held by Promoters		% Change During the year
	As at March 31, 2024		As at March 31, 2023		
	No. of Shares	% Holding	No. of Shares	% Holding	
Shri Arvind K. Kanoria	13,58,306	53.27%	13,58,306	53.27%	0.00%
Shri Paritosh Kanoria	5,10,000	20.00%	5,10,000	20.00%	0.00%
Shri Pratik Pawankumar Barasia	2,55,000	10.00%	2,55,000	10.00%	0.00%
Smt. Shikha Pratik Barasia	2,55,000	10.00%	2,55,000	10.00%	0.00%
Smt. Vineeta Kanoria	41,460	1.63%	41,460	1.63%	0.00%
Total	24,19,766	94.90%	24,19,766	94.90%	0.00%

11. Other Equity

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Reserves and Surplus		
a. Capital Reserve	252.43	252.43
b. General Reserve	578.68	578.68
c. Revaluation Surplus		
Balance as at the beginning of the year	6,896.55	6,984.91
Add : Increase in Carrying amount of Revaluation of Land (Net of Tax)	NIL	NIL
Add/(Less) : Revaluation Surplus on Land sold	NIL	(88.36)
	6,896.55	6,896.55
d. Reserve for Storage of Molasses		
Balance as at the beginning of the year	10.87	9.67
Add : Additions made to Reserve for Storage of Molasses	2.21	1.20
	13.08	10.87
e. Retained Earnings		
Balance as at the beginning of the year	(5,845.51)	(5,648.34)
Add/(Less) : Realised Gain on sale of Land	NIL	88.36
Add/(Less) : Profit / (Loss) for the year	1,622.49	(246.63)
Add/(Less) : Remeasurement of Defined Benefit Plans (Net of Tax)	(8.91)	(38.90)
	(4,231.93)	(5,845.51)
Total	3,508.81	1,893.02

Description of the nature and purpose of Other Equity

Capital Reserve : It represents gains of capital nature. Capital reserve majorly comprise of reserve created consequent to reduction of term loan in earlier years.

General Reserve : The General Reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed/utilised by the Company in accordance with the Companies Act, 2013.

Revaluation Surplus : It represents revaluation surplus of Freehold Land. In respect of Freehold Land, the Company has elected to adopt revaluation model for subsequent recognition.

Reserve for Storage of Molasses : The storage fund for molasses has been created to meet the cost of construction of molasses storage tanks as required under the Uttar Pradesh Sheera Niyantaran (Sansodhan)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Adesh, 1974 and funds utilised during the year for creation of new storage capacity of molasses during the year. The said storage fund is represented by investments in the form of deposits amounting to ₹ 2.56 lakhs (March 31, 2023 : ₹ 1.91 lakhs), with a bank and the post office.

Retained Earnings : Retained Earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves etc., amount distributed as dividend and adjustments on account of transition to Ind AS.

12. Borrowings : Non Current

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Term Loans		
From a Bank	304.58	1,448.47
Less : Current maturities of Long Term Debt	(304.58)	(1,143.89)
Total	NIL	304.58

12.1 Nature of Securities

Term Loan from Punjab National Bank (PNB) are secured, ranking *pari passu* first charge, by hypothecation of movable plant and equipment and by way of mortgage through deposit of the title deeds of the land and buildings of the Company in Seorahi, Uttar Pradesh and are secured by the movable assets of the Company. The said Term Loan from PNB are guaranteed by the Managing Director of the Company.

12.2 Terms of Repayment and Rate of Interest as at March 31, 2024

Term Loan above was availed for ₹ 6,126.00 lakhs from PNB is repayable in 60 equal monthly installments of ₹ 102.10 lakhs each, first installment having fallen due on July, 2019, at an interest rate of 5.00% p.a.

13. Provisions : Non Current

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
For Employee Benefits (Refer Note 36)		
Gratuity	508.39	485.38
Leave Encashment	26.35	22.45
Total	534.74	507.83

14. Deferred Tax Liabilities (Net)

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Liabilities	2,632.51	2,659.87
Less : Deferred Tax Assets	1,662.60	2,245.81
Total	969.91	414.06

15. Other Non Current Liabilities

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Income Government Grant (Refer Note 39)	NIL	1.72
Total	NIL	1.72

THE UNITED PROVINCES SUGAR COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

16. Borrowings : Current

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Current maturities of Long Term Debt		
Term Loans		
From a Bank (Refer Note 12)	304.58	1,143.89
Unsecured		
Loans Repayable on demand		
From Other Parties	15,400.00	12,450.00
Total	15,704.58	13,593.89

16.1 Nature of Securities

Unsecured Borrowings from Other Parties are repayable on demand on any date six months subsequent to the date of disbursement at an interest rate of 7.50% p.a. (March 31, 2023 : 7.50% p.a.).

17. Trade Payables

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	105.46	168.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	14,729.08	12,594.07
Total	14,834.54	12,762.12

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Principal amount remaining unpaid to any supplier as at the end of the accounting year	102.62	166.50
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	1.29	NIL
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
The amount of interest accrued and remaining unpaid at the end of the accounting year	2.84	1.55
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	NIL	NIL

Note : This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Ageing for Trade Payables

₹ in Lakhs

Particulars	As at March 31, 2024					
	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	NIL	102.29	0.33	NIL	NIL	102.62
(ii) Others	NIL	14,668.97	43.96	5.40	13.59	14,731.92
(iii) Disputed dues-MSME	NIL	NIL	NIL	NIL	NIL	NIL
(iv) Disputed dues-Others	NIL	NIL	NIL	NIL	NIL	NIL
Total	NIL	14,771.26	44.29	5.40	13.59	14,834.54

₹ in Lakhs

Particulars	As at March 31, 2023					
	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	NIL	166.50	NIL	1.21	0.34	168.05
(ii) Others	NIL	12,550.37	29.64	4.67	9.39	12,594.07
(iii) Disputed dues-MSME	NIL	NIL	NIL	NIL	NIL	NIL
(iv) Disputed dues-Others	NIL	NIL	NIL	NIL	NIL	NIL
Total	NIL	12,716.87	29.64	5.88	9.73	12,762.12

18. Other Financial Liabilities : Current

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Interest Accrued on Term Loans from Bank	2.03	6.69
Security Deposits from Sugar Agents	62.51	62.51
Security Deposits - Others	1.07	2.07
Unpaid Salaries and Other Payroll Dues	251.23	357.90
Total	316.84	429.17

19. Other Current Liabilities

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Advances from Customers	68.31	174.08
Deferred Income Government Grant (Refer Note 39)	1.72	81.31
Statutory Dues	290.72	354.50
Other Liabilities	NIL	NIL
Total	360.75	609.89

20. Provisions : Current

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
For Employee Benefits (Refer Note 36)		
Gratuity	106.67	134.80
Leave Encashment	233.47	226.06
Total	340.14	360.86

THE UNITED PROVINCES SUGAR COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Notes to Statement of Profit and Loss

21. Revenue From Operations

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Products		
Sugar	31,082.51	26,677.22
Molasses	3,451.92	1,719.69
Bagasse	990.32	1,219.93
Press Mud	64.62	197.46
Bio Compost	115.88	110.54
By Product and Other Agri Product	5.45	10.35
Other Operating Revenue		
Scrap Sales	65.66	93.68
Income From Exchange of Export Quota (Refer Note 40)	NIL	403.21
Total	35,776.36	30,432.08

22. Other Income

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income		
Fixed Deposits with Banks	0.70	0.61
Income Tax Refund	0.71	0.46
Others	NIL	1.26
Government Grants (Refer Note 39)	77.23	168.18
Other Non Operating Income		
Profit on Sale of Property, Plant and Equipment	2.06	0.60
Burnt Cane Subsidy	21.16	NIL
Buffer Stock Subsidy	NIL	NIL
Insurance Claim	NIL	7.69
Sundry credit balances written back	22.08	12.62
Miscellaneous Income	15.48	15.47
Total	139.42	206.89

23. Cost of Materials Consumed

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Raw Materials		
Opening Stock	4.92	NIL
Add: Purchases	30,590.77	24,803.50
Less: Closing Stock	5.38	4.92
Total	30,590.31	24,798.58

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

24. Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Finished Goods		
Opening Stock		
Sugar	11,472.27	11,518.71
Molasses	1,865.26	1,183.94
Bagasse	105.04	197.47
Press Mud	15.62	71.18
	13,458.19	12,971.30
Less: Closing Stock		
Sugar	14,688.86	11,472.27
Molasses	1,465.45	1,865.26
Bagasse	55.84	105.04
Press Mud	19.02	15.62
Bio Compost	2.61	NIL
	16,231.78	13,458.19
	(2,773.59)	(486.89)
Work in Progress		
Opening Stock		
Sugar	241.17	45.24
Molasses	47.63	NIL
	288.80	45.24
Less: Closing Stock		
Sugar	210.12	241.17
Molasses	34.66	47.63
	244.78	288.80
	44.02	(243.56)
Total	(2,729.57)	(730.45)

25. Employee Benefits Expense

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and Wages (Refer Note 25.1)	1,573.56	1,622.12
Contribution to Provident and Other Funds	132.04	148.80
Gratuity	102.90	81.01
Staff Welfare Expenses	11.75	10.78
Total	1,820.25	1,862.71

25.1 Salaries and Wages includes sum of ₹ 8.64 lakhs (March 31, 2023: ₹ 278.52 lakhs), paid to Wage Board Workers on account of arrears in terms of Gazetted Notification No. 1119-41/2022 dated August 25, 2022 of Uttar Pradesh Government from 1st October, 2018 to 31st August, 2022.

THE UNITED PROVINCES SUGAR COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

26. Finance Costs

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Expense		
On Short Term Borrowings	1,016.19	928.30
On Long Term Borrowings	125.33	272.76
On Deposits	10.00	3.85
On Others	1.29	NIL
Other Finance Costs	0.35	2.04
Interest on Lease Liabilities	1.55	1.76
Total	1,154.71	1,208.71

27. Other Expenses

₹ in Lakhs

(i) Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Packing Materials Consumed	285.32	256.62
Storage Fund for Molasses	2.21	1.20
Stores and Spares Consumed	344.16	327.24
Power and Fuel	103.14	100.55
Rent	1.21	NIL
Repair and Maintenance		
Buildings	63.51	170.98
Plant and Machinery	723.63	701.53
Others	26.76	22.29
Insurance	68.09	59.41
Motor Car Expenses	9.05	11.42
Travelling Expenses	19.40	17.21
Selling Expenses	56.93	57.15
Auditor's Remuneration		
For Statutory Audit Fees	5.00	5.00
For Tax Audit Fees	3.00	3.00
For Taxation Matters	3.05	NIL
For Certification Work	0.75	NIL
Legal and Professional Fees	133.05	112.06
Charity and Donation	0.22	2.65
Sundry Balances written off	5.06	1.07
Warehousing Charges	56.82	48.31
Director's fees	0.65	0.70
Miscellaneous Expenses	294.82	232.91
Total	2,205.83	2,131.30

- (ii)** Charity and Donation includes Donations to Political Parties amounting to ₹ NIL (March 31, 2023 : ₹ 2.50 lakhs).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

28. Contingent Liabilities (To the extent not provided for)

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
a. Claims against the Company/disputed liabilities not acknowledged as debts		
i. Stamp Duty matters (including interest upto date)	5.40	5.19
ii. Other matters including claims relating to employees / ex employees, cane growers, property related demands, etc.	4.64	4.64
iii. Other Cases	Not ascertainable	Not ascertainable
b. Guarantees issued by the bankers on behalf of the Company	1.45	1.45
Total	11.49	11.28

28.1 In respect of a(i) above, in compliance of order of High Court, Allahabad, the Company has deposited ₹ 1.48 lakhs (March 31, 2023 : ₹ 1.48 lakhs) through Treasury Challan before Asstt. Commissioner (Stamp), Kushinagar.

28.2 In respect of a(i) and a(iii) above, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

28.3 The Company does not expect any reimbursements in respect of the above contingent liabilities.

28.4 Pending litigations comprise of claims against the Company by ex employees, cane growers and pertaining to proceedings pending with Stamp Duty authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in financial statements.

28.5 Though a review petition filed against the decision of the Hon'ble Supreme Court of India of February, 2019 on Provident Fund (PF) on inclusion of allowances for the purpose of PF Contribution has been set aside, there are interpretative challenges, mainly for estimating the amount and applicability of the decision retrospectively. Pending any direction in this regard from the Employees Provident Fund Organisation, the impact for past periods, if any, is considered to the effect that it is only possible but not probable that outflow of economic resources will be required. The Company will continue to monitor and evaluate its position and act, as clarity emerges.

29. Earnings Per Equity Share

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net Profit/(Loss) attributable to Equity Shareholders	1,622.49	(246.63)
Weighted Average Number of Equity Shares Outstanding (Nos.)	25,50,000	25,50,000
Basic and Diluted Earnings per Equity Share (₹)	63.63	(9.67)

THE UNITED PROVINCES SUGAR COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

30. Disclosure pursuant to Ind AS 12 on “Income Taxes”

30.1 Components of Tax Expense/(Income)

₹ in Lakhs

a. Profit or Loss Section	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Tax		
In respect of current year	NIL	NIL
Adjustments in respect of current tax of previous years	NIL	NIL
Deferred Tax		
In respect of current year	558.85	935.17
Income Tax Expense/(Income) reported in the Statement of Profit or Loss	558.85	935.17

₹ in Lakhs

b. Other Comprehensive Income Section	For the year ended March 31, 2024	For the year ended March 31, 2023
On Remeasurement Gain/(Loss) on net of Defined Benefit Plans	(3.00)	(13.08)
On Remeasurement Gain/(Loss) on Revaluation of Land	NIL	NIL
Income Tax Expense/(Income) reported in Other Comprehensive Income	(3.00)	(13.08)

30.2 Reconciliation of Income Tax Expense/(Income) and Accounting Profit

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/(Loss) before Tax	2,181.34	688.54
Corporate Tax rate as per Income Tax Act, 1961	25.17%	25.17%
Tax on Accounting Profit	549.00	173.29
Tax effect of :		
Effect of Losses as per Income Tax available for set off against current year profits	(563.82)	(259.61)
Effect of expenses that are deductible in determining taxable profit/loss	(71.58)	(51.43)
Effect of expenses that are not deductible in determining taxable profit/loss	76.47	93.41
Difference between depreciation as per Books of Account and the Income Tax Act, 1961	9.94	44.35
Deferred Tax Assets Reversed / (Recognised)	579.31	1,009.50
Deferred Tax Liability (Reversed) / Recognised	(20.46)	(74.33)
Total	558.85	935.17
Adjustments recognised in the current year in relation to the current tax of prior years	NIL	NIL
Income Tax Expense/(Income) recognised in the Statement of Profit and Loss	558.85	935.17
Effective tax rate	25.62%	135.82%

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30.3 Movement of Deferred Tax (Assets)/Liabilities

Deferred Tax (Assets)/Liabilities in relation to the year ended March 31, 2024

₹ in Lakhs

Particulars	Balance as at April 1, 2023	Recognised in Statement of Profit and Loss (Credit)/Charge	Recognised in Other Comprehensive Income (Credit)/Charge	Balance as at March 31, 2024
a. Deferred Tax Assets				
Provision for Doubtful debts and advances	(0.29)	NIL	NIL	(0.29)
Expenses allowable for tax purpose when paid	(292.90)	(1.84)	(3.00)	(297.74)
Business Loss	(1,130.47)	563.77	NIL	(566.70)
Right of Use Assets	6.90	(7.37)	NIL	(0.47)
Unabsorbed Depreciation	(822.15)	24.75	NIL	(797.40)
	(2,238.91)	579.31	(3.00)	(1,662.60)
b. Deferred Tax Liabilities				
Property, Plant and Equipment and Other Intangible Assets	2,652.97	(20.46)	NIL	2,632.51
	2,652.97	(20.46)	NIL	2,632.51
Net Deferred Tax Liabilities/(Assets)	414.06	558.85	(3.00)	969.91

Deferred Tax (Assets)/Liabilities in relation to the year ended March 31, 2023

₹ in Lakhs

Particulars	Balance as at April 1, 2022	Recognised in Statement of Profit and Loss (Credit)/Charge	Recognised in Other Comprehensive Income (Credit)/Charge	Balance as at March 31, 2023
a. Deferred Tax Assets				
Provision for Doubtful debts and advances	(0.29)	NIL	NIL	(0.29)
Expenses allowable for tax purpose when paid	(264.98)	(14.84)	(13.08)	(292.90)
Business Loss	(2,154.68)	1,024.21	NIL	(1,130.47)
Unabsorbed Depreciation	(822.28)	0.13	NIL	(822.15)
	(3,242.23)	1,009.50	(13.08)	(2,245.81)
b. Deferred Tax Liabilities				
Lease Liabilities	1.72	0.09	NIL	1.81
Property, Plant and Equipment and Other Intangible Assets	2,726.29	(73.32)	NIL	2,652.97
Right of Use Assets	6.19	(1.10)	NIL	5.09
	2,734.20	(74.33)	NIL	2,659.87
Net Deferred Tax Liabilities/(Asset)	(508.03)	935.17	(13.08)	414.06

30.4 Sugar industry per se is agro based as also cyclical and hence, the prices of sugar and consequently, the profits of the Company depend upon variety of factors such as agroclimatic conditions, availability of sugarcane, sugar recovery and international sugar scenario. Thus, considering the cyclical nature of the Company's activities and its past records, as the losses incurred in one year gets generally recouped over a period of 2-3 years,

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

the management of the Company expects that it is probable that future taxable profit will be available against which the unused tax losses can be utilised and accordingly, Deferred Tax Assets of ₹ 797.40 lakhs (March 31, 2023: ₹ 822.15 lakhs) on unabsorbed depreciation and that of ₹ 566.70 lakhs (March 31, 2023: ₹ 1,130.47 lakhs) on business losses (as reduced by Deferred Tax Assets of ₹ 563.77 lakhs (March 31, 2023: ₹ 1,024.21 lakhs) on business losses reversed during the year on such losses having lapsed to be carried forward) as recognised hitherto upto the year ended March 31, 2023, is continued. During the year, the Company has profits and hence, the question of recognising any Deferred Tax Asset on unused tax losses would not arise.

The Company has exercised the option of lower tax rate as permitted under section 115BAA of Income Tax Act, 1961. Accordingly, Deferred Tax Assets and Deferred Tax Liabilities are measured at the reduced rates at which such Deferred Tax Assets/Liabilities are expected to be realised or settled.

31. Information on Segment Reporting as per Ind AS 108 on “Operating Segments”

Operating Segments are those components of business whose operating results are regularly reviewed by the Managing Director in the Company to make decisions for performance assessment and resource allocation. During the year, the Company was engaged in the business of manufacturing of Sugar, which is the only operating segment as per Ind AS 108.

32. Disclosure pursuant to Ind AS 24 on “Related Party Disclosures”

32.1 List of Related Parties

i. List of Key Management Personnel with whom transactions were carried out during the year

Shri Arvind K. Kanoria	Managing Director
Shri Yogendra Pal Singh	Whole Time Director designated as Executive Director
Shri R. G. Panchbhai	Chief Financial Officer
Shri Vivek M. Pittie	Independent - Non Executive Director
Smt. Lakshmi Iyer	Independent - Non Executive Director
Shri Girdhari Lal Sultania	Independent - Non Executive Director
Shri Sidharth Prasad	Independent - Non Executive Director
Dr. Bakshi Ram	Independent - Non Executive Director
Dr. Anurag K. Kanoria	Non Executive Director

ii. List of Relatives of Key Management Personnel with whom transactions were carried out during the year

Shri Pratik Barasia	Managing Director's Daughter's Husband
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iii. Entities over which Key Management Personnel and Relatives exercise significant influence

Dixit Infotech Services Private Limited
Harinagar Sugar Mills Limited
Bombay Wire Ropes Limited
Elixir Agro

iv. Other Related Parties - Entities over which Key Management Personnel have control

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32.2 Transactions with related parties

₹ in Lakhs

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a.	Details of transactions with Key Managerial Personnel/Close Family of Key Managerial Personnel		
i.	Compensation to Key Managerial Personnel		
	Short Term Employee Benefits		
	Shri Jitendra Singh Jadaun	NIL	5.48
	Shri Yogendra Pal Singh (With effect from June 29, 2022)	40.01	28.27
	Shri R. G. Panchbhai	24.73	24.73
	Director's Sitting Fees		
	Shri Vivek M. Pittie	0.15	0.20
	Smt. Lakshmi Iyer	0.20	0.20
	Shri Girdhari Lal Sultania	0.05	0.05
	Dr. Anurag K. Kanoria	0.15	0.20
	Shri Sidharth Prasad	0.05	0.05
	Dr. Bakshi Ram	0.05	NIL
	Long Term Employee Benefits		
	Shri Arvind K. Kanoria	211.47	205.48
	Shri Yogendra Pal Singh	2.19	0.92
	Shri R. G. Panchbhai	54.10	53.31
ii.	Compensation to Relative of Key Managerial Personnel		
	Short Term Employee Benefits		
	Shri Pratik Barasia	29.00	24.00
	Long Term Employee Benefits		
	Shri Pratik Barasia	1.77	NIL
	Total Remuneration	363.92	342.89
b.	Details of transactions with Entities over which Key Management Personnel and Relatives exercise significant influence		
i.	Purchases during the year		
	Dixit Infotech Services Private Limited	0.96	0.01
	Harinagar Sugar Mills Limited	0.65	NIL
ii.	Revenue From Operations		
	Harinagar Sugar Mills Limited	73.29	NIL
iii.	Lease Rent		
	Bombay Wire Ropes Limited	3.60	3.60
iv.	Professional Fees		
	Elixir Agro	3.30	NIL
c.	Details of transactions with Other Related Parties		
i.	Loans and Advances granted/repaid during the year		
	The New Great Eastern Spinning and Weaving Company Limited	NIL	455.00

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32.3 Outstanding Balances as at the year end

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Personal guarantee given by Shri Arvind K. Kanoria for Term Loan given by PNB (Refer Note 12)	306.30	1,531.50

33. Capital Management

The primary objective of the Company's Capital Management is to maximise the shareholders value without having any adverse impact on interests of other stakeholders. For the purpose of the Company's Capital Management, debt includes both, current and non current (including current maturities) borrowings and equity includes issued equity capital and all other reserves attributable to the equity shareholders of the Company. The Company monitors capital using Debt to Equity ratio, which is total debt divided by total equity. Debt to Equity ratio is as follows

Debt Equity Ratio

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Total Debt	15,704.58	13,898.47
Total Equity	3,763.81	2,148.02
Debt Equity Ratio	4.17	6.47

34. Financial Risk Management and Policies

The Company's principal financial liabilities includes Borrowings, Trade Payables and Other Financial Liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Trade Receivables, Cash and Cash Equivalents and Other Financial Assets that derive directly from its operations. The Company is exposed to Credit Risk, Liquidity Risk and Market Risk.

The Company's Senior Management ("Management") has overall responsibility for establishment of the Risk Management framework. Management is responsible for developing and monitoring the Risk Management Policies.

The Management periodically reviews the risk policies and systems to assess need for changes in the policies to adapt to the changes in market conditions and align the same to the business of the Company.

The Management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

a. Credit Risk

Credit Risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not significantly exposed to credit risk from its operating or financing activities as the Company's sugar sales is mostly against advances. The risk is minimal to the extent sale of By Products.

Credit Risk from Trade Receivables is managed by the Company's established policies, procedures and controls relating to customer credit risk management. Trade Receivables are non interest bearing. Majority of the customers have been doing business with the Company for more than three years and they are being monitored by business managers who deal with those customers. Management also monitors Trade Receivables on a regular basis and takes suitable action where needed to control the Receivables which may have crossed the set criteria/limits.

The Company does not have significant credit risk exposure.

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b. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company maintains a cautious liquidity strategy, with a positive cash balance throughout the year. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day to day basis.

The table below summarises the maturity profile of the Company's financial liabilities

₹ in Lakhs

Particulars	Less than 1 year	1 year to 5 years	> 5 years	Total
As at March 31, 2024				
Borrowings	15,704.58	NIL	NIL	15,704.58
Trade Payables	14,834.54	NIL	NIL	14,834.54
Lease Liabilities	2.21	13.89	3.46	19.56
Other Financial Liabilities	316.84	NIL	NIL	316.84
Total	30,858.17	13.89	3.46	30,875.52
As at March 31, 2023				
Borrowings	13,593.89	304.58	NIL	13,898.47
Trade Payables	12,762.12	NIL	NIL	12,762.12
Lease Liabilities	2.05	12.89	6.67	21.61
Other Financial Liabilities	429.17	NIL	NIL	429.17
Total	26,787.23	317.47	6.67	27,111.37

c. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument fluctuates because of changes in market prices. Market risk comprises four types of risks

- i. Currency Risk
- ii. Interest Rate Risk
- iii. Regulatory Risk
- iv. Commodity Price Risk

i. Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. Primarily, the Company's exposure in foreign currencies is NIL as it does not have any foreign exchange transaction.

ii. Interest Rate Risk

Interest Rate Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since, the Company has an insignificant Investment in Interest Bearing Financial Instruments, the exposure to risk of changes in market interest rates is very low.

iii. Regulatory Risk

Sugar industry is regulated both by central government as well as state government. Central and state governments policies and regulations affects the Sugar industry and the Company's operations and profitability.

Considering the re introduction of Quota system on sugar sales by the Central Government, the regulatory risk are moderated.

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iv. Commodity Price Risk

Sugar industry being cyclical in nature, realisations get adversely affected during downturn. Higher cane price or higher production than the demand ultimately affect profitability.

35. Disclosures under Ind AS 115 - Revenue from Contracts with Customers

A Disaggregation of revenue from Contracts with Customers

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i. Nature of products		
Sale of Products		
Sugar	31,082.51	26,677.22
Molasses	3,451.92	1,719.69
Bagasse	990.32	1,219.93
Press Mud	64.62	197.46
Bio Compost	115.88	110.54
By Product and Other Agri Product	5.45	10.35
	35,710.70	29,935.19
Other Operating Revenue		
Scrap Sales	65.66	93.68
Income From Exchange of Export Quota	NIL	403.21
	65.66	496.89
	35,776.36	30,432.08
ii. Geography		
India *	35,776.36	30,432.08
Out of India	NIL	NIL
	35,776.36	30,432.08

* For the year ended March 31, 2023, Sale of Sugar on Exchange of export quota is also included as sales in India.

B Contract Balances

Information about Trade Receivables and Contract Liabilities from Contracts with Customers

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
i. Trade Receivables - Current (Refer Note 6)	4.99	64.87
	4.99	64.87
ii. Contract Liabilities		
Advance from Customers - Current (Refer Note 19)	68.31	174.08
Total Contract Liabilities	68.31	174.08

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C Reconciliation of Revenue recognised from Contracts with Customers in the Statement of Profit and Loss with the contract price

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract price with the Customers	35,776.36	30,432.08
Less: Rebates	NIL	NIL
Revenue from Contracts with Customers (as per Statement of Profit and Loss)	35,776.36	30,432.08

36. Employee Benefits

The disclosures required by Ind AS 19 on “Employee Benefits” are as under

a. Defined Contribution Plans

i. Provident Fund

The Company has certain Defined Contribution Plans. Contributions are made to the Provident Fund for employees at the rate of 12% of basic salary as per the regulations. The contributions are made to registered Provident Fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further Contractual nor any Constructive Obligation. The amount recognised as an expenses recognised during the period towards defined contribution plans is ₹ 132.04 lakhs (March 31, 2023 : ₹ 148.80 lakhs).

b. Defined Benefit Plans

i. Gratuity (Unfunded)

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/termination of employment is the employee’s last drawn basic salary per month computed proportionately for 15 days salary, divided by 26 days and multiplied by the number of years of service. The gratuity plan is a non contributory/unfunded defined benefit plan. The Company maintains a target level of provision over a period of time based on Actuarial calculations of expected gratuity payments.

Particulars	Valuation as at	
	March 31, 2024	March 31, 2023
i. Discount Rate (per annum)	7.21%	7.50%
ii. Rate of increase in Compensation levels (per annum)	5.00%	5.00%
iii. Expected Rate of Return on Assets	N.A.	N.A.
iv. Attrition Rate	0.00%	0.00%
v. Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
vi. Actuarial Valuation Method	Projected Unit Credit Method	
vii. Retirement Age (years)	60 years	60 years

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

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ii. Leave Encashment

The liability towards leave encashment is based on actuarial valuation carried out by using Projected Unit Credit Method resulted in increase in liability by ₹ 11.31 lakhs (March 31, 2023: ₹ 9.74 lakhs).

(A) Financial Assumptions

Particulars	Valuation as at	
	March 31, 2024	March 31, 2023
i. Discount Rate (per annum)	7.21%	7.50%
ii. Salary Escalation Rate (per annum)	5.00%	5.00%

(B) Demographic Assumptions

Particulars	Valuation as at	
	March 31, 2024	March 31, 2023
i. Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
ii. Attrition Rate	0.00%	0.00%
iii. While in Service Encashment Rate	5.00%	5.00%

c. Risk to the Plan

i. Actuarial Risk

The plan is subject to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future.

ii. Asset Liability Matching Risk

The plan faces the ALM risk as to the matching cash flow. The Company manages the cash flow based on its own liquidity as and when it becomes due.

iii. Liquidity Risk

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

iv. Market Risk

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits and vice versa. This assumption depends on the yields on the corporate/government bonds and hence, the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

v. Legislative Risk

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The Government may amend the Payment of Gratuity Act, 1972; thus, requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognised immediately in the year when any such amendment is effective.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

₹ in Lakhs

d.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
		Gratuity Unfunded	Gratuity Unfunded
	Changes in Present value of Obligation		
	Present value of defined benefit obligation at the beginning of the year	620.18	595.65
	Current Service Cost	38.66	37.82
	Interest Cost	46.51	43.18
	Actuarial (Gains)/Loss		
	Actuarial (gains)/losses arising from changes in demographic assumptions	NIL	NIL
	Actuarial (gains)/losses arising from changes in financial assumption	11.95	(10.13)
	Actuarial (gains)/losses arising from changes in experience adjustment	(0.04)	62.12
	Benefits Paid	(102.20)	(108.46)
	Present Value of Defined Benefit Obligation at the end of the year	615.06	620.18
	Amount recognised in Balance Sheet		
	Present Value of Benefit Obligation at the end of the Period	615.06	620.18
	Expenses recognised in the Statement of Profit and Loss		
	Current Service Cost	38.66	37.82
	Interest cost on benefit obligation (net)	46.51	43.18
	Total Expenses recognised in the Statement of Profit and Loss	85.17	81.00
	Remeasurement Effects Recognised in Other Comprehensive Income for the year		
	Actuarial (gains)/losses on obligations for the period	11.91	51.98
	Actuarial (gains)/losses arising from changes in demographic assumption	NIL	NIL
	Actuarial (gains)/losses arising from changes in financial assumption	NIL	NIL
	Actuarial (gains)/losses arising from changes in experience adjustment	NIL	NIL
	Return on plan asset	NIL	NIL
	Recognised in Other Comprehensive Income	11.91	51.98
	Cash Flow Projection: From the Employer		
	Within the next 12 months (next annual reporting period)	106.67	134.80
	2nd following year	31.05	42.47
	3rd following year	79.38	35.17
	4th following year	87.57	80.39
	5th following year	49.78	83.04
	Sum of Years 6 To 10	196.84	212.26
	Sum of Years 11 and above	647.51	618.30
	Sensitivity Analysis		
	Projected Benefit Obligation on Current Assumptions	615.06	620.18
	Delta Effect of +1% Change in Rate of Discounting	(39.27)	(37.24)
	Delta Effect of -1% Change in Rate of Discounting	45.21	42.77
	Delta Effect of +1% Change in Rate of Salary Increase	45.76	43.42
	Delta Effect of -1% Change in Rate of Salary Increase	(40.40)	(38.41)
	Delta Effect of +1% Change in Rate of Employee Turnover	7.31	8.01
	Delta Effect of -1% Change in Rate of Employee Turnover	NIL	NIL

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Notes on Sensitivity Analysis

- i. The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.
- ii. The analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.
- iii. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the project benefit obligation as recognised in the balance sheet.
- iv. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

37. Financial Instruments

Fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Accounting Classification and Fair Values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. Financial assets and financial liabilities such as Trade Receivable, Cash and Cash Equivalents, Other Bank Balances, Loans, Trade Payables and Borrowings of which the carrying amount is a reasonable approximation of fair value due to their short term nature, are disclosed at carrying value.

Category wise classification and applicable Fair value hierarchy of Financial Assets and Liabilities at Fair value

₹ in Lakhs

Particulars	As at March 31, 2024				As at March 31, 2023			
	Carrying Amounts	Fair Value			Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
Measured at Amortised Cost								
Trade Receivables	4.99	NIL	NIL	NIL	64.87	NIL	NIL	NIL
Cash and Cash Equivalent	514.72	NIL	NIL	NIL	825.18	NIL	NIL	NIL
Bank Balances other than								
Cash and Cash Equivalent	21.31	NIL	NIL	NIL	12.55	NIL	NIL	NIL
Other Financial Assets	15.70	NIL	NIL	NIL	15.72	NIL	NIL	NIL
Total Financial Assets	556.72	NIL	NIL	NIL	918.32	NIL	NIL	NIL
Financial Liabilities								
Measured at Amortised Cost								
Borrowings	15,704.58	NIL	NIL	NIL	13,898.47	NIL	NIL	304.58
Trade Payables	14,834.54	NIL	NIL	NIL	12,762.12	NIL	NIL	NIL
Lease Liabilities	19.56	NIL	NIL	NIL	21.61	NIL	NIL	NIL
Other Financial Liabilities	316.84	NIL	NIL	NIL	429.17	NIL	NIL	NIL
Total Financial Liabilities	30,875.52	NIL	NIL	NIL	27,111.37	NIL	NIL	304.58

Fair Value Hierarchy

The fair value of financial instruments as referred below have been classified into three categories depending on the inputs used in the valuation technique.

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The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1 : This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities;

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

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Valuation

- i. The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values, since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.
- ii. The fair value of Borrowings (Financial liability) is measured as amortised cost using valuation technique of Discounted Cash Flow Model which considers the present value of expected payment, discounted using a risk adjusted discount rate.

38. Disclosures under Ind AS 116 on “Leases”

Company as a Lessee

The Company has recognised and measured the Right-of-Use (ROU) asset and the lease liability over the lease period and payments discounted using the incremental borrowing rate.

A Break up of Lease Liabilities

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Current Lease Liabilities	2.21	2.05
Non Current Lease Liabilities	17.35	19.56
Total	19.56	21.61

B Movement in Lease Liabilities

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	21.61	25.56
Additions	NIL	NIL
Finance Costs accrued	1.55	1.76
Deletions	NIL	NIL
Payment of Lease Liabilities	(3.60)	(5.71)
Balance as at the end of the year	19.56	21.61

The aggregate interest expense amounting to ₹ 1.55 lakhs and ₹ 1.76 lakhs for the year ended March 31, 2024 and March 31, 2023, respectively, on Lease Liabilities are disclosed separately under Note 26 - Finance Costs in the Statement of Profit and Loss.

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C The table below provides details regarding the contractual maturities of Lease Liabilities on an undiscounted basis

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	3.60	3.60
One to five years	18.00	18.00
More than five years	3.60	7.20
	25.20	28.80

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

D The following amounts are recognised in the Statement of Profit and Loss

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation charge on Right of Use Assets	2.53	4.38
Interest Expense on Lease Liabilities	1.55	1.76
Expense relating to Short Term Leases	1.21	NIL
Expense relating to Leases of Low Value Assets, excluding Short Term Leases of Low Value Assets	NIL	NIL

E Total cash outflow for Leases from Financing Activities recognised in the Statement of Cash Flows for the year ended March 31, 2024 and for March 31, 2023 is ₹ 3.60 lakhs and ₹ 5.71 lakhs, respectively.

39. During the financial year 2018-19, the Company had received a soft loan of ₹ 6,126.00 lakhs from a bank with the interest rate of 5% per annum under the “Scheme for Extending Financial Assistance to Sugar Undertakings - 2018” as notified by the State Government of Uttar Pradesh for clearing the outstanding cane dues of farmers for the sugar season 2017-18. The Company has recognised benefit to the extent pertaining to the current year of soft loan under State Government Scheme, being interest rate at below applicable market rate, as Government Grant. The said grant was disclosed as Deferred Income Government Grant under the head “Other Non Current Liabilities” and “Other Current Liabilities”. (Refer Note 15 and Note 19).
40. For the previous year ended March 31, 2023, Department of Food and Public Distribution (DFPD), Government of India (GOI) vide its Letter No. F. No. 1-1/(2022)-Trade dated November 05, 2022 has allocated Export of Sugar to the sugar factories. As per the terms and conditions of, the Export Quantity can be exchanged with the monthly release quota amongst sugar factories on mutually agreed terms and conditions.

Pursuant to above GOI Notifications, the Company was allocated 11,358 MTs for export of sugar for the season 2022-23 and it was exchanged with an other company in sugar industry for terms and conditions agreed for which the Company received compensation. Such compensation amounting to ₹ 403.21 lakhs was reflected as “Other Operating Revenue” under Revenue from Operations. (Refer Note 21).

41. Disclosure pursuant to Section 186 of the Companies Act, 2013

₹ in Lakhs

Particulars	Rate of Interest (Per Annum)	Purpose for which the loan to be utilised by the recipient	Amount of loan granted during the year ended March 31, 2024	Balance Outstanding as on March 31, 2024	Amount of loan granted during the year ended March 31, 2023	Balance Outstanding as on March 31, 2023
The New Great Eastern Spinning & Weaving Company Limited	7.30%	Working Capital	NIL	NIL	455.00	NIL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

42. The Board of Directors at its meeting held on February 24, 2023, has approved a Scheme of Capital Reduction in accordance with the Section 66 of the Companies Act, 2013 read with National Company Law Tribunal ('NCLT') (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013. The same has also been approved by the shareholders at the Extra Ordinary General Meeting held on March 24, 2023. Subject to the approval from NCLT and other statutory authorities as and where applicable, the issued, subscribed and paid-up share capital of the Company will be reduced from ₹ 255.00 lakhs to ₹ 241.98 lakhs and thus, reducing the number of issued, subscribed and paid-up shares from 25.50 lakhs to 24.20 lakhs. Accordingly, if the Scheme of Capital Reduction is approved, payment of consideration to shareholders will be made on shares held as on the record date. The total outlay of funds, if any, involved in this Scheme of Capital Reduction would be ₹ 13.02 lakhs.

43. 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 any other notes to the Financial Statements.

a. Ratios

Particulars	Formula	March 31, 2024			March 31, 2023			% Variance	Reason for variance
		Numerator ₹ in Lakhs	Denominator ₹ in Lakhs	Ratio	Numerator ₹ in Lakhs	Denominator ₹ in Lakhs	Ratio		
Current Ratio (in times)	Current Assets / Current Liabilities	19,294.71	31,559.06	0.61	15,739.16	27,757.98	0.57	7%	
Debt-Equity Ratio (in times)	Total Debt / Shareholder's Equity	15,704.58	3,763.81	4.17	13,898.47	2,148.02	6.47	(36%)	Ratio has improved on account of higher earnings and repayment of term loan during the year.
Debt Service Coverage Ratio (in times)	Earnings available for Debt Service/ Debt Service	3,470.11	2,299.29	1.51	1,641.66	2,368.82	0.69	119%	As earnings are higher than previous year and on account of repayment of term loan in current year, the ratio is improved.
Return on Equity Ratio (%)	[Net Profits after taxes - Preference Dividend (if any)]/ Average Shareholder's Equity	1,622.49	2,955.92	55%	(246.63)	2,290.19	(11%)	600%	Ratio has improved on account of higher earnings during the year.
Inventory Turnover Ratio (in times)	Sales / Average Inventory	35,776.36	16,156.33	2.21	30,432.08	14,118.33	2.16	2%	
Trade Receivables Turnover Ratio (in times)	Net Credit Sales / Average Accounts Receivable	35,776.36	34.93	1024.23	30,432.08	53.91	564.55	(81%)	Ratio has improved on account of better sales policy.
Trade Payables Turnover Ratio (in times)	Net Credit Purchases / Average Trade Payables	30,590.77	13,798.33	2.22	24,803.50	12,217.34	2.03	9%	
Net Capital Turnover Ratio (in times)	Net Sales / Working Capital	35,776.36	(12,264.35)	(2.92)	30,432.08	(12,018.82)	(2.53)	(15%)	
Net Profit Ratio %	Net Profit / Net Sales	1,622.49	35,776.36	5%	(246.63)	30,432.08	(1%)	600%	Net Profit of current year is improved on account of higher earnings during the year.
Return on Capital Employed %	Earning before Interest and Taxes (EBIT) / Capital Employed	3,336.05	3,743.60	89%	1,897.25	2,132.72	89%	(0%)	

Note : During the current and previous year, the Company has no investments. Accordingly, ratio for Return on Investments is not applicable

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

THE UNITED PROVINCES SUGAR COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- c. The Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets.
- d. 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 any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- e. The Company does not have any transactions with struck off companies.
- f. The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
- g. The Company does not have any subsidiary. Accordingly, clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restrictions on number of Layers) Rules, 2017 is not applicable to the company.
- h. The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (intermediaries) with the understanding that the intermediary shall;
- i. 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
- ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- i. During the previous year ended March 31, 2023 the Company had received funds from Kanoria Udyog Limited ('Funding Party') and it is further loaned to The New Great Eastern Spinning & Weaving Company Limited ('Ultimate beneficiary'), the details of which are as below

Date of Funds Received	Amount of Funds Received from Funding Party (₹ in Lakhs)	Details of Funding Party	Date of Funds Further Advanced	Amount of Funds Further Loaned in Intermediaries or Ultimate Beneficiaries (₹ in Lakhs)	Details of Other Intermediaries or Ultimate Beneficiaries
November 30, 2022	455.00	Kanoria Udyog Limited, 25-29, Dr. Ambedkar Road, Mumbai - 400027	November 30, 2022	455.00	The New Great Eastern Spinning & Weaving Company Limited, 25-29, Dr. Ambedkar Road, Mumbai - 400027

The relevant provisions of Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act, 2013 have also been complied with for above transaction and the transaction are not violative of the Prevention of Money Laundering Act, 2002 (15 of 2003).

- j. 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).
- k. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

As per our report of even date attached
For **BANSI S. MEHTA & CO.**

Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK

Partner
Membership No. 36148

Place : Mumbai
Date : August 13, 2024

For and on behalf of the Board of Directors

Arvind K. Kanoria

Managing Director
DIN - 00200202

R. G. Panchbhai

Chief Financial Officer

Lakshmi Iyer

Non Executive Independent Director
DIN - 00591643

Dr. Anurag K. Kanoria

Non Executive Director
DIN - 00200630

THE UNITED PROVINCES SUGAR COMPANY LIMITED

CIN – U40100MH1924PLC367564

Regd.Office: 401-405, Jolly Bhavan No. 1, 10 New Marine Lines, Mumbai - 400 020

ATTENDANCE SLIP

(To be presented at the entrance duly filled in and signed)

Name of the member(s):	
Registered address:	
E-mail ID:	
Folio No. / Client ID:	DP ID:

I hereby record my presence at the 101st Annual General Meeting of The United Provinces Sugar Company Limited will be held at the registered office of the Company at 401-405, Jolly Bhavan No. 1, 10 New Marine Lines, Mumbai - 400 020 on Monday, 30th September, 2024 at 2.30 p.m. IST

SIGNATURE OF THE ATTENDING MEMBER/PROXY _____

Form No. MGT – 11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

THE UNITED PROVINCES SUGAR COMPANY LIMITED

CIN – U40100MH1924PLC367564

Regd.Office: 401-405, Jolly Bhavan No. 1, 10 New Marine Lines, Mumbai - 400 020

Name of the member(s):	
Registered address:	
E-mail ID:	
Folio No. / Client ID:	DP ID:

I/We, being the member(s) of _____ Shares of The United Provinces Sugar Company Limited, hereby appoint

1. Name
Address :
E-mail Id :
Signature Or failing him
2. Name
Address :
E-mail Id :
Signature Or failing him
3. Name
Address :
E-mail Id :
Signature Or failing him

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the one hundred and first Annual General Meeting of the Company to be held on Monday, 30th September, 2024 at 2.30 p.m. IST at the registered office of the Company at 401-405, Jolly Bhavan No. 1, 10 New Marine Lines, Mumbai - 400 020 and at any adjournment thereof in respect of such resolutions as are indicated overleaf.

P.T.O.

Sl. No.	Resolution	Optional	
		For	Against
	Ordinary Business		
1.	To receive, consider and adopt the financial statements of the Company for the year ended 31st March, 2024 including the Statement of Profit & Loss and the Balance Sheet as at 31st March, 2024 together with the Reports of the Board of Directors and the Auditors thereon		
2.	To appoint a director in place of Shri Yogendra Pal Singh (DIN: 09656840) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for reappointment		
	Special Business		
3.	Ratification of Remuneration payable to Cost Auditors		
4.	Appointment of Shri Vedang V. Pittie (DIN: 05130215) as a Non Executive Independent Director		
5.	Reappointment of Shri Sidharth Prasad (DIN: 00074194) as a Non Executive Independent Director		
6.	Approval of variation in remuneration payable to Shri Yogendra Pal Singh (DIN: 09656840) Whole Time Director designated as Executive Director		
7.	Reappointment of Shri Yogendra Pal Singh (DIN: 09656840) as a Whole Time Director designated as Executive Director of the Company		
8.	Approval for increase in overall borrowing limits of the Company as per Section 180(1)(c) of the Companies Act, 2013		
9.	Approval for increase in limits under Section 180(1)(a) of the Companies Act, 2013 for securitization/direct assignment and creating charge on the assets of the Company		
10.	Approval for increase in the overall authority to the Board of Directors under Section 186 and other applicable provisions of the Companies Act, 2013		

Signed this day of..... , 2024

Signature of the shareholder : _____

Affix
₹ 1/-
Revenue
Stamp

Signature of Proxy holder(s) : _____

Signature across the stamp

- Notes:
1. This form in order to be effective should be duly completed and deposited at the Registered Office of the Company, 401-405, Jolly Bhavan No. 1, 10 New Marine Lines, Mumbai - 400 020, not less than 48 hours before the commencement of the Meeting.
 2. Members are requested to select by placing a tick (✓) mark against the resolution. It is optional for the member to indicate his/her preference. In case no specific direction is given, your Proxy may vote or abstain as he/she thinks fit.