

# किच्छा शुगर कम्पनी लिमिटेड

(उत्तराखण्ड सरकार का प्रतिष्ठान)

पंजीकृत कार्यालय: किच्छा, जिला-ऊधम सिंह नगर (उत्तराखण्ड)-263148



**49वीं वार्षिक साधारण बैठक का दिन, दिनांक, समय व स्थान**

कम्पनी के पंजीकृत कार्यालय के सामने स्थित गेस्ट हाउस पर  
दिन शनिवार, 27 नवम्बर, 2021 को अपराह्न 12:00 बजे

**Date, time & place of 49<sup>th</sup> Annual General Meeting**

Saturday, 27<sup>th</sup> day of November, 2021 at 12:00 PM  
at the Guest House of Registered office of the Company

**वर्ष समाप्ति 31 मार्च, 2021**

***Year ended on 31st March, 2021***

**वार्षिक प्रतिवेदन तथा लेखे**

***Annual Report & Accounts***

# किच्छा शुगर कम्पनी लिमिटेड, किच्छा (ऊधम सिंह नगर)

## दि० 02.11.2021 को कम्पनी के निदेशक मंडल व प्रबंधकीय संवर्ग का विवरण

निदेशक मण्डल व प्रबंधकीय संवर्ग		
अध्यक्ष व निदेशक	:	श्री हरबंस सिंह चुघ
निदेशक	:	श्री उदयराज सिंह
अधिशाली निदेशक	:	श्री त्रिलोक सिंह मर्तोलिया
अतिरिक्त निदेशक	:	श्री रविकान्त सेठ
मुख्य वित्तीय अधिकारी	:	श्री दिनेश चन्द्र पाण्डेय
कम्पनी सचिव	:	श्री सौरभ गुप्ता

49वीं वार्षिक साधारण बैठक	वित्तीय वर्ष 2020-21
<p>दिन व दिनांक : शनिवार, 27 नवम्बर, 2021</p> <p>समय : अपराह्न 12.00 बजे</p> <p>बैठक स्थल : किच्छा शुगर कम्पनी लि०, किच्छा (ऊधम सिंह नगर)।</p>	<p>वैधानिक संपरीक्षक : मै० शारदा एण्ड शारदा एलएलपी, चार्टर्ड एकाउन्टेन्ट्स पता - होटल प्रेसिडेंट, शारदा मार्केट, हल्द्वानी, उत्तराखण्ड -263139</p> <p>लागत संपरीक्षक : मै० सतनाम सिंह सग्गू, कास्ट एकाउन्टेन्ट पता - र - 2(171-अ), खिड़की एक्सटेंशन, मालवीय नगर, नई दिल्ली -110017</p>

कम्पनी के सदस्य/अंशधारक	
अंशधारक का नाम	अंशधारिता का प्रतिशत
माननीय राज्यपाल, उत्तराखण्ड	: 97.49 प्रतिशत
गन्ना कृषक	: 2.51 प्रतिशत
<ol style="list-style-type: none"> <li>1. सहकारी गन्ना विकास समिति लि०, हल्द्वानी तथा किच्छा के माध्यम से</li> <li>2. तराई सहकारी गन्ना विकास समिति लि०, पन्तनगर के माध्यम से</li> </ol>	

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किच्छा शुगर कम्पनी लि.,

(उत्तराखण्ड सरकार का प्रतिष्ठान)  
पंजीकृत कार्यालय-किच्छा-263148(पू.उ.रे.)  
जिला-ऊधम सिंह नगर (उत्तराखण्ड)



KICHHA SUGAR CO. LTD.

(A Uttarakhand Govt. Undertaking)

Regd. Office : Kichha-263148(N.E.R.)

Distt. Udham Singh Nagar (Uttarakhand)

CIN: U15421UR1972SGC003513 GSTIN: 05AABCK6699R1ZL

Contact No. 8392928200 Website: www.kichhasugar.in

E-Mail: Kichha\_sugar@yahoo.co.in/ sugarkichha@gmail.com

**NOTICE IS HEREBY GIVEN THAT 49<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF KICHHA SUGAR COMPANY LIMITED WILL BE HELD ON SATURDAY, THE 27<sup>TH</sup> DAY OF NOVEMBER, 2021 AT 12:00 P.M. AT THE GUEST HOUSE SITUATED IN FRONT OF REGISTERED OFFICE OF THE COMPANY AT KICHHA, DISTT. UDHAM SINGH NAGAR, UTTARAKHAND -263148 TO TRANSACT THE FOLLOWING BUSINESSES: -**

**ORDINARY BUSINESS: -**

**ITEM NO. 1**

**ADOPTION OF FINANCIAL STATEMENTS**

To receive, consider and adopt the Financial Statements for the year ended on 31<sup>st</sup> March, 2021 i.e., the Audited Balance Sheet as at 31<sup>st</sup> March, 2021, Statement of Profit and Loss for the period of 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021 and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2021 together with the Reports of the Board of Directors and the Auditors thereon.

**SPECIAL BUSINESS: -**

**ITEM NO. 2**

**REGULARISATION OF DIRECTOR: MR. RAVIKANT SETH  
(DIN: 09086705)**

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

**“RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Ravikant Seth (DIN: 09086705), who was appointed as Additional Director on February 23, 2021 and in respect of whom the Company has received a notice under Section 160 from him proposing his candidature for the office of Director be and is hereby appointed as Director of the Company liable to retire by rotation.

**RESOLVED FURTHER THAT** Mr. Trilok Singh Martolia, Executive Director or Mr. Saurabh Gupta, Company Secretary of the Company be and is hereby severally authorised to take all such steps as may be necessary, proper and expedient to give complete effect to this resolution including but not limited to filing of necessary form with the office of Registrar of Companies.”

For and on Behalf of the Board  
**KICHHA SUGAR COMPANY LIMITED**

Date: 02/11/2021  
Place: Kichha

Sd/-  
Trilok Singh Martolia  
Executive Director  
DIN 09311718

**Notes:-**

1. **A MEMBER ENTITLED TO ATTEND AND VOTES IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the Meeting. A Proxy Form No. MGT-11 is annexed herewith.
2. Member/Proxy attending the meeting please carry the attendance slip alongwith him with his name and folio number duly filled by him.
3. The particulars of Route Map and prominent landmark for easy search of the location is attached herewith and forming part of the Notice.
4. The Register of Directors and Key Managerial Personnel under Section 170 of the Companies Act, 2013 will remain open and accessible during the meeting and will be available for inspection by the members at the meeting.
5. Members/proxies attending the meeting are requested to bring their copy of the AGM notice to the meeting.
6. Queries proposed to be raised at the AGM may be sent to the company at its registered office at least seven days prior to the date of meeting to enable the management to compile the relevant information to reply the same in the meeting.
7. Members are requested to notify any change in their address, E-mail address, contact numbers, etc. immediately to the company at its registered office.

**Explanatory Statement (Pursuant to Section 102 of the Companies Act, 2013)**

As required by section 102 of the Companies Act, 2013 the following Explanatory statement sets out all material facts relating to the business mentioned as under:

**ITEM NO. 2: -**

Mr. Ravikant Seth, who was appointed as an Additional Director on the Board of the Company w.e.f. 23<sup>rd</sup> February, 2021 holds office as such, upto the date of ensuing Annual General Meeting. In this regard board has recommended the regularization of Mr. Ravikant Seth as Director in forthcoming 49<sup>th</sup> Annual General Meeting.

The Company had received notice in terms of Section 160 of the Companies Act, 2013, from him, proposing his candidature for the office of Director of the Company. It is therefore proposed to recommend, the appointment of Mr. Ravikant Seth as Director on the Board of the Company, liable to retire by rotation, for shareholders' approval, at the ensuing Annual General Meeting of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mr. Ravikant Seth himself is in any way concerned or interested, in the said resolution.

The Board recommends the said resolution to be passed as an ordinary resolution.

CIN: U15421UR1972SGC003513 GSTIN: 05AABCK6699R1ZL  
Contact No. 8392928200 Website: www.kichhasugar.in  
E-Mail: Kichha\_sugar@yahoo.co.in/ sugarkichha@gmail.com**DIRECTOR'S REPORT****To,  
The Members,  
Kichha Sugar Company Limited**

Your directors are pleased in presenting their 49<sup>th</sup> Directors Report on the business and operations of your Company together with the Audited Balance Sheet, Profit & Loss Account, Cash Flow statement and the Auditors' Report of your Company for the financial year ended, 31<sup>st</sup> March, 2021.

The summarized financial results for the year ended 31<sup>st</sup> March, 2021 are as under: -

**FINANCIAL SUMMARY (STANDALONE)**

<b>PARTICULARS</b>	<b>CURRENT YEAR (2020-21)</b>	<b>PREVIOUS YEAR (2019-20)</b>
Total Revenue	154,12,59,571	147,11,02,347
Total Expenses excluding Depreciation	219,21,09,028	202,86,11,577
Profit/(Loss) before Depreciation & Tax	(65,08,49,457)	(55,75,09,230)
Less:- Depreciation	46,04,944	58,43,366
Profit/ (Loss) after Depreciation	(65,54,54,401)	(56,33,52,596)
Less: i) Exceptional items	(79,86,830)	15,17,998
ii) Extraordinary items	(48,09,80,000)	(69,07,00,000)
Profit/(Loss) before tax	(16,64,87,571)	12,58,29,406
<b>Less:- Tax Expense</b>		
-Current Tax	-	1,00,48,829
-Previous year Tax	-	-
-Deferred Tax	-	-
-MAT Credit	-	(1,00,48,829)
C.S.R	-	-
<b>Profit/(Loss) for the Year</b>	<b>(16,64,87,571)</b>	<b>12,58,29,406</b>

**INDUSTRY SCENARIO AND STATE OF COMPANY'S AFFAIRS**

The performance of your Company during F.Y 2020-21 is given above. The financials incorporate the revenues generated by the sale of products.

The Company has closed its books of Accounts for the financial year ended 31<sup>st</sup> of March, 2021 with a loss of Rs. 16,64,87,571/- (Rupees Sixteen Crore Sixty-Four Lacs Eighty-Seven Thousand Five Hundred Seventy-One Only) as compared to the Profit of Rs. 12,58,29,406/- (Rupees Twelve Crore Fifty-Eight Lacs Twenty-Nine Thousand Four Hundred Six Only) for the year ended 31<sup>st</sup> of March, 2020.

Your Company is involved in the business of manufacturing and trading of Sugar and its by-products like molasses, bagasse, press-muds etc.

The Board of Directors has put in lots of efforts on minimizing costs & expenses and trying their best to run the mill at their higher capacity. Your directors are determined to achieve the organizational goals and are continuously striving hard to explore different avenues of further growth for the company. Your directors expect to achieve good results in the coming future.

Your directors are continuously looking for avenues for future growth of the Company, which is promising and has vast potential.

#### **SIGNIFICANT REASONS FOR LOSSES TO THE COMPANY**

During the F.Y. 2020-21, there was a loss of Rs. 65 Crore which inter-alia comprises provisions for interest on Govt. Loan for Rs. 18 crores. Reasons for remaining Cash Loss are Cost of Production is on the higher side and sale price of sugar is on lower side which is Rs. 4021 & Rs. 3041.92 per qtl. respectively. Thus, on production of 4,29,696 qtls. of sugar, loss per qtl. at the rate of Rs. 979.08 per quintal amounting to total Rs. 42.07 Crore cash loss.

#### **CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of the business of the Company during the financial year.

#### **OPERATING RESULTS**

Comparative operating results for the last 10 seasons are given below:

Season	Duration (gross days)	Cane crushed (lac qtl)	Total Sugar Production (in qtl)	Pol %	Average Sugar recovery cane(%)	Sugar losses % cane
2010-11	102	29.33	285190	11.80	9.62	2.19
2011-12	117	34.25	328100	11.64	9.47	2.18
2012-13	120	36.57	337437	11.29	9.17	2.13
2013-14	104	31.80	280480	10.74	8.64	2.11
2014-15	113	36.59	341320	11.29	9.24	2.06
2015-16	101	31.30	303730	11.69	9.63	2.07
2016-17	104	32.47	325150	11.96	9.93	2.03
2017-18	141	44.21	454053	12.33	10.22	2.11
2018-19	144	41.49	443425	12.74	10.70	2.04
2019-20	159	45.59	478283	12.63	10.49	2.15
2020-21	143	39.73	426490	12.74	10.73	2.02

Season	Total Hrs. lost % available	Cane crushing in 24 hrs. including stoppage (qtl)	Cane crushed in 24 Hrs. excluding stoppage (Qtl)	Cane crushed in 22 Hrs. excluding stoppage (Qtl)	Capacity utilization %
2010-11	16.83	29206	35121	32194	73.01
2011-12	14.37	29600	34567	31686	74.00
2012-13	10.25	30692	34200	31350	76.73
2013-14	11.72	30750	34834	31932	76.88
2014-15	7.00	32385	34980	32101	81.32
2015-16	8.70	30991	33886	31062	78.80
2016-17	8.03	31221	33823	31004	79.51
2017-18	9.85	31354	35042	32122	78.95
2018-19	15.60	28810	34286	31428	72.03
2019-20	20.19	28957	36280	33256	72.39
2020-21	16.20	28025	33443	30656	70.06

## **CANE MANAGEMENT**

Daily crushing capacity of your mill is 4000 TCD/Actual 3600 TCD for which 50 lac qtls. sugarcane is required, while 39.73 lac qtls.(Including Khatima) cane was received during the crushing season 2020-21. We expect that 48.00 lac qtls. sugarcane will be available in the next crushing season 2021-22, our plan to cover the shortage of cane, by promoting cane development and extra Satta plan in the reserved area of the mill. Cane Growers who are engaged in farming but not member of Cane Society, are being made member.

## **CANE DEVELOPMENT**

Keeping in view the betterment of cane growers of reserved areas, your Company has always been contributing to the plans of cane development initiated by the Cane Deptt. of State Government. Early & developed variety of cane is being increased.

In relation to this your factory has contributed in following Cane Development Plans: -

### **A. REPLACEMENT OF CANE SEED VARIETY:**

1. Under varietal replacement, during winter & summer sowing early variety cane is used. Early variety cane area has increased to 98 % as against 92.66 % in previous year. Emphasis is being made to increase early variety area to 100% for which meetings with cane growers are being held.
2. 100% transportation charges are born by the Company on cane seed procured from Cane seed research centers.
3. 15% Subsidy is being paid by the Company on pesticides used for cane crop seed & land treatment.
4. Cane Seed transported from 'Karnal' (Haryana) and 'Faridkot' (Punjab) out of State where Cane Research Centre are established & best quality of cane seed is being distributed to growers through the Cane Development Council.
5. Rate difference of cane seed from Research Centre & cane price declared by the Govt., is born by the factory.
6. The facility of Press mud is extended to cane growers on concessional rates.
7. Special incentive on cane sowing: -An incentive in the form of internal transportation charges is provided to cane growers to increase Early Variety Cane sowing for sowing of Early Variety of cane i.e., COJ 85, CO 0238, 0239 and 0118.
8. Soil Testing facility is being made available to the growers with the help of Cane Development Council.

B. The cane growers is being initiated for using of Trench system, cane sowing at a distance of 4-5' for achieving better farming activities, Excess production per Hect. & Better recovery percentage. Under this system, enough cane sowing is made during the last year & a plan is being made about sowing of cane in most of the agricultural area by adopting this system.

### **C. ESTABLISHMENT OF CANE SEED FARM AT FACTORY SITE:**

A small farm of 12.000 Hect. in mill campus has been developed to multiply the approved varieties of cane brought from Cane Research Centres. During the year, Co- 0238 variety is sowed in the Farm.

Our plan is to produce & distribute the following early variety cane seeds to the cane growers:-

Co. P.B. 91, 92, 94, 95, 96, 98, Co. 12029, 13035, 15023, Co. L.K. 11203, 14201 and Cos. 13235.

## **DIVIDEND**

The directors feel regret to report that, due to accumulated losses your directors do not recommend any dividend for the financial year ended March 31, 2021.



## **CAPITAL STRUCTURE**

During the year under review there has been no changes in the share capital of the company.

### **Authorized Share Capital:**

Authorized Share Capital of your Company remained Rs. 2030.00 Lacs comprising of 3000-9% (Free of Company's Tax but subject to deduction of Tax at source) redeemable cumulative Preference Shares of the face value of Rs. 1000/- each and 20,00,000 Equity Shares of the face value of Rs. 100/- each.

### **Issued Share Capital:**

Issued Share Capital of your Company remained Rs. 18,40,63,500 & divided into 18,40,635 Equity Shares of face value of Rs. 100/- each.

### **Subscribed Share Capital :**

Subscribed Share Capital of your Company remained Rs. 17,99,04,200/- and divided into 17,99,042 Equity Shares of face value of Rs. 100/- each.

### **Paid up Share Capital:**

Paid up share capital of your Company also remained Rs. 17,98,64,300/- and divided into 17,98,643 Equity Share of face value of Rs. 100/- each.

During the Financial Year, 97.49% of Share Capital of your company continued to be held by Hon'ble Governor of Uttarakhand. As such, the Company continued to be a Government Company within the meaning of Section 394 of The Companies Act, 2013.

## **ENVIRONMENTAL PROTECTION**

Your factory has adequate environmental protection arrangement. According to norms of Environment Control Board, we have installed Wet Scrubber, Tertiary Treatment Plant & online monitoring system with the Govt. financial assistance of Rs. 3.07 crore. The system successfully operated during the crushing season 2016-17 to 2020-21.

Factory is running in such a manner that no noise arises of such a nature which adversely affect inside the factory & also factory colony or public life.

## **RIGHT TO INFORMATION ACT, 2005**

Provision of RTI Act is being followed by the Company. During the year under review, Company has received applications under RTI Act and all applications received, have been disposed off as at 31.03.21.

## **INDUSTRIAL RELATIONS**

During the year 2020-21, relations between management & workers remained cordial and harmonious, resulting in successful completion of crushing season.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The day-to-day management of the Company is entrusted to its key managerial personnel who operate under the superintendence, direction and control of the Board. The Board reviews and approves strategy and oversees the actions and performance of the Management to ensure that the long-term objective of enhancing stakeholder's value is met.

Your Company's Board comprises of the following Directors and KMP's:

S.No.	Name	Designation	DIN / PAN
1.	Shri Harbans Singh Chugh	Chairman	08539127
2.	Shri Udayraj Singh	Director	07205715
3.	Shri Trilok Singh	Whole- Time Director (Executive Director)	09311718
4.	Shri Ravikant Seth	Additional Director	09086705
5.	Shri Dinesh Chandra Pandey	Chief Financial Officer	AIGPP5465J
6.	Shri Saurabh Gupta	Company Secretary	BFZPG3786A

Following changes have occurred during the Financial year 2020-2021 in Board of Directors and KMP's :-

1. Mr. Harbansh Singh Chugh (Chairman) -Cessation due to Nomination withdrawn by the Government of Uttarakhand w.e.f. 05/08/2020;
2. Mr. Chandresh Kumar Yadav (Change in Designation -from Director to Chairman cum Director) – w.e.f. 05/08/2020;
3. Mr. Saurabh Gupta (ACS) appointed as Company Secretary of the Company w.e.f. 12/10/2020;
4. Mr. Rajkumar being Chief Financial Officer has put his resignation w.e.f. 30/11/2020;
5. Mr. Dinesh Chandra Pandey (In-charge Chief Engineer) appointed as Chief Financial Officer of the Company w.e.f. 01/12/2020; and
6. Mr. Ravi Kant Seth appointed as Additional Director in the Company w.e.f. 23/02/2021.
7. Mr. Sarvdaman Singh -Cessation due to death w.e.f 27/01/2021.

At this Annual General Meeting Mr. Ravi Kant Seth, Director of the Company retires by rotation and being eligible offers himself for reappointment at the ensuing Annual General Meeting.

#### **MEETINGS OF THE BOARD OF DIRECTORS**

The Board of Directors of the Company met '2' times during the year under review on 28.10.2020, and 23.02.2021 in respect of which proper notices were given and the proceedings were properly recorded, signed and maintained in the minute's book kept by the Company for the purpose. The intervening period between two Board Meetings till 28.10.2020 were not within the maximum time gap of One Hundred twenty days prescribed under the Companies Act, 2013 due to Covid pandemic, but after that maximum time gap between two Board Meeting have been observed properly.

#### **INDEPENDENT DIRECTORS**

As per Section 149(4) your Company is required to appoint at least 2 nos. of independent directors in the Board. Now your company do not have any independent director in the Board. Your company striving hard to put this matter in the agenda of Board meeting so that proper appointments will be made. This matter was put up before the board at their meeting held on 23<sup>rd</sup> February, 2021 but board deferred this agenda for the next Board meeting.

## **COMMITTEES OF THE BOARD OF DIRECTORS OF THE COMPANY**

For effective and efficient functioning of the Company, the Board of Directors has constituted the following Committees:

### **1) Audit Committee: -**

Your company is a government company and due to this some of the provisions of Section 177 of the Companies Act, 2013 are not applicable to your Company. Further, due to lack of appointment of independent directors in the board it was not possible for the company to constitute Audit committee.

### **2) Nomination and Remuneration Committee: -**

As already discussed, your company is a government company and due to MCA notification dated 05<sup>th</sup> June, 2015 some of the provisions of Section 178 are not applicable to your company. The Company considers human resources as its invaluable assets. Your company has not constituted Nomination and remuneration Committee in terms of the provisions of the Companies Act, 2013 due to lack of independent directors in the board.

## **MEETINGS OF THE MEMBERS**

The 48<sup>th</sup> Annual General Meeting of the Company for the financial year 2019-20 was held on Tuesday, 29<sup>th</sup> December 2020 at 11:00 A.M. at the registered office of the Company at Kichha, Udham Singh Nagar, Uttarakhand – 263148.

## **PARTICULARS OF THE EXTRA-ORDINARY GENERAL MEETING OF THE COMPANY HELD DURING THE YEAR**

During the year under review no Extra-ordinary general meeting has been held.

## **COST AUDIT**

The Directors have appointed M/s. Satnam Singh Saggu, Cost Accountant as the Cost Auditors to audit the accounts relating to manufacturing of Sugar for the financial year ending March 31, 2021.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

During the year under review, there are no particulars of loans, guarantees or investments made under section 186 of the Companies Act, 2013

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

After the Closure of Financial year and before the signing of this report, following changes have occurred in the board: -

1. Cessation of Shri Chandresh Kumar Yadav – Chairman -cum-Director w.e.f 31/07/2021
2. Appointment of Shri Pankaj Kumar Pandey -Chairman -cum-Director w.e.f. 16/08/2021
3. Appointment of Shri Udayraj Singh – Nominee Director w.e.f 16/08/2021
4. Cessation of Smt. Ruchi Mohan Rayal -Executive Director w.e.f. 24/08/2021
5. Appointment of Shri Trilok Singh Martolia -Wholetime director (Executive Director) w.e.f 24/08/2021
6. Cessation of Shri Pankaj Kumar Pandey w.e.f 27/08/2021
7. Appointment of Shri Harbans Singh Chugh as Chairman -cum-Director w.e.f 10/09/2021

Except that there has not been any material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

#### **PARTICULARS OF CONTRACTS OR ARRANGMENTS MADE WITH THE RELATED PARTIES**

Company has not entered into any related party transaction which is to be covered under Section 188 of the Companies Act, 2013.

#### **STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE, ITS DIRECTORS, AND THAT OF ITS COMMITTEES**

As the paid share capital of your Company is less than Rs. 25 Crore, the Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance, its Director's and that of its Committees is not applicable on your Company.

#### **DISCLOSURE OF REMUNERATION OF EMPLOYEES COVERED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

None of the employee of your Company, who was employed throughout the financial year, was in receipt of remuneration in aggregate of One Crore two lakh rupees or more or if employed for the part of the financial year was in receipt of remuneration of eight lakh and fifty thousand rupees or more per month.

#### **DETAILS OF THE SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE**

No such kind of orders has been passed by the regulators or courts or tribunals during the financial year 2020-21.

#### **NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES**

During the year under review, there is no Subsidiary, Joint Venture or Associate Company.

#### **DEPOSITS**

The Company has not accepted any deposits under the applicable provisions of the Companies Act, 2013 and the rules framed there under.

#### **AUDITORS**

Under Section 139 of the Companies Act, 2013, Comptroller & Auditor General of India vide their appointment letter dated 11/09/2020 have appointed M/s. Sharda & Sharda LLP, Chartered Accountants, Haldwani, to conduct the statutory audit of Annual Accounts of the company for the F.Y. ended on 31st March, 2021.

#### **AUDITORS' REPORT**

Statutory Auditor in their report has made qualified opinion in following words:

*The Company's inventories are carried in the balance Sheet at Rs. 161,16,34,797. The management has been unable to provide proper justification of stock valued at lower amount due to leakage reported. This has resulted in understatement of stock by Rs. 45,19,020.*

## Management's Reply:

Management has reported to the Board that molasses of season 2019-20 of this factory has been kept into the tank of Sitarganj Sugar Factory due to shortage of space in Kicha Sugar Company's molasses storage tank. But unfortunately, it has been brought to the light of management that on 13<sup>th</sup> January 2021, 8,216.40 Quintal of molasses has been leaked from the delivery pipe line/ valve of storage tank no. 1.

In this regard Uttarakhand Sugars has constituted a committee of 2 persons for investigation into the said matter and after inquiry charge sheets are issued to 3 alleged persons to provide justification into the matter.

So, until final report of the inquiry is awaited, considering the value of said leaked molasses in valuation of inventories would be unreasonable. Henceforth stock is understated by the value of leaked molasses. After completion of inquiry necessary action will be taken by management accordingly.

Except that there is no qualification, reservation or adverse remarks or disclaimer made by Statutory auditors in their report.

## **SECRETARIAL AUDIT REPORT**

The requirement of obtaining a Secretarial Audit Report from the Practicing Company Secretary is not applicable to the Company.

## **SECRETARIAL STANDARDS**

Your Company have adopted Secretarial Standard-1 (Board Meeting) and Secretarial Standards-2 (General Meetings) (together referred to as the Secretarial Standards) w.e.f **1st July, 2015** as approved by the Central Government and issued by the Institute of Company Secretaries of India (ICSI) under the provisions of Section 118(10) of the Companies Act, 2013 (the Act), vide ICSI Notification No. 1 (SS) of 2015 dated April 23rd, 2015 and published in the Gazette of India Extraordinary Part III - Section 4.

## **CORPORATE SOCIAL RESPONSIBILITY**

Today, businesses have an extended set of stakeholders – local communities, social organizations and the society in general with the ability to influence the future of business. The stakeholders have ethical, social and environmental expectations that extend beyond financial goals and legal expectations – implicit social contracts that enterprise must honor. We believe that these social covenants are fundamental to nurturing stakeholder trust and ensuring business continuity.

You Company believes that Corporate Social Responsibility (CSR) is about the integration of social, environmental and economic considerations into the decision – making structures and processes of business. It is about using innovation to find creative and value- added solutions and societal and environmental challenges. It is about engaging shareholder and other stakeholders and collaborating with them to more effectively manage potential risks and build credibility and trust in society. Ultimately, it is about delivering improved shareholder value, providing enhanced services, building trust and credibility in the society in which the business operates, and becoming more sustainable over the longer term.

As per the provisions of Section 135 of the Companies Act, 2013, read with rules framed there under, every company including its holding or subsidiary and a foreign company, which fulfills the criteria specified in sub-section (1) of section 135 of the Act shall comply with the provisions of Section 135 of the Act and its rules.

Since the Company is falling under criteria specified in sub-section (1) of section 135 of the Act, your board of directors have approved a Corporate Social Responsibility ("CSR") Policy at their meeting held on 23<sup>rd</sup> February, 2021 and vested the duties & functions of **CSR committee\*** in the entire board of directors.

Subject to the Ministry of Corporate Affairs Notification dated 28th September, 2020 attention has been drawn on **\*any reference of 'CSR Committee' in this policy shall be discharged by entire Board of Directors of the company until any CSR Committee of the board has not been constituted for the purpose.**

Ministry of Corporate Affairs vide their notification dated 28th September, 2020 related to Companies (Amendment) Act, 2020 have inserted following Sub-section (9) in Section 135 of the Companies Act, 2013:

*"(9) Where the amount to be spent by a company under sub-section (5) does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company."*

Your Company falls under the abovementioned criteria and thus entire Board of Directors shall ensure operating system and monitoring mechanism for development and implementation of CSR activities.

For the Financial year 2020-21 company have average net loss of Rs. 11,24,30,152 (Average of F.Y. 2017-18, 2018-19 & 2019-20). It means there is no amount required to be contributed towards CSR during the F.Y. 2020-21.

Detailed policy of Corporate Social Responsibility ("CSR") as per section 135 of companies Act, 2013 was framed in the financial year 2020-2021 and the same is available at Company's website [www.kichhasugar.in](http://www.kichhasugar.in) for public viewing.

An annual report on detailed CSR activities forming part of this report is annexed as **ANNEXURE-A**.

### **HEALTH & SAFETY**

The management has identified measures for health and safety in all its operations as a key business imperative. The health initiatives have a special focus on the health of women employees. These are designed to provide an injury – free working environment for a healthy and happy workplace.

### **VIGIL MECHANISM**

The provisions regarding vigil mechanism as provided in Section 177(9) of the Companies Act, 2013 read with rules framed there under are applicable on your Company but due to non-appointment of independent directors in the board this mechanism is not functional.

### **INTERNAL CONTROL SYSTEMS**

The Company's internal control systems are adequate and commensurate with the nature and size of the Company and it ensures:

- Timely and accurate financial reporting in accordance with applicable accounting standards.
- Optimum utilization, efficient monitoring, timely maintenance and safety of its assets.
- Compliance with applicable laws, regulations and management policies.

## **HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS**

The Company is pleased to report that during the year under reporting, the industrial relations were cordial.

The Company continues to take new initiatives to further align its HR Policies to meet the growing needs of its business. People development continues to be a key focus area in your Company.

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

Since your company is engaged in the manufacturing activity, information required to be provided under the provisions of Section 134(3)(m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption and foreign exchange earnings and outgo, have been furnished in considering the nature of activities undertaken by the company during the year under review. The **ANNEXURE-B** is attached herewith with regard to the Conservation of Energy and Technology Absorption.

## **LIQUIDITY**

Your Company maintains sufficient cash to meet our strategic objectives. We clearly understand that the liquidity in the Balance Sheet is to ensure balance between earning adequate returns and the need to cover financial and business risks. Liquidity also enables your Company to position itself for quick responses to market dynamics.

## **CORPORATE GOVERNANCE**

The Company follows a good governance structure that specifies the distribution of rights and responsibilities among different participants in the organizations (such as the Board of Directors, managers, shareholders, creditors, auditors and other stakeholders) and specifies the rules and procedures for making decisions in corporate affairs. The structure allows the organization to pursue its objectives together with the alignment of interests of the stakeholders.

The Corporate Governance Philosophy of your Company stems from its belief that the Company's business strategy, plans and decisions should be consistent with the welfare of all its stakeholders, including Shareholders, Good Corporate Governance practices enable a Company to attract financial and human capital and leverage these resources to maximize long-term shareholder value, while preserving the interests of multiple stake holders, including the society at large.

Your Company has laid strong foundation for making Corporate Governance a way of life by constituting a Board with a balanced mix of professionals of eminence, inducting competent professionals across the organization and putting in place appropriate system, process and technology.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, it is hereby confirmed:

- a) that in the preparation of the annual accounts for the period ended 31.03.2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit or loss of the Company for the period ended 31.03.2021;

- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) that the Directors had prepared the annual accounts on a going concern basis and
- e) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **ACKNOWLEDGEMENT**

Your Board takes this opportunity to place on record their appreciation for the dedication and commitment of employees shown at all levels. Your Board also wishes to place on record its appreciation for the services rendered by its auditor, consultants and business partners. Your directors' wishes to express their gratitude for the valuable support and co-operation received from the Central and State Government Authorities and place on record its sincere thanks to all the stakeholders including Bankers, Financial Institutions, Investors, Service Providers as well as regulatory and government authorities for extending support and placing their faith and trust on the Board.

Place: Kichha  
Date: 01/11/2021

On behalf of the Board  
**KICHHA SUGAR COMPANY LIMITED**

Sd/-  
Trilok Singh Martolia  
(Executive Director)  
DIN: 09311718

Sd/-  
Harbans Singh Chugh  
(Chairman)  
DIN: 08539127



ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2021

**1. Brief outline on CSR Policy of the Company:**

The Board of Directors (Board) adopted the CSR Policy (Policy) on February 23, 2021 which is available on the Company's website. The Company's CSR is in alignment with the Kichha Sugar Company Limited focus initiatives – Education, Water, Health, and Sanitation.

**2. Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Harbans Singh Chugh	Chairman	-	-
2.	Shri Udayraj Singh	Nominee Director	-	-
3.	Shri Trilok Singh Martolia	Whole time Director	-	-
4.	Shri Ravikant Seth	Additional Director	-	-

*Note:- Subject to the Ministry of Corporate Affairs Notification dated 28th September, 2020 attention has been drawn on any reference of 'CSR Committee' in this annual return/policy shall be discharged by entire Board of Directors of the company until any CSR Committee of the board has not been constituted for the purpose.*

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. - [kichhasugar.in](http://kichhasugar.in)
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). -**Not Applicable**

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	NIL	NIL	NIL
2	NIL	NIL	NIL
	<b>TOTAL</b>	NIL	NIL

6. Average net profit of the company as per section 135(5). - **Loss of Rs. 11,24,30,152**

7. (a) Two percent of average net profit of the company as per section 135(5): NIL  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: NIL  
 (c) Amount required to be set off for the financial year, if any: NIL  
 (d) Total CSR obligation for the financial year (7a+7b- 7c). NIL

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)		
	Total Amount Unspent transferred to CSR Account as per section 135(6).	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).	
NIL	Amount.	Name of the Fund	Amount.
	NA	NIL	NIL
	Date of transfer.	Date of transfer.	
	NA	NIL	NIL

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

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Project duration.	(7) Amount allocated for the project (in Rs.).	(8) Amount spent in the current financial Year (in Rs.).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	(10) Mode of Implementation- Direct (Yes/No).	(11) Mode of Implementation – Through Agency	
				State	District						Name	CSR Registration number.
1.	-	-	-	-	-	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-	-	-	-	-	-
	<b>TOTAL</b>	-	-	-	-	-	-	-	-	-	-	-

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation – Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	NIL	-	-	-	-	-	-	-	-
2.	NIL	-	-	-	-	-	-	-	-
	<b>TOTAL</b>	-	-	-	-	-	-	-	-

- (d) Amount spent in Administrative Overheads - NIL  
(e) Amount spent on Impact Assessment, if applicable - NA  
(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - NA  
(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per Section 135(5)	-22,48,603
(ii)	Total amount spent for the Financial Year	0
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	NA	NIL	NIL	-	-	-	
2.	NA	NIL	NIL	-	-	-	
	<b>TOTAL</b>	NIL	NIL	-	-	-	

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details).

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

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). NA

Sd/-  
Trilok Singh Martolia  
(Executive Director)  
DIN: 09311718

Sd/-  
Harbans Singh Chugh  
(Chairman)  
DIN: 08539127

**ANNEXURE -B OF DIRECTORS' REPORT TO THE MEMBERS**

**Form for disclosure of particulars with respect to conservation of energy, technology absorption & foreign earning & outgo.**

**(A) Conservation of Energy- Following equipment have been installed to conserve the energy: -**

1. Vapour Line Juice Heater for boiling of Raw Juice.
2. Condensate Flash Recovery
3. Double effect Semi Kestner with pre-evaporator.

**FORM - A**

Particulars	Financial year 2020-21	Financial year 2019-20
<b>Power &amp; Fuel consumption:</b>		
<b>A. Electricity:</b>		
Purchased Unit	16,78,480	14,837,42
Total amount (in Rs.)	1,13,51,872	1,00,29,803
Rate/unit (in Rs.)	6.76	6.76
<b>B. Own Generation:</b>		
i) Units produced through Diesel Generator	62,400	37,720
Units produced by per Ltr. of Diesel	4.00	4.00
Cost per unit	17.61	14.93
ii) Units produced through Steam Turbine	1,09,27,234	1,24,05,740
Unit per Ltr. Gas/Oil	-	-
Units produced per Tonne Bagasse	85.60	86
Cost per unit	22.97	17.50
iii) Coal	-	-
Quantity (Tonnes)	-	-
Total cost (in Rs.)	-	-
Average Rate (in Rs.)	-	-
iv) Other Internal Generation	-	-
Units	-	-
Rate/unit	-	-
<b>Power consumed on Generation of per unit:</b>	-	-
Standard, if any.		
<b>Power consumed on per qtl. Sugar production:</b>		
Electricity (Units) Hydel	3.90/ctl.sugar	3.15/ctl.sugar
Coal	-	-
Other -From Diesel (DG set)	0.15/ctl. sugar	0.08/ctl. sugar
From Bagasse (Tonne)(Steam Turbine)	25.43/ctl.sugar	26.36/ctl.sugar

**(B) Technology Absorption -**

-

**FORM B**

**Form for disclosure of particulars with respect to absorption**

**Research & Development:**

- |                                   |     |
|-----------------------------------|-----|
| 1. Areas in which R & D work done | Nil |
| 2. Profit by R & D work           | Nil |
| 3. Expenditure on R & D           | Nil |

**(C) Receipt & Expenditure of Foreign Currency**

- |                                    |     |
|------------------------------------|-----|
| 1. Earned Foreign Currency         | Nil |
| 2. Expenditure of Foreign currency | Nil |

Sd/-  
(Saurabh Gupta)  
C.S.

Sd/-  
(D. C. Pandey)  
Inc. Ch. Er.

Sd/-  
(S. K. Mishra)  
Ch. Chem.

Sd/-  
(Trilok Singh Martolia)  
Executive Director

Sd/-  
(Harbans Singh Chugh)  
Chairman

## INDEPENDENT AUDITORS' REPORT

To the Members of Kichha Sugar Company Limited

### Report on the Audit of Financial Statements

#### Qualified Opinion

We have audited the accompanying financial statements of **Kichha Sugar Company Limited** ("the Company"), which comprise the Balance Sheet as at **31 March 2021**, the Statement of Profit and Loss and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the 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, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and its profit/loss and its cash flows for the year ended on that date.

#### Basis of Qualified Opinion

The company's inventories are carried in the Balance sheet at Rs.161,16,34,797. The management has been unable to provide proper justification of stock valued at lower amount due to leakage reported. This has resulted in understatement of stock by Rs. 45,19,020. Our responsibilities are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the

Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

#### Key Audit Matters

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

Our opinion is not modified in respect of this matter.

#### Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility 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 standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



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

### **Management's responsibility for the financial statements**

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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.

The board of directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

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

We also provide those charged with governance with a statement that we have 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the





circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
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 purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The balance sheet, and the statement of profit and loss dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the



Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company does not have any pending litigations which would impact its financial position;
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

For Sharda & Sharda LLP

Firm's Registration No. – 005629C/C400002

Chartered Accountants

*Mohak Sharda*

Per Mohak Sharda

Partner

Membership No. 523012

UDIN: 21523012AAAAP05895



Haldwani

NOV 01, 2021

# ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Report on the Companies (Auditor's Report) Order, 2016 ("the Order"), with reference to aforesaid standalone financial statements, in terms of Section 143(11) of the Companies Act, 2013 ("the Act")

With reference to the Annexure referred to in the Independent Auditors' Report to the Members of the Company on the standalone financial statements for the year ended 31 March 2021, we report the following:

1) In respect to the Company's fixed assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner, over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and the records examined by us including registered title deeds, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

- 2) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
- 3) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the order is not applicable.
- 4) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or given any security or made any investment to which the provisions of section 185 & 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the order is not applicable.



- 5) According to information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by Reserve Bank of India, provisions of Sections 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- 6) The Company has complied with the Provisions of section 148(1) of the Act, with respect to maintenance of cost records.
- 7) In respect of statutory dues:
- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax which have not been deposited on account of any dispute. Details of dues of Provident Fund which have not been deposited as on March 31, 2021 on account of disputes, refer to our separate table in "Annexure C";
- 8) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or dues to debenture holders. However, the company has defaulted in loan repayment of Uttarakhand Government, the period and amount of default refer to our separate table in "Annexure D".
- 9) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- 10) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- 11) The company is a Govt. company, 97% of its shares are held by Uttarakhand government, therefore paragraph 3(xi) of the Order is not applicable.



- 12) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- 13) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- 14) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon
- 15) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- 16) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.



# 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 **Kichha Sugar Company Limited** ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's 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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject

to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company does not appear to have effective control policies or procedures in place that provide management with reasonable assurance of meeting control objective as at **31 March 2021**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



## ANNEXURE – C TO THE AUDITORS' REPORT

Report on the Companies (Auditor's Report) Order, 2016 ("the Order"), with reference to aforesaid standalone financial statements, in terms of Section 143(11) of the Companies Act, 2013 ("the Act") Point 7 Clause (c)

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (Rs.)	Remarks
Central Excise Act, 1944	Excise Duty	Hon'ble High Court of Uttarakhand	January 2005 to March 2008	96,81,536	Tribunal has decided the case in favour of Kichha Sugar Company Ltd. And the Department as preferred an appeal.
Central Excise Act, 1944	Excise Duty	Hon'ble High Court of Uttarakhand	October, 2013 to August, 2014	28,28,750	Tribunal has decided the case in favour of Kichha Sugar Company Ltd. And the Department as preferred an appeal.
Central Excise Act, 1944	Excise Duty	Hon'ble High Court of Uttarakhand	10.05.2008 to 31.03.2009 and 01.04.2011 to 31.03.2012	29,99,672	Tribunal has decided the case in favour of Kichha Sugar Company Ltd. And the Department as preferred an appeal.
Central Excise Act, 1944	Excise Duty	Hon'ble High Court of Uttarakhand	February 2013 to/ September 2013	12,52,998	Tribunal has decided the case in favour of Kichha Sugar Company Ltd. And the Department as preferred an appeal.





Central Excise Act, 1944	Excise Duty	Custom Excise and Service Tax Appellate Tribunal (CESTAT), Delhi	Sep. 2014 to May, 2015	6,82,672	The Commissioner (Appeals) Central Excise, Meerut-1 has rejected the appeal. Against this order the company has appealed to higher forum.
Central Excise Act, 1944	Excise Duty	Custom Excise and Service Tax Appellate Tribunal (CESTAT), Delhi	June, 2015 to March, 2016	24,45,172	The Commissioner (Appeals) Central Excise, Meerut-1 has rejected the appeal. Against this order the company has appealed to higher forum.
The Employee's Provident Fund and Miscellaneous Act, 1952	Provident Fund	Hon'ble High Court of Uttarakhand	May 2007 to Apr. 2008	14,81,409	The company is in appeal against the order of Employees Provident fund Tribunal New Delhi.
The Employee's Provident Fund and Miscellaneous Act, 1952	Provident Fund	Hon'ble High Court of Uttarakhand	Sep 2008 to Apr 2011	1,45,124	The company is in appeal against the order of Employees Provident fund Tribunal New Delhi.
The Employee's Provident Fund and Miscellaneous Act, 1952	Provident Fund	Central Govt. Industrial Tribunal Lucknow.	Retaining Allowance off seasons 2017 late payment	14,55,087	The company is in appeal against the order of Regional P.F. Commissioner Haldwani.



## ANNEXURE – D TO THE AUDITORS’ REPORT

Report on the Companies (Auditor’s Report) Order, 2016 (“the Order”), with reference to aforesaid standalone financial statements, in terms of Section 143(11) of the Companies Act, 2013 (“the Act”) Point 8

Particulars	Year of Loan	Amount of default as at 31 <sup>st</sup> March 2021	Period of default
1) Uttarakhand Government	2002-03	75,00,000	18 years
	2003-04	15,22,00,000	17 years
	2007-08	10,09,70,000	13 years
	2008-09	7,70,75,323	12 years
	2012-13	22,68,23,000	8 years
	2013-14	40,30,46,000	7 years
	2014-15	11,55,55,000	7 years
	2015-16	8,00,00,000	6 years
<b>Total</b>		<b>1,16,31,69,323</b>	



**KICHHA SUGAR COMPANY LIMITED**  
**KICHHA, U.S. NAGAR, UTTARAKHAND**  
**CIN: U15421UR1972SGC003513**  
**BALANCE SHEET AS AT 31ST MARCH, 2021**

(Amount in ₹)

Particulars	Notes	As at 31.03.2021	As at 31.03.2020
		₹	₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	1798,64,300	1798,64,300
(b) Reserves and Surplus			
(i) Other Reserve			
Molasses Storage Facilities Reserve Fund	2	16,94,737	15,80,110
(ii) Profit and loss Account	2.1	(31466,04,770)	(29801,17,200)
(c) Money received against Share Warrants		-	-
<b>(2) Share Application Money Pending Allotment</b>		-	39,900
<b>(3) Non Current Liabilities</b>			
Long Terms Borrowings	3	300,00,000	300,00,000
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings	4	9085,28,308	9054,75,991
(b) Trade Payables	5	5301,73,611	6648,41,803
(c) Other Current Liabilities	6	31600,55,161	29791,02,939
(d) Short-Term Provisions	7	905,10,600	841,66,702
<b>Total Equity &amp; Liabilities</b>		<b>17542,21,947</b>	<b>18649,54,545</b>
<b>II. ASSETS</b>			
<b>(a) Property, Plant &amp; Equipment</b>			
(i) Tangible Assets	8	331,15,766	369,52,831
(ii) Intangible Assets			
(iii) Capital WIP			
(iv) Intangible Assets under development			
<b>(b) Non Current Investments</b>	9	2,000	2,000
<b>(2) Current Assets</b>			
(a) Inventories	10	16116,34,797	17173,46,477
(b) Trade receivables	11	43,18,433	47,20,659
(c) Cash and cash equivalents	12	707,79,191	758,11,392
(d) Short-term loans and advances	-	-	-
(e) Other current assets	13	343,71,760	301,21,186
<b>Total Assets</b>		<b>17542,21,947</b>	<b>18649,54,545</b>

Significant Accounting Policies and Notes to Accounts  
 (Notes attached there to form an integral part of Balance Sheet)

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For and on behalf of Board KICHHA SUGAR COMPANY LTD  
 CIN: U15421UR1972SGC003513



(D.C. Pandey)  
 C.F.O.

PAN: AIGPP5465J



(Saurabh Gupta)  
 COMPANY SECRETARY  
 PAN: BFZPG3786A



(Trilok Singh Martolia)  
 EXECUTIVE DIRECTOR  
 DIN: 09311718



(HARBANS SINGH CHUGH)  
 CHAIRMAN  
 DIN: 08539127

As per our Report of even date attached herewith.

PLACE: KICHHA

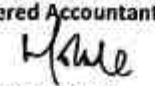
PLACE: DEHRADUN

FOR SHARDA & SHARDA LLP  
 Firm Reg. No: 005629C/C400002

Dated: 01-11-2021

Dated: 01-11-2021

Chartered Accountants

  
 per Mohak Sharda  
 Partner

Membership No. 523012

UDIN: 21523012 AAAA PQ5695



KICHHA

Dated: NOV 01, 2021

# KICHHA SUGAR COMPANY LIMITED

KICHHA, U.S. NAGAR, UTTARAKHAND

CIN: U15421UR1972SGC003513

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2021

(Amount in ₹)

Sr. No	Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
I	Revenue from operations	14	15051,99,741	14539,21,954
II	Other Income	15	360,59,830	171,80,393
III	<b>III. Total Revenue (I +II)</b>		<b>15412,59,571</b>	<b>14711,02,347</b>
IV	<b>Expenses:</b>			
	Cost of materials consumed	16	14325,50,016	15798,57,409
	Changes in inventories of finished goods and work-in-progress	17	1073,68,333	(1756,41,295)
	Employee Benefit Expenses	18	2975,41,344	2876,40,710
	Financial Costs	19	2673,51,242	2604,10,422
	Depreciation and Amortization Expenses	20	46,04,944	58,43,366
	Other Expenses	21	872,98,093	763,44,332
	<b>Total Expenses (IV)</b>		<b>21967,13,972</b>	<b>20344,54,943</b>
V	Profit / (Loss) before exceptional and extraordinary items and tax		(6554,54,401)	(5633,52,596)
VI	Exceptional Items -net expenses	22	(79,86,830)	15,17,998
VII	Profit / (Loss) before extraordinary items and tax (V - VI)		(6474,67,571)	(5648,70,594)
VIII	Extraordinary Items	23	4809,80,000	6907,00,000
IX	Profit/(Loss) before tax (VII - VIII)		(1664,87,571)	1258,29,406
X	<b>Tax expense:</b>			
	(1) Current tax		-	100,48,829
	(2) Earlier year tax adjustment		-	-
	(3) Deferred tax		-	-
	(4) MAT Credit		-	(100,48,829)
XI	Profit(Loss) from the period from continuing operations (IX-X)		(1664,87,571)	1258,29,406
XII	Earning per equity share:			
	(1) Basic (Amount in Rs.)		(93)	70

Significant Accounting Policies and Notes to Accounts

(Notes attached there to form an integral part of Profit and Loss Account)

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For and on behalf of Board KICHHA SUGAR COMPANY LTD

CIN: U15421UR1972SGC003513

  
(D.C. Pardey)  
C.F.O.  
PAN: AIGPP5465J

  
(Saurabh Gupta)  
COMPANY SECRETARY  
PAN: BF2PG3786A

  
(Trilok Singh (Mastolla))  
EXECUTIVE DIRECTOR  
DIN:09311718

  
(HARBANS SINGH CHUGH)  
CHAIRMAN  
DIN:08539127

As per our Report of even date attached herewith.

PLACE: KICHHA

PLACE: DEHRADUN

FOR SHARDA & SHARDA LLP  
Firm Reg. No: 005629C/C400002  
Chartered Accountants

DATED: 01-11-2021

DATED: 01-11-2021

  
per Mohak Sharda  
Partner

Membership No. 523012

UDIN:  21023012 AAAA-PQ5695



KICHHA  
Dated: NOV 01, 2021

## Cash Flow Statement for the year ended 31st March, 2021

(Amount in ₹)

PARTICULARS	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax as per statement of Profit & Loss A/c	(6474,67,571)	(5648,70,594)
Adjusted for Non Cash Costs:		
Interest on Loans from Govt. of Uttarakhand	1835,09,415	1835,09,415
Depreciation	46,04,944	58,43,366
Excess Provision of Gratuity of Prior year	-	-
Molasses Storage Reserve	1,14,627	1,11,055
Provision for Govt. Guarantee fee	(9,65,420)	86,91,879
Provision for Gratuity premium	222,84,506	186,99,024
Provision for officials of factory	59,97,032	51,40,381
Provision for Society & Council Commission	-	2155,45,104
Short Term Provision for Selling Commission & Damages	-	-
Receivable and write back (529645+534576+94310)	-	2219,95,121
<b>Operating Profit before Working Capital Changes</b>	<b>(4319,22,466)</b>	<b>(3428,75,473)</b>
Increase in Inventories of finished goods, & WIP & Stores & spares.	1057,11,679	(1731,64,911)
Increase in Trade receivable (2018-19 Decrease)	4,02,226	(21,57,055)
Increase in other current assets	(42,50,574)	(104,36,412)
Increase in other current liability	74,51,736	(34,78,374)
Decrease in Trade payables (2018-19 Increase)	(1346,68,192)	(3937,92,567)
Decrease in Short Term Provision of Gratuity Society & Council Commission, Arrear of officials.	(209,72,221)	(463,25,345)
<b>Operating profit before tax</b>	<b>(4782,47,810)</b>	<b>(537,45,884)</b>
Taxes Paid	(100,48,829)	-
<b>Net cash flow from operating profit</b>	<b>(4882,96,639)</b>	<b>(9796,52,475)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
(Purchase)/Sale of fixed Assets	(7,67,879)	6,30,341
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Subsidy received from Govt. of U.K. For cane price	4809,80,000	6907,00,000
Loan received from Govt. Of U.K. For payment of salary and retaining allowance.	-	-
Increase in Cash Credit Limit	30,52,317	3303,24,072
Term Loan from U.S.N.D.C.B. For cane price	-	-
Term Loan repaid to U.S.N.D.C.B.	-	4840,32,317
Net Decrease in Cash & Cash Equivalents	(50,32,201)	(221,00,000)
<b>Opening balance of cash or cash Equivalents</b>	<b>758,11,392</b>	<b>558,09,454</b>
<b>Closing balance of cash or cash Equivalents</b>	<b>707,79,191</b>	<b>758,11,392</b>
Significant Accounting Policies and Notes to Accounts (Notes attached there to form an integral part of Profit and Loss Account)	23	0

(D.C. Pardey)  
C.F.O.

(Saurabh Gupta)  
COMPANY SECRETARY

(Trilok Singh Martolia)  
EXECUTIVE DIRECTOR

(HARBANS SINGH CHUGH)  
CHAIRMAN

As per our Report of even date attached herewith,

PLACE: KICHHHA

PLACE:

FOR SHARDA & SHARDA LLP  
Firm Reg. No: 005629C/C400002  
Chartered Accountants

DATED: 01-11-2021

DATED: 01-11-2021

per Mohak Sharda  
Partner  
Membership No. 523012  
UDIN: 21523012 AAAA PA 5095  
KICHHHA  
Dated NOV 01, 2021



## KICHA SUGAR COMPANY LIMITED

Notes on Financial Statements for the Year ending 31st March, 2021

### 1.1 Share Capital

Amount in (₹)

Sr. No.	Particulars	as at 31.03.2021	as at 31.03.2020
1	<b>AUTHORIZED CAPITAL</b>		
	20,00,000 Equity Shares of Rs. 100/- each.	2000,00,000	2000,00,000
	3000-9% (Free of company's tax but subject to deduction of tax at source) Redeemable cumulative preference shares of Rs. 1000/-each.	30,00,000	30,00,000
		2030,00,000	2030,00,000
2	<b>ISSUED</b>		
	1840635 Equity share of Rs.100/- each (2020-21 : 1840635 Equity Shares of Rs. 100/- each)	1840,63,500	1840,63,500
		1840,63,500	1840,63,500
3	<b>SUBSCRIBED</b>		
	1799042 Equity Shares of Rs. 100/-each (2020-21 : 1799042 equity shares of Rs.100/-each)	1799,04,200	1799,04,200
		1799,04,200	1799,04,200
4	<b>PAID UP</b>		
	1798643 Equity Shares of Rs. 100/- (2020-21: 1798643 Equity shares of Rs.100/-each)	1798,64,300	1798,64,300
		1798,64,300	1798,64,300
	<b>Total In</b>	1798,64,300	1798,64,300

<b>SHARE APPLICATION MONEY PENDING ALLOTMENT</b>	-	39,900
(Pending for Transfer to Investor Protection & Education Fund)		

### 1.2 The reconciliation of the number of shares issued is set out below:-

Sr. No.	Particulars	Equity Shares	
		Number	Amount
	Shares issued at the beginning of the year	18,40,635	1840,63,500
	Add: Shares issued during the year	-	-
	Less: Shares bought back during the year	-	-
	Shares issued outstanding at the end of the year	18,40,635	1840,63,500

### 1.3 The reconciliation of the number of shares subscribed is set out below:-

Sr. No.	Particulars	Equity Shares	
		Number	Amount
	Shares subscribed at the beginning of the year	17,99,042	1799,04,200
	Add: Shares subscribed during the year	-	-
	Less: Shares withdrawn back during the year	-	-
	Shares subscribed at the end of the year	17,99,042	1799,04,200

### 1.4 The reconciliation of the number of shares paid up is set out below:-

Sr. No.	Particulars	Equity Shares	
		Number	Amount
	Shares paid up at the beginning of the year	17,98,643	1798,64,300
	Add: Shares paid up during the year	-	-
	Less: Shares withdrawn back during the year	-	-
	Shares paid up at the end of the year	17,98,643	1798,64,300

### 1.5 The reconciliation of the number of shares outstanding in respect of shares Issued and share Subscribed is set out below:-

Sr. No.	Particulars	Equity Shares	
		Number	Amount
	Shares outstanding at the beginning of the year	41,593	41,59,300
	Add: Shares issued during the year	-	-
	Less: Shares bought back during the year	-	-
	Shares outstanding at the end of the year	41,593	41,59,300



## KICHA SUGAR COMPANY LIMITED

*Notes on Financial Statements for the Year ending 31st March, 2021*

**1.6 Rights, preferences and restrictions:- Equity Share Capital**

Ordinary Equity Shares with voting rights & dividend. Repayment after settlement of Redeemable cumulative preference shares rights.

**1.7 Shares held by holding Company**

NA

NA

**1.8 The details of Shareholders holding more than 5% shares :**

Sr. No.	Name of the Shareholder	as at 31.03.2021	
		No. of Shares	% held
1	Hon'ble Governor of Uttarakhand	17,53,584	97
	<b>Total</b>	<b>17,53,584</b>	<b>97</b>

There is no change in the equity shareholding of the company during the current year

**1.9 Shares reserved**

NIL

NIL

**1.10 Information of 5 years immediately preceding 31.03.2019**

1

Shares allotted as fully paid up pursuant to contracts without payment in cash.

NIL

NIL

2

Shares allotted as fully paid up bonus shares-

NIL

NIL

3

Shares bought back-

NIL

NIL

**1.11 Terms of any securities convertible-**

NA

NA

**1.12 Calls unpaid-**

NIL

NIL

**1.13 Forfeited Shares-**

NIL

NIL

**2 Reserve & Surplus:- Other reserve (Molasses Storage facility reserve)**

₹

Sr. No	Particulars	as at 31.03.2021	as at 31.03.2020
1	Molasses storage facility reserve fund		
	Balance brought forward from previous year	15,80,110	14,69,055
	Add: Provision during the year	1,14,627	1,11,055
	Less: Expenses related	-	-
	<b>Total in ₹</b>	<b>16,94,737</b>	<b>15,80,110</b>

Note :- The company has created this reserve as per directive of the State Govt. in 1989 for the preservation and maintenance of the adequate storage facility of Molasses. The company transferred the fund in this reserve @ rate prescribed in the notification.

**2.1 Reserve & Surplus:- Profit & Loss Account**

₹

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
1	Surplus (Profit & Loss Account)		
	Balance brought forward from previous year	(29801,17,200)	(31059,46,606)
	Less:		
	Provision for Income Tax	-	-
	Provision for Interest on Income Tax	-	-
	Add : Profit for the period	(1664,87,571)	1258,29,406
	<b>Total in ₹</b>	<b>(31466,04,770)</b>	<b>(29801,17,200)</b>



## KICHA SUGAR COMPANY LIMITED

*Notes on Financial Statements for the Year ending 31st March, 2021*

### 3 Long Term Borrowings

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
1	<b>Term Loan</b>		
i)	<b>SECURED</b>	-	-
ii)	<b>UNSECURED</b>	-	-
2	<b>Loan from Related Parties</b>		
a)	<b>Loan received from Uttarakhand Govt.</b>	300,00,000	300,00,000
	(All loan are unsecured. The detail of each loan is given at the note 3.1)		
	<b>Total in Rs.</b>	<b>300,00,000</b>	<b>300,00,000</b>

### 4. Short Term Borrowings

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
1	<b>Loan Repayable on Demand (Working Capital Loans)</b>		
	- From Bank ( Fully secured against stock.)		
(a)	Cash Credit account with U.S. Nagar District Co-operative Bank Ltd. Kichha (Non scheduled Bank) (The Bank has sanctioned cash credit against pledging of Sugar stock in our Godown.)	8820,71,731	8691,87,888
(b)	State Bank of India, Kichha. (The overdraft facility sanctioned against the pledge of FDRs )	264,56,577	382,88,103
	<b>Total in</b>	<b>9085,28,308</b>	<b>9054,75,991</b>

### 5 Trades Payable

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
1	Cane Price payable	5251,80,150	6608,93,017
2	Creditors for Material and Supplies:	49,93,461	39,48,787
	<b>Total in</b>	<b>5301,73,611</b>	<b>6648,41,803</b>

### 6 Other Current Liabilities

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
1	Current Maturity of Long Term debt	11631,69,323	11631,69,323
2	Interest accrued and due to Uttarakhand Govt.	18709,10,731	16874,01,316
3	Other liabilities	1259,75,107	1184,83,471
4	Income Tax Payable	-	100,48,829
	<b>Total in</b>	<b>31600,55,161</b>	<b>29791,02,939</b>

Note :- The Company has borrowed from time to time to meet its short term as well as long term requirements from State Government and Co-operative Bank. However, company has failed/defaulted in payment of interest to the State Government on becoming its due. It has also defaulted in payment of installments due of the Differential Cane Price loan borrowed from the State Government. The principal amount along with interest accrued and due but not paid to the State Government is reflected under the head 'Other Current Liabilities'.





DETAILS OF UNSECURED LOAN RECEIVED FROM GOVT. OF UTTARAKHAND AS ON 31/03/2021

Sl. No.	Year of Receipt	PARTICULARS	AMOUNT (Rs.)	Amount payable till 31/03/2021 (No. of Instt.)	Other Current Liabilities	Long Term	Interest Rate	Interest upto 31.03.2020	Interest accrued during the year	Total Interest
1	2002-03	The loan of Rs. 100 Lacs was sanctioned from Uttarakhand Govt. vide letter Dehradun-374/Van Gram VI/ Ganna 202 dt. 28 Oct., 2002 for Cane Price payment repayable in five equal yearly instalments. There is no interest Clause and Rs. 25 Lacs was refund during 2006-07. The net outstanding loan is Rs. 75,00,000/=	75,00,000	5	75,00,000	-	0%	-	-	-
2	2003-04	The loan of Rs. 400 Lacs was sanctioned from Uttarakhand Govt. vide letter No. 367/Ganna-Chini-2003 dt. 13/10/2003 for Cane Price payment repayable in five equal yearly instalments interest rate @ 18% p.a. with condition, if timely payment is made then rebate @ 3.5% will be provided. There is no repayment till the date.	400,00,000	5	400,00,000	-	18%	1,185,04,918	72,00,000	1257,04,918
3	2003-04	The loan of Rs. 1122 Lacs was sanctioned from Uttarakhand Govt. vide letter No. 601(I) Ganna-Chini-2003 dt. 27/11/03 for cane Price payment repayable in five equal yearly instalments interest rate 18% p.a. . There is no repayment till the date.	1122,00,000	5	1122,00,000	-	18%	3300,33,541	201,96,000	3502,29,541
4	2007-08	The loan of Rs.450 Lacs was sanctioned from Uttarakhand Govt. Dehradun for Cane price payment received on 04/07/07, repayable in five equal yearly instalments interest rate 18% p.a. . There is no repayment till the date.	450,00,000	5	450,00,000	-	18%	1032,19,672	81,00,000	1113,19,672
5	2007-08	The loan of Rs. 559.70Lacs was sanctioned from Uttarakhand Govt. for Cane price payment received on 29/10/07, repayable in five equal yearly instalments interest rate 18% p.a. . There is no repayment till the date.	559,70,000	5	559,70,000	-	18%	1251,61,766	100,74,600	1352,36,366
6	2008-09	The loan of Rs. 636.29 Lacs was sanctioned from Uttarakhand Govt. vide G.O. No. 520(I) 10/07/XIV-02/2008 dt. 07/10/08 received from the Asstt. Cane Commissioner, vide Cheque No. 734097 dt. 14/10/08 for Cane price payment (2007-08) repayable in five equal yearly instalments interest rate 18% p.a. . There is no repayment till the date.	636,29,000	5	636,29,000	-	18%	1312,88,418	114,53,220	1427,41,638
7	2008-09	The loan of Rs.1,34,46,323/- was sanctioned from Uttarakhand Govt. vide G.O. No. 34/XIV-2/10/2007 dt. 16/03/09 received on 19/01/09 for Cane price payment (07-08) repayable in five equal yearly instalments interest rate 18% p.a. . There is no repayment till the date.	134,46,323	5	134,46,323	-	18%	271,01,155	24,20,338	295,21,493
8	2012-13	The loan of Rs. 660 Lacs was sanctioned from Uttarakhand Govt. vide G.O. No. 823/XIV-02/10/2012 dt. 16/07/12 received from the Asstt. Cane Commissioner, vide Cheque No. 201738 dt. 19/07/2012 for Cane price payment (2011-12) repayable in five equal yearly instalments interest rate 18% p.a. . There is no repayment till the date.	660,00,000	5	660,00,000	-	18%	915,89,918	118,80,000	1034,69,918



Sl. No.	Year of Receipt	PARTICULARS	AMOUNT (Rs.)	Amount payable till 31/03/2021 (No. of instt.)	Other Current Liabilities	Long Term	Interest Rate	Interest upto 31.03.2020	Interest accrued during the year	Total Interest
9	2012-13	The loan of Rs. 1608.23 Lacs was sanctioned from Uttarakhand Govt. vide G.O. No. 1229/XIV-2/2012 dt. 04/10/2012 received from the Asstt. Cane Commissioner vide D.O. No. 350270 dt. 06/10/2012 for Cane price payment (2011-12) repayable in five equal yearly instalments interest rate 18% p.a. There is no repayment till the date.	1608,23,000	5	1608,23,000	-	18%	2168,33,465	289,48,140	2457,81,605
10	2013-14	The loan of Rs.1999 Lacs was sanctioned from Uttarakhand Govt. vide G.O. No. 736/XIV-02/2013/10/2007 dt. 05/07/2013 for Cane price payment (2012-13) repayable in five equal yearly instalments interest rate 18% p.a. There is no repayment till the date.	1999,00,000	5	1999,00,000	-	18%	2422,13,079	359,82,000	2781,95,079
11	2013-14	The loan of Rs. 500 Lacs was sanctioned from Uttarakhand Govt. for Cane price payment (2012-13) received on 22.08.2013 repayable in five equal yearly instalments interest rate 18% p.a. There is no repayment till the date.	500,00,000	5	500,00,000	-	18%	594,73,973	90,00,000	684,73,973
12	2013-04	The loan of Rs. 15,31,46,000/= was sanctioned from Uttarakhand Govt. for Cane price payment (2012-13) received on 23.09.2013 repayable in five equal yearly instalments interest rate 18% p.a. There is no repayment till the date.	1531,46,000	5	1531,46,000	-	18%	1798,98,298	275,66,280	2074,64,578
13	2014-15	The loan of Rs. 1155.55 Lacs was sanctioned from Uttarakhand Govt. vide G.O. No. 588/XIV-02/2014/3(6)/3013 dt. 10.06.2014 for Cane price payment (2013-14) repayable in five equal yearly instalments interest rate 9.25% p.a. There is no repayment till the date.	1155,55,000	5	1155,55,000	-	9.25%	620,83,113	106,88,838	727,71,950
14	2015-16	The loan of Rs. 800 Lacs was sanctioned from Uttarakhand Govt. vide G.O. No. /XIV-02/2014/9(16)/2014 dt. 21.01.2016 for Cane price payment (2014-15) repayable in five equal yearly instalments at Nil interest rate. There is no repayment till the date.	800,00,000	5	800,00,000	-	0%	-	-	-
15	2018-19	The loan of Rs. 300 lacs was sanctioned by Uttarakhand Govt. for salary & retaining allowance of workers vide no. 451/XIV-2/2018/. Terms & condition for repayment are silent. There is no repayment till date.	300,00,000	-	-	300,00,000	0%	-	-	-
		<b>Total</b>	<b>11931,69,323</b>		<b>11631,69,323</b>	<b>300,00,000</b>		<b>16674,01,316</b>	<b>1835,09,415.64</b>	<b>18709,10,731.28</b>



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## KICHA SUGAR COMPANY LIMITED

*Notes on Financial Statements for the Year ending 31st March, 2021*

### 6.1 Current Maturity of Long Term debt

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
1	Loan received from Uttarakhand Govt. (All loan are unsecured . The detail of each loan is given at the note 3.1. Due to financial constraint, the Company defaulted in repayment of loan and interest on due date to Uttarakhand Govt. )	11631,69,323	11631,69,323
	<b>Total</b>	<b>11631,69,323</b>	<b>11631,69,323</b>

### 6.2 Interest accrued & due on loans to Uttarakhand Govt.

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
1	Interest accrued thereon on loans from Uttarakhand Govt. (All loan are unsecured . The detail of each loan is given at the note 3.1. Due to financial constraint, the Company defaulted in repayment of loan and interest on due date to Uttarakhand Govt. Interest accrued and due are shown under other current liabilities.)	18709,10,731	16874,01,316

### 7. Short Term Provisions

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
1	Govt. Guarantee fee	220,47,281	230,12,701
2	Gratuity Premium- Contributory scheme	102,13,769	55,50,570
3	Provision for Arrear of Salary & Wages of officials	394,59,650	395,69,650
	Provision for Leave encashment	169,03,041	136,96,009
4	Provision for Society & Council Commission	-	-
5	Short term provision for Expenses liability	4,70,604	4,70,604
6	Short term provision for selling commission	14,16,255	18,67,168
	<b>Total in</b>	<b>905,10,600</b>	<b>841,66,702</b>

As per the notification letter received from the Uttarakhand government, 1% guarantee fee payable to Uttarakhand government, in respect of cash credit limit, have been waived off for the year 2019-2020.

### Non current Assets

#### 8. Property, Plant & Equipment

Tangible Assets (Net Block)

(Amount in ₹)

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
1	Land (Lease Hold) *	-	-
2	Building	81,94,061	91,05,028
3	Plant & Equipment	226,08,672	251,02,020
4	Furniture & Fixtures	1,40,418	1,15,676
5	Vehicles	4,73,628	6,47,712
6	Office Equipment	67,607	72,143
7	Others	16,31,380	19,10,252
	<b>Total in ₹</b>	<b>331,15,766</b>	<b>369,52,831</b>

\* Leasehold rights has been renewed for a period of 30 years upto the year 2047.

#### 8.1 Detail Property, Plant & Equipment chart Annexed at 8.1



# KICHA SUGAR COMPANY LIMITED, KICHHA

CIN: U15421UR1972SGC003513

## Schedule of Depreciation on Property, Plant & Equipment as Companies Act, 2013 for the year ended on 31.03.2021

Note No. 8.1

(Amount in Rs.)

Name of the Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	As at 01.04.2020	Additions	Deletions/Adjustment	As at 31.3.2021	As at 01.04.2020	On-Additions	Deletions/Adjustment	Dep for the year	As at 31.03.2021	Adjusted with Retained Earning	As at 31.03.21	As at 31.03.20
Land (Lease Hold)	-	-	-	-	-	-	-	-	-	-	-	-
Factory Building	311,86,780	-	-	311,86,780	230,67,194	7,93,488	-	7,83,488	238,50,682	-	73,38,098.00	81,21,566
Non Factory Building	108,80,585	-	-	108,80,588	98,97,146	1,27,479	-	1,27,479	100,24,625	-	8,55,963.00	9,83,442
Plant and Machinery	2349,90,935	7,03,764	-	2356,94,699	2106,85,127	30,31,767	5,536	30,37,303	2137,22,430	-	219,72,269.44	243,05,608
Electrical Equipment & Fans	14,81,490	13,377	-	14,94,867	12,21,300	55,424	818	56,242	12,77,542	-	2,17,324.50	2,60,169
Furniture and Fixtures	8,63,120	50,739	-	9,13,859	7,47,444	21,566	4,431	25,997	7,73,441	-	1,40,418.00	1,15,876
Office Equipments	13,07,229	-	-	13,07,229	12,35,066	4,536	-	4,536	12,39,622	-	67,607.00	72,143
Works Equipments	9,93,187	-	-	9,93,187	8,04,237	43,217	-	43,217	8,47,454	-	1,45,733.00	1,89,950
Weigh Bridge	64,64,035	-	-	64,64,035	50,75,695	2,21,037	-	2,21,037	52,96,732	-	11,67,303.00	13,86,340
Vehicle and Conveyance	40,23,374	-	-	40,23,374	33,75,662	1,74,694	-	1,74,084	35,49,746	-	4,73,628.00	6,47,712
Tube Wells	54,56,445	-	-	54,56,448	51,34,145	51,381	-	51,381	51,85,526	-	2,72,922.00	3,24,303
ROAD	12,10,369	-	-	12,10,369	9,26,243	73,726	-	73,726	9,99,969	-	2,10,400.00	2,84,126
Laboratory Equipments	12,58,910	-	-	12,58,910	11,95,965	-	-	-	11,95,965	-	62,945.00	62,945
Computers	38,23,095	-	-	38,23,095	36,25,488	6,454	-	6,454	36,31,940	-	1,91,155.00	1,97,609
Bio- Pesticides Laboratory	1	-	-	1	1	-	-	-	1	-	-	-
<b>TOTAL</b>	<b>3039,43,561</b>	<b>7,67,860</b>	<b>-</b>	<b>3047,11,441</b>	<b>2669,90,731.00</b>	<b>45,94,159</b>	<b>10,785</b>	<b>46,04,944</b>	<b>2715,95,675</b>	<b>-</b>	<b>331,15,765.94</b>	<b>369,52,829</b>
Previous Year	3045,73,902	7,94,224	13,64,565	3039,43,561	2611,47,364	59,53,041	33,462	1,43,137	2699,90,730	-	369,52,831	434,26,538



FOR SHARDA & SHARDA LLP  
Chartered Accountants

*afk*

per Mohak Sharda  
Partner  
Membership No. 523012  
Firm Reg. No. 005929/CIC-00002

(Trilok Singh/Martolia)  
EXECUTIVE DIRECTOR  
DIN:0931718

(HARBANS SINGH CRUGH)  
CHAIRMAN  
DIN:08539127

PLACE: Kichha  
DATED: 01-11-2021

PLACE: Kichha  
DATED: 01-11-2021

FOR KICHHA SUGAR COMPANY LTD

## KICHHA SUGAR COMPANY LIMITED

*Notes on Financial Statements for the Year ending 31st March, 2021*

### **9. Non Current Investments**

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
(a)	Investment in equity Instruments	-	-
(ii)	NSC (Pledged with Government Authority)	2,000	2,000
	<b>Total in ₹</b>	<b>2,000</b>	<b>2,000</b>



## KICHA SUGAR COMPANY LIMITED

Notes on Financial Statements for the Year ending 31st March, 2021

### 10. Inventories

(Amount in ₹)

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
a	<b>RAW MATERIAL SUGAR CANE AT PURCHASE PRICE</b>	6,26,953	103,80,630
b	<b>LOWER OF COST OR NET REALIZABLE VALUE</b>		
1	Finished Sugar	15207,82,310	15675,91,880
2	Sugar in process	67,52,432	158,93,196
	<b>AT NET REALISABLE VALUE</b>		
3	Molasses	581,21,844	979,30,825
4	Molasses in process	23,84,892	44,91,187
5	Bagasse	20,37,350	17,86,395
c	<b>AT WEIGHTED AVERAGE COST</b>		
6	Other stores & spares parts	207,80,206	191,33,127
7	Loose Tools.	1,48,811	1,39,237
	<b>Total in ₹</b>	<b>16116,34,798</b>	<b>17173,46,477</b>

### 11. Trade Receivables

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
	<b>a) Unsecured, Considered Good :</b>		
1	Outstanding for more than six months	43,18,433	47,20,659
2	Others	-	-
	<b>b) Unsecured, Considered Doubtful</b>		
1	Outstanding for more than six months	-	-
	Less Provision	-	-
2	Others	-	-
	<b>Total in</b>	<b>43,18,433</b>	<b>47,20,659</b>

### 12. Cash & Cash Equivalent

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
1	<b>Cash-in-Hand</b>		
	Cash Balance	1,43,921	1,65,861
	<b>Sub Total (A)</b>	<b>1,43,921</b>	<b>1,65,861</b>
2	<b>Bank Balance</b>		
(A)	<b>With Scheduled Bank</b>		
(i)	In Current account	88,649	5,702
	PNB : 1468.19		
	SBI : 2450.14		
	BOB : 1783.50		
(ii)	State Bank of India (In fixed deposit including interest accrued thereon)	679,99,849	643,62,808
	i) FDR pledged with SBI Rs. 60260659/- for overdraft facility.		
	ii) FDR pledged with Registrar Genreal Hon'ble High Court Uttarakhand Rs. 530778/-		
	iii) FDR pledged with Bank for Bank Gurantee favouring Pollution Control Board Rs. 172311/-		
	Cont....		



## KICHHA SUGAR COMPANY LIMITED

Notes on Financial Statements for the Year ending 31st March, 2021

### 12. Cash & Cash Equivalent . . . . . Cont.

(Amount in ₹)

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
(iii)	Fixed deposit, with State Bank of India	-	-
<b>(B)</b>	<b><u>With Non Scheduled Bank :</u></b>		
<b>(a)</b>	<b><u>In Current account</u></b>		
(i)	With U.S. Nagar Distt. Co-op. Bank Ltd. For Cane Price Account. (Maximum outstanding balance at any time during the year 2020-21 Rs. 136345365/-)	1,400	88,46,180
(ii)	With U.S. Nagar Distt. Co-op. Bank Ltd. For Cane Transportation A/c. (Maximum outstanding balance at any time during the year 2020-21 Rs. 14947535/-)	2,032	24,032
(iii)	With U.S. Nagar Distt. Co-op. Bank Ltd. Current A/c No. 24 (Maximum outstanding balance at any time during the year 2020-21 Rs.18771443/-)	2,001	2,614
(iv)	With U.S. Nagar Distt. Co-op. Bank Ltd. Society & Council Commission A/c No.001535003100004 (Maximum outstanding balance at any time during the year 2020-21 Rs. 8569571/-)	997	1,05,997
(v)	With Kurmanchal Nagar Sahkari Bank Ltd. (Maximum outstanding balance at any time during the year 2020-21 Rs. 10378811/-)	99,904	1,760
(vi)	Axis Bank (Maximum outstanding balance at any time during the year 2020-21 Rs7512000.58)	4,617	4,402
<b>(b)</b>	<b><u>In fixed deposits with</u></b>		
(i)	With U.S. Nagar Distt. Co-op. Bank in fixed deposit including interest accrued thereon (Maximum outstanding balance at any time during the year 2020-21 Rs. 1798705/-)	17,98,705	16,98,844
(ii)	With Kurmanchal Bank in fixed deposit including interest accrued thereon (Maximum outstanding balance at any time during the year 2020-21 Rs. 635116/-)	6,35,116	5,91,193
<b>(c)</b>	<b><u>With Post office :</u></b>		
	In Saving account (pledge with Govt.)	2,000	2,000
	<b>Sub Total (B)</b>	<b>706,35,270</b>	<b>756,45,531</b>
	<b>Total [ A + B ] in Rupees</b>	<b>707,79,191</b>	<b>758,11,392</b>

12.1 All the Fixed Deposits with the various bankers as stated above represent net realisable value with the Interest Accrued (Net of TDS) on the date of Balance Sheet.

### 13. Other Current Assets

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
1	Interest accrued on other deposits	5,87,444	5,88,733
2	Advances receivable in cash or kind	103,54,979	114,50,295
3	Advances to Uttarakhand Shakari Chini Mills Sangh Ltd.	110,04,420	51,96,193
4	Administrative charges on Molasses	1,73,281	2,12,079
5	Security/ trade Deposit	8,24,141	8,24,141
6	Income Tax deducted at source	6,12,903	10,19,539
7	Prepaid Expenses	7,65,763	8,01,377
8	MAT Credit	100,48,829	100,48,829
	<b>Total [ A + B ] in Rupees</b>	<b>343,71,760</b>	<b>301,21,186</b>



# KICHA SUGAR COMPANY LIMITED

*Notes on Financial Statements for the Year ending 31st March, 2021*

## 14. Revenue from Operations

(Amount in ₹)

Sr. No	Particulars	2020-21	2019-20
1	Finished Product: Sugar	13651,39,113	13308,99,496
2	By Product: Molasses	1297,79,120	1139,13,544
3	Bagasse	85,19,083	63,74,957
4	Press Mud	17,62,425	27,33,957
		15051,99,741	14539,21,954
	Less: Excise duty on Sugar & Molasses		
	<b>Total in Rupees</b>	<b>15051,99,741</b>	<b>14539,21,954</b>

## 15. Other Income

Sr. No	Particulars	2020-21	2019-20
1	Miscellaneous Receipts	-	-
2	Farm Rent	8,66,485	11,86,015
3	Sale of Tender Form	1,59,100	1,72,100
4	Sale of Scrap	68,496	5,43,411
5	Rent Received from Staff	-	15,380
6	Other Interest (including FDR & Post office saving account)	43,84,667	39,66,877
7	Interest on Income Tax refund	14,342	40,189
8	Buffer Stock Claim Received	86,86,780	86,86,780
9	Export sugar claim 2018-19	204,15,000	-
10	Damages Recovered	14,64,960	25,69,641
11	Security Money Forfeited	-	-
	<b>Total in Rupees</b>	<b>360,69,830</b>	<b>171,80,393</b>

## 16. Cost of Material Consumed

Sr. No	Particulars	2020-21	2019-20
a)	<b>RAW MATERIALS AND STORES CONSUMED</b>		
1	Cost of Sugar Cane	13325,27,540	14674,05,598
2	Other Direct incidental charges	420,25,786	505,56,451
3	Packing Material	121,92,852	142,59,086
4	Other Consumable Stores	99,52,169	107,13,122
5	Society & Council Commission	347,11,037	357,98,995
6	Store Freight & incidental Charges	11,40,632	11,24,158
	<b>Total in</b>	<b>14325,50,018</b>	<b>15798,67,409</b>

Note :- Other consumable stores included the cost of chemicals which are necessitated for the processing of raw material to finished goods.





# KICHA SUGAR COMPANY LIMITED

Notes on Financial Statements for the Year ending 31st March, 2021

## 17. Change in Inventories

(Amount in ₹)

Sr. No	Particulars	2020-21	2019-20
1	Inventories (at close)		
	Finished Sugar	15207,82,310	15675,91,880
	Sugar in Process	67,52,432	158,93,196
	Molasses	581,21,844	979,30,825
	Molasses in Process	23,84,892	44,91,187
	Bagasse	20,37,350	17,86,395
	Sugar Cane	6,26,953	103,80,630
		<b>15907,05,781</b>	<b>16980,74,113</b>
2	Inventories (at commencement)		
	Finished Sugar	15675,91,880	14536,61,755
	Sugar in Process	158,93,196	81,20,196
	Molasses	979,30,825	520,75,136
	Molasses in Process	44,91,187	15,19,218
	Bagasse	17,86,395	13,63,473
	Sugar Cane	103,80,630	56,93,040
		<b>16980,74,113</b>	<b>16224,32,818</b>
	<b>Total in</b>	<b>1073,68,332.48</b>	<b>(1756,41,295)</b>

## 18. Employment Benefit Expenses

Sr. No	Particulars	2020-21	2019-20
1	Directors Remuneration	13,37,472	12,93,729
2	Salary & Wages including retaining allowance	1882,82,350	1977,76,755
3	Salary & wages towards out source man power agency	538,77,411	383,54,270
4	Workmen & Staff Welfare	36,49,268	41,06,284
5	Contribution to provident fund	166,84,614	165,62,276
6	Contribution towards pension fund	49,56,625	53,38,803
7	Contribution to Employees Deposit Link Insurance Fund	3,12,066	3,69,188
8	Retirement Gratuity	222,84,506	186,99,024
9	Provision for Arrears of officials	59,97,032	51,40,381
	<b>Total in</b>	<b>2975,41,344</b>	<b>2876,40,710</b>

## 19. Financial Cost

Sr. No	Particulars	2020-21	2019-20
1	Interest on Loans From Bank	826,13,198	769,01,006
2	Other Interest on Unsecured loan From U.K. Govt.	1835,09,416	1835,09,416
3	Interest on income tax	12,28,628	-
	<b>Total in</b>	<b>2673,51,242</b>	<b>2604,10,422</b>

## 20. Depreciation & Amortised Cost

Sr. No	Particulars	2020-21	2019-20
1	Depreciation	48,04,944	58,43,366
	<b>Total in</b>	<b>48,04,944</b>	<b>58,43,366</b>

20.1 Detail Property, Plant & Equipment chart Annexed at 8.1



# KICHHA SUGAR COMPANY LIMITED

Notes on Financial Statements for the Year ending 31st March, 2021

## 21. Other Expenses

(Amount in ₹)

Sr. No	Particulars	2020-21	2019-20
1	Power and Fuel	166,61,883.00	144,10,557
2	Provision for Govt. Guarantee fee	77,26,459.00	86,91,879
3	Molasses Storage Facilities reserve Fund	1,14,627.00	1,11,055
4	Selling Expenses (Including brokerage)	68,23,933.38	69,36,180
5	Insurance	20,05,930.00	18,00,989
6	Cane Development Expenses	15,78,678.00	10,63,239
7	Rates & Taxes including Licence fee	2,54,173.00	3,30,896
8	Rent for Cane out centers	2,55,700.00	2,51,400
9	Repair and Maintenance- Building	5,15,675.95	1,92,430
10	Repair and Maintenance- Machinery	332,85,783.92	247,26,660
11	Repair and Maintenance-Other Repairs	4,71,673.21	2,22,164
12	Travelling Expenses		
	i) Executive Director	-	59,417
	ii) Other Staff	1,12,763.00	2,25,436
	iii) Conveyance Expenses	-	23,966
13	Statutory Auditors Remuneration:		
	i) Audit Fee	30,000.00	30,000
	ii) Tax Audit Fee	10,000.00	10,000
	iii) For reimbursement of Expenses	15,500.00	15,500
14	Cost Audit Fee	15,000.00	15,000
15	Entertainment and Guest House Expenses	71,549.00	74,464
16	Vehicle Running Expenses	6,84,157.55	4,56,085
17	Legal Expenses	1,93,810.00	2,63,013
18	Advertisement	1,01,538.00	4,27,332
19	Bank Charges	19,573.31	15,824
20	Postage and Telephone	2,69,445.15	2,85,931
21	Printing and Stationery	3,38,950.50	3,52,306
22	Books and Periodicals	17,595.00	21,065
23	Filing fee	23,456.00	15,420
24	General Stores consumed	81,470.00	63,804
25	Sundries	30.00	2,260
26	Expenses incurred on pollution Control	1,82,714.00	2,30,110
27	Computer and Software Expenses	50,221.00	1,99,878
28	Uttarakhand Sugars Adm. Exp.	62,72,792.50	69,90,164
29	Meeting & Conference expenses	88,736.00	1,32,227
30	Professional Expenses	2,15,320.00	2,51,385
31	C.G.S.T. Expenses	3,210.50	20,956
32	S.G.S.T. Expenses	3,210.50	20,956
	IGST Exp.	6,899.00	-
33	Boiler Ash Removal Exp.	3,47,089.00	7,28,433
34	Short Term provision for sugar selling commission	-	12,36,324
35	Out side Godown rent & Other Expenses	84,48,746.66	49,26,346
36	Short Term provision for Expenses & Store	-	5,13,302
	<b>Total in</b>	<b>872,98,093.13</b>	<b>763,44,332</b>



# KICHHA SUGAR COMPANY LIMITED

Notes on Financial Statements for the Year ending 31st March, 2021

## 22. Exceptional Items (Prior Period Items) F.Y. 2019-20

(Amount in ₹)

Sr. No	Particulars		2020-21	2019-20
1	Prior year expenses	Dr.	7,05,049	15,17,998
2	Income Pertaining to Earlier Years	Cr.	(86,91,879)	-
	<b>Net Expenses</b>		<b>(79,86,830)</b>	<b>15,17,998</b>

## 23. Extra ordinary Items F.Y. 2020-21

Sr. No	Particulars		2020-21	2019-20
1	Subsidy received for cane price 2019-20 season from Govt. Of Uttarakhand		4809,80,000	6907,00,000
	<b>Total</b>		<b>4809,80,000</b>	<b>6907,00,000</b>

Note :- The company has received government subsidy of Rs. 48,09,80,000/- for Cane price payment for cane purchase for the Season 2019-20 and the same has been shown as income under "Extra Ordinary Items" during the year under audit.



# KICHHA SUGAR COMPANY LIMITED, KICHHA

**CIN: U15421UR1972SGC003513**

Notes to financial statements for the year ended March 31, 2021

## A. Significant accounting policies and notes to accounts

### 1. Corporate Information

The company was incorporated on dated 17th February, 1972 having CIN **U15421UR1972SGC003513** with the main object to carry on the business of Sugar manufacturing. It is owned and control by the Govt. of Uttarakhand, to pursue its main objects, the company purchases the sugar cane from the farmers at the rate prescribed by the State Govt. However the sale price of the main product i.e. sugar and major bye product i.e. molasses is also regulated and control by the Uttarakhand Co-operative Sugar Mills Federation Ltd.(Uttarakhand Sugars). The other residual product i.e. bagasse which remain surplus after the in-house use is sold in open market by recalling tenders.

In order to regulate and control the business affairs of the company Executive Director (ED) is appointed by the State Govt. of Uttarakhand. The State Govt. also provide subsidy to the company for differential Cane price as per the policies of the government from time to time.

### 2. Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

#### 2.1 Summary of significant accounting policies

##### i. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at

the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

##### ii. Property, Plant and Equipment (PPE):

Property, Plant and Equipment (PPE), are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of Property, Plant and Equipment (PPE) is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

##### iii. Depreciation on tangible Property, Plant and Equipment (PPE)

Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly, the unamortized



# KICHHA SUGAR COMPANY LIMITED, KICHHA

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## Notes to financial statements for the year ended March 31, 2021

carrying value is being depreciated / amortized over the revised/ remaining useful lives. Depreciation on addition to Property, Plant and Equipment (PPE) have been calculated on pro-rata basis from the date of acquisition / installation.

### iv. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### v. Inventories

Direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

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

Inventories have been valued on the following basis:-

- |    |                                      |   |
|----|--------------------------------------|---|
| 1. | Raw Material (Sugar Cane)            | The valuation is at the weighted average cost   |
| 2. | Finished Goods (Sugar)               | Free Sugar at cost or Estimated Net realizable value whichever is lower.  |
| 3. | Sugar-in-process                     | At cost or Estimated Net realizable value whichever is lower (On the basis of Equivalent Unit Method).              |
| 4. | Bye Products and Residual Products : |   |
|    | a) Molasses :                        | The cost of this by product is not ascertainable therefore the valuation is made on Estimated Net realizable value. |
|    | b) Molasses-in-process:              | Molasses-in-process is valued at Estimated Net realizable value at equivalent unit method.                          |
|    | c) Bagasse :                         | Bagasse is valued at Estimated Net realizable value.  |
| 5. | Store and spare parts                | Store and spare parts (including Consumable stores) are valued at weighted average cost                             |



# KICHHA SUGAR COMPANY LIMITED, KICHHA

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Notes to financial statements for the year ended March 31, 2021

## vi. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

### Sale of goods

1. Revenue in respect of sale of sugar is recognized at the point of dispatch.
2. All income and expenses are accounted for on mercantile basis except the following:-
  - a) Income on sale of Press mud and Scrap sale is accounted for on the basis of realization in the respective accounting year.
  - b) Buffer Stock claims, Subsidies, Reliefs, Concessions, amount received due to revision of rates of Levy Sugar termed as Levy differential price claims, Insurance and other claims export incentive/ receipts are accounted for in the year of actual realization.
  - c) Rent from the factory farm's has accounted for in the year of actual realization.

The arrear of wages and salaries including dearness allowance is accounted for in the Financial Year in which the notification/government order is issued by the competent authorities.

In view of Notification F.No. 1(14)/2019-SP-1 dated 16 September, 2019 and revised dated 04.09.2020, issued by Ministry of Consumer Affairs, Food & Public distribution, New Delhi, 66900 Qtls. Sugar for season 2019-20 was sold @ 2218/- per Qtl. Under Minimum Indication Export Quotas (MIEQ) after the close F.Y. 2019-2020 in the month of September, 2020. The said export sugar valuation has been made on actual realized price. Export incentive will be accounted for in the year of actual realization.

## Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

## Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

## vii. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has subscribed the LIC gratuity plan for gratuity payments to its employees and yearly contribution to the annuity is charges to the

Statement of Profit & Loss in the year of its accrual of payment.

Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss immediately.

## viii. Borrowing Costs:

Borrowing cost includes interest expense, amortisation of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings, to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, that are attributable to the acquisition or construction or production of a qualifying asset, are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.



# KICHHA SUGAR COMPANY LIMITED, KICHHA

**CIN: U15421UR1972SGC003513**

## Notes to financial statements for the year ended March 31, 2021

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

### ix. Income taxes

Tax expense comprises current and deferred 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 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income

will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

### x. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a



# KICHHA SUGAR COMPANY LIMITED, KICHHA

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## Notes to financial statements for the year ended March 31, 2021

rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

### xi. Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

### xii. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

### xii. Government Grants

In accordance with AS-12 "Government Grants", issued by the Institute of Chartered Accountants of India, the Government Grants received is dealt as follow:

- a) The grants related to specific fixed asset as shown as deduction from the gross value of the asset concern in arriving at their book value and in case where the grant is virtually whole of the cost of asset, the asset is shown at the nominal value as per the Companies Act, 2013.
- b) The grant related to the compensation or subsidy or assistance for any expense or loss incurred in previous accounting year shall be recognized and disclosed in the profit loss account of the year in which the grant is received / approved and shown as prior period / extra-ordinary item.





# KICHHA SUGAR COMPANY LIMITED, KICHHA

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Notes to financial statements for the year ended March 31, 2021

## Note 2: Other important notes

1. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.
2. In the opinion of the board of directors, current assets, loans and advances have a value on realization in the ordinary course of the business at least equal to the amounts at which they are stated and provision for all known liabilities have been made.
3. The Company has requested its vendors to confirm their status under Micro, Small and Medium Enterprises Development Act, 2006. Since no confirmations have been received, we are not able to comment if there are any amounts due to any micro or small enterprise under the MSMED Act, 2006. Further, the company's liability towards any interest for delayed payments under the provisions of the Act is not likely to be material.
4. The firm does not call for confirmation of balances under the head Sundry Creditors & Sundry Debtors at the year end.

5.



# KICHHA SUGAR COMPANY LIMITED, KICHHA

**CIN: U15421UR1972SGC003513**

Notes to financial statements for the year ended March 31, 2021

## **B. Notes to the Accounts :**

### **1. Borrowings :**

The Company has borrowed from time to time to meet its short term as well as long term requirements from State Government and Co-operative Bank. However, company has failed/defaulted in payment of interest to the State Government on becoming its due. It has also defaulted in payment of installments due of the Differential Cane Price loan borrowed from the State Government. The principal amount along with interest accrued and due but not paid to the State Government is reflected under the head 'Other Current Liabilities'.

### **2. Short Term Provision :**

- i) The company has made provision for the Government guarantee fee as per the directions of Auditor General being 1% of the closing balance of Term Loan account and Cash Credit account loan under Government Guarantee maintained with Co-operative Bank as at the end of the financial year.
- ii) The company has taken a retirement annuity plan from Life Insurance Corporation of India (LIC) for its employees and any additional contribution required under the scheme for the said financial year is being provided for and such liability and that is reflected under short term provisions. During the year under audit, there is a provision of Rs. 10213769/- towards contribution to such annuity plan.

### **3. Govt. Subsidy :**

The company has received government subsidy of Rs. 48,09,80,000/- for Cane price payment for cane purchase for the Season 2019-20 and the same has been shown as income under "Extra Ordinary Items" during the year under audit.

### **4. Managerial remuneration :**

Remuneration paid to the Directors (including Managing Director) included in the Profit and Loss Account is as under :-

Particulars	For the year ended on 31 <sup>st</sup> March, 2021	For the year ended on 31 <sup>st</sup> March, 2020
Salaries and allowances	13,37,472/-	12,93,729/-
<b>Total :</b>	<b>13,37,472/-</b>	<b>12,93,729/-</b>



# KICHHA SUGAR COMPANY LIMITED, KICHHA

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Notes to financial statements for the year ended March 31, 2021

## 5. Auditor's Remuneration (excluding GST) :

Particulars	For the year ended on 31 <sup>st</sup> March, 2021	For the year ended on 31 <sup>st</sup> March, 2020
Statutory Audit	30,000/=	30,000/=
Tax Audit	10,000/=	10,000/=
Reimbursement of expenses	15,500/=	15,500/=
<b>Total</b>	<b>55,500/=</b>	<b>55,500/=</b>

## 6. Earnings per share :

The computation of basic earnings/(loss) per share is set out below:

Particulars	For the year ended on 31 <sup>st</sup> March, 2021	For the year ended on 31 <sup>st</sup> March, 2020
Net loss for the period attributable to equity share holders (Rs.)	(16,64,87,571)	12,58,29,406
Number of fully paid up equity shares	17,98,643	17,98,643
Basic earnings per share (Rs.)	(93)	70

7. Provision for the deferred tax on Accumulated losses and unabsorbed depreciation has not been recognized in absence of virtual uncertainty of available of sufficient future taxable income being foreseeable at the end of the financial year 31<sup>st</sup> March, 2021.



# KICHHA SUGAR COMPANY LIMITED, KICHHA

**CIN: U15421UR1972SGC003513**

Notes to financial statements for the year ended March 31, 2021

## 8. Quantitative Details of Raw Material, Finished Goods and Bye-Products: (Qty in Qtls)

Particulars	Raw Material	WIP		Finished Product	By Product		
	Sugar Cane	Sugar in Process	Molasses	Sugar	Molasses	Bagasse	Brown Sugar
Opening Stock	33,378.23	6,337.00	6,464.00	5,21,874.00	1,38,239.50	8,843.54	-
Add Purchase	40,81,067.36	-	-	-	-	14,238.80	-
Add Production	-	2,714.00	4,274.00	4,29,696.00	2,03,366.00	13,06,123.91	3,283
<b>Total (A)</b>	<b>41,14,445.59</b>	<b>9,051.00</b>	<b>10,738.00</b>	<b>9,51,570.00</b>	<b>3,41,605.50</b>	<b>13,29,206.25</b>	<b>3,283</b>
Less Consumption	41,11,664.28	-	-	-	8,216.40*	-	-
Less Wastage	815.94	-	-	4,45,590.00	2,29,253.20	43,313.90	3,280
Less Sale	-	-	-	-	-	-	-
Less issued for Reprocess	-	6,337.00	6,464.00	-	-	-	-
<b>Total (B)</b>	<b>41,12,480.22</b>	<b>6,337.00</b>	<b>6,464.00</b>	<b>4,45,590.00</b>	<b>2,37,469.60</b>	<b>13,19,860.61</b>	<b>3,280</b>
<b>Closing Stock</b>	<b>1,965.37</b>	<b>2,714.00</b>	<b>4,274.00</b>	<b>5,05,980.00</b>	<b>1,04,135.90</b>	<b>9,345.64</b>	<b>03</b>

\*The company has accidental loss of stock due to leakage of 8216.40 quintals of molasses in January 2021, which has been subsequently reduced from the quantity of closing inventory of molasses. The said matter is under inquiry of Uttarakhand Sahakari Chini Mills Sangh Ltd.

9. Debit balance laying in the name of Gadarpur Sugar Factory in respect of internal transactions in past has been adjusted against cost of old materials received from Gadarpur Sugar Factory, being the transactions in the nature of ordinary course of business.

### 10. (a) Related Party Disclosures:

Sl. No.	Related Parties	Relation with the Company
1.	Smt. Ruchi Mohan Rayal	Key Managerial Person.
2.	Uttarakhand Government	Major Share Holders. (97.49%)

### (b) Transactions with related Parties:

Sl. No.	Particulars of related party transactions	Holding Company/ Share Holder	Key Management personnel.
a)	Remuneration to Directors (i) Smt. Ruchi Mohan Rayal		13,37,472/-
b)	Interest on Loan due but not paid to Uttarakhand Government	18,35,09,416/-	

11. There are legal cases pending against the company but contingent liability arising out of these can't ascertained and therefore no provision for contingent liability has been created for the financial year ending 31<sup>st</sup> March, 2021.




# KICHHA SUGAR COMPANY LIMITED, KICHHA

**CIN: U15421UR1972SGC003513**

Notes to financial statements for the year ended March 31, 2021

12. Previous year figures have been regrouped, rearranged, reclassified where ever necessary to make them comparable and more informative with the previous year.

For and on behalf of Board KICHHA SUGAR COMPANY LTD  
CIN: U15421UR1972SGC003513

  
(D.C. Pandey)  
C.F.O

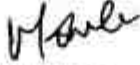
PAN: AIGPP5465J

As per our Report of even date attached herewith.

**FOR SHARDA & SHARDA LLP**

Firm Reg. No: 005629C/C400002

Chartered Accountants

  
per Mohak Sharda  
Partner

Membership No. 523012

UDIN: 2523012 AAAAPQ 5695

KICHHA

Dated: NOV 01, 2021

  
(Saurabh Gupta)  
Company Secretary  
PAN: BSZPG3786A

  
(Trilok Singh Martolia)  
EXECUTIVE DIRECTOR  
DIN:09311718

PLACE: KICHHA

DATED: 01/11/2021

  
(HARBANS SINGH CHUGH)  
CHAIRMAN  
DIN:08539127  
PLACE: DEHRADUN  
DATED: 01/11/2021





कार्यालय प्रधान महालेखाकार (लेखापरीक्षा), उत्तराखण्ड  
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT),  
UTTARAKHAND



पत्रांक : PAG(AU)/UK/AMG-II(PSU's)/NRC/A/c/s/KSCL/2020-21/314  
दिनांक: 10.01.2022

सेवा में,

गौधरी

3039

अधिसासी निदेशक,  
किच्छा शुगर कम्पनी लिमिटेड,  
किच्छा, ऊधम सिंह नगर, उत्तराखण्ड।

विषय: किच्छा शुगर कम्पनी लिमिटेड, के 31 मार्च 2021 के वार्षिक लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143 (6) (b) के अंतर्गत गैर समीक्षा प्रमाणपत्र।

महोदय,

कम्पनी अधिनियम 2013 की धारा 143 (6) (b) के अंतर्गत किच्छा शुगर कम्पनी लिमिटेड, के 31 मार्च 2021 को समाप्त वर्ष से सम्बन्धित लेखों पर "गैर समीक्षा प्रमाणपत्र" (Non Review Certificate) अग्रहित किया जा रहा है।

कृपया इस पत्र की पावती प्रेषित करें।

संलग्नक यथोपरि

भवदीय,

गौधरी  
10/1/2022

उपमहालेखाकार/ए.एम.जी-11

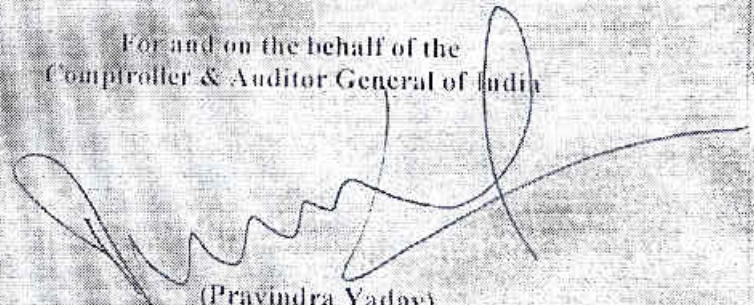
COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF KICHHA SUGAR COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2021.

The preparation of financial statements of Kichha Sugar Company Limited for the year ended 31 March 2021 in accordance with financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 01 November 2021.

I, on the behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Kichha Sugar Company Limited for the year ended 31 March 2021 under Section 143 (6) (a) of the Act.

Date: 30/1/2022  
Place: Dehradun

For and on the behalf of the  
Comptroller & Auditor General of India



(Prayindra Yadav)  
Principal Accountant General (Audit)  
Uttarakhand

# SATNAM SINGH SAGGU

COST ACCOUNTANT

R-2 (171-A), Khirki Extension, Malviya Nagar, New Delhi – 110017

## Form CRA-3

[ Pursuant to rule 6(4) of the Companies (Cost Records and Audit) Rules, 2014 ]

### FORM OF THE COST AUDIT REPORT

I, **Satnam Singh Saggu**, having been appointed as Cost Auditor under section 148(3) of the Companies Act, 2013 (18 of 2013) of **M/s Kichha Sugar Co; Limited**, having its registered office at Kichha, District Udham Singh Nagar, Uttarakhand - 263148, (hereinafter referred to as the Company), have audited the Cost Records maintained under section 148 of the said Act, in compliance with the cost accounting standards, in respect of the manufacturing of **SUGAR** for the year ending **31st March 2021**, maintained by the company and report in addition to my observations and suggestions, in para 2.

- 1 (i) I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of this audit.
  - (ii) In my opinion, proper cost records, as per Rule 5 of Companies (Cost Records and Audit) Amendment Rules, 2014 have been maintained by the company in respect to product/service under reference.
  - (iii) In my opinion, proper returns adequate for the purpose of my Cost Audit have been received from the branches not visited by me.
  - (iv) In my opinion and to the best of my information, the said books and records give the information required by the Companies Act, 2013, in the manner so required.
  - (v) In my opinion, the company has adequate system of internal audit of cost records which in my opinion is commensurate to its nature and size of its business.
  - (vi) In my opinion, information, statements in the annexure to the cost audit report give a true and fair view of the cost of the production of product/services, cost of sales, margin and other information relating to product/services under reference.
  - (vii) Detailed unit-wise and product/service-wise cost statements and schedules thereto in respect of the product/ service under reference of the company duly audited and certified by me are kept in the company.
2. Observations and suggestions, if any of the Cost Auditor, relevant to the cost Audit :-  
Company should continue its efforts towards fuller utilisation of production capacity for cost reduction.

Dated this 25th day of November, 2021  
at New Delhi.



SIGNATURE & SEAL OF THE COST AUDITOR  
MEMBERSHIP NUMBER  
VAM SINGH SAGGU - Membership No -10555



**ANNEXURE TO THE COST AUDIT REPORT**  
**PART-A**

**1. GENERAL INFORMATION**

1.	CIN or GLN of the Company;	U15421UR1972SGC003513
2.	Name of the Company;	M/s KICHHA SUGAR COMPANY LIMITED
3.	Address of the registered office or of principal place of business in India of the company	Bandia, Haldwani Road, Kichha, Distt. Udham Singh Nagar, Uttrakhand- 263148
4.	Address of corporate office of company	Bandia, Haldwani Road, Kichha, Distt. Udham Singh Nagar, Uttrakhand- 263148
5.	E-mail address of the company;	bandia_sugars@ykhco.co.in
6.	Date of beginning of reporting Financial Year	01/04/2020
7.	Date of end of reporting Financial Year	31/03/2021
8.	Date of beginning of previous Financial Year	01/04/2019
9.	Date of end of previous Financial Year	31/03/2020
10.	Level of rounding used in cost statements	lakhs/as specified
11.	Reporting currency of entity	INR
12.	Number of cost auditors for reporting period	one
13.	Date of board of directors meeting in which annexure to the cost audit report was approved	25th November, 2021
14.	Whether cost auditors report has been qualified or has any reservations or contain adverse remarks	No
15.	Consolidated qualifications, reservations or adverse remarks.	None
16.	Consolidated observations or suggestions of all cost auditors	Company should continue its efforts towards fuller utilisation of production capacity for cost reduction.
17.	Whether company has related party transactions for sale or purchase of goods or services.	No



## 2 General details of Cost Auditor

1.	Whether cost auditor is lead auditor	YES
2.	Category of the cost auditor	Individual
3.	Firm's registration number	102209
4.	Name of the cost auditor	Satnam Singh Saggu,
5.	PAN of the cost auditor	AATPS5695L
6.	Address of the cost auditor	Satnam Singh Saggu, R-2 (171-A), Khirki Extn., Malviya Nagar, New Delhi - 110017
7.	E-mail id of cost auditor	<a href="mailto:sssaggu@rediffmail.com">sssaggu@rediffmail.com</a>
8.	Membership number of member signing report	M/10555
9.	Name of member signing report	SATNAM SINGH SAGGU
10.	Name of product with CETA Headings	SUGAR ; 1701
11.	SRN number of Form 23C/ CRA-2	R72688179 dated 28/11/2020
12.	Number of audit committee meeting attended by cost auditor during year	None
13.	Date of signing cost audit report and annexure by cost auditor	25th November, 2021
14.	Place of signing cost audit report and annexure by cost auditor	New Delhi



The Sugar is manufactured in a continuous process in the sugar plant. Therefore process costing system is applied. The raw material is sugarcane. The system of accounting and cost recording for each element of cost is as given below :-

### RAW MATERIAL

Sugarcane is major raw material, which comes from various cane collection centres, maintained by the Company. It is supplied either at the cane centres or at factory gate. When the cane is received at cane centres, it is weighed and quantity and value both with other particulars of suppliers are entered on the 'Cane Purchase Day Book'. From cane collection centres, the cane is transported by road transport by outside transport contractors. It is again weighed at the factory gate & quantity picked up from the cane collection centres and received at factory gate is reconciled and the difference is taken as cane losses or drage. At factory gate, cane receiving report is prepared for each supply of cane. From these reports quantity is entered in the 'Cane Purchase Day Book', which is the quantitative record for making payment to suppliers. When bills are received in the cane department the quantity is checked and reconciled with the 'Cane Purchase Day Book' and these bills are passed for payment. For cane supplies, the payments are made to the Cane Grower's Societies only and not to the individual suppliers. Company has introduced a system of preparing computerised cane purchases and preparation of for cane supplies of individual cane grower. The payment through their bank account is also under consideration.

### OTHER MATERIALS & STORE ACCOUNTING

For purchase of stores and other process materials, the demand orders are prepared by the concerned dept. heads and sent to stores department for verification and stock position, which sends these demand notes for security to Head of Purchase department. After calling quotations & preparing comparative statements, order is placed with the firm having competitive rate.

When goods are received entry permit is prepared by the security deptt. and goods are handed over to Goods Receipt Section. Quantity received is then verified by both accounts & goods receipt section & the quality is verified by the department concerned, and Goods Inwards Receipt Voucher (GIRV) is prepared. Original copy of this GIRV is sent to Accounts deptt. for making payment of suppliers bills. Store keepers maintain quantitative records in bin cards and Kardex for receipts, issues and balances. Physical verification of different items of stores is done frequently and the same is reconciled with the bin card balances. Computerised stores ledgers are maintained in accounts department for quantity and value of goods. Accounts departments checks the qty. of store ledger with bin cards on perpetual basis. Issues are valued on monthly weighted average.

### DIRECT LABOUR & OTHER SERVICES

Attendance sheet are submitted by the time office to the accounts department giving therein number of days worked by each employee during the month and rates of pay etc. After entering the data from these sheets in the computer, the wages sheets are prepared alongwith the wages slips, for payment of wages and salaries. These salaries and wages are classified into seasonal and offseasonal categories. Cost centre-wise allocation is also done. Retaining allowance is also paid to the employees as per sugar wage board award, which is also divided into different departments.

### OVERHEADS

The whole factory has been divided into the following cost centres :-

1. Sugarcane outcentre	5. Work-shop	9. Work-shop	13. General Factory
2. Sugarcane at gate	6. Pump House	10. Sales Office	
3. Sugarcane feeding	7. Boiler House	11. Packing Deptt.	
4. Cane development	8. Power House	12. Manufacturing	

All indirect expenses including indirect material and indirect salaries are classified according to cost centres. The expenses which can be identified with the cost centres are taken for the cost centre concerned from the basic documents. Other expenses which can't be identified with the cost centres are distributed on the most appropriate basis and consistency is maintained.

### DEPRECIATION

Plant register is being maintained by the company for plant & machinery & other fixed assets. The depreciation has been worked out as prescribed in schedule II of the Companies Act, 2013, and the same is distributed to the various in cost centres as follows:-

1. Building	-	On the basis of floor area
2. Railway Siding	-	As factory overheads
3. Plant & Machinery	-	On actual basis
4. Furniture & fixtures	-	50% to Admin. Overheads and 50% to Factory overheads
5. Ref. & A.C.	-	As Administration overheads
6. Electric Installation	-	As factory overheads
7. Typewriters & Off. Equipment	-	As Administration overheads
8. Motor Cars & Vehicles	-	On the basis of no. of vehicles held by different depts.
9. Weigh Bridges	-	50% to Sugar cane and 50% to Factory overheads
10 Godown Building	-	As selling overheads

Expenses have been classified into Factory overheads, Admin. overheads and Selling & distribution overheads. Workshop expenses have been taken as repairs and maintenance cost and is apportioned to various cost centres on the basis of stores issued to these depts. for repairs and maintenance purposes.

### COMMENTS

The cost accounting policy followed by the company is quite adequate for working the cost of production & and cost of sales and marketing of the product under reference.

\*\*\*



#### 4. PRODUCT GROUP DETAILS (for the company as a whole)

Name of Product	UOM	CETA Heading (wherever applicable)	Whether Covered under Cost Audit  (Yes / No)	Net Operational Revenue (net of taxes, duties etc.)	
				Current Year	Previous Year
				Rs. In lakhs	Rs. In lakhs
1. SUGAR      CETA : 1701	Qtls.	SUGAR	YES	13651.39	13308.99
2. OTHERS		MOLASSES, SCRAP & OTHERS	NO	1400.61	1230.23
Total Net Revenue from Operations				15052.00	14539.22
Other Incomes of Company				360.60	171.80
Total Revenue as per financial Accounts				15412.60	14711.02
Extra Ordinary Income, if any				0.00	0.00
Total Revenue including Extra Ordinary Income, if any				15412.60	14711.02
Turnover as per Excise/Service Tax Records				15412.60	14711.02
Note: Explain the difference, if any, between Turnover as per Annual Accounts and Turnover as per Excise/GST Records.				N/A	N/A



**PART-B****1 QUANTITATIVE INFORMATION (for each product with CETA Heading seperately)**

Name of the Product		SUGAR		
CETA Heading		1701		
Particulars		Unit	Current Year	Previous Year
<b>1</b>	<b>Available Capacity</b>			
	(a) Installed Capacity - <b>Crushing of sugarcane per day</b>	MT	4000	4000
	(b) Capacity enhanced during the year, if any	MT	0	0
	(c) Capacity available through leasing arrangements, if any	MT	0	0
	(d) Capacity available through loan license / third parties	MT	0	0
	(e) Total available Capacity per Day	MT	4000	4000
<b>2</b>	<b>Actual Production - Crushing of sugarcane per day</b>	MT	2670	2860
	(a) Self Manufactured	Qtls.	429696	470558
	(b) Produced under leasing arrangements	Qtls.	0	0
	(c) Produced on loan license / by third parties on job work	Qtls.	0	0
	(d) Total Production	Qtls.	429696	470558
<b>3</b>	<b>Production as per Excise Records</b>	Qtls.	429696	470558
<b>4</b>	<b>Capacity Utilization (in-house)</b>	%	66.8%	71.5%
<b>5</b>	<b>Finished Goods Purchased</b>			
	(a) Domestic Purchase	Qtls.	0	0
	(b) Imports	Qtls.	0	0
	(c) Total Finished Goods purchased	Qtls.	0	0
<b>6</b>	<b>Stock &amp; Other Adjustments</b>			
	(a) Changes in Stock of Finished Goods (Increase -/ Decrease + )	Qtls.	15894	(33543)
	(b) Self / Captive Consumption (incl. Samples etc.)	Qtls.	0	0
	(c) Other Quantitative Adjustments, if any (Wastage etc.)	Qtls.	0	0
	(d) Total Adjustments	Qtls.	15894	(33543)
<b>7</b>	<b>Total Available Quantity for Sale [2(d) + 5(c) - 6(d)]</b>	Qtls.	445590	437015
<b>8</b>	<b>Actual Sales</b>			
	(a) Domestic Sales (manufacturing)	Qtls.	445590	437015
	(b) Domestic Sales (trading)	Qtls.	0	0
	(c) Export Sales (manufacturing)	Qtls.	0	0
	(d) Export Sales (trading)	Qtls.	0	0
	(e) Total Quantity Sold	Qtls.	445590	437015



**2. ABRIDGED COST STATEMENT (for each product with CETA Heading separately)**

Name of Product		SUGAR				
CETA Heading		1701				
Unit of Measure		Qtls.				
	Production	Finished Goods Purchased	Finished Stock Adjustment	Captive Consumption	Other Adjustments	Quantity Sold
<b>Current Year</b>	<b>429698</b>	<b>0</b>	<b>15894</b>	<b>0</b>	<b>0</b>	<b>445590</b>
<b>Previous Year</b>	<b>470558</b>	<b>0</b>	<b>(33543)</b>	<b>0</b>	<b>0</b>	<b>437015</b>
S.No.	Particulars	CURRENT YEAR		PREVIOUS YEAR		
		Amt. (Rs. In Lakhs)	Cost per Qtl.(Rs.)	Amt. (Rs. In Lakhs)	Cost per Qtl.(Rs.)	
<b>1</b>	<b>Materials Consumed (specify details as per Para-2A)</b>					
	<b>a) Indigenous</b>					
	- Sugarcane	13422.81	3123.79	14527.18	3108.48	
	- Other expenses on sugarcane	1158.93	269.24	1235.02	262.46	
		14579.74	3393.04	15862.20	3370.93	
	<b>b) Imported</b>	0.00	0.00	0.00	0.00	
		0.00	0.00	0.00	0.00	
	<b>c) Self Manufactured / Produced</b>	0.00	0.00	0.00	0.00	
	<b>TOTAL</b>	14579.74	3393.04	15862.20	3370.93	
2	Process Materials/Chemicals	66.54	15.49	99.05	21.05	
3	Utilities (Specify details as per 2B)					
	a) Water	5.59	1.30	5.69	1.21	
	b) Steam	4025.97	936.93	4573.09	971.84	
	c) Power	213.17	49.61	188.03	39.96	
4	Direct Employees Cost	977.76	227.55	961.90	204.42	
5	Direct Expenses	0.00	0.00	0.00	0.00	
6	Consumables Stores & Spares	0.00	0.00	0.00	0.00	
7	Repairs & Maintenance	141.94	33.03	55.32	11.76	
8	Quality Control Expenses	0.00	0.00	0.00	0.00	
9	Research & Development Expenses	0.00	0.00	0.00	0.00	
10	Technical Know-how Fee / Royalty	0.00	0.00	0.00	0.00	
11	Depreciation/Amortization	27.07	6.30	34.47	7.33	
12	Other Production Overheads	1005.23	233.94	940.31	199.83	
13	Industry Specific Operating Expenses (Specify as per 2C)	0.00	0.00	0.00	0.00	
14	Total (1 to 13)	21043.01	4897.19	22720.06	4828.32	
15	Increase/Decrease in Work-in-Progress	112.47	26.17	(107.45)	(22.83)	
16	Less: Credits for Recoveries:	(4792.63)	(1115.35)	(6039.87)	(1283.55)	
17	Primary Packing Cost	253.39	58.97	269.00	57.17	
18	Cost of Production/Operations (14+15 to 17)	16616.24	3866.98	16841.74	3579.10	
19	Cost of Finished Goods purchased	0.00	0.00	0.00	0.00	
20	Cost of Production & Purchases (18+19)	16616.24	3866.98	16841.74	3579.10	
21	Increase/Decrease in Stock of Finished Goods	468.10	(32.88)	(1139.30)	1138.44	
22	Less: Self/Captive Consumption (incl. Samples, etc.)	0.00	0.00	0.00	0.00	
23	Other Adjustments (if any)	0.00	0.00	0.00	0.00	
24	Cost of Production/Operation of Products sold (20 + 21 to 23)	17084.34	3834.09	15702.44	4717.54	
25	Administrative Overheads	429.87	96.47	428.87	128.85	
26	Secondary Packing Cost	0.00	0.00	0.00	0.00	
27	Selling & Distribution Overheads	214.70	48.18	194.21	58.35	
28	Cost of sales before Interest (24 to 27)	17728.91	3978.75	16325.52	4904.73	
29	Interest & Financing Charges	2629.67	590.15	2584.44	770.44	
30	Cost of Sales (21 + 22 to 25)	20358.57	4568.90	18889.96	5675.17	
31	Net Sales Realisation (Net of Taxes and Duties)	13651.39	3063.67	13308.99	3998.47	
32	Margin [Profit/(Loss) as per Cost Accounts] (31-30)	(6707.18)	(1505.24)	(5580.96)	(1676.71)	





**PART-D**

**1. PRODUCT AND SERVICE PROFITABILITY STATEMENT (for Audited product/services)**

Sno.	Particulars	Current Year			Previous Year		
		Sales (Rs in Lakhs)	Cost of sales (Rs. In Lakhs)	Margin (Rs.in Lakhs)	Sales (Rs.in Lakhs)	Cost of sales (Rs. In Lakhs)	Margin (Rs.in Lakhs)
	<b>Product Profitability</b>						
1	<b>SUGAR</b>	13651.39	20358.57	(6707.18)	13308.99	18889.96	(5580.96)
	<b>TOTAL</b>	13651.39	20358.57	(6707.18)	13308.99	18889.96	(5580.96)
	<b>Services Profitability</b>						
1	Service 1	-	-	-	-	-	-
2	Service 2	-	-	-	-	-	-
	<b>TOTAL</b>	-	-	-	-	-	-
	<b>G. TOTAL</b>	13651.39	20358.57	(6707.18)	13308.99	18889.96	(5580.96)





**2. PROFIT RECONCILIATION (for the company as a whole)**

(Rs. in Lakhs)

Sr.No.	Particulars	Current Year	Previous Year
1	Profit or Loss as per Cost Accounting Records		
	(a) For the audited products groups		
	<b>SUGAR CETA : 1701</b>	<b>(6707.18)</b>	<b>(5580.96)</b>
	(b) For the un-audited product groups	0.00	0.00
2	Add: Incomes not considered in cost accounts:		
	(a) Security money forfeited	0.00	0.00
	(b) Export sugar claim 2018-19	204.15	0.00
	(c) Buffer stock claim received	86.87	86.87
	(d) Prior period adjustment	79.87	(15.18)
	(e) Subsidy received from Govt. of Ultrakhand	4809.80	6907.00
		<b>5180.69</b>	<b>6978.69</b>
3	Less: Expenses not considered in cost accounts:		
	(a) Molasses storage reserve fund	1.15	1.11
	(b) Provision for Govt. guarantee fee	77.27	86.92
	(c) Provision for Arrears of wage board officials	59.97	51.41
		<b>138.39</b>	<b>139.44</b>
4	Add: Overvaluation of closing stock in financial accounts	0.00	0.00
5	Add: Undervaluation of opening stock in financial accounts	0.00	0.00
6	Less: Undervaluation of closing stock in financial accounts	0.00	0.00
7	Less: Overvaluation of opening stock in financial accounts	0.00	0.00
8	Adjustments for others, if any (specify)	0.00	0.00
9	Profit or Loss as per Financial Accounts	<b>(1664.88)</b>	<b>1258.29</b>



3. VALUE ADDITION AND DISTRIBUTION OF EARNINGS (for the company as a whole)

Rs. In Lakhs

Sr.No.	Particulars	Current Year	Previous Year
	<b>Value Addition:</b>		
1	Gross Sales (excluding returns)	15052.00	14539.22
2	Less: Excise duty, etc.	0.00	0.00
3	Net Sales	15052.00	14539.22
4	Add: Export Incentives	0.00	0.00
5	Add/Less: Adjustment in Finished Stocks	(1073.68)	1756.41
6	Less: Cost of bought out inputs		
	(a) Cost of Materials Consumed }		
	(b) Process Materials / Chemicals }		
	(c) Consumption of Stores & Spares }	8690.00	10786.92
	(d) Utilities (e.g. power & fuel) }		
	(e) Others, if any }		
	Total Cost of bought out inputs	8690.00	10786.92
7	<b>Value Added</b>	5288.32	5508.71
8	Add: Income from any other sources	360.60	171.80
9	<b>Earnings available for distribution</b>	5648.92	5680.51
	<b>Distribution of Earnings to:</b>		
1	Employees as salaries & wages, retirement benefits, etc.	2975.41	2876.41
2	Shareholders as Dividend	0.00	0.00
3	Company as retained funds	0.00	0.00
4	Government as taxes (specify)	0.00	0.00
5	Others, if any; Financial Charges	2673.51	2804.10
	<b>Total distribution of earnings</b>	5648.92	5680.51



#### 4. FINANCIAL POSITION AND RATIO ANALYSIS (for the company as whole)

S. No.	Particulars	Units	Current Year	Previous Year
<b>A.</b>	<b>Financial Position</b>			
1	Share Capital	Rs/Lakh	1798.64	1798.64
2	Reserves & Surplus	Rs/Lakh	(31466.05)	(29801.17)
3	Long Term Borrowings	Rs/Lakh	300.00	300
4	(a) Gross Assets	Rs/Lakh	3047.11	3039.44
	(b) Net Assets	Rs/Lakh	331.16	369.53
5	(a) Current Assets	Rs/Lakh	17211.04	18280.00
	(b) Less: Current Liabilities	Rs/Lakh	46892.68	46335.87
	(c) Net Current Assets	Rs/Lakh	(29681.64)	(28055.87)
6	Capital Employed	Rs/Lakh	(29350.48)	(27686.34)
7	Net Worth	Rs/Lakh	(29667.41)	(28002.53)
<b>B.</b>	<b>Financial Performance</b>			
1	Value Added	Rs/Lakh	5288.32	5508.71
2	Net Revenue from Operations of Company	Rs/Lakh	15052.00	14539.22
3	Profit before Tax (PBT)	Rs/Lakh	(1664.88)	1258.29
<b>C.</b>	<b>Profitability Ratios</b>			
1	PBT to Capital Employed (B3/A6)	%	(-)ve	(-)ve
2	PBT to Net Worth (B3/A7)	%	(-)ve	(-)ve
3	PBT to Value Added (B3/B1)	%	(31.48)	22.84
4	PBT to Net Revenue from Operations (B3/B2)	%	(11.06)	8.65
<b>D.</b>	<b>Other Financial Ratios</b>			
1	Debt-Equity Ratio	%	16.68	16.68
2	Current Assets to Current Liabilities	%	36.70	39.45
3	Value Added to Net Revenue from Operations	%	35.13	37.89
<b>E.</b>	<b>Working Capital Ratios</b>			
1	Raw Materials Stock to Consumption	Months	0.01	0.08
2	Stores & Spares to Consumption	Months	11.26	9.19
3	Finished Goods Stock to Cost of Sales	Months	9.37	10.72



5. RELATED PARTY TRANSACTIONS (for the company as a whole)

Rs. In lakhs

S. No.	Names & Address of the Related Party	Name of the Product / Service Group	Nature of Transaction (Sale, Purchase, etc.)	Quantity	Transfer Price (Rs)	Amount (Rs. In Lakhs)	Normal Price (Rs)	Basis adopted to determined the Normal Price
NOT APPLICABLE								



6 RECONCILIATION OF GST (for the company as a whole)

Rs. in Lakhs

Particulars	Taxable Value/Assessable Value	Goods & Services Tax				
		GST	CGST	SGST/UTGST	IGST	Cess
		Rs.	Rs.	Rs.	Rs.	Rs.
<b>Sl. No. Duties/Taxes Payable</b>						
1 Domestic	-	-	-	-	-	-
2 Export	-	-	-	-	-	-
3 Stock Transfers (Net)	-	-	-	-	-	-
4 Others, if any	-	-	-	-	-	-
5 Total Excise Duty (1 to 4)	-	-	-	-	-	-
6 VAT, CST, Cess etc.	-	-	-	-	-	-
7 Other State Taxes, if any	-	-	-	-	-	-
<b>Goods &amp; Services Tax</b>	-	-	-	-	-	-
8 Outward Taxable Supplies (other than zero rated, Nil rated and Exempted)	15103.30	982.47	368.79	368.79	244.89	-
9 Outward Taxable Supplies (Zero rated)	-	-	-	-	-	-
10 Inward Supplies (Liable to Reverse Charge)	45.06	6.96	2.86	2.86	1.24	-
11 Other Outward Supplies (Nil rated and Exempted)	-	-	-	-	-	-
12 Non-GST Outward Supplies	-	-	-	-	-	-
13 Total (8 to 12)	15148.36	989.43	371.65	371.65	246.13	-
14 <b>Total Duties/Taxes Payable (5+6+7+13)</b>		<b>989.43</b>	<b>371.65</b>	<b>371.65</b>	<b>246.13</b>	-
<b>Duties/Taxes paid [by utilisation of Input Tax Credit and Payment through Cash Ledger, as the case may be]</b>						
<b>Input Tax Credit Utilised</b>						
15 CGST/CENVAT		26.35	26.35	-	-	-
16 SGST / UTGST/VAT		26.35	-	26.35	-	-
17 IGST		232.49	102.96	-	129.53	-
18 Cess		-	-	-	-	-
19 Transitional Credit		-	-	-	-	-
20 Others, if any, specify		-	-	-	-	-
21 <b>Total Input Taxes Credit Utilised (15 to 20)</b>		<b>285.19</b>	<b>129.31</b>	<b>26.35</b>	<b>129.53</b>	-
22 Payment through Cash Ledger		704.24	242.34	345.30	116.80	-
23 <b>Total Duties/Taxes Paid (21+22)</b>		<b>989.43</b>	<b>371.65</b>	<b>371.65</b>	<b>246.13</b>	-
Difference between Taxes Paid and Payable (14 - 23)		-	-	-	-	-
24 Interest/Penalty/Fines Paid		-	-	-	-	-

