

**K N PRABHASHANKAR & CO.**  
CHARTERED ACCOUNTANTS  
S-2, Narayana, 25, Mission Road, Shama Rao Compound  
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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 31<sup>st</sup> March 2025, 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 31<sup>st</sup> March 2025, 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 for the year ended March 31, 2025. 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.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

- 1) 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 31<sup>st</sup> March 2025.
- We have obtained and gone through the Inventory valuation workings. Further, we have reviewed and assessed the Company's accounting policies with respect to inventory valuation for compliance with relevant accounting standards. We have gone through the design and tested the operating effectiveness of controls established by the management in determination of value of inventory of finished goods and intermediary goods. We have verified the method used by the Company for arriving at the cost of inventory of sugar and the appropriateness of data used by the management in determining the net realisable value of by-products, intermediary and finished goods. Further, we have gone through the information disclosed in the financial statements for Ind AS 2 compliance. We conclude that the valuation of closing inventory done in the financial statements and presentation and disclosure of Closing Inventory in the financial statements is found to be proper and appropriate.

### **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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 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 12, 2025

For K N Prabhashankar & Co.  
Chartered Accountants  
Firm Regn No. 004982S  
**PRABHAS** Digitally signed by  
**HANKAR K** PRABHASHANKAR  
**N** K N  
Date: 2025.05.12  
20:12:53 +05'30'  
K.N.Prabhashankar  
Partner  
Membership No. 019575  
UDIN:25019575BMOCNT1583

### **Annexure A to the Auditors' Report**

The Annexure referred to in our report to the members of Gokak Sugars Limited for the year ended 31<sup>st</sup> March, 2025. 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 31<sup>st</sup> March 2025 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 2025.
- 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 12, 2025

For K N Prabhashankar & Co.  
Chartered Accountants  
Firm Regn No. 004982S  
**PRABHA** Digitally signed  
by  
**SHANKA** PRABHASHANKA  
R K N  
**R K N** Date: 2025.05.12  
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K.N.Prabhashankar  
Partner  
Membership No. 019575  
UDIN:25019575BMOCNT1583

## **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 31<sup>st</sup> March 2025 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 31<sup>st</sup> March 2025, 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 12, 2025

For K N Prabhashankar & Co.  
Chartered Accountants  
Firm Regn No. 004982S  
**PRABHAS**  
**HANKAR**  
**K N**  
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PRABHASHANKAR  
K N  
Date: 2025.05.12  
20:13:22 +05'30'  
K.N.Prabhashankar  
Partner  
Membership No. 019575  
UDIN:25019575BMOCNT1583

**GOKAK SUGARS LIMITED**  
 Regd. Office: 2nd & 3rd Floor, Kanakashree Arcade, CTS No. 10634, JNMC Road, Nehru Nagar, Belagavi – 590010.  
**Balance Sheet as at March 31, 2025**

(Amount in minr)

	Notes	As at 31st March 2025	As at 31st March 2024
<b>I ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipments	2A	1,578.21	1,525.65
Capital Work-In-Progress	2A	5.26	34.85
Intangible assets	2B	-	0.01
Financial Assets			
Investments		-	-
Loans	3	0.54	0.54
Other non- current financial assets	4	0.56	0.54
Other non-current assets	5	1.31	1.29
Non-current tax assets		-	-
Deferred Tax Assets (Net)	6	-	-
<b>Total non-current assets</b>		<b>1,585.88</b>	<b>1,562.88</b>
<b>Current Assets</b>			
Inventories	7	389.96	884.84
Financial assets			
Investments		-	-
Trade Receivables	8	183.33	46.57
Cash and Cash Equivalents	9	36.17	13.36
Other Bank Balances	10	-	-
Other Current Financial Assets	11	71.21	0.10
Other Current Assets	12	14.09	12.85
<b>Total current assets</b>		<b>694.76</b>	<b>957.72</b>
<b>Total</b>		<b>2,280.64</b>	<b>2,520.60</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	13	351.75	351.75
Other Equity	13A	(202.16)	(182.80)
<b>Total Equity</b>		<b>149.60</b>	<b>168.95</b>
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	14	1,735.88	1,761.94
Net employee benefit liabilities (non-current)	15	11.01	7.78
Deferred Tax Liabilities (Net)	6	70.54	42.22
Other non Current Liabilities		-	-
<b>Total non-current liabilities</b>		<b>1,817.43</b>	<b>1,811.94</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	16	-	137.16
Trade Payables			
Total Outstanding due to Micro and Small Enterprises	17	1.87	2.93
Total Outstanding dues of creditors other than micro		262.35	373.01
Other Current Financial Liabilities	18	5.83	6.44
Other Current Liabilities	19	31.28	9.05
Current tax liabilities (Net)		3.78	4.17
Net employee benefit liabilities (current)	20	8.51	6.95
<b>Total current liabilities</b>		<b>313.62</b>	<b>539.71</b>
<b>Total liabilities</b>		<b>2,131.04</b>	<b>2,351.65</b>
<b>Total</b>		<b>2,280.64</b>	<b>2,520.60</b>

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

To be read with our report of even date

**For K N Prabhashankar & Co.**

Chartered Accountants

Regn No. 004982S

**PRABHAS HANKAR K N**

Digitally signed by PRABHASHANKAR K N  
 Date: 2025.05.12 20:07:16 +05'30'

**K N Prabhashankar**  
 Membership No. 019575

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

**Vijendra Singh**

Digitally signed by Vijendra Singh  
 Date: 2025.05.12 19:34:56 +05'30'

**Vijendra Singh**  
 Whole Time Director  
 DIN: 03537522

**SUNIL RATANLAL RANKA**

Digitally signed by SUNIL RATANLAL RANKA  
 Date: 2025.05.12 19:39:35 +05'30'

**Sunil Ranka**  
 Chief Financial Officer

**SHRIPAD RAJARAM NERLIKAR**

Digitally signed by SHRIPAD RAJARAM NERLIKAR  
 Date: 2025.05.12 19:44:44 +05'30'

**Shripad Rajaram Nerlikar**  
 Director  
 DIN : 02102633

**Deepak Madhav Manerikar**

Digitally signed by Deepak Madhav Manerikar  
 Date: 2025.05.12 19:44:44 +05'30'

**Deepak Manerikar**  
 Company Secretary  
 F-6801

Place : Mumbai  
 Date : May 12, 2025

Regd. Office: 2nd & 3rd Floor, Kanakashree Arcade, CTS No. 10634, JNMC Road, Nehru Nagar, Belagavi – 590010.

			(Amount in million)
	Notes	Year ended 31st March 2025	Year ended 31st March 2024
<b>INCOME</b>			
Revenue from Operations	21	2,485.49	1,857.88
Other Income	22	47.09	38.20
<b>Total Income</b>		<b>2,532.58</b>	<b>1,896.08</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	23	1,494.12	1,906.76
Decrease/(Increase) in inventories of finished goods, work-in- progress and intermediate products and traded goods	24	491.89	(610.28)
Employee Benefit Expenses	25	97.27	131.05
Finance Costs	26	187.28	169.48
Depreciation and Amortization Expenses	27	82.45	80.97
Other Expenses	28	160.41	188.95
<b>Total Expenses</b>		<b>2,513.41</b>	<b>1,866.94</b>
<b>Profit/(Loss) Before Exceptional Items</b>		<b>19.17</b>	<b>29.14</b>
Extraordinary Items		-	-
<b>Profit/(Loss) before exceptional items and tax</b>		<b>19.17</b>	<b>29.14</b>
Exceptional Items		-	-
<b>Profit/(Loss) Before Tax</b>		<b>19.17</b>	<b>29.14</b>
<b>Tax Expenses:</b>			
Current Tax	29	-	-
Deferred Tax		37.23	36.72
<b>Total Tax Expenses/ (Income)</b>		<b>37.23</b>	<b>36.72</b>
<b>Profit/(Loss) for the year</b>		<b>(18.06)</b>	<b>(7.58)</b>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
Remeasurement of the net defined benefit liability / asset		(1.35)	(0.22)
Income tax effect		0.35	0.06
Revaluation reserve reversal on disposal of assets		(0.40)	(2.58)
Income tax effect		0.10	-
<b>Total comprehensive income for the year</b>		<b>(19.35)</b>	<b>(10.31)</b>
<b>Earning Per Equity Share:</b>			
Basic (in Rs.)		<b>(0.51)</b>	<b>(0.22)</b>
Diluted (in Rs.)	30	<b>(0.51)</b>	<b>(0.22)</b>

Place : Mumbai  
Date : May 12, 2025



**GOKAK SUGARS LTD**

Regd. Office: 2nd & 3rd Floor, Kanakashree Arcade, CTS No. 10634, JNMC Road, Nehru Nagar, Belagavi – 590010.

**Cash Flow Statement for the year ended March 31, 2025**

(Amount in minr)

	Year ended 31st March 2025	Year ended 31st March 2024
<b>Cash Flow From Operating Activities:</b>		
Profit before taxation	19.17	29.16
Adjustments to reconcile profit before tax to net cash provided by operating activities:		
Depreciation of property, plant & equipment	82.45	80.96
Financial expenses	187.28	169.48
Loss/(Profit) on disposal of property, plant & equipment	0.29	2.27
<b>Operating profit before working capital changes</b>	<b>289.17</b>	<b>281.88</b>
<b>Changes in operating assets and liabilities:</b>		
(Increase)/ Decrease in Trade receivables	(136.76)	77.75
(Increase)/Decrease in Other receivables	(72.32)	47.58
Decrease/ (Increase) in Inventories	494.87	(607.07)
(Increase)/ Decrease in Other Current Assets	-	(1.27)
(Decrease)/ Increase in Trade and other payables	(111.71)	10.05
Increase/ (Decrease) in Provisions	0.19	5.87
Increase/(Decrease) in Other Liabilities	24.46	(33.83)
<b>Cash generated from operations</b>	<b>487.91</b>	<b>(219.05)</b>
Income-tax paid	(8.46)	(10.30)
<b>Net Cash Flow From Operating Activities</b>	<b>479.45</b>	<b>(229.35)</b>
<b>Cash Flow From Investing Activities:</b>		
Purchase/ (Sale) of fixed assets	(106.11)	(56.35)
Investments	-	-
<b>Net Cash Flow From Investing Activities</b>	<b>(106.11)</b>	<b>(56.35)</b>
<b>Cash Flow From Financing Activities:</b>		
(Proceeds)/Repayment from short-term borrowings	(137.16)	-
(Repayment)/ Proceeds of long-term borrowings	(26.06)	390.33
Other Advances	(0.02)	0.04
Financial expenses	(187.28)	(169.48)
<b>Net Cash Flow From Financing Activities</b>	<b>(350.52)</b>	<b>220.88</b>
<b>Net increase in cash and cash equivalents</b>	<b>22.81</b>	<b>(64.81)</b>
Opening cash and cash equivalents	13.36	78.18
<b>Closing cash and cash equivalents</b>	<b>36.17</b>	<b>13.36</b>

**Changes in liabilities arising from financing activities for year ended 31st March 2025**

Particulars	Long Term Borrowings	Others
<b>As at 1st April 2024</b>	1,899.15	-
Proceeds from borrowings	559.00	-
Repayment of borrowings	(722.22)	-
Cash Flows	-	-
Others	(0.02)	(187.28)
<b>As at 31st March 2025</b>	<b>1,735.91</b>	<b>(187.28)</b>

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

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

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

To be read with our report of even date

**For K N Prabhashankar & Co.**

Chartered Accountants

Regn No. 0049825

**PRABHASHANKAR**

**K N**

**K N Prabhashankar**

Membership No. 019575

Digitally signed by  
PRABHASHANKAR  
K N  
Date: 2025.05.12  
20:08:35 +05'30'

For and on behalf of the Board of directors of

**Gokak Sugars Limited**

**Vijendra Singh**  
Digitally signed by  
Vijendra Singh  
Date: 2025.05.12  
19:35:54 +05'30'

**Vijendra Singh**  
Whole Time Director  
DIN: 03537522

**SUNIL RATANLAL RANKA**  
Digitally signed by  
SUNIL RATANLAL RANKA  
Date: 2025.05.12  
19:40:38 +05'30'

**Sunil Ranka**  
Chief Financial Officer

**SHRIPAD RAJARAM NERLIKAR**  
Digitally signed by SHRIPAD RAJARAM NERLIKAR  
Date: 2025.05.12 19:46:04 +05'30'

**Shripad Rajaram Nerlikar**  
Director  
DIN : 02102633

**Deepak Madhav Manerikar**  
Digitally signed by Deepak Madhav Manerikar  
Date: 2025.05.12 19:46:04 +05'30'

**Deepak Manerikar**  
Company Secretary  
F-6801

Place : Mumbai  
Date: May 12, 2025

**Gokak Sugars Limited**  
**Statement of changes in equity for the year ended March 31, 2025**

**a. Equity share capital as at 31st March 2025** *(Amount in minr)*

	No of shares	Amount
As at 1st April 2024	3,51,74,540	351.75
Equity shares issued during the year	-	-
As at 31st March 2025	3,51,74,540	351.75

**Equity share capital as at 31st March 2023**

	No of shares	Amount
As at 1st April 2023	3,51,74,540	351.75
Equity shares issued during the year	-	-
As at 31st March 2024	3,51,74,540	351.75

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

Promoter Name	As at 31st March 2025		As at 31st March 2024	
	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	3,29,18,142	93.59	3,29,18,142	93.59

**b. Other Equity**

	Reserves and Surplus		Items of OCI	Total Equity attributable to the Equity holders of the
	Share Premium	Retained Earnings	Revaluation Reserve	
As at 1st April 2023	128.70	(747.40)	446.20	(172.50)
Profit for the year	-	(7.56)	-	(7.56)
Other Comprehensive Income	-	(0.16)	(2.58)	(2.75)
Depreciation on Revalued Assets	-	32.88	(32.88)	-
As at 31st March 2024	128.70	(722.24)	410.74	(182.80)
Profit for the year	-	(18.06)	-	(18.06)
Other Comprehensive Income	-	(1.00)	(0.30)	(1.29)
Depreciation on Revalued Assets	-	32.83	(32.83)	-
As at 31st March 2025	128.70	(708.47)	377.61	(202.16)

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

To be read with our report of even date  
**For K N Prabhaskankar & Co.**

Chartered Accountants  
 Regn No. 0049825

**PRABHAS HANKAR K N**  
 Digitally signed by PRABHASHANKAR K N  
 Date: 2025.05.12 20:09:18 +05'30'  
 K N Prabhaskankar  
 Membership No. 019575

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

**Vijendra Singh**  
 Digitally signed by Vijendra Singh  
 Date: 2025.05.12 19:36:18 +05'30'

**Vijendra Singh**  
 Whole Time Director  
 DIN: 03537522

**SUNIL RATANLAL RANKA**  
 Digitally signed by SUNIL RATANLAL RANKA  
 Date: 2025.05.12 19:41:05 +05'30'

**Sunil Ranka**  
 Chief Financial Officer

**SHRIPAD RAJARAM NERLIKAR**  
 Digitally signed by SHRIPAD RAJARAM NERLIKAR  
 Date: 2025.05.12 19:46:34 +05'30'

**Shripad Rajaram Nerlikar**  
 Director  
 DIN : 02102633

**Deepak Madhav Manerikar**  
 Digitally signed by Deepak Madhav Manerikar  
 Date: 2025.05.12 19:46:34 +05'30'

**Deepak Manerikar**  
 Company Secretary  
 F-6801

Place : Mumbai  
 Date: May 12, 2025

# GOKAK SUGARS LIMITED

Regd. Office: 2<sup>nd</sup> & 3<sup>rd</sup> Floor, Kanakashree Arcade, CTS No. 10634, JNMC Road, Nehru Nagar, Belagavi – 590010.

## Notes to Accounts forming part of Financial Statements for the year ended March 31, 2025

### Note 1: Significant Accounting Policies

*All amounts in Indian Rupees, unless otherwise stated.*

#### **a. Basis of presentation**

The accompanying financial statements have been presented for the year ended 31<sup>st</sup> March 2025 along with the comparative figures for the previous year ended 31<sup>st</sup> March 2024. 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 materialize 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 the construction period has been added to the cost of the assets. These expenses have been allocated to sugar, power generation and ethanol units on a reasonable basis. The 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 cost.

#### **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**

Depreciation is provided in the manner prescribed in Schedule II of the Companies Act, 2013. The Carrying Value of Fixed assets are depreciated over the revised remaining useful lives. Fixed assets 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.

**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. Cost of finished goods excludes excise duty.

Excise duty is generally provided on manufacture of goods, which are not exempt from the payment of duty. However, since the Company's finished goods are not segregated at the time of production into those for sale in domestic markets and those for sale in export markets, the Company is unable to determine the exact liability towards excise duty on finished goods. Accordingly, excise duty is provided/ paid only at the time of clearance of the goods from the factory.

*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 recognized 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 recognized 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 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 number 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 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
<b>Gross Book Value</b>								
<b>At 31st March 2023</b>	<b>196.60</b>	<b>262.01</b>	<b>1,936.55</b>	<b>12.26</b>	<b>2.29</b>	<b>2,409.71</b>	<b>14.83</b>	<b>2,424.54</b>
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	-	-	-	-	-	-	-	-
<b>At 31st March 2024</b>	<b>196.60</b>	<b>274.09</b>	<b>1,947.97</b>	<b>17.28</b>	<b>2.29</b>	<b>2,438.23</b>	<b>34.85</b>	<b>2,473.08</b>
Additions	-	2.44	129.01	0.74	3.57	135.75	(29.59)	106.16
Disposals	-	-	1.52	0.25	-	1.77	-	1.77
Revaluation	-	-	-	-	-	-	-	-
<b>At 31st March 2025</b>	<b>196.60</b>	<b>276.53</b>	<b>2,075.46</b>	<b>17.77</b>	<b>5.87</b>	<b>2,572.22</b>	<b>5.26</b>	<b>2,577.48</b>
<b>Depreciation and Impairment</b>								
<b>At 31st March 2023</b>	<b>-</b>	<b>124.69</b>	<b>698.31</b>	<b>10.49</b>	<b>1.11</b>	<b>834.60</b>	<b>-</b>	<b>834.60</b>
Additions	-	6.79	72.44	1.56	0.15	80.94	-	80.94
Disposals	-	-	2.95	0.01	-	2.96	-	2.96
Revaluation	-	-	-	-	-	-	-	-
<b>At 31st March 2024</b>	<b>-</b>	<b>131.47</b>	<b>767.80</b>	<b>12.04</b>	<b>1.26</b>	<b>912.58</b>	<b>-</b>	<b>912.58</b>
Additions	-	7.07	73.62	1.61	0.15	82.44	-	82.44
Disposals	-	-	0.83	0.18	-	1.01	-	1.01
Revaluation	-	-	-	-	-	-	-	-
<b>At 31st March 2025</b>	<b>-</b>	<b>138.54</b>	<b>840.59</b>	<b>13.46</b>	<b>1.41</b>	<b>994.01</b>	<b>-</b>	<b>994.01</b>
<b>Net Book Value</b>								
<b>At 31st March 2025</b>	<b>196.60</b>	<b>137.99</b>	<b>1,234.87</b>	<b>4.30</b>	<b>4.45</b>	<b>1,578.21</b>	<b>5.26</b>	<b>1,583.47</b>
At 31st March 2024	196.60	142.62	1,180.17	5.24	1.03	1,525.65	34.85	1,560.50

\* 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, 2025 comprises expenditure for the plant and building in the course of construction including material procured for expansion projects. Additions during the current year and previous year are net of capitalisation.

B. Revaluation of land, buildings and plant, machinery and equipment

In the year ended 31st March 2022, the Company had appointed an independent valuer to determine the fair value of freehold and leasehold land, building and plant and machineries. As an outcome of this process, the Company has recognised decrease in the gross block of land (free and lease hold) of Rs. 26.60 million, increase in the gross block of building of Rs. (64.81) million and in plant and machineries of Rs. 214.83 million. The company recognised this increase within the revaluation reserve and statement of comprehensive income.

The Company determined these fair values after considering physical condition of the asset, technical usability / capacity, salvage value, quotes from independent vendors. The fair value of land is determined using market approach and building, plant, machinery and equipment using Depreciated Replacement Cost (DRC). The DRC is derived from the Gross Current Reproduction / Replacement Cost (GCRC) which is reduced by considering depreciation. The fair value measurement will be classified under level 3 fair value hierarchy.

Significant unobservable valuation input:

Asset	Valuation technique	Significant unobservable inputs
<b>Freehold land/Leasehold land</b>	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.
<b>Building</b>	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.
<b>Plant, machinery and equipment</b> 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.

Information of revaluation model (gross of deferred tax)

<b>Balance as at 1st April 2023</b>	<b>721.22</b>
Purchases	-
Depreciation on Revalued Assets	(32.88)
Reversal of Reserves on Revalued Assets Sold	(2.58)
Revaluation Reserve	-
<b>Closing balance as at 31st March 2024</b>	<b>685.76</b>
Purchases	-
Depreciation on Revalued Assets	(32.83)
Reversal of Reserves on Revalued Assets Sold	(0.40)
Revaluation Reserve	-
<b>Closing balance as at 31st March 2025</b>	<b>652.53</b>

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 2025	As at 31st March 2024
<b>Cost</b>		
Freehold Land	18.66	18.66
Buildings	268.34	265.91
Plant machinery and Equipment	1,385.96	1,257.81
	<b>1,672.96</b>	<b>1,542.38</b>
<b>Accumulated depreciation</b>		
Freehold Land	-	-
Buildings	126.89	119.57
Plant machinery and Equipment	629.14	589.19
	<b>756.03</b>	<b>708.76</b>
<b>Net carrying amount</b>	<b>916.93</b>	<b>833.62</b>

B. 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.

**C. Capital Work in Progress- Ageing**

Ageing	As at 31st March 2025	As at 31st March 2024
Less than 1 year	2.16	33.89
1- 2 years	2.38	0.96
2- 3 years	0.72	-
More than 3 years	-	-
<b>Total</b>	<b>5.26</b>	<b>34.85</b>

Details of CWIP where activity has been suspended:

Particulars	As at 31st March 2025	As at 31st March 2024
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**D. Completion is overdue to its original plan :**

As at 31 March 2025

	Project 1	Project 2	Project 3	Others
Less than 1 year	0.05	0.96	-	1.15
1- 2 years	-	-	0.24	2.14
2- 3 years	-	-	0.72	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>0.05</b>	<b>0.96</b>	<b>0.96</b>	<b>3.29</b>

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	-	-	-
<b>Total</b>	<b>0.96</b>	<b>28.27</b>	<b>5.62</b>

E. The title deeds of immovable properties are held in the name of the Company.



**Gokak Sugars Limited**

**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2025**

**Note 2B- Intangible Assets**

*(Amount in minr)*

<b>Particulars</b>	<b>Computer Software</b>
<b>Gross Book Value</b>	
<b>At 1st April 2023</b>	<b>0.74</b>
Additions	-
Disposals	-
<b>At 31st March 2024</b>	<b>0.74</b>
Additions	
Disposals	
<b>At 31st March 2025</b>	<b>0.74</b>
<b>Depreciation and Impairment</b>	
<b>At 1st April 2023</b>	<b>0.71</b>
Depreciation charge for the year	0.02
Disposals	-
Impairment	-
<b>At 31st March 2024</b>	<b>0.73</b>
Depreciation charge for the year	
Disposals	
Impairment	
<b>At 31st March 2025</b>	<b>0.73</b>
<b>Net Book Value</b>	
<b>At 31st March 2025</b>	<b>0.01</b>
At 31st March 2024	0.01
At 31st March 2023	0.03

**GOKAK SUGARS LIMITED**  
**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2025**

**NON-CURRENT ASSETS**

**Note 3: Loans**

(Amount in minr)

	As at 31st March 2025	As at 31st March 2024
<b>Unsecured &amp; considered good (at amortised cost) :</b>		
Security Deposit	0.54	0.54
Less: Impairment allowance	-	-
	<b>0.54</b>	<b>0.54</b>
<b>Break-up for security details</b>		
Unsecured, considered good	0.54	0.54
Unsecured, credit impaired	-	-
(A)	<b>0.54</b>	<b>0.54</b>
<b>Impairment allowance</b>		
Unsecured, considered good	-	-
Unsecured, credit impaired	-	-
(B)	-	-
(A)-(B)	<b>0.54</b>	<b>0.54</b>

**Note 4: Other Non Current Financial Assets**

	As at 31st March 2025	As at 31st March 2024
<b>Unsecured &amp; considered good (at amortised cost) :</b>		
Fixed Deposit with Bank (maturity more than 12 months)*	0.56	0.54
	0.56	0.54
<b>Break-up for security details</b>		
Unsecured, considered good	0.56	0.54
Unsecured, credit impaired	-	-
(A)	<b>0.56</b>	<b>0.54</b>
<b>Impairment allowance</b>		
Unsecured, considered good	-	-
Unsecured, credit impaired	-	-
(B)	-	-
(A)-(B)	<b>0.56</b>	<b>0.54</b>

\*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 2025	As at 31st March 2024
Vendor- Capital Advance	1.31	1.29
	<b>1.31</b>	<b>1.29</b>
<b>Break-up for security details</b>		
Unsecured, considered good	1.31	1.29
Unsecured, credit impaired	-	-
(A)	<b>1.31</b>	<b>1.29</b>
<b>Impairment allowance</b>		
Unsecured, considered good	-	-
Unsecured, credit impaired	-	-
(B)	-	-
(A)-(B)	<b>1.31</b>	<b>1.29</b>

**GOKAK SUGARS LIMITED**  
**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2025**

**Note 6: Income Tax**

The major components of income tax expenses for year ended 31st March 2025 and 31st March 2024 are: *(Amount in mn/r)*

	As at 31st March 2025	As at 31st March 2024
<b>Profit and loss section</b>		
Current income tax	-	-
Income tax relating to earlier years	-	-
<b>Deferred Tax:</b>		
Relating to origination and reversal of temporary differences and write- down of deferred tax asset	37.23	36.72
<b>Income tax expense reported in the statement of profit and loss</b>	<b>37.23</b>	<b>36.72</b>

**OCI Section**

**Deferred tax related to items recognised in OCI during the year**

	As at 31st March 2025	As at 31st March 2024
Net loss/(gain) on remeasurements of defined benefit plans	0.35	0.06
Revaluation reserve reversal on disposal of assets	0.10	-
Revaluation reserve on property, plant and equipments	-	-
<b>Income tax expenses/(income) charged to OCI</b>	<b>0.45</b>	<b>0.06</b>

**Reconciliation of tax expenses and the accounting profit multiplied by the India's domestic tax rate for year ended 31st March 2025 and 31st March 2024**

	As at 31st March 2025	As at 31st March 2024
<b>Accounting profit/(loss) before tax</b>	19.17	29.16
At India's statutory income tax rate of 26%(31st March 2024: 26%)	4.98	7.58
Unwinding Interest not deductible	-	-
Loss on which no DTA created	-	-
Losses on which DTA created earlier set- off against DTL created during the current year	17.85	25.64
Taxable gain on Redemption of Financial Instruments	-	-
Previous year losses on which DTA was considered to be not recoverable during the year	-	-
Carry forward losses utilised during the year on which DTA recognised earlier	(12.14)	(17.36)
MAT Credit during the year	8.46	10.41
Income tax related to earlier year litigation	-	-
Others	18.08	10.45
<b>Income tax expense/ (income) in the statement of profit and loss</b>	<b>37.23</b>	<b>36.72</b>

**Deferred Tax**

	As at 31st March 2025	As at 31st March 2024
Difference between carrying value of PPE and WDV as per incometax act (Deferred Tax)	(297.19)	(324.72)
Deferred tax on financial instruments (net)	-	-
Expenses claimed on payment basis (Deferred Tax)	5.07	3.84
Losses available for offsetting against future taxable income (Deferred Tax on Unabsorbed Losses & Depreciation)	202.21	267.76
MAT credit entitlement	19.36	10.90
<b>Net deferred tax assets/ (liability)</b>	<b>(70.54)</b>	<b>(42.22)</b>

**Presented in the balance sheet as follows:**

	As at 31st March 2025	As at 31st March 2024
Deferred Tax Assets (DTA)	-	-
Deferred Tax Liabilities (DTL)	70.54	42.22
<b>Deferred Tax Liabilities (DTL)</b>	<b>(70.54)</b>	<b>(42.22)</b>

**Reconciliation of deferred assets/(liabilities):**

	As at 31st March 2025	As at 31st March 2024
Opening balance as at 1st April (DTL)	(42.22)	(15.86)
Tax (expense)/income during the period recognised in profit and loss	(37.23)	(36.72)
Tax income/(expense) during the period recognised in OCI	0.45	0.06
MAT credit entitlement	8.46	10.30
<b>Closing balance</b>	<b>(70.54)</b>	<b>(42.22)</b>

The Company has unabsorbed depreciation of INR.777.77 million (31st March 2024: INR. 777.77 million), unabsorbed business losses of INR. Nil million (31st March 2024: INR. 254.40 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.

Based on the annual assessment performed by the management considering the changes in the business scenario for determining recoverability of deferred tax assets created, the company has not created deferred tax assets on unabsorbed tax losses carried forward INR 313.93 million (31st March 2024: INR 360.11 million). The company does not expect to generate adequate taxable profits against which these losses are expected to be utilised.

**GOKAK SUGARS LIMITED**  
**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2025**

**CURRENT ASSETS**

**Note 7: Inventories**

(Amount in minr)

	As at 31st March 2025	As at 31st March 2024
<b>Raw Materials</b>		
Sugar	-	-
Co-Generation	-	-
(includes transit stock: Nil (31st March 2024: Nil ))		
<b>Consumables, Stores &amp; Spares:</b>		
Stores & Spares	30.60	35.15
Consumables	3.32	1.60
Packing Materials	3.71	3.58
Fuel	0.40	0.67
(includes transit stock INR 0.03 million (31st March 2024: INR 0.14 million))		
<b>Work-in-Progress</b>	-	-
<b>Finished Goods: (at lower of cost or net realisable value)</b>	-	-
Sugar (Manufactured)	289.29	745.94
Co-Generation	0.00	0.00
By-Products- Molasses & Baggasse	62.65	97.90
(includes transit stock Nil (31st March 2024: Nil million))		
	<b>389.96</b>	<b>884.84</b>

Inventories are valued at lower of Cost or Net realisable value. As on 31st March 2025, Finished Goods are valued at Cost.

**Note 8: Trade Receivables**

	As at 31st March 2025	As at 31st March 2024
<b>Unsecured, considered good</b>		
Receivables from third parties	29.94	33.12
Less: Impairment allowance	-	-
	<b>29.94</b>	<b>33.12</b>
Receivables from related parties	153.39	13.45
Less: Impairment allowance	-	-
	<b>153.39</b>	<b>13.45</b>
	<b>183.33</b>	<b>46.57</b>

**Break-up for security details:**

<b>Unsecured, considered good</b>		
Receivables from third parties	29.94	33.12
Receivables from related parties (refer note 32.v)	153.39	13.46
<b>Unsecured, credit impaired</b>		
Receivables from third parties	-	-
Receivables from related parties (refer note 32.v)	-	-
<b>(A)</b>	<b>183.33</b>	<b>46.57</b>

**Impairment allowance (allowance for bad and doubtful debts)**

Unsecured, considered good	-	-
Unsecured, credit impaired	-	-
<b>(B)</b>	<b>-</b>	<b>-</b>
<b>(A - B)</b>	<b>183.33</b>	<b>46.57</b>

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 30 to 60 days.

Trade receivables include receivable from Holding company Rs.153.39 minr (FY 2023-24- Rs.13.46 minr).Refer note 32v.

**Trade Receivables Ageing**

<b>i. Undisputed Trade Receivables - considered good :</b>		
Curent but not due	164.56	46.57
Less than 6 months	18.77	-
6 months- 1 Year	-	-
1- 2 years	-	-
2- 3 years	-	-
More than 3 years	-	-
	<b>183.33</b>	<b>46.57</b>
<b>ii. Disputed Trade Receivables - considered good :</b>	-	-
<b>iii. Undisputed Trade Receivables - credit impaired :</b>	-	-
<b>iv. Disputed Trade Receivables - credit impaired :</b>	-	-

**GOKAK SUGARS LIMITED**  
**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2025**

**Note 9: Cash and Cash Equivalents**

*(Amount in minr)*

	As at 31st March 2025	As at 31st March 2024
<b>Unsecured and considered good (at amortised cost) :</b>		
Cash and cash equivalents:		
Cash on Hand	-	-
Balances with banks:		
On current accounts	36.17	13.36
	<b>36.17</b>	<b>13.36</b>

**Note 10: Other Bank Balances**

	As at 31st March 2025	As at 31st March 2024
<b>Unsecured and considered good (at amortised cost) :</b>		
<b>Other Bank Balances:</b>		
On current accounts	-	-
Fixed Deposit with Bank (within 3 months maturity)	-	-
	<b>-</b>	<b>-</b>

**Note 11: Other Current Financial Assets**

	As at 31st March 2025	As at 31st March 2024
<b>Unsecured and considered good:</b>		
<b>Other Loans &amp; Advances:</b>		
Interest Receivable	0.13	0.10
Other receivables from Holding Company	71.09	-
	<b>71.21</b>	<b>0.10</b>

**Note 12: Other Current Assets**

	As at 31st March 2025	As at 31st March 2024
Advance to Suppliers	8.24	6.93
Advance to Staff	0.39	0.21
Prepayments	5.46	4.52
Balance receivable from GST Department	-	1.19
Others	0.00	-
	<b>14.09</b>	<b>12.85</b>

**GOKAK SUGARS LIMITED**  
**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2025**

**Note 13: Equity Share Capital**

(Amount in minr)

	As at 31st March 2025	As at 31st March 2024
<b>a) Authorised :</b> 36,000,000 Equity Shares of Rs.10/- Each	360.00	360.00
	<b>360.00</b>	<b>360.00</b>
<b>b) Issued, Subscribed &amp; Paid up</b> 35,174,540 Equity Shares of Rs.10/- Each	351.75	351.75
	<b>351.75</b>	<b>351.75</b>

	As at 31st March 2025	As at 31st March 2024
<b>c) Reconciliation of number of shares and Equity Shares outstanding :</b>		
At the beginning of the year	35.17	35.17
Addition/deletion during the year	-	-
At the end of the period	<b>35.17</b>	<b>35.17</b>

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 2025		As at 31st March 2024	
Name of Shareholder	No.of Shares	% of Holding	No.of Shares	% of Holding
Shree Renuka Sugars Limited (including holding by representatives)	3,29,18,142	93.64	3,29,18,142	93.64

**Note 13A: Other Equity**

	As at 31st March 2025	As at 31st March 2024
Securities Premium Account (refer note i below)	128.70	128.70
Revaluation Reserve (refer note ii below)	377.61	410.74
Retained Earnings	(708.47)	(722.24)
	<b>(202.16)</b>	<b>(182.80)</b>

<b>i. Securities Premium Account</b>		
<b>As at 1st April 2023</b>	<b>128.70</b>	<b>128.70</b>
Increase/ (decrease) during the year	-	-
<b>As at 31st March 2024</b>	<b>128.70</b>	<b>128.70</b>
Increase/ (decrease) during the year	-	-
<b>As at 31st March 2025</b>	<b>128.70</b>	<b>128.70</b>

i. Securities premium reserve is credited when shares are issued at premium. The reserve is utilised in accordance with the provisions of the Companies Act 2013 (the Act).

<b>ii Revaluation Reserve</b>		
<b>As at 1st April 2023</b>	<b>446.20</b>	<b>479.21</b>
Other Comprehensive Income	(2.58)	-
Depreciation on Revalued Assets	(32.88)	(33.01)
<b>As at 31st March 2024</b>	<b>410.74</b>	<b>446.20</b>
Other Comprehensive Income	(0.30)	(2.58)
Depreciation on Revalued Assets	(32.83)	(32.88)
<b>As at 31st March 2025</b>	<b>377.61</b>	<b>410.74</b>

**ii. Revaluation reserve:**

Revaluation reserve is credited when property, plant and equipments are revalued at fair value and debited for assets disposed off during the period or for depreciation charge for the year on revalued assets (net of taxes). The reserve is utilised in accordance with the requirements of Ind AS 16. During the year, the Company transferred depreciation charge of Rs.32.83 minr (31st March 2024: Rs.32.88 minr) from retained earnings to revaluation reserve as per the requirements of IND AS 16.

<b>iii. Retained Earnings</b>		
<b>As at 1st April 2023</b>	<b>(747.40)</b>	<b>(825.95)</b>
Profit for the year	(7.56)	47.39
Other Comprehensive Income	(0.16)	(1.85)
Depreciation on Revalued Assets	32.88	33.01
<b>As at 31st March 2024</b>	<b>(722.24)</b>	<b>(747.40)</b>
Profit for the year	(18.06)	(7.56)
Other Comprehensive Income	(1.00)	(0.16)
Depreciation on Revalued Assets	32.83	32.88
<b>As at 31st March 2025</b>	<b>(708.47)</b>	<b>(722.24)</b>

**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, 2025**

**NON-CURRENT LIABILITIES**

**Note 14: Borrowings (non-current)**

(Amount in minr)

	As at 31st March 2025	As at 31st March 2024
<b>i Unsecured</b>		
<b>From Related Party:</b>		
Shree Renuka Sugars Limited - Holding Company	1,735.88	1,899.10
	<b>1,735.88</b>	<b>1,899.10</b>
<b>Less: Current Maturity of Long-Term Borrowings transferred to Current Borrowings (refer note 16)</b>	-	137.16
	<b>1,735.88</b>	<b>1,761.94</b>

Borrowings are Loans taken from Holding Company Rs.1,735.88 minr (FY 2023-24- Rs.1,899.10minr). Refer note 32v.

**Terms of Repayment for Borrowings outstanding as on 31st March 2025**

	Particulars	Date of Maturity	Effective Rate of Interest	As at 31st March 2025
	From Holding company: Shree Renuka Sugars Limited (Payable in 13 equal installments from the FY 2021-22)	FY 2031- 32	11.00%	339.39
	From Holding company: Shree Renuka Sugars Limited (Payable in 13 equal installments from the FY 2025-26)	FY 2038- 39	11.00%	837.49
	From Holding company: Shree Renuka Sugars Limited (Payable in 13 equal installments from the FY 2026-27)	FY 2039- 40	11.00%	559.00

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

	As at 31st March 2025	As at 31st March 2024
<b>Provision For Employee Benefits:</b>		
Provision For Gratuity	11.01	7.78
Provision For Leave Encashment	8.51	6.97
	<b>19.51</b>	<b>14.75</b>
<b>Less: Short-Term Liability (transferred to current liabilities( refer note 20)</b>		
Provision For Gratuity	-	-
Provision For Leave Encashment	8.51	6.97
	<b>11.01</b>	<b>7.78</b>

**CURRENT LIABILITIES**

**Note 16: Borrowings (current)**

	As at 31st March 2025	As at 31st March 2024
<b>Unsecured:</b>		
<b>Current Maturities of Long Term Borrowings (refer note 14):</b>		
From Related Party:		
Shree Renuka Sugars Limited - Holding Company	-	137.16
	<b>-</b>	<b>137.16</b>

**GOKAK SUGARS LIMITED**  
**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2025**

**Note 17: Trade Payables**

(Amount in minr)

	As at 31st March 2025	As at 31st March 2024
Trade payables	264.22	373.79
Trade payables to related parties	-	2.16
	<b>264.22</b>	<b>375.95</b>

Trade Payables include payable to related parties Rs.Nil as on 31st March 2025 (PY 2023-24- Rs.2.16 minr). Refer note 32v.

Trade Payables Ageing	As at 31st March 2025	As at 31st March 2024
<b>Outstanding for following periods from due date of payment</b>		
<b>i. MSME :</b>		
Less than 1 year	1.87	2.93
1- 2 years	-	-
2- 3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>1.87</b>	<b>2.93</b>
<b>ii. Others :</b>		
Less than 1 year	259.45	370.23
1-2 years	0.54	1.19
2-3 years	1.09	0.49
More than 3 years	1.27	1.10
	<b>262.35</b>	<b>373.01</b>
<b>iii. Disputed dues (MSMEs) :</b>		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	<b>-</b>	<b>-</b>
<b>iv. Disputed dues (Others) :</b>		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	<b>-</b>	<b>-</b>
<b>Total :</b>		
Less than 1 year	261.32	373.16
1-2 years	0.54	1.19
2-3 years	1.09	0.49
More than 3 years	1.27	1.10
	<b>264.22</b>	<b>375.95</b>

\*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 2025	As at 31st March 2024
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 enterprises	-	-
- Interest due on above	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
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	<b>0.05</b>	<b>0.05</b>



**GOKAK SUGARS LIMITED**

**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2025**

**Note 18: Other Current Financial Liabilities**

*(Amount in minr)*

	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>
Interest accrued but not due on borrowings	0.05	0.05
Salary Payable	1.52	1.54
Other Payables	4.26	4.85
	<b>5.83</b>	<b>6.44</b>

**Note 19: Other Current Liabilities**

	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>
Advance From Customers	0.56	0.74
Other Statutory Dues	25.40	0.47
Other Payables- To Related party- SRS�	-	6.91
Other Payables- Capital Payable	4.63	0.23
Other Payables- To Employees	0.69	0.70
	<b>31.28</b>	<b>9.05</b>

**Note 20: Net employee benefit liabilities (current)**

	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>
Provision For Gratuity	-	-
Provision For Leave Encashment (refer note 15)	8.51	6.95
	<b>8.51</b>	<b>6.95</b>

**Note 21: Revenue from Operations**

	<b>Year ended 31st March 2025</b>	<b>Year ended 31st March 2024</b>
<b>Sale of Products (Gross):</b>		
Sale of Manufactured Sugar	1,963.22	1,236.77
Sale of By products of Sugar	444.69	515.75
Sale of Power	66.90	99.66
Sale of By products of Power	0.25	0.45
<b>Other operating income</b>		
Sales of scrap generated from operating activities	10.43	5.26
	<b>2,485.49</b>	<b>1,857.88</b>

**Revenue from Contract with Customers- segment for year ended 31st March 2025**

<b>Type of goods or services</b>	<b>Sugar</b>	<b>Cogeneration</b>	<b>Eliminations</b>	<b>Total</b>
Sale of manufactured Sugar	1,973.65	-	-	1,973.65
Sale of By products of Sugar	444.69	-	-	444.69
Sale of Power	-	66.90	-	66.90
Sale of By products of Power	-	0.25	-	0.25
Intersegment Sales	159.97	162.99	(322.96)	-
<b>Total Revenue including inter-segment sales</b>	<b>2,578.31</b>	<b>230.14</b>	<b>(322.96)</b>	<b>2,485.49</b>

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

<b>Type of goods or services</b>	<b>Sugar</b>	<b>Cogeneration</b>	<b>Eliminations</b>	<b>Total</b>
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)	-
<b>Total Revenue including inter-segment sales</b>	<b>1,987.66</b>	<b>348.04</b>	<b>(477.82)</b>	<b>1,857.88</b>

**GOKAK SUGARS LIMITED**

**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2025**

**Note 22: Other Income**

*(Amount in minr)*

	Year ended 31st March 2025	Year ended 31st March 2024
<b>Other non-operating income:</b>		
Insurance claim received	11.03	5.47
Miscellaneous Income	10.08	0.31
Excess Provision of earlier years written back	25.90	32.07
Gain on Sale of Asset	0.00	0.00
<b>Finance Income:</b>		
Others - Interest received from Bank & Others	0.08	0.35
	<b>47.09</b>	<b>38.20</b>

**Note 23: Cost of Materials Consumed**

	Year ended 31st March 2025	Year ended 31st March 2024
<b>a. Raw Material consumed:</b>		
Sugarcane		
Opening Stock	-	-
Add: Purchases & Related Expenses	1,489.86	1,901.74
Less: Inter Segment Expenses	159.97	229.89
	<b>1,329.89</b>	<b>1,671.85</b>
Less: Closing Stock	-	-
	<b>1,329.89</b>	<b>1,671.85</b>
<b>b. Other materials consumed</b>		
Coal & Bagasse	-	-
Opening Stock	-	-
Add: Purchases & Related Expenses	164.23	234.91
Less: Inter Segment Expenses	-	-
	<b>164.23</b>	<b>234.91</b>
Less: Closing Stock	-	-
	<b>164.23</b>	<b>234.91</b>
	<b>1,494.12</b>	<b>1,906.76</b>

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

	Year ended 31st March 2025	Year ended 31st March 2024
<b>Opening stock</b>		
Finished Goods :		
Sugar	745.94	68.72
By-Products	97.90	164.83
Co-Generation	0.00	0.00
<b>A</b>	<b>843.83</b>	<b>233.55</b>
<b>Closing Stock</b>		
Finished Goods :		
Sugar	289.29	745.94
By-Products	62.65	97.90
Co-Generation	0.00	0.00
<b>B</b>	<b>351.94</b>	<b>843.83</b>
<b>Net Decrease/(Increase) in stock (A-B)</b>	<b>491.89</b>	<b>(610.28)</b>

**Note 25: Employee Benefit Expenses**

	Year ended 31st March 2025	Year ended 31st March 2024
Salaries, Wages & Bonus	84.24	118.90
Contribution to Provident Fund & Others	4.97	4.78
Leave Encashment	2.44	1.49
Gratuity (refer note 32 iv)	1.88	1.76
Staff Welfare Expenses	3.74	4.13
	<b>97.27</b>	<b>131.05</b>

**Note 26: Finance Costs**

	Year ended 31st March 2025	Year ended 31st March 2024
<b>Interest:</b>		
On Others	187.27	169.48
<b>Others:</b>		
Bank Charges	0.01	0.01
	<b>187.28</b>	<b>169.48</b>

**GOKAK SUGARS LIMITED**

**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2025**

**Note 27: Depreciation and Amortization Expenses**

*(Amount in minr)*

	<b>Year ended 31st March 2025</b>	<b>Year ended 31st March 2024</b>
Depreciation on Tangible Assets*	82.44	80.94
Amortisation on Intangible Assets*	0.01	0.02
	<b>82.45</b>	<b>80.97</b>

\*Refer Note 2A and 2B

**Note 28: Other Expenses**

**Manufacturing, Administrative and Selling & Distribution Expenses:**

	<b>Year ended 31st March 2025</b>	<b>Year ended 31st March 2024</b>
Consumption of Stores & Spares	40.11	35.85
Consumption of Chemicals, Consumables, Oil & Lubricants	24.13	26.98
Outsourced service cost	28.83	34.80
Sugar House Loading, Unloading & Handling Charges	10.05	10.22
Packing Materials	15.88	19.46
Power & Fuel	3.30	5.12
<i>Repair &amp; Maintenance:</i>		
Plant & Machinery	12.02	11.53
Buildings	1.26	1.89
Others	2.63	2.07
Other Manufacturing Expenses	(1.22)	0.90
Rent, Rates & Taxes	0.80	0.52
Insurance	3.57	2.14
Traveling & Conveyance	5.28	21.02
Printing & Stationery	0.54	0.58
Communication Expenses	0.26	0.27
Legal & Professional Fees	2.01	1.24
Payment to auditors (refer note a below)	0.76	0.66
Safety & Security Expenses	7.80	7.42
Loss on Sale of Fixed Assets	0.29	2.28
Books, Subscription and Membership fees	0.86	1.59
Donations & Contributions	0.01	0.01
Others	0.72	1.34
Advertising & Sales Promotion	0.30	0.50
Commission/Brokerage On Sales	0.22	0.61
	<b>160.41</b>	<b>188.95</b>

<b>a Auditors Remuneration</b>	<b>Year ended 31st March 2025</b>	<b>Year ended 31st March 2024</b>
<b>As Auditor</b>		
Statutory Audit fee	0.35	0.30
Limited Review fee	0.21	0.18
Tax Audit Fee	0.05	0.05
<b>In other capacity</b>		
Other services	0.15	0.13
Reimbursement of expenses	-	-
	<b>0.76</b>	<b>0.66</b>

**Note 29: Current Tax**

	<b>Year ended 31st March 2025</b>	<b>Year ended 31st March 2024</b>
Current Tax	8.46	10.41
Less: Mat Credit Entitlement	(8.46)	(10.41)
	-	-

**Note 30: Earnings Per Share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	<b>Year ended 31st March 2025</b>	<b>Year ended 31st March 2024</b>
Profit attributable to equity holders for calculation of basic and diluted earnings per share	(18.06)	(7.59)
Weighted average number of equity shares for basic and diluted EPS*	3,51,74,540	3,51,74,540
<b>Earnings Per Share</b>		
Basic, computed on the basis of profit from operations attributable to equity holders of the	(0.51)	(0.22)
Diluted, computed on the basis of profit from operations attributable to equity holders of the	(0.51)	(0.22)

\* Weighted average number of equity shares takes into account the weighted average effect of changes in share transactions during the year.

## GOKAK SUGARS LIMITED

Notes to Accounts forming part of Financial Statements for the year ended March 31, 2025

## Note 31: Disclosure of Ratios

Sl No	Ratio	Numerator	Denominator	31st March 2025	31st March 2024	% change	Reason for variance
1	Current ratio Current Assets Current Liabilities	Current Assets	Current Liabilities	2.22 69,47,74,472 31,36,38,163	1.77 95,77,27,957 53,97,21,241	24.84%	Higher Trade Receivables & Lower Trade Payables in the Current year
2	Debt-Equity ratio Debt (Current and non current portion of long term borrowings + Short term borrowings) Equity	Total Debt	Shareholder's Equity	11.60 1,73,58,81,006 14,95,89,358	11.24 1,89,91,01,966 16,89,41,561	3.23%	
3	Debt service coverage ratio	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	0.48 28,88,15,068 18,72,76,581 41,22,20,960	0.91 27,93,39,580 16,94,84,080 13,71,61,467	-47.11%	Higher Repayment of Loan during the year
4	Return on equity ratio Net Profits after taxes Average Shareholder's Equity	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(0.11) (1,80,59,871) 15,92,65,459	(0.04) (75,56,593) 17,40,92,626	161.24%	Higher Losses & Lower Equity during the period
5	Inventory turnover ratio Cost of goods sold Average inventory	Cost of goods sold	Average Inventory	3.12 1,98,60,07,198 63,74,00,182	2.23 1,29,64,77,547 58,12,99,381	39.70%	Higher 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	18.67 2,14,61,17,269 11,49,53,694	17.36 1,48,31,58,109 8,54,48,408	7.56%	
7	Trade payables turnover ratio Net credit purchases of goods & services = Gross credit purchases - purchase return Average accounts payables	Net credit purchases of goods & services = Gross credit purchases - purchase return	Average Trade Payables	6.70 2,14,61,17,269 32,02,11,545	4.00 1,48,31,58,109 37,11,51,659	67.72%	Increase in Revenue during the year
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	5.63 2,14,61,17,269 38,11,36,309	3.55 1,48,31,58,109 41,80,06,716	58.70%	Increase in Revenue during the year
9	Net profit ratio Net Profit Net sales = Total sales - sales return	Net Profit	Net sales = Total sales - sales return + income from incentive	(0.01) (1,80,59,871) 2,14,61,17,269	(0.01) (75,56,593) 1,48,31,58,109	65.17%	Increase in Revenue during the year
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	0.11 20,64,45,776 1,95,60,09,748	0.09 19,86,46,214 2,11,02,56,757	12.12%	
11	Return on investment Interest (Finance Income) Investment	Dividend Income + Fairvalue gain/loss on unquoted equity instruments	Opening value of unquoted equity instruments	0.14 78,360 5,56,325	0.49 2,63,710 5,39,512	-71.18%	Higher Investments during the Previous year

**Note 32: Other Notes to the Financial Statements**

*All amounts in Indian Rupees, unless otherwise stated.*

**i. Outstanding Commitments**

As at 31st March 2025, 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.10.84 minr (Previous Year - 31<sup>st</sup> March 2024- Rs.40.92 minr).

**ii. Contingent Liability**

Liabilities classified and considered contingent due to contested claims and legal disputes	For the year ended 31 <sup>st</sup> March 2025	For the year ended 31 <sup>st</sup> March 2024
Subscription fees- Sugar Institute	-	5.35

There are No Litigations outstanding which are assessed as Contingent Liabilities as on 31<sup>st</sup> March 2025.

## iii. Segment Reporting for the year ended March 31, 2025

(Amount in mnrr)

Particulars	SUGAR		CO-GENERATION		ELIMINATIONS		TOTAL	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
REVENUE								
External sales	2,418.34	1,757.77	67.15	100.11	-	-	2,485.49	1,857.88
Inter-segment sales	159.97	229.89	162.99	247.93	(322.96)	(477.82)	-	-
<b>Total Revenue</b>	<b>2,578.31</b>	<b>1,987.66</b>	<b>230.14</b>	<b>348.04</b>	<b>(322.96)</b>	<b>(477.82)</b>	<b>2,485.49</b>	<b>1,857.88</b>
Cost of Material consumed	1,489.86	1,901.74	4.26	5.02			1,494.12	1,906.76
Increase/Decrease in Inventory	331.92	(840.17)	159.97	229.89			491.89	(610.28)
Employee benefit expenses	92.39	126.50	4.88	4.55			97.27	131.05
Depreciation and amortisation expense	58.71	57.50	23.74	23.46			82.45	80.96
Other expenses	303.82	414.61	(143.42)	(225.66)			160.40	188.95
<b>Subtotal</b>	<b>2,276.70</b>	<b>1,660.18</b>	<b>49.43</b>	<b>37.26</b>	<b>-</b>	<b>-</b>	<b>2,326.13</b>	<b>1,697.43</b>
<b>Results before Intersegment Elimination</b>	<b>301.61</b>	<b>327.48</b>	<b>180.71</b>	<b>310.78</b>	<b>(322.96)</b>	<b>(477.82)</b>	<b>159.36</b>	<b>160.45</b>
Less: Inter-segment sales	(322.96)	(477.82)			322.96	477.82	-	-
<b>Results</b>	<b>(21.35)</b>	<b>(150.34)</b>	<b>180.71</b>	<b>310.78</b>	<b>-</b>	<b>-</b>	<b>159.36</b>	<b>160.45</b>
<b>Operating profit</b>							<b>159.36</b>	<b>160.45</b>
Financial expenses							187.28	169.48
Other income							47.09	38.17
<b>Profit from ordinary activities</b>							<b>19.17</b>	<b>29.13</b>
Exceptional items	-	-	-	-	-	-	-	-
<b>Net Profit</b>							<b>19.17</b>	<b>29.13</b>
Capital expenditure	106.65	55.26	(0.49)	1.19	-	-	106.16	56.45
Unallocated corporate capital expenditure	-	-	-	-	-	-	-	-
Total Capital Expenditure	106.65	55.26	(0.49)	1.19	-	-	106.16	56.45
Depreciation	58.71	57.51	23.74	23.46	-	-	82.45	80.97
Unallocated corporate depreciation	-	-	-	-	-	-	-	-
Total Depreciation	58.71	57.51	23.74	23.46	-	-	82.45	80.97

## OTHER INFORMATION

Particulars	SUGAR		CO-GENERATION		ELIMINATIONS		TOTAL	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
<b>Segment assets</b>	1,592.10	1,909.70	613.69	617.10	-	-	2,205.79	2,526.80
Unallocated corporate assets							74.86	0.00
<b>Total Assets</b>	<b>1,592.10</b>	<b>1,909.70</b>	<b>613.69</b>	<b>617.10</b>	<b>-</b>	<b>-</b>	<b>2,280.65</b>	<b>2,526.80</b>
Segment liabilities	310.07	404.65	10.80	1.61	-	-	320.87	406.26
Unallocated corporate liabilities							1,810.21	1,951.61
<b>Total Liabilities</b>	<b>310.07</b>	<b>404.65</b>	<b>10.80</b>	<b>1.61</b>	<b>-</b>	<b>-</b>	<b>2,131.06</b>	<b>2,357.86</b>

## Reconciliations to amounts reflected in the financial statements

## Reconciliation of assets

	As at 31st March 2025	As at 31st March 2024
<b>Segment operating assets</b>	2,205.79	2,526.80
Investment	-	-
Cash and cash equivalents	-	-
Other assets forming a part of unallocated segment	74.86	0.00
<b>Total assets</b>	<b>2,280.65</b>	<b>2,526.80</b>

## Reconciliation of liabilities

	As at 31st March 2025	As at 31st March 2024
<b>Segment operating liabilities</b>	320.87	406.26
Non-current borrowings	-	-
Current borrowings	-	-
Current maturity of long-term borrowings	-	-
Other liabilities forming part of unallocated segment	1,810.21	1,951.61
<b>Total liabilities</b>	<b>2,131.06</b>	<b>2,357.86</b>

## Revenue from customers

	As at 31st March 2025	As at 31st March 2024
India	2,485.49	1,857.88
Outside India	-	-
<b>Total revenue</b>	<b>2,485.49</b>	<b>1,857.88</b>

## Total assets

	As at 31st March 2025	As at 31st March 2024
India	2,280.65	2,526.80
Outside India	-	-
<b>Total assets</b>	<b>2,280.65</b>	<b>2,526.80</b>

## Total liabilities

	As at 31st March 2025	As at 31st March 2024
India	2,131.06	2,357.86
Outside India	-	-
<b>Total liabilities</b>	<b>2,131.06</b>	<b>2,357.86</b>

**iv. Defined Benefit Plans**

(Amount in minr)

**Actuarial Assumptions**

Key actuarial assumptions are given below:

**Discount Rate:**

The rate used to discount other long term employee benefit obligation (both funded and unfunded) is determined by reference to market yield at the balance sheet date on high quality government bonds.

**Salary Growth Rate:**

This is Management's estimate of the increases in the salaries of the employees over the long term. Estimated future salary increases should take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

**Rate of Return on Plan Assets:**

This assumption is required only in case of funded plans. Interest income on plan assets is calculated using the rate used to discount the defined benefit obligation.

**Mortality:**

This assumption is based on the standard published mortality table without any adjustment.

S.NO	Particulars	Gratuity Benefits	
		Year Ended 31st March, 2025	Year Ended 31st March, 2024
<b>1</b>	<b>Change in Benefit obligation</b>		
	Opening Defined Benefit Obligation	10.07	8.21
	Current service cost	1.73	1.55
	Interest cost	0.72	0.61
	Actuarial loss/(gain) due to change in financial assumptions	0.63	0.33
	Actuarial loss/(gain) due to change in demographic assumption	0.06	0.03
	Actuarial loss/ (gain) due to experience	0.65	0.12
	Past Service Cost	-	-
	Benefits paid	(0.72)	0.53
	<b>Closing Defined Benefit Obligation</b>	<b>13.14</b>	<b>10.07</b>
<b>2</b>	<b>Change in Plan Assets</b>		
	Opening value of plan assets	2.29	2.41
	Adjustments to Opening Value	-	-
	Interest Income	0.17	0.18
	Return on plan assets excluding amounts included interest income	(0.01)	0.00
	Contributions by employer	0.40	0.22
	Benefits paid	(0.72)	0.53
	<b>Closing value of plan assets</b>	<b>2.13</b>	<b>2.29</b>
<b>3</b>	<b>Fund Status of Plan Assets</b>		
	Present value unfunded obligations	-	-
	Present value funded obligations	13.13	10.07
	Fair Value of plan assets	- 2.12	- 2.29
<b>4</b>	<b>Net Liability (Assets)</b>	<b>11.01</b>	<b>7.78</b>
	<b>Expenses for the current period</b>		
	Current service cost	1.73	1.55
	Interest cost	0.72	0.61
	Past Service cost	-	-
	Immediate Recognition of (Gains)/ Losses -		
	Other Long Term Benefits	-	-
	Interest Income	- 0.17	- 0.18
	<b>Amount recognized in expenses</b>	<b>2.28</b>	<b>1.98</b>

S.NO	Particulars	Gratuity Benefits	
		Year Ended 31st March, 2025	Year Ended 31st March, 2024
5	<b>Other Comprehensive Income for the current period</b>		
	Due to Change in financial assumptions	0.63	0.33
	Due to change in demographic assumption	0.06	0.03
	Due to experience adjustments	0.65	0.12
	Return on plan assets excluding amounts included in interest income	0.01	0.00
	<b>Amounts recognized in Other Comprehensive Income</b>	<b>1.35</b>	<b>0.23</b>
5	<b>Defined benefit liability</b>		
	Net opening provision in books of accounts	7.78	5.80
	Employee Benefit Expense	2.28	1.98
	Amounts recognized in Other Comprehensive Income	1.35	0.23
	Contributions to Plan Assets	0.40	0.22
	Benefits paid by the Company	-	-
	Adjustments to Opening Value	-	-
	<b>Closing provision in books of accounts</b>	<b>11.01</b>	<b>7.78</b>
6	<b>Principal Actuarial Assumption</b>		
	Discount rate	6.82%	7.22%
	Salary Growth rate	8.00%	8.00%
	Withdrawal Rates	1% at Younger ages reducing to 0% at older ages	2% at Younger ages reducing to 1% at older ages
7	<b>Maturity Profile of Defined Benefit Obligation Expected Future Cash flows</b>		
	Year 1	0.27	0.30
	Year 2	0.64	0.27
	Year 3	0.48	0.60
	Year 4	0.58	0.46
	Year 5	0.73	0.55
	Year 6 to 10	3.88	3.66
	Above 10 Years	29.21	23.10
	Average Expected Future Working Life (Years)	15.10	14.45
8	<b>Sensitivity to key assumptions*</b>		
	<b>Discount rate Sensitivity</b>		
	Increase by 0.5%	12.34	9.48
	(% change)	-5.98%	-5.86%
	Decrease by 0.5%	13.98	10.71
	(% change)	6.52%	6.39%
	<b>Salary growth rate Sensitivity</b>		
	Increase by 0.5%	13.97	10.71
	(% change)	6.41%	6.31%
	Decrease by 0.5%	12.35	9.48
	(% change)	-5.94%	-5.85%

**\*A description of methods used for sensitivity analysis and its limitations:**

Sensitivity analysis performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.



**v: 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		(Amount in minr)						
Sr. No.	Particulars	As at and year ended	Sales to related parties	Purchases from related parties	Interest expense on advances	Sale of Asset	Purchase of Asset	Loans and advance received/ (refunded)
(a)	<b>Holding Company</b>							
i	Shree Renuka Sugars Limited	31st March 2025	429.08	20.65	186.74	0.07	0.17	(163.22)
		31st March 2024	484.15	75.09	167.83	-	0.26	390.33
(b)	<b>Affiliate companies</b>							
ii	KBK Chem Engineering Pvt Limited	31st March 2025	-	10.53	-	-	-	-
		31st March 2024	-	15.56	-	-	-	-

Break-up of amounts owed to and by related parties as at 31st March 2025 and 31st March 2024 are as follows:

Particulars	Amount receivable from related	
	As at 31st March 2025	As at 31st March 2024
Trade Receivables(refer note 8)		
Affiliate companies		
Shree Renuka Sugars Limited (customer Balance)	153.39	13.46
	<b>153.39</b>	<b>13.46</b>

Particulars	As at 31st March 2025	As at 31st March 2024
<b>Borrowings (non-current) (refer note 14)</b>		
Holding Company:		
Shree Renuka Sugars Limited	1,735.88	1,761.94
	<b>1,735.88</b>	<b>1,761.94</b>
<b>Borrowings (current) (refer note 16)</b>		
Holding Company:		
Shree Renuka Sugars Limited (Current portion of Loan)	-	137.16
	<b>-</b>	<b>137.16</b>
<b>Other current liabilities (refer note 19)</b>		
Holding Company:		
Shree Renuka Sugars Limited (Vendor Balances)	-	6.91
	<b>-</b>	<b>6.91</b>
<b>Trade Payables (refer note 17)</b>		
Holding Company:		
Shree Renuka Sugars Limited	-	-
Associate Company:		
KBK Chem Engineering Pvt Limited	-	2.16
	<b>-</b>	<b>2.16</b>

**Notes to Related Party Transactions**

**a. Sales to Related Parties**

Sales are made to related parties on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Group mutually negotiates and agrees sales price, discount and payment terms with the related parties by benchmarking the same to transactions with non-related parties. Such sales generally include payment terms requiring related party to make payment within 30 to 60 days from the date of invoice.

**For terms of balances**

Trade receivables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been received against these receivables. The amounts are recoverable within 30 to 60 days from the reporting date (31 March 2024: 30 to 60 days from the reporting date). For the year ended 31 March 2025, the Group has not recorded any impairment on receivables due from related parties (31 March 2024: Nil).

**b. Purchases from related balances**

Purchases and services are made from related parties on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. Such purchases generally include payment terms requiring the Group to make payment within 30 to 60 days from the date of invoice.

**For terms of balances**

Trade payables and Other Payables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been given against these payables. The amounts are payable within 30 to 60 days from the reporting date (31 March 2024: 30 to 60 days from the reporting date).

**c. Interest expense on advances**

Interest is accounted on the Loans received from related parties for meeting our working capital requirements.

Interest to related parties is considered on the basis of the average Interest rate on the loans taken by the Holding Company group from third parties. The interest rate is verified and updated on a quarterly basis. Interest shall accrue from day to day and shall be calculated on the basis of a year of 365 days

**d. Loans & advances received**

The loan received from Holding company is received to support working capital requirements of the company. The loan has been utilized by the company for the purpose it was obtained.

**Gokak Sugars Limited**
**Notes to Accounts forming part of Financial Statements for the year ended March 31, 2025**
**vi: 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 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
<b>Financial assets</b>				
<b>FVTPL</b>				
Derivative instruments at fair value through profit or loss	-	-	-	-
<b>FVTOCI</b>	-	-	-	-
Investment in equity shares	-	-	-	-
<b>Other financial assets at amortised cost</b>	-	-	-	-
Loans	0.54	0.54	0.54	0.54
Trade receivables	183.33	46.57	183.33	46.57
Cash and cash equivalents	36.17	13.36	36.17	13.36
Other Bank balances	-	-	-	-
Other financial assets	71.77	0.64	71.77	0.64
<b>Total financial assets</b>	<b>291.82</b>	<b>61.11</b>	<b>291.82</b>	<b>61.11</b>
<b>Financial liabilities</b>				
<b>FVTPL</b>				
Derivative liabilities	-	-	-	-
<b>At amortised cost</b>	-	-	-	-
<b>Borrowings</b>	-	-	-	-
Redeemable preference shares	-	-	-	-
Optionally convertible preference shares	-	-	-	-
Redeemable non-convertible debentures	-	-	-	-
IFCI (Sugar Development Fund)	-	-	-	-
SEFASU Loan	-	-	-	-
Borrowings	1,735.88	1,899.10	1,735.88	1,899.10
Trade payables	264.24	375.95	264.24	375.95
Other financial liabilities	5.83	6.43	5.83	6.43
<b>Total financial liabilities</b>	<b>2,005.95</b>	<b>2,281.48</b>	<b>2,005.95</b>	<b>2,281.48</b>

**vii: 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 2025	Composition	As at 31st March 2024	Composition
Borrowing - Floating interest rate	1,735.88	100%	1,899.10	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
<b>31st March 2025</b>		
INR	50	8.68
<b>31st March 2024</b>		
INR	50	9.50

**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
<b>Increase in price by 5%</b>		
31st March 2025	98.16	(66.49)
31st March 2024	62.10	(83.59)
<b>Decrease in price by 5%</b>		
31st March 2025	(98.16)	66.49
31st March 2024	(62.10)	83.59

**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 2025	As at 31st March 2024
Up to 6 months	183.33	46.57
More than 6 months	-	-
	<b>183.33</b>	<b>46.57</b>

**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
<b>As at 31st March 2025</b>				
Borrowings	-	43.00	1,692.88	1,735.88
Trade payables	261.34	2.90	-	264.24
Other financial liabilities	5.83	-	-	5.83
<b>Total</b>	<b>267.17</b>	<b>45.90</b>	<b>1,692.88</b>	<b>2,005.96</b>
<b>As at 31st March 2024</b>				
Borrowings	137.16	773.47	988.47	1,899.10
Trade payables	373.16	2.79	-	375.95
Other financial liabilities	6.43	-	-	6.43
<b>Total</b>	<b>516.75</b>	<b>776.26</b>	<b>988.47</b>	<b>2,281.48</b>

**viii: 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 makes adjustments in light of changes in the financial condition.

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

	As at 31st March 2025	As at 31st March 2024
Equity share capital	351.75	351.75
Other equity (including securities premium)	(202.16)	(182.80)
	<b>149.59</b>	<b>168.95</b>

**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 2025	As at 31st March 2024
Equity	351.75	351.75
Other equity	(202.16)	(182.80)
	<b>149.59</b>	<b>168.95</b>
Total borrowings	1,735.88	1,899.10
Debt equity ratio	11.60	11.24

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2025 and 31st March 2024.

**ix: Other Statutory Information**

- (i) There are no proceedings initiated or are pending against the Company for holding any benami property under the prohibition of Benami Property Transaction Act, 1988 and rules made thereunder.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries)
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- (viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- x. The Company has charged Interest on Loans taken from its Holding Company at the rate of 11% p.a during the year ended 31st March 2025
- xi. Previous year's figures have been regrouped/ rearranged wherever necessary to conform to the current year grouping.
- xii. The Company has used two accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for certain changes made using certain privileged/ administrative access rights for one of the application and for two software, audit trail was not enabled for direct changes to database. Further no instance of audit trail feature being tampered with was noted in respect of accounting software(s) where the audit trail has been enabled.

To be read with our report of even date

**For K N Prabhashankar & Co.**

**Chartered Accountants**

**Regn No. 0049825**

**PRABHASHANKAR K N**

**ANKAR K N**  
Digitally signed by PRABHASHANKAR K N  
Date: 2025.05.12 20:11:44 +05'30'

**K N Prabhashankar**

**Membership No. 019575**

Place: Mumbai

Date: 12th May 2025

For and on behalf of the Board of directors of

**Gokak Sugars Limited**

**Vijendra Singh**  
Digitally signed by Vijendra Singh  
Date: 2025.05.12 19:37:59 +05'30'

**Vijendra Singh**  
Whole Time Director  
DIN: 03537522

**SUNIL RATANLAL RANKA**  
Digitally signed by SUNIL RATANLAL RANKA  
Date: 2025.05.12 19:43:22 +05'30'

**Sunil Ranka**  
Chief Financial Officer

**SHRIPAD RAJARAM NERLIKAR**  
Digitally signed by SHRIPAD RAJARAM NERLIKAR  
Date: 2025.05.12 19:47:21 +05'30'

**Shripad Rajaram Nerlikar**  
Director  
DIN : 02102633

**Deepak Madhav Manerikar**  
Digitally signed by Deepak Madhav Manerikar  
Date: 2025.05.12 19:47:21 +05'30'

**Deepak Manerikar**  
Company Secretary  
F-6801