

VASANT DOJODE & CO.,
CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITORS' REPORT

To the Members of
GOKAK SUGARS LIMITED

Opinion

We have audited the Ind AS financial statements of **GOKAK SUGARS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

- 1) Recoverability of Deferred Tax Assets: The Management has recognised Deferred Tax Assets on Unabsorbed business losses to the extent that there is reasonable certainty that such deferred tax assets can be realised against future taxable profits as per the management forecasts of the future business projections.
 - We have reviewed the evaluation process of the management of the business projections with the underlying assumptions and judgements in arriving at the future taxable profits and found it to be satisfactory in recognising the deferred tax assets on unabsorbed business losses.

- 2) Valuation of Inventory: The Management has done the Valuation of Closing Inventory as per Ind AS 2 – Inventories. It has valued the Finished Goods and Work in Process at lower of cost and net realisable value, wherein the Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity; Net realisable Value is the market value of the Finished Goods considered as per NCDEX Futures Market/Chinimandi Ex Mill Sugar Prices as at 31st March 2024.
- We have obtained and gone through the Inventory valuation workings. Further, we have verified the records and information provided and valuation of closing inventory done in the financial statements and found it to be proper in recognition, presentation and disclosure of Closing Inventory in the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
 - (g) With respect to the other matters to be included in the Auditors' 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 have disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 32(iv) to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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 the 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 under (a) and (b) above, contain any material misstatement.
- d) The Company has not declared or paid any Dividend during the year.
- e) The company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

Place: Bengaluru
Date: May 27, 2024

For Vasant Doijode & Co.
Chartered Accountants
Firm Regn No. 006404S

Vasant
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Doijode

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by Vasant D
Doijode
Date: 2024.05.27
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Vasant D Doijode
Proprietor
Membership No. 202784
UDIN: 24202784BKHAVZ9139

Annexure A to the Auditors' Report

The Annexure referred to in our report to the members of Gokak Sugars Limited for the year ended 31st March, 2024. We report that:

- i) a) A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
B) The Company has maintained proper records showing full particulars of Intangible Assets.
- b) According to the information and explanations given to us, Property, Plant and Equipment have been physically verified by the management periodically during the year which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- d) The Company has not revalued its Property, Plant and Equipment during the year.
- e) According to the information and explanations given to us, there are no proceedings which has been initiated or pending against the Company for holding any benami property under Benami Transactions (Prohibition) Act, 1988. Hence, reporting whether the Company has appropriately disclosed in the financial statements or not does not arise.
- ii) a) With regard to inventory, physical verification has been conducted by the management at reasonable intervals and in our opinion, the coverage and procedure of such verification by the management is appropriate. Further, no significant material discrepancies exceeding 10% were noticed in aggregate for each class of inventory on the physical verification of stocks.
b) As per the explanations provided to us, the Company has not been sanctioned working capital limits in excess of Rs.five crores, in aggregate, from banks or financial institutions on the basis of security of current assets during anytime during the financial year. Hence, commenting on whether the quarterly returns or statements filed by the company with the banks or financial institutions are in agreement with the books of account of the Company or not does not arise.
- iii) The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Hence, further reporting under the sub-clauses (a) to (f) does not apply.
- iv) The Company has no loans, investments, guarantees and security. Hence compliance under section 185 and 186 of the Companies Act, 2013 does not arise.
- v) According to the information and explanations given to us, the company has not accepted any deposits, hence reporting on clause (v) of the order is not applicable.
- vi) The Central Government has prescribed maintenance of cost records u/s. 148(1) of the Companies Act, 2013 for some products of the Company. We have broadly reviewed these records of the company and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of such records.
- vii) a) According to the information and explanations given to us and as per books and records examined by us, the Company is regular in depositing the undisputed statutory dues payable including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues and there are no such dues payable to the appropriate authorities outstanding as at 31st March 2024 for a period exceeding six months from the date they became payable.

- b) According to the information and explanations given to us and as per the records examined by us, there are no disputed amounts in respect of such statutory dues referred to in sub-clause (a) above as at 31st March 2024.
- viii) As per the information and explanations given to us and as per the records examined by us, there are no such transactions which are not recorded in the books of account and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix)
 - a) As per the information and explanations given to us and on the basis of our examination of books and records, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to the banks.
 - b) As per the information and explanations given to us, the Company is not a declared wilful defaulter by any bank or financial institution or other lender.
 - c) The Company has term loans. The term loans borrowed during the year have been utilised for the Purpose for which they were raised.
 - d) As per the information and explanations given to us and on the basis of our examination of books and records, the funds raised on short term basis have not been utilised for long term purposes.
 - e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
 - f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x)
 - a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting on the clause with regard to application of such funds does not arise.
 - b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting on the compliance under Section 42 and Section 62 of the Companies Act, 2013 does not arise.
- xi)
 - a) As per information and explanations given to us and on the basis of our examinations of books and records, there were no frauds by the Company or on the Company that has been noticed or reported during the year.
 - b) As there were no frauds noticed or reported during the year, filing of report under sub-section (12) of section 143 of the Companies Act by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government does not arise.
 - c) As per information and explanations given to us and on the basis of our examinations of books and records, there were no whistle-blower complaints received during the year by the company.
- xii) This is not a Nidhi Company, hence reporting under clause (xii) does not apply.
- xiii) As per information and explanations given to us and on the basis of our examinations of books and records, all the transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

- xiv) a) The Company has an Internal Audit system which is commensurate with the size and nature of its business.
b) The reports of the Internal Auditor for the period under audit has been considered.
- xv) The Company has not entered into any non-cash transactions with directors or persons connected with them and hence reporting on this clause is not applicable.
- xvi) a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Further, reporting on sub clause (b) to (d) does not apply.
- xvii) The Company has not incurred cash losses in the current financial year and has not incurred cash losses in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, as per our knowledge of the Board of Directors and management plans, we are of the opinion no material uncertainty exists as on the date of the audit report that company may not be 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.
- (xx) Since the Company does not come within the purview of Section 135 of the Companies Act 2013, reporting under this clause does not apply.
- (xxi) Being reporting on Standalone Company, this clause does not apply.

Place: Bengaluru
Date: May 27, 2024

For Vasant Doijode & Co.
Chartered Accountants
Firm Regn No. 006404S

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Date: 2024.05.27
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Vasant D Doijode
Proprietor
Membership No. 202784
UDIN: 24202784BKHAVZ9139

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Gokak Sugars Limited** ("the Company") as of 31st March 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Bengaluru
Date: May 27, 2024

For Vasant Doijode & Co.
Chartered Accountants
Firm Regn No. 006404S

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Vasant D Doijode
Proprietor
Membership No. 202784
UDIN: 24202784BKHAVZ9139

GOKAK SUGARS LIMITED
Regd. Office: Sy. No. 238 & 263, Kolavi Village, Tal: Gokak Dist : Belagavi
Balance Sheet as at March 31, 2024

(Amount in mnrs)

	Notes	As at 31st March 2024	As at 31st March 2023
I ASSETS			
Non-Current Assets			
Property, Plant and Equipments	2A	1,525.65	1,575.11
Capital Work-In-Progress	2A	34.85	14.83
Intangible assets	2B	0.01	0.03
Financial Assets			
Investments		-	-
Loans	3	0.54	0.20
Other non- current financial assets	4	0.54	0.54
Other non-current assets	5	-	0.04
Non-current tax assets		6.20	4.92
Deferred Tax Assets (Net)	6	-	-
Total non-current assets		1,567.79	1,595.67
Current Assets			
Inventories	7	884.84	277.77
Financial assets			
Investments		-	-
Trade Receivables	8	46.57	124.32
Cash and Cash Equivalents	9	13.36	78.18
Other Bank Balances	10	-	50.00
Other Current Financial Assets	11	0.10	0.07
Other Current Assets	12	14.14	12.10
Total current assets		959.01	542.44
Total		2,526.80	2,138.11
II EQUITY AND LIABILITIES			
Equity			
Equity Share capital	13	351.75	351.75
Other Equity	13A	(182.80)	(172.50)
Total Equity		168.95	179.25
Non-Current Liabilities			
Financial Liabilities			
Borrowings	14	1,761.94	1,371.62
Net employee benefit liabilities (non-current)	15	7.78	5.80
Deferred Tax Liabilities (Net)	6	42.22	15.86
Other non Current Liabilities		-	-
Total non-current liabilities		1,811.94	1,393.28
Current Liabilities			
Financial Liabilities			
Borrowings	16	137.16	137.16
Trade Payables			
Total Outstanding due to Micro and Small Enterprises	17	2.93	2.11
Total Outstanding dues of creditors other than micro enterprises and small enterprises		373.24	364.02
Other Current Financial Liabilities	18	6.44	4.40
Other Current Liabilities	19	19.18	51.76
Net employee benefit liabilities (current)	20	6.95	6.15
Total current liabilities		545.91	565.59
Total liabilities		2,357.85	1,958.87
Total		2,526.80	2,138.11

Accompanying Notes 1 to 32 form Integral part of the financial statements

To be read with our report of even date

For Vasant Doijode & Co.

Chartered Accountants

Firm Regn.No : 006404S

Vasant D Doijode
Digitally signed by Vasant D Doijode
Date: 2024.05.27 19:06 +05'30'
Vasant D Doijode
Proprietor
Membership No.202784

Place : Mumbai
Date : May 27, 2024

For and on behalf of the Board of directors of

Gokak Sugars Limited

Vijendra Singh
Digitally signed by Vijendra Singh
Date: 2024.05.27 19:18:43 +05'30'

Vijendra Singh
Director
DIN: 03537522

Sunil Ratanlal Ranka
Digitally signed by Sunil Ratanlal Ranka
Date: 2024.05.27 19:15:58 +05'30'

Sunil Ranka
Chief Financial Officer

SHRIPAD RAJARAM NERLIKAR
Digitally signed by SHRIPAD RAJARAM NERLIKAR
Date: 2024.05.27 19:36:44 +05'30'

Shripad Rajaram Nerlikar
Director
DIN : 02102633

Deepak Madhav Manerikar
Digitally signed by Deepak Madhav Manerikar
Date: 2024.05.27 19:24:01 +05'30'

Deepak Manerikar
Company Secretary

GOKAK SUGARS LIMITED
Regd. Office: Sy. No. 238 & 263, Kolavi Village, Tal: Gokak Dist : Belagavi
Statement of Profit & Loss for the year ended March 31, 2024

(Amount in minr)

	Notes	Year ended 31st Mar 2024	Year ended 31st Mar 2023
INCOME			
Revenue from Operations	21	1,857.88	2,707.74
Income from Incentive to Sugar Mills		-	-
Other Income	22	38.20	1.84
Total Income		1,896.08	2,709.58
EXPENSES			
Cost of Materials Consumed	23	1,906.76	1,989.06
Increase/(decrease) in inventories of finished goods, work-in- progress and intermediate products and traded goods	24	(610.28)	84.20
Employee Benefit Expenses	25	131.05	115.02
Finance Costs	26	169.48	182.93
Depreciation and Amortization Expenses	27	80.97	76.70
Other Expenses	28	188.96	197.28
Total Expenses		1,866.95	2,645.19
Profit/(Loss) Before Exceptional Items		29.13	64.40
Extraordinary Items		-	-
Profit/(Loss) before exceptional items and tax		29.13	64.40
Exceptional Items		-	-
Profit/(Loss) Before Tax		29.13	64.40
Tax Expenses:			
Current Tax	29	-	-
Deferred Tax		36.72	17.02
Total Tax Expenses/ (Income)		36.72	17.02
Profit/(Loss) for the year		(7.59)	47.38
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of the net defined benefit liability / asset		(0.22)	(2.50)
Income tax effect		0.06	0.65
Revaluation reserve reversal on disposal of assets		(2.58)	-
Income tax effect		-	-
Total comprehensive income for the year		(10.32)	45.53
Earning Per Equity Share:			
Basic (in Rs.)	30	(0.22)	1.35
Diluted (in Rs.)		(0.22)	1.35

Accompanying Notes 1 to 32 form Integral part of the financial statements

To be read with our report of even date

For Vasant Doijode & Co.

Chartered Accountants

Firm Regn.No : 006404S

Vasant D Doijode
Digitally signed
by Vasant D
Doijode
Date: 2024.05.27
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Vasant D Doijode

Proprietor

Membership No.202784

Place : Mumbai
Date : May 27, 2024

For and on behalf of the Board of directors of

Gokak Sugars Limited

Vijendra Singh
Digitally signed
by Vijendra
Singh
Date: 2024.05.27
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Vijendra Singh

Director

DIN: 03537522

Sunil Ratanlal Ranka
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by Sunil Ratanlal
Ranka
Date: 2024.05.27
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Sunil Ranka

Chief Financial Officer

SHRIPAD RAJARAM NERLIKAR
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SHRIPAD RAJARAM
NERLIKAR
Date: 2024.05.27
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Shripad Rajaram Nerlikar

Director

DIN : 02102633

Deepak Madhav Manerikar
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Deepak Madhav
Manerikar
Date: 2024.05.27
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Deepak Manerikar

Company Secretary

GOKAK SUGARS LTD
 Regd. Office: Sy. No. 238 & 263, Kolavi Village, Tal: Gokak Dist : Belagavi
Cash Flow Statement for the year ended March 31, 2024

(Amount in minr)

	Year ended 31st Mar 2024	Year Ended 31st Mar 2023
Cash Flow From Operating Activities:		
Profit before taxation	29.16	64.40
Adjustments to reconcile profit before tax to net cash provided by operating activities:		
Depreciation of property, plant & equipment	80.96	76.69
Financial expenses	169.48	182.93
Loss/(Profit) on disposal of property, plant & equipment	2.27	-
Operating profit before working capital changes	281.88	324.02
Changes in operating assets and liabilities:		
Decrease/(Increase) in Trade receivables	77.75	(42.86)
Decrease/ (Increase) in Other receivables	47.61	205.97
(Increase)/Decrease in Inventories	(607.07)	76.03
(Increase)/ Decrease in Other Current Assets	(1.27)	(0.19)
Increase/(Decrease) in Trade and other payables	10.05	(144.25)
Increase/ (Decrease) in Provisions	5.87	(2.31)
(Decrease)/ Increase in Other Liabilities	(33.86)	(16.20)
Cash generated from operations	(219.05)	400.22
Income-tax paid	(10.30)	(0.58)
Net Cash Flow From Operating Activities	(229.35)	399.64
Cash Flow From Investing Activities:		
Purchase/ (Sale) of fixed assets	(56.35)	(77.28)
Investments	-	-
Net Cash Flow From Investing Activities	(56.35)	(77.28)
Cash Flow From Financing Activities:		
(Proceeds)/Repayment from short-term borrowings	-	-
Proceeds/(Repayment) of long-term borrowings	390.33	(137.16)
Other Advances	0.04	6.40
Financial expenses	(169.48)	(182.93)
Net Cash Flow From Financing Activities	220.88	(313.69)
Net increase in cash and cash equivalents	(64.82)	8.68
Opening cash and cash equivalents	78.18	69.50
Closing cash and cash equivalents	13.36	78.18

Changes in liabilities arising from financing activities for period ended 31st March 2024

Particulars	Long Term Borrowings	Others
As at 1st April 2023	1,508.78	-
Proceeds from borrowings	837.49	-
Repayment of borrowings	(447.16)	-
Cash Flows	-	-
Others	0.04	(169.48)
As at 31st March 2024	1,899.15	(169.48)

Changes in liabilities arising from financing activities for period ended 31st March 2023

Particulars	Long Term Borrowings	Others
As at 1st April 2022	1,645.94	-
Proceeds from borrowings	-	-
Repayment of borrowings	(137.16)	-
Cash Flows	-	-
Others	6.40	(182.93)
As at 31st March 2023	1,515.18	(182.93)

Accompanying Notes 1 to 32 form Integral part of the financial statements

To be read with our report of even date

For Vasant Doijode & Co.

Chartered Accountants

Firm Regn.No : 0064045

Vasant D Doijode
 Digitally signed
 by Vasant D
 Doijode
 Date: 2024.05.27
 19:51:15 +05'30'

Vasant D Doijode
 Proprietor
 Membership No.202784

Place : Mumbai
 Date: May 27, 2024

For and on behalf of the Board of directors of

Gokak Sugars Limited

Vijendra Singh
 Digitally signed by
 Vijendra Singh
 Date: 2024.05.27
 19:19:35 +05'30'

Vijendra Singh
 Director
 DIN: 03537522

Sunil Ratanlal Ranka
 Digitally signed by
 Sunil Ratanlal
 Ranka
 Date: 2024.05.27
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Sunil Ranka
 Chief Financial Officer

SHRIPAD RAJARAM NERLIKAR
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 SHRIPAD RAJARAM
 NERLIKAR
 Date: 2024.05.27
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Shripad Rajaram Nerlikar
 Director
 DIN : 02102633

Deepak Madhav Manerikar
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 Deepak Madhav
 Manerikar
 Date: 2024.05.27
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Deepak Manerikar
 Company Secretary

Gokak Sugars Limited

Regd. Office: Sy. No. 238 & 263, Kolavi Village, Tal: Gokak Dist : Belagavi

Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024**Statement of changes in equity for the year ended March 31, 2024****a. Equity share capital as at 31st March 2024***(Amount in minr)*

	No of shares	Amount
As at 1st April 2023	35,174,540	351.75
Equity shares issued during the year	-	-
As at 31st March 2024	35,174,540	351.75

Equity share capital as at 31st March 2023

	No of shares	Amount
As at 1st April 2022	35,174,540	351.75
Equity shares issued during the year	-	-
As at 31st March 2023	35,174,540	351.75

Details of promoters- holding shares in the equity share capital of the company

Promoter Name	As at 31st March 2024		As at 31st March 2023	
	Number of shares held	Percentage of total shares at the beginning of the year	Number of shares held	Percentage of total shares at the beginning of the year
SHREE RENUKA SUGARS LIMITED	32,918,142	93.59	32,918,142	93.59

b. Other Equity*(Amount in minr)*

	Reserves and Surplus		Items of OCI	Total Equity attributable to the Equity holders of the Company
	Share Premium	Retained Earnings	Revaluation Reserve	
As at 31st March 2022	128.70	(825.95)	479.21	(218.04)
Profit for the year	-	47.39	-	47.39
Other Comprehensive Income	-	(1.85)	-	(1.85)
Depreciation on Revalued Assets	-	33.01	(33.01)	-
As at 31st March 2023	128.70	(747.40)	446.20	(172.50)
Profit for the year	-	(7.56)	-	(7.56)
Other Comprehensive Income	-	(0.16)	(2.58)	(2.74)
Depreciation on Revalued Assets	-	32.88	(32.88)	-
As at 31st March 2024	128.70	(722.24)	410.74	(182.80)

Accompanying Notes 1 to 32 form Integral part of the financial statements

To be read with our report of even date

For Vasant Doijode & Co.

Chartered Accountants

Firm Regn.No : 006404S

Vasant D Doijode
Digitally signed
by Vasant D
Doijode
Date:
2024.05.27
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Vasant D Doijode

Proprietor

Membership No.202784

Place : Mumbai

Date: May 27, 2024

For and on behalf of the Board of directors of

Gokak Sugars Limited

Vijendra Singh
Digitally signed
by Vijendra Singh
Date: 2024.05.27
19:19:57 +05'30'

Vijendra Singh

Director

DIN: 03537522

Sunil Ratanlal Ranka
Digitally signed
by Sunil Ratanlal
Ranka
Date: 2024.05.27
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Sunil Ranka

Chief Financial Officer

SHRIPAD RAJARAM NERLIKAR
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by SHRIPAD
RAJARAM
NERLIKAR
Date: 2024.05.27
19:38:58 +05'30'

Shripad Rajaram Nerlikar

Director

DIN : 02102633

Deepak Madhav Manerikar
Digitally signed by
Deepak Madhav
Manerikar
Date: 2024.05.27
19:25:18 +05'30'

Deepak Manerikar

Company Secretary

GOKAK SUGARS LIMITED

Regd Office: Sy No 238 & 263, Kolavi Village, Tal: Gokak Dist: Belagavi.

Notes to Accounts forming part of Financial Statements for the year ended 31st March, 2024

Note 1: Material Accounting Policies

All amounts in Indian Minr, unless otherwise stated.

a. i. Basis of presentation

The accompanying financial statements have been presented for the year ended 31st March 2024 along with comparative information for the year ended 31st March, 2023. These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) on going concern basis under the historical cost convention on the accrual basis of accounting and the relevant provisions prescribed in the Companies Act 2013, besides the pronouncements/guidelines of the Institute of Chartered Accountants of India and of the Securities and Exchange Board of India. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017. The accounting policies have been consistently applied by the Company except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b. Use of estimates

In preparing the Company's financial statements in conformity with Ind AS, the Company's management is required to make estimates, judgements and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period, the actual results could differ from those estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialise and if material, their effects are disclosed in the notes to the financial statements.

c. Property, plant and equipment:

i. **Property, plant and equipment** (Tangible and Intangible) are stated at cost less accumulated depreciation. Cost comprises the purchase price and any cost attributable to bringing the asset to the location and condition necessary for its intended use. Expenditure incurred during construction period has been added to the cost of the assets. These expenses have been allocated to the sugar, power generation and ethanol units on a reasonable basis. Subsidy received from the Government has been recognised as deferred income and recognized in the profit and loss on a systematic basis over the useful life of assets.

ii. Land, Building and Plant and Machinery are carried at revalued amount and the surplus on revaluation is credited to Revaluation Reserve account. The useful lives of the depreciable assets remain to be the same as that of prior to revaluation.

d. Borrowing costs

Interest and other costs in connection with the borrowings of funds to the extent attributable to the acquisition or construction of qualifying assets or capitalized as part of the cost of such asset till such time the asset is ready for its intended use.

All other borrowings costs are recognized in the statement of profit and loss in the period in which they are incurred.

e. Depreciation

i. Depreciation is provided in the manner prescribed in Schedule II of the Companies Act, 2013. The Carrying Value of Property, Plant and Equipment are depreciated over the revised remaining useful lives. Property, Plant and Equipment having nil useful life has been charged to the opening balance of retained earnings as per the transitional provision prescribed in note 7 (b) of Schedule II of the Companies Act 2013.

ii. Depreciation on the value of Revaluation is reduced from revaluation Reserve.

f. Inventories

Inventories are valued as follows:

Raw materials, stores and spares, Material in transit and packing materials

Valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a Moving Weighted Average basis.

Finished goods

Valued at lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.

Work-in-process

Valued at lower of cost up to estimated stage of process and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.

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

By-products

By-products are valued at cost. Inter-unit transfers of by-products also include the cost of transportation, duties, etc.

g. Revenue recognition

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1 April 2018.

The cumulative effect of initially applying Ind AS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18.

h. Employee benefits

Short-term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

The eligible employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are paid to "The Regional Provident Fund Commissioner and the Central Provident Fund under the Pension Scheme". The Company recognizes such contributions as expense of the year in which the liability is incurred.

The Company has an obligation towards Gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, 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 plan is managed by a trust and the fund is invested with Life Insurance Corporation of India under its Group Gratuity Scheme. The Company makes annual contributions to Gratuity Fund and the Company recognizes the liability for Gratuity benefits payable in future based on an independent actuarial valuation.

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave for availment as well as encashment subject to the rules. As per the regular past practice followed by the employees, it is not expected that the entire accumulated leave shall be encashed or availed by the employees during the next twelve months and accordingly the benefit is treated as long-term defined benefit. The liability is provided for based on the number of days of unutilised leave at the Balance Sheet date on the basis of an independent actuarial valuation.

i. Income tax

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

Deferred income tax reflects the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternate tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date.

j. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

k. Provisions, contingent liabilities and contingent assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- The Company has a present obligation as a result of a past event
- A probable outflow of resources is expected to settle the obligation and
- The amount of the obligation can be easily estimated.

Contingent Liability is disclosed in the case of

- A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- A possible obligation, unless the probability of outflow of resources is remote.

Depending on facts of each case and after due evaluation of relevant legal aspects, claims against the Company not acknowledged as debts are disclosed as contingent liabilities. In respect of statutory matters, contingent liabilities are disclosed only for those demand(s) that are contested by the Company.

Contingent Assets are neither recognized nor disclosed.

l. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue.

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

m. Segment reporting

The accounting policies adopted for segment reporting are in line with the accounting policies adopted by the Company, with the following additional policies for segment reporting:

- (i) Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is primarily market led.
- (ii) Revenue, Expenses, Assets and Liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.
- (iii) Gains/losses from transactions in commodity futures, which are ultimately settled net, with/without taking delivery, are recorded as 'Other revenues' under the Sugar segment.
- (iv) Revenue, Expenses, Assets and Liabilities, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated".

n. Impairment of assets

As at each balance sheet date, the carrying amount of assets is tested for impairment so as to determine,

- a) The provision for impairment loss, if any, required or
- b) The reversal, if any, required of impairment loss recognized in previous periods.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

o. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current, non-current classification of assets and liabilities.

Note 2A. Property, Plant and Equipments

(Amount in minr)

Particulars	Land Free Hold	Building	Plant & Machinery	Furniture & Fittings*	Vehicles*	Total for property, plant and equipment	Capital work-in-progress	Total
Gross Book Value								
At 1st April 2022	196.60	262.01	1,851.26	12.17	1.08	2,323.11	25.14	2,348.25
Additions	-	-	85.30	1.07	1.21	87.58	79.42	167.01
Disposals	-	-	-	0.98	-	0.98	89.73	90.71
Revaluation	-	-	-	-	-	-	-	-
At 31st March 2023	196.60	262.01	1,936.55	12.26	2.29	2,409.71	14.83	2,424.54
Additions	-	12.08	19.23	5.12	-	36.43	57.16	93.59
Disposals	-	-	7.81	0.10	-	7.91	37.14	45.06
Revaluation	-	-	-	-	-	-	-	-
At 31st March 2024	196.60	274.09	1,947.97	17.28	2.29	2,438.23	34.85	2,473.08
Depreciation and Impairment								
At 31st March 2022	-	118.78	628.35	10.70	1.08	758.91	-	758.91
Depreciation charge for the year	-	5.91	69.96	0.78	0.03	76.68	-	76.68
Disposals	-	-	-	0.98	-	0.98	-	0.98
Impairment	-	-	-	-	-	-	-	-
At 31st March 2023	-	124.69	698.31	10.49	1.11	834.60	-	834.60
Additions	-	6.79	72.44	1.56	0.15	80.94	-	80.94
Disposals	-	-	2.95	0.01	-	2.96	-	2.96
Revaluation	-	-	-	-	-	-	-	-
At 31st March 2024	-	131.47	767.80	12.04	1.26	912.58	-	912.58
Net Book Value								
At 31st March 2024	196.60	142.62	1,180.17	5.24	1.03	1,525.65	34.85	1,560.50
At 31st March 2023	196.60	137.32	1,238.24	1.77	1.18	1,575.11	14.83	1,589.94
At 31st March 2022	197.00	143.00	1,223.00	1.00	-	1,564.00	25.00	1,589.00

* These assets were carried at deemed cost at the time of transition to Ind AS

A. Assets under construction

Capital work in progress as at 31st March, 2024 comprises expenditure for the plant and building in the course of construction including material procured for expansion projects. Additions during the

Significant unobservable valuation input:

Asset	Valuation technique	Significant unobservable inputs
Freehold land/Leasehold land	Market approach	The value of land was determined based on condition, location, demand and supply in and around and other infrastructure facilities available at and around the said plot of land. Land which was based on government promoted industrial estates, was appraised on the present fair market value depending on the condition of the said estates, its location and availability of such plots in the said industrial estate.
Building	Depreciated Replacement Cost (DRC)	Building/structural sheds were measured considering the DRC cost method for the constructed area depending on utility and design of building structures condition, actual physical condition and state of repairs and maintenance, type of general and special specifications of construction, remaining useful economic life of the structures, demand for the structures, cost of building materials and related construction supplies in the surrounding area, latest trends in the building construction technology, present day replacement cost of comparable building structures, depreciation for physical wears and tear.
Plant, machinery and equipment Sugar Plant Co-Generation Plant	Depreciated Replacement Cost (DRC)	The valuation of plant & machinery has been estimated by DRC method under cost approach of valuation. The DRC is adjusted towards the obsolescence, potential profitability and service potential in order to estimate the market value 'In-Situ' of the plant & machinery.

B. Capital Work in Progress- Ageing

Ageing	As at 31st March 2024	As at 31st March 2023
Less than 1 year	33.89	14.83
1- 2 years	0.96	-
2- 3 years	-	-
More than 3 years	-	-
Total	34.85	14.83

Details of CWIP where activity has been suspended:

Particulars	As at 31st March 2024	As at 31st March 2023
	-	-
Total	-	-

C. Completion is overdue to its original plan :

As at 31 March 2024

	Project 1	Project 2	Others
Less than 1 year	-	28.27	5.62
1- 2 years	0.96	-	-
2- 3 years	-	-	-
More than 3 years	-	-	-
Total	0.96	28.27	5.62

As at 31 March 2023

	Project 1	Project 2	Others
Less than 1 year	9.61	-	4.48
1- 2 years	-	-	-
2- 3 years	-	-	-
More than 3 years	-	-	-
Total	9.61	-	4.48

Gokak Sugars Limited
Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024
Note 2B- Intangible Assets
(Amount in minr)

Particulars	Computer Software
Gross Book Value	
At 1st April 2022	0.74
Additions	-
Disposals	-
At 31st March 2023	0.74
Additions	-
Disposals	-
At 31st March 2024	0.74
Depreciation and Impairment	
At 1st April 2022	0.69
Depreciation charge for the year	0.02
Disposals	-
Impairment	-
At 31st March 2023	0.71
Depreciation charge for the year	0.02
Disposals	-
Impairment	-
At 31st March 2024	0.73
Net Book Value	
At 31st March 2024	0.01
At 31st March 2023	0.03
At 31st March 2022	0.04

Information of revaluation model (gross of deferred tax)

Balance as at 1st April 2022	754.23
Purchases	-
Depreciation on Revalued Assets	(33.01)
Reversal of Reserves on Revalued Assets Sold	-
Revaluation Reserve	-
Closing balance as at 31st March 2023	721.22
Purchases	-
Depreciation on Revalued Assets	(32.88)
Reversal of Reserves on Revalued Assets Sold	(2.58)
Revaluation Reserve	-
Closing balance as at 31st March 2024	685.76

If Land, building and plant, machinery and equipment were measured using the cost model, the carrying amounts would be as follows:

	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Cost			
Freehold Land	18.66	18.66	18.66
Buildings	265.91	253.82	253.82
Plant machinery and Equipment	1,257.81	1,242.99	1,157.69
	1,542.38	1,515.47	1,430.17
Accumulated depreciation			
Freehold Land	-	-	-
Buildings	119.57	112.53	106.35
Plant machinery and Equipment	589.19	552.00	515.32
	708.76	664.53	622.67
Net carrying amount	833.62	850.94	807.50

GOKAK SUGARS LIMITED

Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024

NON-CURRENT ASSETS**Note 3: Loans***(Amount in minr)*

	As at 31st March 2024	As at 31st March 2023
Unsecured & considered good (at amortised cost) :		
Security Deposit	0.54	0.20
Less: Impairment allowance	-	-
	0.54	0.20
Break-up for security details		
Unsecured, considered good	0.54	0.20
Unsecured, credit impaired	-	-
(A)	0.54	0.20
Impairment allowance		
Unsecured, considered good	-	-
Unsecured, credit impaired	-	-
(B)	-	-
(A)-(B)	0.54	0.20

Note 4: Other Non Current Financial Assets

	As at 31st March 2024	As at 31st March 2023
Unsecured & considered good (at amortised cost) :		
Fixed Deposit with Bank (maturity more than 12 months)*	0.54	0.54
	0.54	0.54
Break-up for security details		
Unsecured, considered good	0.54	0.54
Unsecured, credit impaired	-	-
(A)	0.54	0.54
Impairment allowance		
Unsecured, considered good	-	-
Unsecured, credit impaired	-	-
(B)	-	-
(A)-(B)	0.54	0.54

*Fixed Deposits with Banks include amounts that have been pledged with government authorities towards guarantee.

Note 5: Other Non Current Assets

	As at 31st March 2024	As at 31st March 2023
Amount paid under protest	-	-
Vendor- Capital Advance	-	0.04
	-	0.04
Break-up for security details		
Unsecured, considered good	-	0.04
Unsecured, credit impaired	-	-
(A)	-	0.04
Impairment allowance		
Unsecured, considered good	-	-
Unsecured, credit impaired	-	-
(B)	-	-
(A)-(B)	-	0.04

GOKAK SUGARS LIMITED

Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024

Note 6: Income Tax

The major components of income tax expenses for period ended 31st March 2024 and 31st March 2023 are: (Amount in minr)

	As at 31st March 2024	As at 31st March 2023
Profit and loss section		
Current income tax	-	-
Deferred Tax:		
Relating to origination and reversal of temporary differences and write- down of deferred tax asset	36.72	17.02
Income tax expense reported in the statement of profit and loss	36.72	17.02

OCI Section

Deferred tax related to items recognised in OCI during the year

	As at 31st March 2024	As at 31st March 2023
Net loss/(gain) on remeasurements of defined benefit plans	0.06	0.65
Revaluation reserve reversal on disposal of assets	-	-
Income tax expenses/(income) charged to OCI	0.06	0.65

Reconciliation of tax expenses and the accounting profit multiplied by the India's domestic tax rate for year ended 31st March 2024 and 31st March 2023

	As at 31st March 2024	As at 31st March 2023
Accounting profit/(loss) before tax	29.16	64.40
At India's statutory income tax rate of 26%(31st March 2023: 26%)	7.58	16.74
Losses on which DTA created earlier set- off against DTL created during the current year	25.64	31.55
Carry forward losses utilised during the year on which DTA recognised earlier	(17.36)	(25.03)
MAT Credit during the year	10.36	0.58
Others	10.50	(6.83)
Income tax expense/ (income) in the statement of profit and loss	36.72	17.02

Deferred Tax

	As at 31st March 2024	As at 31st March 2023
Difference between carrying value of PPE and WDV as per incometax act (Deferred Tax)	(324.72)	(332.85)
Expenses claimed on payment basis (Deferred Tax)	3.84	3.11
Losses available for offsetting against future taxable income (Deferred Tax on Unabsorbed Losses & Depreciation)	267.76	313.29
MAT credit entitlement	10.90	0.58
Net deferred tax assets/ (liability)	(42.22)	(15.86)

Presented in the balance sheet as follows:

	As at 31st March 2024	As at 31st March 2023
Deferred Tax Liabilities (DTL)	42.22	15.86
Deferred Tax Liabilities (DTL)	(42.22)	(15.86)

Reconciliation of deferred assets/(liabilities):

	As at 31st March 2024	As at 31st March 2023
Opening balance as at 1st April (DTL)	(15.86)	(0.08)
Tax (expense)/income during the period recognised in profit and loss	(36.72)	(17.02)
Tax income/(expense) during the period recognised in OCI	0.06	0.65
MAT credit entitlement	10.30	0.58
Closing balance	(42.22)	(15.86)

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised and has been restricted to the extent of deferred tax liability. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The Company has unabsorbed depreciation of INR.777.77 million (31st March 2023: INR. 777.77 million), unabsorbed business losses of INR. 254.40 million (31st March 2023: INR. 427.16 million) on which deferred tax asset has been created. The unabsorbed depreciation can be carried forward for indefinite period, whereas the unabsorbed business losses and the MAT credit entitlement can be carried forward for 8 years and 15 years respectively. The carrying amount of deferred tax assets is reviewed at each reporting date to assess whether sufficient taxable profit will be available for recoverability of deferred tax assets. Accordingly, the deferred tax assets are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

The Company has unabsorbed depreciation of INR 777.77 minr (31st March 2023: INR. 777.77 minr), unabsorbed tax losses of INR. 254.40 million (31st March 2023: INR. 427.16 minr) on which deferred tax asset has been created. The unabsorbed depreciation can be carried forward for indefinite period, whereas the unabsorbed losses can be carried forward for 8 years and will expire between financial year 2026-27 to 2029-30.

GOKAK SUGARS LIMITED

Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024

CURRENT ASSETS**Note 7: Inventories**

(Amount in minr)

	As at 31st March 2024	As at 31st March 2023
Raw Materials		
Sugar	-	-
Co-Generation	-	-
<i>(includes transit stock: Nil (31st March 2023: Nil))</i>		
Consumables, Stores & Spares:		
Stores & Spares	35.15	36.32
Consumables	1.60	2.64
Packing Materials	3.58	4.78
Fuel	0.67	0.48
<i>(includes transit stock INR 0.14 million (31st March 2023: INR 0.07 million))</i>		
Work-in-Progress	-	-
Finished Goods: (at lower of cost or net realisable value)	-	-
Sugar (Manufactured)	745.94	68.72
Co-Generation	0.00	0.00
By-Products- Molasses & Baggasse	97.90	164.83
<i>(includes transit stock Nil (31st March 2023: Nil million))</i>		
	884.84	277.77

Note 8: Trade Receivables

	As at 31st March 2024	As at 31st March 2023
Unsecured, considered good		
Receivables from third parties	33.12	102.18
Less: Impairment allowance	-	-
	33.12	102.18
Receivables from related parties	13.45	22.14
Less: Impairment allowance	-	-
	13.45	22.14
	46.57	124.32

Break-up for security details:

Unsecured, considered good		
Receivables from third parties	33.12	102.18
Receivables from related parties (refer note 32.x)	13.46	22.14
Unsecured, credit impaired		
Receivables from third parties	-	-
Receivables from related parties (refer note 32.x)	-	-
(A)	46.57	124.32

Impairment allowance (allowance for bad and doubtful debts)

Unsecured, considered good	-	-
Unsecured, credit impaired	-	-
(B)	-	-
(A -B)	46.57	124.32

No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person.

Trade receivables are non-interest bearing and are generally on terms of 7 to 30 days.

Trade receivables include receivable from Holding company Rs.13.46 minr (FY 2022-23- Rs.22.14 minr).Refer note 32x.

Trade Receivables Ageing

i. Undisputed Trade Receivables - considered good :		
Curent but not due	46.57	70.78
Less than 6 months	-	-
6 months- 1 Year	-	53.55
1- 2 years	-	-
2- 3 years	-	-
More than 3 years	-	-
	46.58	124.32
ii. Disputed Trade Receivables - considered good :	-	-
iii. Undisputed Trade Receivables - credit impaired :	-	-
iv. Disputed Trade Receivables - credit impaired :	-	-

GOKAK SUGARS LIMITED

Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024

Note 9: Cash and Cash Equivalents

(Amount in minr)

	As at 31st March 2024	As at 31st March 2023
Unsecured and considered good (at amortised cost) :		
Cash and cash equivalents:		
Cash on Hand	-	-
Balances with banks:		
On current accounts	13.36	78.18
	13.36	78.18

Note 10: Other Bank Balances

	As at 31st March 2024	As at 31st March 2023
Unsecured and considered good (at amortised cost) :		
Other Bank Balances:		
On current accounts	-	-
Fixed Deposit with Bank (within 3 months maturity)	-	50.00
	-	50.00

*Fixed deposit with banks include amounts that have been provided as margin money and those that have been pledged with government authorities towards guarantee.

Note 11: Other Current Financial Assets

	As at 31st March 2024	As at 31st March 2023
Unsecured and considered good:		
Other Loans & Advances:		
Interest Receivable	0.10	0.07
	0.10	0.07

Note 12: Other Current Assets

	As at 31st March 2024	As at 31st March 2023
Advance to Suppliers	8.22	7.18
Advance to Staff	0.21	0.18
Prepayments	4.52	4.49
Balance receivable from GST Department	1.19	-
Others	-	0.25
	14.14	12.10

GOKAK SUGARS LIMITED

Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024

Note 13: Equity Share Capital

(Amount in minr)

	As at 31st March 2024	As at 31st March 2023
a) Authorised :		
36,000,000 Equity Shares of Rs.10/- Each	360.00	360.00
	360.00	360.00
b) Issued, Subscribed & Paid up		
35,174,540 Equity Shares of Rs.10/- Each	351.75	351.75
	351.75	351.75

	As at 31st March 2024	As at 31st March 2023
c) Reconciliation of number of shares and Equity Shares outstanding :		
At the beginning of the year	35.17	35.17
Addition/deletion during the year	-	-
At the end of the period	35.17	35.17

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

e) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential dues . The distribution will be in proportion to the number of equity shares held by the shareholders .

f) Details of Shareholders holding more than 5% of Equity Share Capital of the Company

	As at 31st March 2024		As at 31st March 2023	
Name of Shareholder	No.of Shares	% of Holding	No.of Shares	% of Holding
Shree Renuka Sugars Limited (including holding by representatives)	32,918,142	93.59	32,918,142	93.59

Note 13A: Other Equity

	As at 31st March 2024	As at 31st March 2023
Securities Premium Account (refer note i below)	128.70	128.70
Revaluation Reserve (refer note ii below)	410.74	446.20
Retained Earnings	(722.24)	(747.40)
	(182.80)	(172.50)

i. Securities Premium Account		
As at 1st April 2022	128.70	128.70
Increase/ (decrease) during the year	-	-
As at 31st March 2023	128.70	128.70
Increase/ (decrease) during the year	-	-
As at 31st March 2024	128.70	128.70

i. Securities premium reserve is credited when shares are issued at premium. The reserve is utilised in accordance with the provisions of the

ii Revaluation Reserve		
As at 1st April 2022	479.21	410.80
Other Comprehensive Income	-	91.33
Depreciation on Revalued Assets	(33.01)	(22.92)
As at 31st March 2023	446.20	479.21
Other Comprehensive Income	(2.58)	-
Depreciation on Revalued Assets	(32.88)	(33.01)
As at 31st March 2024	410.74	446.20

ii. Revaluation reserve:

Revaluation reserve is credited when property, plant and equipments are revalued at fair value. The reserve is utilised in accordance with the requirements of Ind AS 16. During the FY 2021-22, the Company had recognised an amount of INR 91.32 million (31st March 2021: NIL) (net of deferred tax) on account of revaluation of Property, Plant & equipment and INR 32.88 million as on 31st March 2024 (31st March 2023: INR 33.01 million) as reversal of revaluation reserve on account of depreciation on Revalued assets.

iii. Retained Earnings		
As at 1st April 2022	(825.95)	(1,134.97)
Profit for the year	47.39	286.47
Other Comprehensive Income	(1.85)	(0.36)
Depreciation on Revalued Assets	33.01	22.92
As at 31st March 2023	(747.40)	(825.95)
Profit for the year	(7.56)	47.39
Other Comprehensive Income	(0.16)	(1.85)
Depreciation on Revalued Assets	32.88	33.01
As at 31st March 2024	(722.24)	(747.40)

Retained earnings :

Retained earnings represents surplus/(deficit) earned from the operations of the Company.

GOKAK SUGARS LIMITED

Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024

NON-CURRENT LIABILITIES**Note 14: Borrowings (non-current)**

(Amount in minr)

	As at 31st March 2024	As at 31st March 2023
i Unsecured		
From Related Party:		
Shree Renuka Sugars Limited - Holding Company	1,899.10	1,508.78
	1,899.10	1,508.78
Less: Current Maturity of Long-Term Borrowings transferred to Current Borrowings (Refer Note 16)	137.16	137.16
	1,761.94	1,371.62

Borrowings are Loans taken from Holding Company Rs.1,761.94 minr (FY 2022-23- Rs.1,371.61 minr). Refer note 32x.

Terms of Repayment for Borrowings outstanding as on 31st March 2023

	Particulars	Date of Maturity	Effective Rate of Interest	As at 31st March 2024	As at 31st March 2023
	From Holding company: Shree Renuka Sugars Limited (Payable in 13 equal installments from the FY 2021-22)	FY 2034- 35	11.00%	1,371.61	1,372
	From Holding company: Shree Renuka Sugars Limited (Payable in 13 equal installments from the FY 2024-25)	FY 2024-25	11.00%	-	290
	From Holding company: Shree Renuka Sugars Limited (Payable in 13 equal installments from the FY 2025-26)	FY 2038- 39	11.00%	837.49	-

Note 15: Net employee benefit liabilities (non-current)

	As at 31st March 2024	As at 31st March 2023
Provision For Employee Benefits:		
Provision For Gratuity	7.78	5.80
Provision For Leave Encashment	6.97	6.15
	14.75	11.95
Less: Short-Term Liability (transferred to current liabilities(Refer Note 20)		
Provision For Gratuity	-	-
Provision For Leave Encashment	6.97	6.15
	7.78	5.80

CURRENT LIABILITIES**Note 16: Borrowings (current)**

	As at 31st March 2024	As at 31st March 2023
Unsecured:		
Current Maturities of Long Term Borrowings (Refer Note 14):		
From Related Party:		
Shree Renuka Sugars Limited - Holding Company	137.16	137.16
	137.16	137.16

Borrowings are Loans taken from Holding Company Rs.137.16 minr (FY 2022-23- Rs.137.16 minr). Refer note 32x.

GOKAK SUGARS LIMITED**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024****Note 17: Trade Payables***(Amount in minr)*

	As at 31st March 2024	As at 31st March 2023
Trade payables	374.01	365.20
Trade payables to related parties	2.16	0.93
	376.17	366.12

Trade Payables include Rs.2.16 minr (PY 2022-23- Rs.0.93 minr). Refer note 32x.

Trade Payables Ageing	As at 31st March 2024	As at 31st March 2023
Outstanding for following periods from due date of payment		
i. MSME :		
Less than 1 year	2.93	2.11
1- 2 years	-	-
2- 3 years	-	-
More than 3 years	-	-
Total	2.93	2.11
ii. Others :		
Less than 1 year	373.23	189.65
1-2 years	-	-
2-3 years	-	149.64
More than 3 years	-	24.72
	373.23	364.01
iii. Disputed dues (MSMEs) :		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
iv. Disputed dues (Others) :		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
Total :		
Less than 1 year	376.17	191.76
1-2 years	-	-
2-3 years	-	149.64
More than 3 years	-	24.72
	376.17	366.12

*The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

	As at 31st March 2024	As at 31st March 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprise	-	0.00
- Interest due on above	-	0.00
Total	-	0.00
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.05	0.05
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	0.05	0.05

GOKAK SUGARS LIMITED**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024****Note 18: Other Current Financial Liabilities***(Amount in minr)*

	As at 31st March 2024	As at 31st March 2023
Interest accrued but not due on borrowings	0.05	0.05
Salary Payable	1.54	1.70
Other Payables	4.85	2.65
	6.44	4.40

Note 19: Other Current Liabilities

	As at 31st March 2024	As at 31st March 2023
Advance From Customers	0.74	0.62
Other Statutory Dues	0.47	21.43
Other Payables- To Related party- SRSL	6.91	28.46
Other Payables- To Employees	0.70	0.66
Provision for Income Tax	10.37	0.58
	19.18	51.76

Note 20: Net employee benefit liabilities (current)

	As at 31st March 2024	As at 31st March 2023
Provision For Gratuity	-	-
Provision For Leave Encashment (Refer Note 15)	6.95	6.15
	6.95	6.15

GOKAK SUGARS LIMITED
Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024
Note 21: Revenue from Operations
(Amount in minr)

	Year ended 31st Mar 2024	Year ended 31st March 2023
Sale of Products (Gross):		
Sale of Manufactured Sugar	1,242.02	2,065.49
Sale of By products of Sugar	515.75	541.72
Sale of Power	99.66	100.16
Sale of By products of Power	0.45	0.37
	1,857.88	2,707.74

Revenue from Contract with Customers- segment for year ended 31st March 2024

Type of goods or services	Sugar	Cogeneration	Eliminations	Total
Sale of manufactured Sugar	1,242.02	-	-	1,242.02
Sale of By products of Sugar	515.75	-	-	515.75
Sale of Power	-	99.66	-	99.66
Sale of By products of Power	-	0.45	-	0.45
Intersegment Sales	229.89	247.93	(477.82)	-
Total Revenue including inter-segment sales	1,987.66	348.04	(477.82)	1,857.88

Revenue from Contract with Customers- segment for year ended 31st March 2023

Type of goods or services	Sugar	Cogeneration	Eliminations	Total
Sale of manufactured Sugar	2,065.49	-	-	2,065.49
Sale of By products of Sugar	541.72	-	-	541.72
Sale of Power	-	100.16	-	100.16
Sale of By products of Power	-	0.37	-	0.37
Intersegment Sales	243.87	189.84	(433.71)	-
Total Revenue including inter-segment sales	2,851.07	290.38	(433.71)	2,707.74

Note 22: Other Income

	Year ended 31st Mar 2024	Year ended 31st March 2023
Other non-operating income:		
Miscellaneous Income	5.78	-
Dividend on investment	-	0.12
Excess Provision of earlier years written back	32.07	0.00
Gain on Sale of Asset	0.00	-
Finance Income:		
Others - Interest received from Bank & Others	0.35	1.72
	38.20	1.84

GOKAK SUGARS LIMITED

Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024

Note 23: Cost of Materials Consumed

(Amount in minr)

	Year ended 31st Mar 2024	Year ended 31st March 2023
a. Raw Material consumed:		
Sugarcane	-	-
Opening Stock	-	-
Add: Purchases & Related Expenses	1,901.74	1,985.46
Less: Inter Segment Expenses	229.89	243.87
	1,671.85	1,741.59
Less: Closing Stock	-	-
	1,671.85	1,741.59
b. Other materials consumed		
Coal & Bagasse	-	-
Opening Stock	-	-
Add: Purchases & Related Expenses	234.91	247.48
Less: Inter Segment Expenses	-	-
	234.91	247.48
Less: Closing Stock	-	-
	234.91	247.48
	1,906.76	1,989.06

Note 24: Increase/(decrease) in inventories of finished goods, work-in-progress and intermediate products and traded goods

	Year ended 31st Mar 2024	Year ended 31st March 2023
Opening stock		
Finished Goods :		
Sugar	68.72	165.92
By-Products	164.83	151.83
Co-Generation	0.00	0.00
A	233.55	317.75
Closing Stock		
Finished Goods :		
Sugar	745.94	68.72
By-Products	97.90	164.83
Co-Generation	0.00	0.00
B	843.83	233.55
Net (Increase)/Decrease in stock (A-B)	(610.28)	84.20

Note 25: Employee Benefit Expenses

	Year ended 31st Mar 2024	Year ended 31st March 2023
Salaries, Wages & Bonus	118.90	102.96
Contribution to Provident Fund & Others	4.78	4.42
Leave Encashment	1.49	2.77
Gratuity	1.76	1.16
Staff Welfare Expenses	4.13	3.71
	131.05	115.02

Note 26: Finance Costs

	Year ended 31st Mar 2024	Year ended 31st March 2023
Interest:		
On Others	169.48	182.92
Others:		
Bank Charges	0.01	0.01
	169.48	182.93

GOKAK SUGARS LIMITED**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024****Note 27: Depreciation and Amortization Expenses***(Amount in minr)*

	Year ended 31st Mar 2024	Year ended 31st March 2023
Depreciation on Tangible Assets*	80.94	76.68
Amortisation on Intangible Assets*	0.02	0.02
	80.97	76.70

*Refer Note 2A and 2B

Note 28: Other Expenses**Manufacturing, Administrative and Selling & Distribution Expenses:**

	Year ended 31st Mar 2024	Year ended 31st March 2023
Consumption of Stores & Spares	35.85	36.86
Consumption of Chemicals, Consumables, Oil & Lubricants	26.98	29.10
Outsourced service cost	34.80	30.15
Sugar House Loading, Unloading & Handling Charges	10.22	11.84
Packing Materials	19.46	27.90
Power & Fuel	253.05	194.23
<i>Repair & Maintenance:</i>		-
Plant & Machinery	11.53	12.63
Buildings	1.89	1.95
Other Manufacturing Expenses	0.90	1.18
Less: Inter Segment Expenses	(247.93)	(189.84)
A	146.74	156.00
ii. Administrative Expenses		
Rent, Rates & Taxes	0.52	0.68
Insurance	2.14	4.41
Traveling & Conveyance	21.02	22.11
Printing & Stationery	0.58	0.57
Communication Expenses	0.27	0.18
Legal & Professional Fees	1.24	1.18
Repair & Maintenance-Others	2.07	1.53
Payment to auditors (refer note a below)	0.66	0.66
Safety & Security Expenses	7.42	6.52
Loss on Sale of Fixed Assets	2.28	-
Books, Subscription and Membership fees	1.59	0.45
Donations & Contributions	0.01	0.02
Others	1.34	1.48
B	41.12	39.79
iii. Selling and Distribution Expenses		
Advertising & Sales Promotion	0.50	0.45
Commission/Brokerage On Sales	0.61	1.04
C	1.11	1.49
	188.96	197.28

a Auditors Remuneration	Year ended 31st Mar 2024	Year ended 31st March 2023
As Auditor		
Statutory Audit fee	0.30	0.30
Limited Review fee	0.18	0.18
Tax Audit Fee	0.05	0.05
In other capacity		
Other services	0.13	0.13
Reimbursement of expenses	-	-
	0.66	0.66

GOKAK SUGARS LIMITED**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024****Note 29: Current Tax**

	Year ended 31st Mar 2024	Year ended 31st March 2023
Current Tax	10.41	0.58
Less: Mat Credit Entitlement	(10.41)	(0.58)
	-	-

Note 30: Earnings Per Share

The calculations of earnings per share (basic and diluted) are based on the earnings and number of shares as computed be

	Year ended 31st Mar 2024	Year ended 31st March 2023
Reconciliation of earnings		
Profit/(Loss) for the year	(7.59)	47.38
Net profit/(Loss) attributable to equity shareholders	(7.59)	47.38
Reconciliation of number of shares	Shares	Shares
Shares outstanding at the beginning of the year	35,174,540	35,174,540
Shares outstanding at the end of the year	35,174,540	35,174,540
Weighted average number of equity shares*	35,174,540	35,174,540
Basic and Diluted Earnings Per Share (in rupees)	(0.22)	1.35
[Nominal value of shares Re. 10/- each]		

* Weighted average number of equity shares takes into account the weighted average effect of changes in share

GOKAK SUGARS LIMITED
Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024

Note 31: Disclosure of Ratios

Sl No	Ratio	Numerator	Denominator	31st March 2024	31st March 2023	% change	Reason for variance
1	Current ratio Current Assets Current Liabilities	Current Assets	Current Liabilities	1.76 959,019,180 545,918,781	0.97 542,433,799 560,325,246	81.46%	Increase in Inventories & Other Bank Balances
2	Debt-Equity ratio Debt (Current and non current portion of long term borrowings + Short term borrowings) Equity	Total Debt	Shareholder's Equity	11.24 1,899,101,966 168,941,561	8.42 1,508,776,141 179,243,691	33.55%	Increase in Loan Balance
3	Debt service coverage ratio Earnings before interest, Depreciation and Tax (EBITDA) Interest Expense on long term and short term borrowings for the period	Earnings before interest, Depreciation and Tax (EBITDA)	Interest Expense on long term and short term borrowings for the period+ Schedule principal repayment of long term borrowings during the period	0.36 109,855,500 169,484,080	0.44 139,373,267 182,928,543	-17.72%	Decrease in EBITDA
				137,161,467	137,161,467		
4	Return on equity ratio Net Profits after taxes Average Shareholder's Equity	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(0.04) (7,556,593) 174,092,626	0.30 47,386,071 156,477,034	-114.33%	Decrease in Profit
5	Inventory turnover ratio Cost of goods sold Average inventory	Cost of goods sold	Average Inventory	2.23 1,296,477,547 581,299,381	6.57 2,073,262,649 315,778,037	-66.03%	Decrease in Sales & decrease in Cost of goods sold
6	Trade receivables turnover ratio Revenue from operations Average accounts receivables	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	21.74 1,857,881,301 85,448,408	26.32 2,707,737,745 102,895,627	-17.38%	Decrease in Sales
7	Trade payables turnover ratio Revenue from operations Average accounts payables	Net credit purchases of goods & services = Gross credit purchases - purchase return	Average Trade Payables	5.01 1,857,881,301 371,151,659	6.18 2,707,737,745 438,249,792	-18.98%	Decrease in Sales
8	Net capital turnover ratio Net sales = Total sales - sales return Working capital = Current assets – Current liabilities	Net sales = Total sales - sales return + income from incentive	Working capital = Current assets – Current liabilities	4.50 1,857,881,301 413,100,400	(151.34) 2,707,737,745 (17,891,447)	-102.97%	Increase in Current Assets- Inventory increase
9	Net profit ratio Net Profit Net sales = Total sales - sales return	Net Profit	Net sales = Total sales - sales return + income from incentive	(0.00) (7,556,593) 1,857,881,301	0.02 47,386,071 2,707,737,745	-123.24%	Decrease in Sales as well as in Net Profit
10	Return on capital employed Earnings before interest and taxes Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax	0.03 198,646,214 6,783,763,050	0.04 247,330,054 5,605,732,476	-33.63%	Decrease in EBITDA
11	Return on investment Interest (Finance Income) Investment	Dividend Income + Fairvalue gain/loss on unquoted equity instruments	Opening value of unquoted equity instruments	0.49 263,710 539,512	0.03 1,722,863 50,539,512	1333.86%	Increase in Interest amount

Note 32: Other Notes to the Financial Statements

All amounts in Indian Minr, unless otherwise stated.

i. Outstanding Commitments

As at 31st March, 2024, the Company had the following outstanding commitments:

- Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for Rs. 40.92 minr (Previous year- Rs. 0.66 minr).
- ii. Balances appearing under the head Trade Payables, Trade Receivables, loans and advances are subject to confirmation, adjustments, if any, on the receipt/reconciliation of such accounts.
- iii. In terms of Ind AS 36 on impairment of assets, there was no impairment indicators exist as of reporting date as per the internal management estimates done and hence no impairment charge is recognised during the year under review.

iv. Contingent Liability

Liabilities classified and considered contingent due to contested claims and legal disputes	Year ended 31 st March, 2024	Year Ended 31st March, 2023
Subscription fees- Sugar Institute	5.35	-

v. Consumption of Raw Material, Stores and Spares

Particulars	Year Ended 31st March, 2024		Year Ended 31st March, 2023	
	Amount in Rs	% of total consumption	Amount in Rs	% of total consumption
Raw material				
Domestic	1,906.76	100%	1,989.06	100%
Total	1,906.76	100%	1,989.06	100%
Stores & Spares				
Domestic	35.85	100%	36.86	100%
Total	35.85	100%	36.86	100%

vi. Expenditure in Foreign Currency – Nil

vii. Earnings in Foreign Currency – Nil

viii. Segment Reporting for the year ended March 31, 2024

(Amount in minr)

Particulars	SUGAR		CO-GENERATION		ELIMINATIONS		TOTAL	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
REVENUE								
External sales	1,757.77	2,607.20	100.11	100.54	-	-	1,857.88	2,707.74
Inter-segment sales	229.89	243.87	247.93	189.84	(477.82)	(433.71)	-	-
Total Revenue	1,987.66	2,851.07	348.04	290.38	(477.82)	(433.71)	1,857.88	2,707.74
Results	(150.34)	62.17	310.78	183.40	-	-	160.45	245.57
Unallocated corporate expenses	-	-	-	-	-	-	-	-
Operating profit							160.45	245.57
Financial expenses							169.48	182.93
Other income							38.20	1.84
Profit from ordinary activities							29.16	64.48
Exceptional items	-	-	-	-	-	-	-	-
Net Profit							29.16	64.48
Capital expenditure	55.26	51.19	1.19	26.08	-	-	56.45	77.28
Unallocated corporate capital expenditure	-	-	-	-	-	-	-	-
Total Capital Expenditure	55.26	51.19	1.19	26.08	-	-	56.45	77.28
Depreciation	57.50	47.18	23.46	16.85	-	-	80.96	76.69
Unallocated corporate depreciation	-	-	-	-	-	-	-	-
Total Depreciation	57.50	47.18	23.46	16.85	-	-	80.96	76.69

OTHER INFORMATION

Particulars	SUGAR		CO-GENERATION		ELIMINATIONS		TOTAL	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Segment assets	1,909.70	1,431.49	617.10	706.62	-	-	2,526.80	2,138.11
Unallocated corporate assets							0.00	0.00
Total Assets	1,909.70	1,431.49	617.10	706.62	-	-	2,526.80	2,138.11
Segment liabilities	404.65	431.27	1.61	2.88	-	-	406.26	434.15
Unallocated corporate liabilities							1,951.61	1,524.73
Total Liabilities	404.65	431.27	1.61	2.88	-	-	2,357.86	1,958.87

Reconciliations to amounts reflected in the financial statements

Reconciliation of assets

	As at 31st March 2024	As at 31st March 2023
Segment operating assets	2,526.80	2,138.11
Investment	-	-
Cash and cash equivalents	-	-
Other assets forming a part of unallocated segment	0.00	0.00
Total assets	2,526.80	2,138.11

Reconciliation of liabilities

	As at 31st March 2024	As at 31st March 2023
Segment operating liabilities	406.26	434.15
Non-current borrowings	-	-
Current borrowings	-	-
Current maturity of long-term borrowings	-	-
Other liabilities forming part of unallocated segment	1,951.61	1,524.73
Total liabilities	2,357.86	1,958.87

Revenue from customers

	As at 31st March 2024	As at 31st March 2023
India	1,857.88	2,707.74
Outside India	-	-
Total revenue	1,857.88	2,707.74

Total assets

	As at 31st March 2024	As at 31st March 2023
India	2,526.80	2,138.11
Outside India	-	-
Total assets	2,526.80	2,138.11

Total liabilities

	As at 31st March 2024	As at 31st March 2023
India	2,357.86	1,958.87
Outside India	-	-
Total liabilities	2,357.86	1,958.87

ix. Defined Benefit Plans

Amount in minr

S.NO	Particulars	Gratuity Benefits	
		Year Ended 31st March, 2024	Year Ended 31st March, 2023
1	Change in Benefit obligation		
	Opening Defined Benefit Obligation	8.21	4.82
	Current service cost	1.55	0.96
	Interest cost	0.61	0.34
	Actuarial loss/(gain) due to change in financial assumptions	0.33	2.27
	Actuarial loss/(gain) due to change in demographic assumption	0.03	0.06
	Actuarial loss/ (gain) due to experience	0.12	0.31
	Past Service Cost	-	-
	Benefits paid	0.53	0.56
	Closing Defined Benefit Obligation	10.07	8.21
2	Change in Plan Assets		
	Opening value of plan assets	2.41	2.67
	Adjustments to Opening Value	-	-
	Interest Income	0.18	-
	Return on plan assets excluding amounts included interest income	0.00	0.17
	Contributions by employer	0.22	0.13
	Benefits paid	0.53	0.56
	Closing value of plan assets	2.29	2.41
3	Fund Status of Plan Assets		
	Present value unfunded obligations	-	-
	Present value funded obligations	10.07	8.21
	Fair Value of plan assets	2.29	2.41
4	Net Liability (Assets)	7.78	5.80
	Expenses for the current period		
	Current service cost	1.55	0.96
	Interest cost	0.61	0.34
	Past Service cost	-	-
	Immediate Recognition of (Gains)/ Losses - Other Long Term Benefits	-	-
	Interest Income	0.18	0.19
	Amount recognized in expenses	1.98	1.11
5	Other Comprehensive Income for the current period		
	Due to Change in financial assumptions	0.33	2.27
	Due to change in demographic assumption	0.03	0.06
	Due to experience adjustments	0.12	0.31
	Return on plan assets excluding amounts included in interest income	0.00	0.02
	Amounts recognized in Other Comprehensive Income	0.23	2.67
5	Defined benefit liability		
	Net opening provision in books of accounts	5.80	2.15
	Employee Benefit Expense	1.98	1.11
	Amounts recognized in Other Comprehensive Income	0.23	2.67
	Contributions to Plan Assets	0.22	0.13
	Benefits paid by the Company	-	-
	Adjustments to Opening Value	-	-
	Closing provision in books of accounts	7.78	5.80
6	Principal Actuarial Assumption		
	Discount rate	7.22%	7.49%
	Salary Growth rate	8.00%	8.00%
	Withdrawal Rates	6% at Younger	5% at Younger
		0% at Older age	1% at Older age
	Sensitivity to key assumptions		
	Discount rate Sensitivity		
	Increase by 0.5%	9.48	7.73
	(% change)	-5.86%	-5.86%
	Decrease by 0.5%	10.71	8.74
	(% change)	6.39%	6.39%
	Salary growth rate Sensitivity		
	Increase by 0.5%	10.71	8.73
	(% change)	6.31%	6.33%
	Decrease by 0.5%	9.48	7.73
	(% change)	-5.85%	-5.86%

x: Related Party Transactions

List of Related Parties

(a) Holding Company

1 Shree Renuka Sugars Limited

(b) Affiliate companies

1 KBK Chem Engineering Pvt Limited

(c) Key managerial personnel

1 Mr. Atul Chaturvedi - Executive Chairman

2 Mr. Vijendra Singh - Executive Director

3 Mr. Sunil Ranka - Chief Financial Officer

4 Mr. Deepak Manerikar - Company Secretary

A Transactions with related parties		<i>(Amount in minr)</i>						
Sr. No.	Particulars	As at and year ended	Sales to related parties	Purchases from related parties	Interest expense on advances	Interest on Advances Paid	Purchase of Asset	Loans and advance received/ (refunded)
(a)	Holding Company							
i	Shree Renuka Sugars Limited	31st March 2024	484.15	75.09	167.83	-	0.26	390.33
		31st March 2023	593.48	70.62	182.70	177.68	-	(137.16)
(b)	Affiliate companies							
ii	KBK Chem Engineering Pvt Limited	31st March 2024	-	15.56	-	-	-	-
		31st March 2023	-	11.00	-	-	-	-

Break-up of amounts owed to and by related parties as at 31st March 2023 and 31st March 2022 are as follows:

Particulars	Amount receivable from related party(gross of	
	Year ended 31st Mar 2024	As at 31st March 2023
Trade Receivables(refer note 8)		
Affiliate companies		
Shree Renuka Sugars Limited (customer Balance)	13.46	22.14
	13.46	22.14

Particulars	Year ended 31st Mar 2024	As at 31st March 2023
Borrowings (non-current) (refer note 14)		
Holding Company:		
Shree Renuka Sugars Limited	1,761.94	1,371.61
	1,761.94	1,371.61
Borrowings (current) (refer note 16)		
Holding Company:		
Shree Renuka Sugars Limited (Current portion of Loan)	137.16	137.16
	137.16	137.16
Other current liabilities (refer note 19)		
Holding Company:		
Shree Renuka Sugars Limited (Vendor Balances)	6.91	28.46
	6.91	28.46
Trade Payables (refer note 17)		
Associate Company:		
KBK Chem Engineering Pvt Limited	2.16	0.93
	2.16	0.93

Gokak Sugars Limited
Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024
xi: Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in financial statements.

(Amount in minr)

	Carrying Value		Fair Value	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Financial assets				
FVTPL				
Derivative instruments at fair value through profit or loss	-	-	-	-
FVTOCI				
Investment in equity shares	-	-	-	-
Other financial assets at amortised cost				
Loans	0.54	0.20	0.54	0.20
Trade receivables	46.57	124.32	46.57	124.32
Cash and cash equivalents	13.36	78.18	13.36	78.18
Other Bank balances	-	50.00	-	50.00
Other financial assets	0.64	0.61	0.64	0.61
Total financial assets	61.11	253.31	61.11	253.31
Financial liabilities				
FVTPL				
Derivative liabilities	-	-	-	-
At amortised cost				
Borrowings				
Redeemable preference shares	-	-	-	-
Optionally convertible preference shares	-	-	-	-
Redeemable non-convertible debentures	-	-	-	-
IFCI (Sugar Development Fund)	-	-	-	-
SEFASU Loan	-	-	-	-
Borrowings	1,899.10	1,508.78	1,899.10	1,508.78
Trade payables	376.17	366.12	376.17	366.12
Other financial liabilities	6.43	4.41	6.43	4.41
Total financial liabilities	2,281.70	1,879.31	2,281.70	1,879.31

Gokak Sugars Limited**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2024****xiii: Financial risk management objectives and policies**

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

Market risk

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

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. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate sensitivity

	As at 31st March 2024	Composition	As at 31st March 2023	Composition
Borrowing - Floating interest rate	1,899.10	100%	1,508.78	100%

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings with variable interest rates. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	Effect on profit before tax
31st March 2024		
INR	50	9.50
31st March 2023		
INR	50	7.54

Commodity price risk

Commodity price in sugar industry is impacted by multiple factors such as international sugar price, government regulations, quantity of sugar production in the relevant period, etc. The Company has mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products. The following table shows effect of changes in various commodities on the profit of the Company.

Commodity price sensitivity

	Sugar sale	Cane purchase
Increase in price by 5%		
31st March 2024	62.10	(83.59)
31st March 2023	103.27	(87.08)
Decrease in price by 5%		
31st March 2024	(62.10)	83.59
31st March 2023	(103.27)	87.08

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, thereby leading to a financial loss. The Company conducts thorough credit assessments before granting credit terms and limits to customers, who are then monitored closely for adherence. Company's export sales are executed against advance or receipt against submission of documents. The Company's domestic sugar sales are primarily made to corporate customers, who are provided credit terms after thorough credit assessments and thereby, credit default risk is not significant for these customers. Other domestic sugar sales are primarily made on receipt of advance amount before goods are dispatched. Further, power is supplied to corporations run by state government, thereby the credit default risk is significantly mitigated.

Trade receivables

Trade receivables are non-interest bearing and are generally on credit terms of 7 to 60 days.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of expected credit loss, actual credit loss and party-wise review of credit risk. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The ageing analysis of the receivables (net of expected credit loss) has been considered from the date the invoice falls due.

The ageing is as follows:

	As at 31st March 2024	As at 31st March 2023
Up to 6 months	46.57	70.78
More than 6 months	-	53.55
	46.57	124.32

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of financial support from parents.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows.

	Less than 1 year	1 to 5 years	More than 5 years	Total
As at 31st March 2024				
Borrowings	137.16	773.47	988.47	1,899.10
Trade payables	376.17	-	-	376.17
Other financial liabilities	6.43	-	-	6.43
Total	519.76	773.47	988.47	2,281.70
As at 31st March 2023				
Borrowings	137.16	685.81	685.81	1,508.78
Trade payables	191.76	174.37	-	366.12
Other financial liabilities	4.40	-	-	4.40
Total	333.31	860.18	685.81	1,879.30

xiii: Capital management

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

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no significant breaches in the financial and non financial covenants of any interest-bearing loans and borrowing in the current period.

The Company manages its capital structure and

The calculation of capital for the purpose of capital management is as follows:

	As at 31st March 2024	As at 31st March 2023
Equity share capital	351.75	351.75
Other equity (including securities premium)	(182.80)	(172.50)
	168.94	179.24

Debt equity ratio

The debt-to-equity (D/E) ratio is calculated by dividing a company's total liabilities by its shareholder equity. The ratio is used to evaluate a Company's financial leverage.

	As at 31st March 2024	As at 31st March 2023
Equity	351.75	351.75
Other equity	(182.80)	(172.50)
	168.94	179.24
Total borrowings	1,899.10	1,508.78
Debt equity ratio	11.24	8.42

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2024 and 31st March 2023.

- xiv. The Company has charged Interest on Loans taken from its Holding Company at the rate of 11% p.a for the year ended 31st March 2024.
- xv. Previous year's figures have been regrouped/ rearranged wherever necessary to conform to the current year grouping.

To be read with our report of even date
For **Vasant Doijode & Co.,**

Chartered Accountants
Firm Regn. No: 006404S
Vasant D Doijode
Digitally signed by Vasant D Doijode
Date: 2024.05.27 19:52:40 +05'30'

Vasant D Doijode
Partner
Membership No.202784

Place: Mumbai
Date: May 27, 2024

For and on behalf of the Board of directors of
Gokak Sugars Limited

Vijendra Singh
Digitally signed by Vijendra Singh
Date: 2024.05.27 19:20:33 +05'30'

Vijendra Singh
Director
DIN : 03537522

Sunil Ratanlal Ranka
Digitally signed by Sunil Ratanlal Ranka
Date: 2024.05.27 19:17:49 +05'30'

Sunil Ranka
Chief Financial Officer

SHRIPAD RAJARAM NERLIKAR
Digitally signed by SHRIPAD RAJARAM NERLIKAR
Date: 2024.05.27 19:39:36 +05'30'

Shripad Rajaram Nerlikar
Director
DIN: 02102633

Deepak Madhav Manerikar
Digitally signed by Deepak Madhav Manerikar
Date: 2024.05.27 19:26:36 +05'30'

Deepak Manerikar
Company Secretary



GOKAK SUGARS LIMITED

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P: +91 831 2404000 | **F:** +91 831 2404961
Email: groupcs@renukasugars.com
Corporate Identification No.: U15429KA2000PLC026433

To,
The Members
Gokak Sugars Limited

The Board of Directors of Gokak Sugars Limited ("the Company") are pleased to present the twenty fourth Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March 2024.

FINANCIAL RESULTS AND HIGHLIGHTS

(Amount in INR Mn.)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Income including other income	1,896.08	2,709.58
Profit/(Loss) before financial expenses and depreciation	279.58	324.03
Depreciation and Amortization	80.97	76.70
Financial Expenses	169.48	182.93
Profit/(Loss) before provision for tax	29.13	64.40
Income Tax	-	-
Deferred tax (Liability)/Asset	36.72	17.02
Net Profit/(Loss) for the Year	(7.59)	47.38

OPERATING HIGHLIGHTS

Your company generated a revenue of INR 1,896.08 million for the financial year ended 31st March 2024 as against INR 2,709.58 million for the previous financial year. The company has incurred a loss of INR 7.59 million for the financial year ended 31st March 2024 compared to the profit of INR 47.38 million of the previous year. During the year under review, there was no change in the nature of business of the Company.

DIVIDEND

Your Directors, considering the financial position of the Company, does not recommend any dividend for the Financial Year ended 31st March 2024.

TRANSFER TO RESERVES

During the year under review, no amount has been transferred to the reserves.

DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the financial year ended 31st March 2024 and date of this report.



GOKAK SUGARS LIMITED

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Email: groupcs@renukasugars.com

Corporate Identification No.: U15429KA2000PLC026433

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

Shifting of Registered Office of the Company

In accordance to the Section 12 of the Companies Act, 2013 ("the Act") read with Companies (Incorporation) Rules, 2014, and pursuant to the Board's approval on 8th March 2024 through circular resolution and Members' approval on 1st April 2024 at their Extra-Ordinary General Meeting, the Registered Office of the Company was shifted from 238, 263, Kolavi, Taluka Gokak, Gokak, Karnataka, India, 591344 to 2nd and 3rd Floor, Kanakashree Arcade, CTS No. 10634, JNMC Road, Nehru Nagar, Belagavi, Karnataka, India, 590010 with effect from 1st April 2024.

Merger of the Company with Shree Renuka Sugars Limited

Pursuant to the Sections 230 to 232 and other applicable provisions, if any, of the Act, applicable rules and regulations made thereunder, the Board of Directors of the Company had provided their approval for the merger of the Company with Shree Renuka Sugars Limited ("SRSL") on 11th August 2023. In accordance with Regulation 11 and 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SRSL had filed an applications with the stock exchanges (BSE & NSE) to obtain in-principle approval for the said merger on 4th September 2023. Subsequently, BSE Limited auto-rejected the application filed by SRSL for in-principle approval for merger of the Company with SRSL. As a result, SRSL also withdrawn the application made to National Stock Exchange Ltd. (NSE).

Further, SRSL has received a letter from Sugar Development Fund (SDF) dated 18th December 2023 informing that SDF has not given its consent for the scheme of Amalgamation of the Company with SRSL.

DEPOSITS

During the year under review, your Company has not accepted any deposits from public within the meaning of Sections 73 and 74 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

HOLDING AND SUBSIDIARY COMPANY

Your Company continues to be a subsidiary company of Shree Renuka Sugars Limited. As on 31st March 2024, the Company does not have any subsidiary, associate company or joint venture.

SHARE CAPITAL

The Authorised Capital of the Company is Rs. 36,00,00,000 divided into 3,60,00,000 equity shares of Rs. 10/- each. As on 31st March 2024, the issued, subscribed and paid-up share capital of your Company stood at Rs. 35,17,45,400 comprising of 351,74,540 Equity shares of Rs. 10/- each.

During the year under review, the Company has neither issued any shares or shares with differential voting rights nor granted stock options or sweat equity.



GOKAK SUGARS LIMITED

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BOARD EVALUATION

Pursuant to the provisions of the Act and as criteria laid down for performance evaluation on the recommendation of Nomination and Remuneration Committee, the Board of Directors has undertaken an evaluation of its own performance, the performance of its committees and of all the individual Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees. Detailed questionnaires were circulated covering various parameters relevant for the evaluation of the Board and Committees. The performance evaluation of the Whole-time Director and Non-Independent Director was carried out by the Independent Directors in their separate meeting. The Board of Directors expressed their satisfaction with the evaluation process.

The meeting of Independent Directors of the Company was held on 14th March 2024 to discuss matters as per the provisions of Companies Act, 2013.

MEETINGS OF THE BOARD

During the year under review, the Board of Directors duly met four times in accordance with the provisions of the Act and rules made there under on 24th May 2023, 8th August 2023, 6th November 2023, and 6th February 2024.

COMMITTEES OF BOARD OF DIRECTORS:

As on 31st March 2024, the Company has constituted following three Committee:

A. AUDIT COMMITTEE

As per the provisions of Section 177 of the Companies Act, 2013, the Board of Directors constituted an Audit Committee. The Committee comprises of the following Members:

Sr. No	Name of Director	Nature of Directorship	Committee Position
1.	Mr. Madhu Rao	Independent Director	Chairman
2.	Dr. B V Mehta	Independent Director	Member
3.	Mr. Shripad Nerlikar	Non-Executive Director	Member

The roles and responsibilities of the Audit Committee are as enumerated in the terms of reference approved by the Board and as stated in the Act.

During the year under review, the Audit Committee met four times in accordance with the provisions of the Act and Rules made thereunder on 24th May 2023, 8th August 2023, 6th November 2023, and 6th February 2024.

B. NOMINATION & REMUNERATION COMMITTEE

As per the provisions of Section 178 of the Companies Act, 2013, the Board of Directors constituted a Nomination and Remuneration Committee ("NRC"). The Committee comprises of the following Members:



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Sr. No	Name of Director	Nature of Directorship	Committee Position
1.	Dr. B. V. Mehta	Independent Director	Chairman
2.	Mr. Madhu Rao	Independent Director	Member
3.	Mr. Shripad Nerlikar	Non-Executive Director	Member

The roles and responsibilities of the NRC are as enumerated in the terms of reference approved by the Board and as stated in the Act.

The NRC met once during the year under review. The meeting was held on 8th August 2023.

Dr. B.V.Mehta, the Chairman of Nomination and Remuneration Committee had attended the Company's Annual General Meeting held on 30th September 2023.

C. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Your Company is committed to Corporate Social Responsibility (CSR) by catering to the needs of the weaker sections of the society. The CSR Committee vide Circular Resolution dated 16th January 2024, approved the CSR spending for the financial year 2023-24 and carried out the same.

The Committee comprises of the following:

Sr. No	Name of Director	Nature of Directorship	Committee Position
1.	Mr. Vijendra Singh	Whole- Time Director	Chairman
2.	Mr. Shripad Nerlikar	Non-Executive Director	Member
3.	Dr. B. V. Mehta	Independent Director	Member

The CSR Policy of the Company and a report on CSR activities is appended as **Annexure II & III** to this report.

VIGIL MECHANISM/WHISTLE BLOWER

The Company has established vigil mechanism and adopted vigil mechanism policy for its directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The mechanism provides adequate safeguards against victimization of persons who use such mechanism.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) & (5) of the Act your Directors state that:

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



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- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis; and
- e. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS AND AUDITORS' REPORT

a. Statutory Auditor

As per the provisions of Section 139 of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, your Company's statutory auditors M/s. Vasant Doijode & Co., Chartered Accountants, Bangalore, (Registration No. 006404S) were appointed as Statutory Auditors of the Company at the 19th AGM held on 26th September 2019 for a period of 5 years i.e. till the conclusion of the ensuing 24th AGM.

As the term of M/s. Vasant Doijode & Co. comes to an end at the ensuing 24th AGM of the Company, based on the recommendation of Audit Committee, the Board of Directors at their meeting held on 31st July 2024 have considered the appointment of K N Prabhashankar & Co., Chartered Accountants (FRN: 004982S) as Statutory Auditors of the Company for a term of five years to hold office from the conclusion of 24th AGM till the conclusion of 29th AGM. The said appointment is recommended to the Members by the Board at the ensuing AGM of the Company, and its details would be provided in the notice convening the 24th AGM.

The Auditors' Report to the Members on the Accounts of the Company for the year ended 31st March 2024 does not contain any qualification or adverse remark.

As per Section 143(12) of the Companies Act, 2013 no fraud has been reported by the auditor for the financial year ended 31st March 2024.

b. Cost Auditor

The Board of Directors, on the recommendation of the Audit Committee, had appointed M/s. B. M. Sharma & Co, Cost Accountants, as the Cost Auditor to audit the cost records for the financial year ending 31st March 2024. For the financial year 2024-25, the Board of Directors, on the recommendation of the Audit Committee, have appointed M/s. B. M. Sharma & Co, Cost Accountants, as the Cost Auditor to audit the cost records for the financial year ending 31st March 2025. The remuneration payable to the Cost Auditor for FY 2024-25 is subject to ratification by the members of the Company. Accordingly, a resolution seeking Members' ratification for the remuneration payable to M/s. B. M. Sharma & Co, Cost Accountants, forms part of Notice of ensuing AGM of the Company, along with relevant details, including the proposed remuneration.

In terms of Section 148 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, it is stated that the cost accounts and records are made and maintained by the Company as specified by the Central Government under sub-section (1) of Section 148 of the Act.



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The Cost Auditors' Report to the Members on the Accounts of the Company for the year ended 31st March 2024 does not contain any qualification or adverse remark.

As per Section 143(12) of the Companies Act, 2013 no fraud has been reported by the auditor for the financial year ended 31st March 2024.

c. Secretarial Auditor

The Board of Directors at its meeting held on 8th August 2023 had appointed CS Neha Marathe of M/s NAM & Associates (Membership No. 11767 and COP No. 17539), to conduct the Secretarial Audit of the Company for Financial year 2023-24. The Secretarial Audit Report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The said report in Form MR-3 is annexed as **Annexure IV** and forms a part of this Report.

As per Section 143(12) of the Companies Act, 2013 no fraud has been reported by the auditor for the financial year ended 31st March 2024.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company has not given any loans, guarantees or provided any securities or made any investments.

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

The details of conservation of energy or technology absorption by the Company during the year under review, information required pursuant to the Companies Act, 2013 and the rules framed thereunder relating to conservation of energy, technology absorption are appended as **Annexure V** to the Board's Report. Further, there were no Foreign Exchange earnings or outgo during the year under review.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors and employees as required under the provisions of Section 197 of Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as **Annexure VI** which forms a part of this Report. In terms of Section 136(1) of the Act, the Annual Report and the financial statements are being sent to the Members of the Company excluding the aforesaid Annexure which is available for inspection at the request of any Member.



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INTERNAL FINANCIAL CONTROLS

The Company's internal control systems with reference to the financial statements are adequate and commensurate with the nature of its business and the size and complexity of its operations. Periodic audits and checks are conducted and the controls to prevent, detect and correct any irregularities in the operations have been laid down by the Company.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company had not entered into any contract, arrangement or transaction with related parties under the provisions of the Companies Act, 2013 that are material in nature or not in the ordinary course of business and not at arm's length basis. Hence, disclosure under AOC-2 is not applicable. The details of related party transactions, if any are set out in the notes to the financial statements.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has constituted Internal Complaints Committees. During the year, there were no complaints received by the Company under the Act.

HUMAN RESOURCES (HR)

The Company's HR policies and procedures are designed to recruit and retain the best talent to support the operations of your Company and to align the interest of employees with the long-term organisational goals.

THE DETAILS OR SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

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

During the period under review, neither any application was initiated, nor any proceeding was pending against the Company under the Insolvency and Bankruptcy Code, 2016.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year, the Company has not come across any event of One Time Settlement or taking loans from the Banks of Financial Institutions where Valuation was required to be done.



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COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with applicable Secretarial Standards issued by the ICSI.

ACKNOWLEDGEMENTS

The Board wishes to place on record its gratitude for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities, Customers, Vendors, cane growers and finally to all its members for the trust and confidence reposed on the Company. The Board further wishes to record its sincere appreciation for the significant contributions made by employees at all levels for their competence, dedication and contribution towards the operations of the Company.

For and on behalf of the Board of Directors of

Gokak Sugars Limited

Date: 31st July 2024

Place: Mumbai


Vijendra Singh
Whole-time Director
DIN: 03537522


Shripad Nerlikar
Director
DIN: 02102633



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ANNEXURE I Nomination & Remuneration Policy

1. Introduction:

Gokak Sugars Limited (the Company) recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

2. Scope:

This Policy sets out the guiding principles for identifying persons who are qualified to become Directors and to determine the independence of the Independent Directors; and for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

3. Criteria for Determining Qualifications, Positive Attributes & Independence of Director:

(a) Qualifications of Directors:-

A director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.

In evaluating the suitability of individual Board members, the NRC may take into account factors, such as:

- General understanding of the Company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.



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(b) Positive attributes of Directors:-

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.

(c) Independence of Independent Directors:

An Independent director shall meet the requirements of the Companies Act, 2013 concerning independence of directors.

4. Remuneration Policy:

(a) Remuneration to Executive Directors and Key Managerial Personnel:

The Board, on the recommendation of the Nomination and Remuneration Committee (NRC), shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

The Board, on the recommendation of the NRC, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

(b) Remuneration to Non-Executive Directors (NEDs):

The Board, on the recommendation of the NRC shall review and approve the remuneration or sitting fees payable to the Non-Executive Directors of the Company within the overall limits permissible under the Act.

(c) Remuneration to other employees:

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization.

Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

Annexure II

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

Philosophy (Beyond Business) -

Gokak Sugars Limited (hereinafter "the Company" or "GSL") takes pride in being an organisation with a strong social conscience and upholds the principle of contributing to society through its various Corporate Social Responsibility activities. Conducting our business profitably and delivering good returns to our stakeholders is a part of our full agenda. At GSL, we believe that we are equally responsible to contribute to the society within which we operate and to positively impact the wellbeing of the people and sections of the society that need intervention to better their prospects. We believe that development of the communities in which we operate will result in the empowerment of not just the people in these communities, but the nation at large. Our agenda is complete when we are able to share a part of our business proceeds with the communities within which we operate. We seek to benefit these communities through our Corporate Social Responsibility (CSR) activities that are focused on education, healthcare, employability training and other community development initiatives.

GSL is committed to Corporate Social Responsibility programs to positively impact communities which are connected within and around our business locations.

Definitions

- (a) **"Act"** means the Companies Act, 2013 read with Rules including the Companies (Corporate Social Responsibility Policy) Rules, 2014 as may be amended from time to time.
- (b) **"Administrative Overheads"** means the expenses incurred by the Company for 'general management and administration' of Corporate Social Responsibility functions in the Company but shall not include the expenses directly incurred for designing, implementation, monitoring, and evaluation of a particular CSR project or programme.
- (c) **"Agency"** means group of volunteers, citizen forums, elected local body, panchayats, institute, schools, hospitals, help centers, governments, government organizations, authorities, welfare board, labour union, care centers, medical aid centers, orphan houses, social activist, mahila mandals, society, individual and companies; who are involved in activities of benevolent, generous, social upliftment, wellbeing and development of deprived class of people or activities similar to CSR Activities, Non-Government organization, Charitable Trust, Foundation, forum and/or other organization or persons of repute, which are doing activities of; philanthropic, benevolent, charitable and for well-being of society at large and needy class of people; without motive of profit and having good track record of atleast three years and approved by the CSR Committee.
- (d) **"Board"** means Board of Directors of the Company for the time in force.
- (e) **"Company"** or **"GSL"** means Gokak Sugars Limited.
- (f) **"Corporate Social Responsibility" (CSR) activities/programmes"** means the activities undertaken by a Company in pursuance of its statutory obligation laid down in Section 135 of the Act in accordance with the provisions contained in these rules read with Schedule VII of the Act.
- (g) **"CSR Committee" or "Committee"** means "Corporate Social Responsibility Committee" of the Directors of the Company, as may be constituted by the Board and as may subsist from time to time.
- (h) **"CSR Team"** means committee comprising of Director, Finance Head/Chief Financial Officer, HR Head, and such other persons as may be nominated by the Board of Directors from time to time.

(j) **"CSR Activities & Programmes"** includes activities as described in this Policy, activities prescribed under the Schedule VII of the Act and/or any other permitted activities as may be prescribed under the Act.

(k) **"International Organisation"** means an organisation notified by the Central Government as an international organisation under Section 3 of the United Nations (Privileges and Immunities) Act, 1947 (46 of 1947), to which the provisions of the Schedule to the said Act apply.

(l) **"net profit"** means net profit as defined in Section 135 of the Act, read with the relevant rules issued under the Act.

(m) **"Ongoing Project"** means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.

Words and expressions used and not defined in these rules but defined in the Act shall have the same meanings respectively assigned to them in the Act.

APPLICABILITY AND EFFECTIVE DATE OF THE POLICY

This CSR Policy has been developed in consonance to Section 135 of the Companies Act, 2013 and Rules notified thereunder. This Policy shall apply to all CSR Programmes undertaken by the Company in India.

The Board has approved the Policy in its meeting held on 2nd August 2022.

Extent of CSR activities and CSR programmes

Area of CSR Activities

GSL's Initiatives towards CSR and CSR Programmes would be relating to the activities as prescribed in Schedule VII to the Act. While the Company's focus on CSR efforts will be in the local areas and areas around where it operates, the Company may also undertake projects where societal needs are high or in special situations such as in the case of natural disaster, epidemics etc.

Our approach to CSR Programmes and Thrust area

While focusing on CSR Activities as per Schedule VII of the Act, GSL intends to prefer to undertake CSR activities in the areas of education, healthcare, medical welfare, sanitation, rural development, child welfare, women empowerment, animal welfare, social welfare, environment protection, protection of national heritage, art and culture, promotion of sports, slum area development, disaster management etc.

CSR functionaries

CSR Team

CSR Team shall comprise of such persons as defined above and shall perform the following functions -.

- a) Identification of CSR Programmes around the project sites and / or as per societal needs.
- b) Review and recommend CSR Programmes to the CSR Committee.
- c) Monitoring, appraising and reporting to the CSR Committee.
- d) Any other tasks and functions as may be assigned by the CSR Committee.

CSR Committee and its terms of reference

The CSR Committee shall be constituted by the Board in accordance with Section 135 of the Act read with the relevant rules. The terms of reference of the CSR Committee include the following.

- a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in the areas or subject specified in Schedule VII of the Act.
- b) To approve the CSR projects recommended by CSR Team and recommend the amount of expenditure to be incurred thereon.
- c) To formulate and recommend to the Board, an annual action plan including, the list of CSR programmes proposed to be undertaken by the Company, the modalities of utilisation of CSR funds and implementation schedules for the projects or programmes, monitoring and reporting mechanism for the projects or programmes and details of need and impact assessment for the projects undertaken by the Company.
- d) To review the Corporate Social Responsibility Policy of the Company from time to time.
- e) To monitor implementation of CSR projects or programmes or activities as approved by the Committee.
- f) To perform functions as may be necessary from time to time under the Act or as may be assigned to it by the Board from time to time in relation to the CSR activities.

The CSR Committee may regulate its own procedures and shall meet as and when required and also when the Board requests for the same. The Committee may seek attendance of Department Heads and obtain relevant data as it may deem necessary. The Committee may also take the experts' advice wherever they deem necessary in discharge of their duty.

The Committee shall meet at least once in a year as per Section 135 of the Act.

Role of Board of Directors

The functions of the Board relating to CSR of the Company include constitution of CSR Committee, ensuring undertaking of CSR programmes as per policy whenever applicable, ensuring spending of the prescribed amount during a financial year and compliance with statutory disclosures & reporting and other matters as mentioned in this Policy and as per applicable provisions of the Act.

In case of ongoing project, the Board of the Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and can make modifications, if any, for smooth implementation of the project within the overall permissible timeline.

Implementation of CSR programmes

The CSR Activities of the Company shall be carried out as per this Policy read with Schedule VII of the Act. The Company will undertake the CSR Activities as recommended by the CSR Team and approved by the CSR Committee, in the manner and subject to such terms approved by the CSR Committee. The CSR programme may be carried either by the Company itself or through some eligible external agency.

In case the CSR Programme is to be undertaken through the external agency, modalities of utilization of funds, monitoring and reporting mechanism shall be as approved by the CSR Committee.

The Company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programs in accordance with the applicable Rules.

Resources

The Company shall spend 2% of the average net profits of the Company during the immediately preceding three financial years towards the CSR Activities as may be recommended by the CSR Committee.

The surplus, if any arising out of the CSR Projects or Programs shall not form part of the business profit of the Company and shall be dealt with in accordance with the applicable provisions. Likewise, any excess amount spent on CSR activities may be set off against the requirement to spend in the succeeding 3 financial years. In the event the Company creates or acquires capital asset out of the CSR spend, such capital asset will be dealt with in terms of the applicable CSR provisions.

Monitoring, reporting and disclosure

CSR Programmes, activities and other aspects of this Policy shall be reviewed and monitored periodically by the CSR Committee as it thinks fit.

As and when the Company reaches an average CSR obligation of ten crore rupees or more in pursuance of sub-section (5) of Section 135 of the Act, in the three immediately preceding financial years, it shall undertake an impact assessment, through an independent agency, of its CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study. Accordingly, the impact assessment reports, if applicable shall be placed before the Board and shall be annexed to the Annual Report on CSR.

The Board of the Company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect. Unspent CSR amount, if any, shall be dealt with by the Company as per the applicable CSR provisions.

Review and amendment(s) in the policy

Amendments from time to time to the CSR Policy, if any, shall be considered by the CSR Committee/Board of Directors. The CSR Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement for effective implementation of this Policy.

Sd/-

Vijendra Singh
Whole Time Director

Date: 2nd August 2022



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Annexure III

Annual Report on Corporate Social Responsibility ("CSR") Activities (Pursuant to Section 135 of the Companies Act, 2013 "(the Act)" read with the Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. Brief outline on CSR Policy of the Company.

The CSR Policy of the Company covers the proposed CSR activities in line with Section 135 of the Companies Act, 2013 and the Schedule VII thereto.

2. Composition of CSR Committee:

Pursuant to Section 135(1) of the Act, the constitution of CSR committee is not applicable to the Company, but the Company has voluntarily constituted CSR Committee. As on 31st March 2024, the CSR committee consists of the following members.

Sr. No	Name of the Director	Category	Nature of Directorship
1.	Mr. Vijendra Singh	Chairman	Whole-Time Director
2.	Dr. B. V. Mehta	Member	Independent Director
3.	Mr. Shripad Nerlikar	Member	Director

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The Company does not have its website.

4. Executive Summary along with web-link(s) of impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

The provisions of Rule 8 sub-rule (3) are not applicable to the Company.

5. (a) Average net profit of the company as per section 135(5): Rs. 3,34,29,406

(b) Two percent of average net profit of the company as per section 135(5): Rs. 6,68,588

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

(d) Amount required to be set off for the financial year, if any: Rs. 68,588

(e) Total CSR obligation for the financial year (7b+7c-7d): Rs. 6,00,000



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6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):
Rs. 6,68,588

(b) Amount spent in Administrative Overheads: Not applicable

(c) Amount spent on Impact Assessment, if applicable: Not applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 6,68,588

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (INR)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount. (INR in Mn)	Date of transfer.
6,68,588 (inclusive of set off taken from the excess spending in the previous financial years)	-	-	-	-	-

(f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (INR in Mn)
(i)	Two percent of average net profit of the company as per section 135(5)	6,68,588
(ii)	Total amount spent for the Financial Year	6,68,588 (inclusive of set off taken from the excess spending in the previous financial years)
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil



GOKAK SUGARS LIMITED

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Email: groupcs@renukasugars.com
Corporate Identification No.: U15429KA2000PLC026433

7. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
Not applicable							

8. Whether any capital assets have been credited or acquired through CSR amount spent in the financial year:
No

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

Date: 31st July 2024
Place: Mumbai


Vijendra Singh
Chairman - CSR Committee
Whole-Time Director

