

July 14, 2025

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza
Bandra - Kurla Complex
Bandra [E], Mumbai - 400 051

Dear Sirs,

Stock Code - **KOTARISUG**

Sub: 64th Annual Report of the Company and e-voting process of Kothari Sugars and Chemicals Limited for the financial year 2024 - 2025

- (i) Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of the Annual Report along with the Notice convening the 64th Annual General Meeting of the Company is enclosed. The 64th Annual General Meeting of the Company will be held on **Wednesday, 06th August 2025 at 11:00 A.M** through Video Conference (VC) / Other Audio-Visual Means (OAVM).
- (ii) Further, we wish to inform that in terms of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the provisions of Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company shall provide to its members the facility to exercise their votes electronically for transacting the items of business as set out in the Notice convening the 64th Annual General Meeting of the Company.
- (iii) The Company has entered into an arrangement with Central Depository Services (India) Limited ('CDSL') for facilitating e-voting through their e-voting platform i.e. www.evotingindia.com. The remote e-voting period begins on Saturday, 02nd August 2025 at 9.00 A.M and ends on Tuesday, 05th August 2025 at 5.00 P.M. The cut-off date for reckoning the eligibility of the members for e-voting is Wednesday, 30th July 2025.
- (iv) In compliance with relevant MCA Circulars dated 19th September 2024, 25th September 2023, 28th December 2022, 05th May 2022, 05th May 2020, 08th April 2020, 13th April 2020, 13th January 2021 & 14th December 2021 and SEBI Circulars dated 03rd October 2024, 07th October 2023, 05th January 2023, 13th May 2022 & 12th May 2020, the Notice of the AGM along with the Annual Report 2024 - 2025 has been sent to the shareholders only through electronic mode on Monday, 14th July 2025 to those members whose e-mail addresses are registered with the Company / Depositories and the same is available in the website of the Company www.hckotharigroup.com/kscl.

Cont....2/-

Sugar Units:

Unit - I: Kattur Post- 621 706, Lalgudi Taluk, Trichy Dist., Tamil Nadu. Phone: 0431-2541224 / 2541350, Fax: 0431-2541451
Unit - II: Sathamangalam Village, Vetriyur Post: 621 707. Ariyalur Dist., Tamil Nadu. Phone: 04329-320800

CIN : L15421TN1960PLC004310
TIN No. : 33790460019 dt 1-1-2007
CST No. 24518 dt. 26-06-1961
GSTIN : 33AABCK2495F1ZP

..(2)..

- (v) Additionally, for shareholders who have not registered their email addresses, letters are being sent containing the web link along with the exact path to access the complete Annual Report for the year 2024-25.
- (vi) Kindly take the same on your record and display the same on the website of the Stock Exchange.

Thanking You,

Yours faithfully
for **Kothari Sugars & Chemicals Limited**

R. Prakash
Company Secretary & Compliance Officer

Encl: as above



Kothari Sugars and Chemicals Limited

64th Annual Report 2024 - 25





Bhadrashyam H Kothari

11.11.1961 - 22.02.2015



*With fond memories of our Dearest Chairman
You will always inspire and guide us.*

CORPORATE INFORMATION

Board of Directors

Nina B. Kothari - Chairperson (Non - Executive)
 Arjun B. Kothari - Managing Director
 M. Silvester Goldwin - Whole Time Director
 M. R. Mohan - Independent Director
 S. Sundarraman - Independent Director
 Abdul Kareem Sait - Independent Director (w.e.f 27.06.2025)
 C. V. Krishnan - Independent Director (till 27.06.2025)

Company Secretary & Compliance Officer

R. Prakash

Chief Financial Officer

R. Krishnan

Statutory Auditors

P. Chandrasekar LLP
 Chartered Accountants
 No.18A, 1st Floor, Plot No. 5, Balaiah Avenue,
 Luz, Mylapore, Chennai - 600 004.

Internal Auditors

(a) R. Subramanian & Co. LLP
 Chartered Accountants
 No. 6, Krishnaswamy Avenue,
 Luz, Mylapore, Chennai - 600 004.

(b) V. P. Mukundan & Associates
 Chartered Accountants
 No. 29/2, IV Trust Cross Street,
 Raj Kamal Apartments, I Floor,
 Mandavelipakkam, Chennai - 600 028.

Cost Auditor

K. Suryanarayanan
 Flat A, Brindhavan Apartments, No.1, Poes Road,
 4th Street, Teynampet, Chennai - 600 018.

Secretarial Auditor

Alagar and Associates LLP
 Temple Tower, H-5, 7th Floor,
 672, Anna Salai, Nandanam,
 Chennai - 600 035.

Registered Office

"Kothari Buildings"
 No.115, Mahatma Gandhi Salai,
 Nungambakkam, Chennai - 600 034.
 Phone No. 044 - 3522 5526 / 3522 5529
 e-mail : secdept@hckgroup.com
 website : www.hckotharigroup.com/kscl

Legal Advisors

S. Ramasubramanian & Associates
 Advocates
 No. 6/1, Bishop Wallers Avenue (West),
 Mylapore, Chennai - 600 004.

Registrar & Share Transfer Agents

M/s. Cameo Corporate Services Limited
 Subramanian Building, No. 1,
 Club House Road, Chennai - 600 002.
 Phone No. 044 - 40020700 / 710
 Online Investor Portal : <https://wisdom.cameoindia.com>
 Website : www.cameoindia.com

Manufacturing Units

Kattur

Kattur Railway Station Road, Lalgudi Taluk,
 Trichy District, Tamil Nadu - 621 706.

Sathamangalam

Sathamangalam Village, Vetriyur Post,
 Keezhapalur, Ariyalur Taluk,
 Ariyalur District, Tamil Nadu - 621 707.

Listing

The National Stock Exchange of India Limited (NSE)

Stock Code	KOTARISUG
ISIN	INE419A01022
CIN	L15421TN1960PLC004310

CONTENTS

	Page No.
Notice to the Members	3
Board's Report	18
Management Discussion and Analysis	32
Corporate Governance Report	38
Auditors' Report	49
Balance Sheet	58
Statement of Profit and Loss	59
Cash Flow Statement	61
Notes forming part of the Financial Statements	62

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	2024-25	2023-24	2022-23	2021-22	2020-21
PROFITABILITY ITEMS					
Gross Revenue	32,642	51,812	61,850	43,028	42,421
Gross Profit (PBDIT)	3,499	5,971	6,916	5,646	3,737
Depreciation	1,466	1,427	1,404	1,410	1,379
Profit / (Loss) Before Interest & Tax	2,034	4,544	5,512	4,236	2,357
Finance Cost	357	353	389	410	510
Exceptional Items (Debit) / Credit	634	-	362	110	497
Profit / (Loss) Before Tax	1,677	4,191	5,485	3,936	2,345
Income Tax	652	722	958	729	461
Deferred Tax	(18)	520	334	(196)	(18)
Profit / (Loss) After Tax	1,043	2,949	4,192	3,403	1,902
BALANCE SHEET ITEMS					
Net Fixed Assets (incl. CWIP)	15,416	16,339	16,018	15,233	16,226
Investments	13,341	10,004	7,201	7,147	5,831
Other Current / Non current assets	16,198	21,916	19,964	17,050	11,962
Total Capital Employed	31,614	38,255	35,983	32,283	28,188
Shareholders Funds	28,930	27,848	25,756	22,001	18,625
OTHERS					
Book Value per share (₹)	35	34	31	27	22
EPS (₹)	1.26	3.56	5.06	4.11	2.29
Dividend %	-	5	10	-	-

NOTICE TO THE MEMBERS

Notice is hereby given that the 64th Annual General Meeting of Kothari Sugars and Chemicals Limited will be held on Wednesday, 06th August 2025 at 11:00 A.M. through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), to transact the following business:

Ordinary Business:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2025, the Report of the Auditors thereon and Report of the Board of Directors.
2. To appoint a Director in the place of Mrs. Nina B. Kothari, (DIN: 00020119) who retires by rotation and being eligible offers herself for re-appointment.

Special Business:

3. Ratification of Remuneration to Cost Auditor

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

"Resolved that subject to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, if any and Rule 14 of Companies (Audit & Auditors) Rules, 2014 (including statutory modification(s) or re-enactment(s) thereof, for the time being in force), payment of remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable taxes and re-imbursement of out of pocket expenses to Mr. K. Suryanarayanan, Cost Accountant in Practice for conducting the audit of cost records of the Sugar, Distillery & Co-gen units of the Company for the year 2025 - 2026, which has been approved by the Board on the recommendation of the Audit Committee, be and is hereby ratified and confirmed".

4. To consider and approve the Re-appointment of Mr. Arjun B. Kothari, (DIN: 07117816) as Managing Director of the Company

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

"Resolved that pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification or re-enactment thereof, approval of the members of the company be and is hereby accorded to the re-appointment of Mr. Arjun B Kothari (DIN: 07117816) as the Managing Director of the company for a period of three years with effect from 01st September 2025 upon the terms and conditions including remuneration as set out in this Resolution and sanctioned with authority to the Board of Directors of the Company to alter or vary the terms and conditions of the said re-appointment in such manner as the Board

may deem fit but subject to compliance of applicable provisions of law at that point of time and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director and whose directorship is liable to retirement by rotation.

(a) Salary:

₹12,00,000/- (Rupees Twelve Lakhs) per month.

(b) Perquisites:

- (i) Perquisites including use of car with driver, personal accident insurance, medical insurance, leave travel allowance and other benefits as provided to the other Senior Executives of the Company will be provided in accordance with the rules of the Company and the same will be evaluated as per Income Tax Rules, wherever applicable and in other cases at actual cost to the company.
- (ii) Leave encashment as per the Company's policy from time to time.
- (iii) Use of telephone at residence and mobile phone for Company's purpose, which will not be treated as Perquisite.
- (iv) Subscription fees for any one club as per the policy of the Company.

(c) Annual Performance Commission:

A Commission not exceeding 5% of the net profits as approved by the Nomination and Remuneration Committee year on year.

Resolved further that there being inadequacy or absence of profits in any financial year during the currency of the tenure of the Managing Director, the above remuneration, and annual commission if any, excluding the perquisites mentioned under Section IV of Part II of Schedule V of Companies Act, 2013, shall be treated as minimum remuneration, which exceeds the limits mentioned under Section II of Part II of Schedule V of the Companies Act, 2013 or such other limit as may be prescribed by the Government from time to time shall be paid.

Resolved further that the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments, and writings as may be required to give effect to the aforesaid Resolution."

5. Appointment of Mr. Abdul Kareem Sait (DIN : 03265300) as an Independent Director of the Company.

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

“Resolved that Mr. Abdul Kareem Sait (DIN : 03265300), who was appointed as an Additional Director of the Company in the category of Non-Executive Independent Director by the Board of Directors with effect from June 27, 2025 in terms of Section 161 of the Companies Act, 2013 and Article 75 of the Articles of Association of the Company and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, 2015 and is eligible for appointment under the provisions of the Act, the Rules made thereunder and the SEBI Listing Regulations, and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for the first term of five consecutive years upto June 26, 2030 as per Sections 149, 150 & 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) read with Schedule IV of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Resolved further that the Board of Directors / KMPs of the Company be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments, and writings as may be required to give effect to the aforesaid Resolution”.

6. To consider and approve the appointment of Secretarial Auditor

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 Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, read with Section 204 and all other applicable provisions of the Companies Act, 2013 (“the Act”) and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification or re-enactment thereof for the time being in force), M/s. Alagar & Associates LLP, a Peer Reviewed Practicing Company Secretaries Firm, Chennai, (Firm Registration No. L2025TN019200), be and are hereby appointed as the Secretarial Auditors of the Company for the first term of five (5) consecutive years commencing from financial year 2025-2026 to financial year 2029-2030, at such remuneration as shall be fixed by the Board of Directors of the Company.

Resolved further that the Board of Directors of the Company and KMPs of the Company be and are hereby authorized to do all such acts, deeds and

things and execute all such documents, instruments, and writings as may be required to give effect to the aforesaid Resolution”.

By Order of the Board
for **Kothari Sugars and Chemicals Limited**

Place: Chennai
Date : June 27, 2025

R. Prakash
Company Secretary

Important Notes

- a) The Ministry of Corporate Affairs vide its Circular No. 09/2024 dated September 19, 2024 read with Circular No. 09/2023 dated September 25, 2023 read with Circular No. 10/2022 dated December 28, 2022 read with Circular No. 02/2022 dated May 05, 2022 read with Circular No. 21/2021 dated December 14, 2021 read with Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20/2020 dated May 05, 2020 read with Circular No.17/2020 dated April 13, 2020 read with Circular No.14/2020 dated April 8, 2020 allows conducting of Annual General Meeting of the Company through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the members for the meeting at a common venue till 30th September 2025. In terms of the said Circulars and in compliance with the provisions of the Companies Act, 2013 and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the AGM through VC / OAVM only. The deemed venue for the AGM shall be the Registered Office of the Company. The detailed procedure for participating in the meeting through VC / OAVM is appended herewith and also available at the Company's website www.hckotharigroup.com/kscl.
- b) Since the AGM is being conducted through VC / OAVM, the facility for appointment of proxies by the Members will not be available for this AGM and hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
- c) Body Corporate members are requested to send to the Company a certified copy of the Board Resolution/ Power of Attorney authorizing their representative to attend and vote in the AGM through VC / OAVM on its behalf and to vote through remote e-voting. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.
- d) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- e) The Register of Members and Share Transfer Books will remain closed from Thursday, 31st July 2025 to Wednesday, 06th August 2025 (both days inclusive) on account of the Annual General Meeting.

Dividend

- f) Members who have not encashed their dividend warrants / Demand Drafts pertaining to the dividend declarations as mentioned in the below table are advised to write to the Company / RTA immediately claiming the dividends declared by the Company. The details of unpaid dividends that are due for transfer to the Investor Education and Protection Fund (IEPF) along with due dates are furnished below. As per Section 124 (6) of the Companies Act, 2013 ("Act"), all the shares in respect of which dividend has not been paid or claimed for **seven consecutive years or more** shall be transferred by the Company to the name of IEPF. The shareholders are entitled to claim the shares and the dividend transferred to IEPF in accordance with such procedure and on submission of such documents as prescribed in the IEPF Rules, 2016.

Sl. No.	Nature of Dividend	Date of Declaration of Dividend	Due Date for Transfer to IEPF on
(ii)	Final Dividend	07.08.2019	11.09.2026
(iii)	Interim Dividend	08.02.2023	16.03.2030
(iv)	Final Dividend	10.08.2023	15.09.2030
(v)	Interim Dividend	12.02.2024	19.03.2031

- g) In terms of the extant provisions of IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the dividend declarations as mentioned in the above table on the website of the IEPF viz. www.iepf.gov.in and also in the Company's Website www.hckotharigroup.com/kscl under "Investors Relations".

h) Mandatory furnishing of PAN, KYC details & Nomination by holders of Physical Securities:

As an on-going measure to enhance the ease of doing business for investors in the securities market, SEBI through its Circular dated March 16, 2023 read with Circular dated November 17, 2023 in supersession of its earlier Circulars dated 3rd November 2021 and 14th December 2021 provides revised common and simplified norms for processing investor's service request by RTAs and norms for mandatory furnishing of PAN, KYC details and Nomination including the fillable Forms are hosted on the Company's Website www.hckotharigroup.com/kscl under "Investors Relations."

In this connection, the Company has issued reminder letters to all shareholders holding shares in physical, who have not updated any of the above said details. Any dividend payment with respect to physical folios will be only through electronic mode only upon complying with the requirements of updation of all the details by the Investor as said above.

- i) Pursuant to Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 25th January 2022,

any request for effecting transfer, transmission or transposition of shares will be processed only in demat form. Therefore, the Company advises shareholders holding physical shares to take steps for dematerializing your shareholding in the Company.

- j) The Company has designated an exclusive e-mail id viz. secdept@hckgroup.com to enable investors to register their complaints / queries, if any.
- k) Disclosure pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard-2 (SS-2) with respect to the Directors seeking appointment/reappointment at the forthcoming Annual General Meeting is appended to this Notice.
- l) In compliance with the aforesaid MCA Circulars and SEBI Circular dated 3rd October 2024, Notice of the AGM along with the Annual Report 2024-25 is being sent through electronic mode to those Members whose email addresses are registered with the Company / Depositories. The Notice calling the AGM and Annual Report has been uploaded on the website of the Company at <https://hckotharigroup.com/kscl/>. The Notice can also be accessed from the website of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the VC / OAVM facility, Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com. For any communication, the shareholders may also send requests to the Company's investor email id : secdept@hckgroup.com.
- m) The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can send an e-mail to secdept@hckgroup.com requesting for inspection of the Registers.
- n) The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

Voting Through Electronic Means

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended) and MCA Circulars, the Company shall provide the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM.

For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting agency.

The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM through VC or OAVM will be provided by CDSL.

The instructions to Shareholders for remote E-voting and E-voting during AGM and joining meeting through VC/OAVM are as under:

- (i) The remote e-voting period begins on Saturday, 02nd August 2025 at 9.00 A.M. and ends on Tuesday, 05th August 2025 at 5.00 P.M. During this period, Members holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Wednesday, 30th July 2025 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' Resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. There are also multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India which necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular **No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The user to login to Easi / Easiest are requested to visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi / Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi and click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in Demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit these-Services website of NSDL. Open web browser by typing the following URL : https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you

Individual Shareholders holding securities in Demat mode with NSDL	<p>will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal" or click at https://eservices.nsdl.com/SecureWeb/ideasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.</p> <p>Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password / OTP received in registered mobile & email and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4) For OTP based login you can click the link below. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>Link : https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</p>
Individual Shareholders holding securities in demat mode login through their Depository Participants (DP)	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at Toll Free No. : 1800 21 09911.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at Toll Free No.: 022-4886 7000 and 022-2499 7000.

(v) Login method for remote e-Voting and joining virtual meeting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders / Members" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

- 6) If you are a first-time user follow the steps given below:

for physical shareholders & other than individual shareholders holding shares in Demat form	
PAN	<ul style="list-style-type: none"> Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA.
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- 7) After entering these details appropriately, click on "SUBMIT" tab.
- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the relevant Company name i.e. **Kothari Sugars and Chemicals Limited** on which you choose to vote.
- 11) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- 12) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 13) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- 14) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- 16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 17) There is also an optional provision to upload BR / POA if any uploaded, which will be made available to scrutinizer for verification.

(vi) **Additional Facility for Non - Individual Shareholders and Custodians - For Remote Voting only.**

- a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- c) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- d) The list of accounts linked in the login will be mapped automatically and can be delink in case of any wrong mapping.
- e) It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- f) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer (alagar@alagarassociates.com) and to the RTA at the email address viz; (murali@cameoindia.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Instructions for shareholders attending the AGM through VC/OAVM & E-voting during meeting are as under:

1. The procedure for attending meetings & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting. Shareholders can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore commended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. **Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 03 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at secdept@hckgroup.com.** The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **03 days prior to meeting** mentioning their name, demat account number/ folio number, email id, mobile number at secdept@hckgroup.com. These queries will be replied to by the company suitably by email.
8. **Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.**
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same

shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Process for those Shareholders whose email / mobile no. are not registered with the Company / Depositories:

1. **For Physical shareholders** - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. **For Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. **For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free No.: 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400 013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free No.: 1800 21 09911.

General:

- a) The remote e-voting period commences on **Saturday, 02nd August 2025 at 9.00 A.M. and ends on Tuesday, 05th August 2025 at 5.00 P.M.** A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting. The remote e-voting module shall be blocked by CDSL for e-voting thereafter. Once the vote on a Resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b) After dispatch of the notice, any person who acquires shares of the Company and becomes member of the Company as on the cut-off date i.e. Wednesday, 30th July 2025 may obtain the login ID and pass word by sending an email to investor@cameoindia.com or secdept@hckgroup.com or helpdesk.evoting@cdslindia.com by mentioning their Folio No./DPID and

Client ID No. However, if you are already registered with CDSL for remote e-voting, then you can use your existing user ID and password forecasting your vote.

- c) The voting rights of a member shall be in proportion to his shares in the paid-up equity share capital of the Company as on the cut-off date of i.e. Wednesday, 30th July 2025.
- d) Mr. M. Alagar (M. No.7488 CP No.8196) / Mr. D. Saravanan (M. No. 60177 CP No. 22608) of M/s. Alagar & Associates LLP, Practising Company Secretaries, Chennai, (Firm Registration No. L2025TN019200) has been appointed as Scrutinizer to scrutinize the voting process (electronically or otherwise) in a fair and transparent manner.
- e) The Scrutinizer shall, immediately after the conclusion of voting in the Annual General Meeting held through VC / OAVM, will first count the votes cast in the meeting, and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall make, not later than two days after the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall counter sign the same and declare the result of the voting forthwith.
- f) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hckotharigroup.com/kscl and website of CDSL <http://www.evotingindia.com> and also forward the same to The National Stock Exchange of India Limited simultaneously, where the Company's shares are listed.

Explanatory statement in respect of the Special Business pursuant to section 102 of the Companies Act, 2013.

Item No. 3

The Board of Directors of the Company at its meetings held on 29th May 2025, on the recommendation of Audit Committee, has approved the appointment of Mr. K. Suryanarayanan, Cost Accountant as the Cost Auditor for the Sugar, Distillery & Co-Gen unit of the Company for the year 2025 - 2026.

As per the provisions of Section 148 of the Companies Act, 2013 and Rule 14 of Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Mr. K. Suryanarayanan, Cost Auditor possesses the requisite qualifications, experience and track record in conducting cost audits for manufacturing companies of similar nature and scale. Accordingly, based on the above rationales, the Board of Directors recommends in terms of Regulation 17(11) of the SEBI Listing Regulations, for approval of the Members by way of an Ordinary Resolution as set out in Item No. 3 of this Notice to ratify the remuneration of ₹ 1,50,000/- (Rupees One Lakh and Fifty Thousand only) plus applicable taxes and reimbursement of out of pocket expenses to Mr. K. Suryanarayanan, Cost Auditor for the Sugar, Distillery & Co-Gen units of the Company for the year 2025 - 2026 which has been duly approved by the Board of Directors after considering the recommendation made by the Audit Committee of the Company at the meeting held on 29th May 2025.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested either financially or otherwise, in the Resolution set out in Item No. 3.

Item No. 4

Mr. Arjun B. Kothari, son of Late Shri B. H. Kothari aged about 33 years, has a Bachelor of Science (Education and Social Policy) degree from the Northwestern University Evanston, Illinois, United States of America and Science PO (Global Health & European Politics Focus) from Paris, France. He worked in General Electric Company, USA as a Senior Specialist in the Management Development Rotation Program. He has also held various positions during his studies in USA which includes off-campus senator at Northwestern University, Evanston, USA and Research Assistant at Kellogg School of Management at Northwestern University, Evanston, USA.

Mr. Arjun B. Kothari was re-appointed as Managing Director for a period of three years with effect from 01st September 2022. The Board of Directors, on the recommendation of Nomination and Remuneration Committee, at its meeting held on May 29, 2025 re-appointed Mr. Arjun B. Kothari as Managing Director and Whole Time Key Managerial Person (KMP) of the Company for a period of three years with effect from 01st September 2025 on a remuneration as set out in Item No. 4 of this notice to the Shareholders of the Company. Under Section 160 of the Companies Act, 2013, the Company has received requisite notice from a Member proposing Mr. Arjun B. Kothari as a Candidate for the office of Director of the Company.

Considering that the Managing Director role is key in stabilizing the Company during the period of operational and financial challenges, his strategic direction, hands-on leadership, and long-term vision have been critical in maintaining business continuity and preparing the Company for future growth. Recognizing his role in leading operational restructuring, improving efficiencies, and driving future profitability, and based on the recommendation of

NRC Committee and approval of the Audit Committee, the Board recommends the remuneration of ₹ 12 Lakhs per month along with the perquisites and a commission not exceeding 5% of the net profits of the Company for any financial year computed in the manner prescribed under the Companies Act, 2013 for a period of three years and there being inadequacy or absence of profits in any financial year during the currency of the tenure of the Managing Director the above remuneration, and annual performance commission if any, excluding the perquisites mentioned under Section IV of Part II of Schedule V of Companies Act, 2013, shall be treated as minimum remuneration which exceeds the limits mentioned under Section II of Part II of Schedule V of the Companies Act, 2013.

The Nomination & Remuneration Committee and the Board noted the contribution made by Mr. Arjun B. Kothari, during his tenure as the Managing Director

and are satisfied about his positive attributes, quality and willingness to shoulder the responsibilities and consider him to be a good resource to the company based on his experience, qualification, family and business background.

Considering the profile of Mr. Arjun B. Kothari and current trend of compensation package in Corporates, the remuneration proposed is in line with comparable remuneration levels in the industry and also in line with remuneration policy.

The terms of appointment and remuneration of Mr. Arjun B. Kothari have been determined by the Board on the recommendations of the Nomination and Remuneration Committee and approval of the Audit Committee having regard to the extant provisions of the Companies Act, 2013 and Schedule V thereof.

The Company has not committed any default in payment of dues to any Banks.

Statement pursuant to Section II of Part II of Schedule V of the Companies Act, 2013

General Information					
1	Nature of industry	Kothari Sugars and Chemicals Limited (KSCL) is into manufacturing sugar and its by-products and cogeneration of power with distillery.			
2	Date or expected date of commencement of commercial production	The Company commenced its commercial production from 17.01.1963.			
3	Financial performance based on given indicators	₹ in lakhs			
		Particulars	FY 2024-25	FY 2023-24	FY 2022-23
		Total Income	32,642	51,812	61,850
		Profit before interest, depreciation and tax	3,499	5,971	6,916
		Net Profit after tax	1,043	2,949	4,192
		Net worth	28,930	27,848	25,756
4	Foreign investments or collaborations, if any	Not applicable			

Information about the Appointee		
5	Background details	Details are provided in the Explanatory Statement under item No. 4
6	Past remuneration	Salary : ₹ 10,00,000/- per month + perquisites + Commission not exceeding 5% of the net profits subject to minimum of ₹ 1 Crore.
7	Job profile and his suitability	<p>Kothari Sugars and Chemicals Limited is a Public Company, which has Listed its shares with National Stock Exchange of India Limited. The Company has manufacturing units located at Kattur and Sathamangalam.</p> <p>Kothari Sugars and Chemicals Limited is engaged in diversified business activities related to sugar, molasses, ethanol, and power co-generation. The Managing Director is entrusted with full-time responsibility for overseeing the Company's day-to-day operations, executing strategic decisions, ensuring regulatory compliance, managing stakeholder interests, and driving long-term business growth.</p> <p>Mr. Arjun B. Kothari was appointed as the Managing Director of the Company on April 8, 2015 and possesses relevant industry experience, leadership acumen and a strong management insights. His stewardship is critical in navigating the Company through sectoral challenges such as fluctuating cane availability, regulatory interventions, labour constraints and climate-related risks.</p> <p>Since taking on this role, his strategic vision and hands-on leadership and family background, have been instrumental in ensuring business continuity and positioning the Company for sustained future growth.</p> <p>The Board of Directors is of the firm opinion that Mr. Arjun B. Kothari possesses the essential leadership qualities and managerial expertise required to continue leading the Company successfully as its Managing Director.</p>
8	Remuneration proposed	As set out in the Resolution & explanatory statement of the Item No.4 of this Notice.
9	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Factors such as cyclical market conditions, regulatory challenges, and dependence on agro-climatic conditions make the leadership role especially demanding in this sector. Depending on the scope of responsibilities, business complexity, financial performance and prevailing industry standards, the remuneration offered to the Managing Director is considered appropriate, competitive, and aligned with market practices for similarly placed roles in public listed companies of comparable size and complexity.
10	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	<p>Mrs.Nina B. Kothari, Chairperson of the Company is relative of Mr.Arjun B. Kothari.</p> <p>Mr.Arjun B. Kothari holds 54,467 equity shares in the Company.</p>

Other Information

11	Reasons for inadequate profits or loss	<p>The performance of the sugar industry remains significantly influenced by its inherently cyclical nature, with frequent fluctuations in production volumes and volatility in both domestic and international sugar prices. As an essential and politically sensitive commodity, sugar and sugarcane are subject to substantial governmental interventions, including price controls, export bans, duties and other regulatory constraints, which impact profitability and operational flexibility.</p> <p>A notable reduction in the availability of agricultural labourforce in Tamilnadu, coupled with a steep rise in labour costs, has adversely affected sugarcane cultivation. Many sugar factories, including our Company, have been unable to procure adequate cane to utilize rated crushing capacities fully.</p> <p>High cost of farm labour and better returns from other competing crops have together dampened farmer's interest in cane crop. Repeated incidence of pest and disease in sugarcane has created fear among farming community and are hesitating to take up sugarcane cultivation which in turn is having impact on fresh cane planting.</p> <p>Vagaries in the monsoon pattern & continuation of pest and disease incidence in the central and coastal zones of Tamilnadu will have an impact on the availability of sugar cane which is the major raw material. Compared with 2023 - 24 crushing season, sugarcane availability for the 2024 - 25 crushing season is lower and sugar recovery is lower than our target but maintains at around same level of previous year. Further, pest and disease incidence in sugarcane crops in the central part of Tamilnadu and in your company's command area forced the farmers to go for alternative crops as a crop rotation measure results in reduced sugarcane cultivation. All these will have a cascading effect during 2025 - 26 crushing season as well.</p> <p>Given the sharp decline in sugarcane supply, the Company operated only its Kattur unit during the 2024 - 25 sugar season, keeping the Sathamangalam unit non-operational due to viability concerns. This decrease of 68.66% in crushing volume is mainly due to the withdrawal of temporarily allocated area from two neighbouring units, a decrease in cane planting acreage in the own command area due to pest and disease and as well as yield.</p>
12	Steps taken or proposed to be taken for improvement	<p>The Company has been undertaking sustained efforts to improve profitability by enhancing sugarcane cultivation and ensuring consistent cane procurement. Several strategic initiatives are being implemented with a focus on both short-term recovery and long-term sustainability. Efforts are being taken to increase additional cane area demarcated to our Company.</p> <p>As part of its farmer engagement strategy, the Company continues to provide technical support to sugarcane growers by promoting modern agricultural practices and scientific cultivation techniques. This includes organizing technical seminars, conducting on-field demonstrations through dedicated demo plots, and offering hands-on assistance to farmers. These initiatives aim to improve farm productivity and profitability, thereby enhancing overall cane availability to the Company.</p>

		<p>To address the rising cost of labour and declining availability of agricultural workers, the Company is promoting the mechanization of sugarcane farming. By supporting farmers in adopting mechanized cultivation methods, the Company seeks to reduce their dependency on manual labour, lower cultivation costs, and ensure long-term sustainability of sugarcane farming in the region.</p> <p>In collaboration with industry bodies and research institutions such as the South Indian Sugar Mills Association (SISMA), Tamil Nadu Agricultural University (TNAU), and the Sugarcane Breeding Institute, Coimbatore, the Company is actively involved in the development and propagation of high-performing sugarcane varieties. These include clones that exhibit desirable traits such as high yield, early maturity, high sugar recovery, drought tolerance, and resistance to pests and diseases. Bulk planting of such high-yielding varieties is being encouraged across the command areas of both manufacturing units.</p> <p>Additionally, the Company is investing in Research & Development (R&D) to explore value-added products derived from sugar and its by-products. These initiatives are expected to contribute to revenue diversification and improved margin realization over the medium to long term.</p>
13	Expected increase in productivity and profits in measurable terms	<p>While various strategic and operational initiatives are being undertaken to improve cane availability, enhance operational efficiency, and explore value-added product lines, the impact of these measures is expected to be gradual. At this stage, it is not feasible to provide a reliable quantification of the expected increase in productivity and profits in measurable terms.</p>

Accordingly, based on the above rationales, the Board of Directors, on the recommendation of the NRC Committee and approval of the Audit Committee, has recommended in terms of Regulation 17(11) of SEBI Listing Regulations for the approval of the Members by passing Special Resolution set out in Item No. 4 of this Notice.

Except Mr. Arjun B. Kothari, being the appointee and Mrs. Nina B. Kothari, relative of appointee, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested either financially or otherwise, in the Resolution set out at Item No. 4.

Item No. 5

The Board of Directors of the Company at its meeting held on 27.06.2025 appointed Mr. Abdul Kareem Sait as an Additional Director of the company in the capacity of Independent Director to hold office from June 27, 2025. As per the provisions of Section 160 of the Companies Act, 2013, the Company has received requisite notice from a Member proposing Mr. Abdul Kareem Sait as a candidate for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The proposed Resolution set out at Item No. 5, seeks the approval of members for the appointment of Mr. Abdul Kareem Sait as an Independent Director of the Company for the first term of five consecutive years upto 26th June 2030 pursuant to Section 149 and other applicable provisions of the Companies Act 2013.

Considering his positive attributes, knowledge, experience, expertise, the balance of skills and independence, the Board is of the opinion that Mr. Abdul Kareem Sait, being independent of the management fulfils the conditions specified in the Companies Act, 2013 and Rules made there under for his appointment as an Independent Director of the Company for a period of 5 years with effect from 27th June 2025.

The Board believes that Mr. Abdul Kareem Sait induction would enhance the diversity and effectiveness of the Board and significantly contribute to the strategic direction and governance of the Company.

Accordingly, based on the above rationales, the Board of Directors, on the recommendation of NRC Committee unanimously recommends in terms of Regulation 17(11) of SEBI Listing Regulations, for approval of the Members by passing the Special Resolution as set out in Item No. 5 of this Notice.

Except Mr. Abdul Kareem Sait, being the appointee, none of the Directors and Key Managerial or their relatives are interested financially or otherwise in the Resolution as set out in Item No. 5 of this Notice. A copy of the draft letter of appointment of Mr. Abdul Kareem Sait setting out the terms and conditions is available for inspection without any fee at the registered office of the Company during normal business hours on working days upto the date of the Annual General Meeting.

Item No. 6

Pursuant to the latest amendment to Regulation 24A of SEBI Listing Regulations, w.e.f December 13, 2024, the listed company shall appoint a Peer Reviewed Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years with the approval of the shareholders in its Annual General Meeting with effect from 1st April 2025.

M/s. Alagar & Associates LLP, a peer reviewed Practicing Company Secretaries Firm, Chennai (Firm Registration No. L2025TN019200), has been associated with the Company as Secretarial Auditors for more than a decade and has consistently demonstrated a thorough understanding of the Company's operations and regulatory environment, ensuring timely compliance and high-quality audit reports. The Board is of the view that their continued engagement would ensure consistency and enable efficient execution of the secretarial audit during the proposed term.

M/s. Alagar & Associates LLP had consented to their appointment as the Secretarial Auditors of the Company and have confirmed that they fulfill the criteria as specified in Clause (a) of regulation 24A (1A) of the SEBI Listing Regulations and have not incurred any of disqualifications as specified by the SEBI Listing Regulations.

In accordance with the above said Regulation, based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on May 29, 2025, proposed to appoint M/s. Alagar & Associates LLP, a Peer Reviewed Practicing Company Secretaries Firm, Chennai, as Secretarial Auditors, to conduct secretarial audit of the Company for the first term of five consecutive years.

Credentials of the Auditors : M/s. Alagar & Associates LLP, (formerly M. Alagar & Associates), Practicing Company Secretaries was established in the year 2009. The firm is primarily engaged in providing professional services in the field of Corporate Laws, SEBI Regulations, FEMA Regulations including carrying out Secretarial Audits, Due Diligence Audits and Compliance Audits for various reputed companies. The firm is Peer Reviewed by the Institute of the Company Secretaries of India.

The terms and conditions of the appointment of the Secretarial Auditors & the proposed fees are as follows:

(i) **Term of Appointment :** First Term of five consecutive years commencing from FY 2025 - 2026 to FY 2029 - 2030.

(ii) **Proposed Fees :** Remuneration for Secretarial Audit is ₹ 2,00,000/- (Rupees Two Lakhs only) plus applicable taxes and reimbursement of actual out of pocket expenses incurred by them in connection with the Secretarial audit of the Company for the financial year 2025 - 26. The remuneration payable to the Secretarial Auditors for the remaining tenure of the proposed re-appointment will be subsequently determined by the Board as per the recommendations of the Audit Committee from year to year.

The proposed fees is based on expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmarks. The fees for services in the nature of any allowable certifications and other professional work will be in addition to the audit fee as above and will be determined by the Board in consultation with the Auditors and as per the recommendations of the Audit Committee.

Accordingly, based on the above rationales, the Board of Directors on the recommendation of the Audit Committee, recommends in terms of Regulation 17(11) of SEBI Listing Regulations, for approval of the Members by passing the Ordinary Resolution for the appointment M/s. Alagar & Associates LLP, as the Secretarial Auditors of the Company for the aforementioned term as set out in Item No. 6 to this Notice.

None of the Directors, Key Managerial Personnel of the Company & their relatives are concerned or interested either financially or otherwise, is interested in this Resolution as set out in item no. 6 of this Notice.

On behalf of the Board
for **Kothari Sugars and Chemicals Limited**

Place : Chennai
Date : June 27, 2025

R. Prakash
Company Secretary

ANNEXURE TO THE NOTICE

THE INFORMATION IN RESPECT OF ITEM NO. 2, 4 & 5 IN ACCORDANCE WITH REGULATION 36(3) OF THE SEBI (LODR) REGULATIONS, 2015 AND SECRETARIAL STANDARDS-2 (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA ABOUT THE DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT IN THIS ANNUAL GENERAL MEETING ARE FURNISHED HEREUNDER.

Particulars	Item No. 2	Item No. 4	Item No. 5
Name of the Director	Nina B. Kothari	Arjun B. Kothari	Abdul Kareem Sait
DIN	00020119	07117816	03265300
Date of Birth & Age	21.07.1962 & 62 Years	11.09.1991 & 33 Years	05.08.1961 & 63 years
Date of First Appointment on the Board	27.05.2014	08.04.2015	27.06.2025
Qualification	B.A. (Economics)	Bachelor of Science, Northwestern University, Evanston, Illinois, United States of America & Global Health and European Politics from Paris Institute of Political Studies, Paris, France.	Bachelor of Arts in Economics from Loyola College and an MBA in Marketing from Monterey Institute of International Studies, United States.
Nature of expertise in specific functional areas	<p>Mrs. Nina B. Kothari is a veteran business leader known for her Management insight and steady guidance. She has been serving as the Chairperson of the Company since 2015.</p> <p>She hails from a family of top industrialists in the country, and she is well versed in the management and administration of business with a good reputation among the business conglomerates.</p> <p>She is holding directorship in H.C. Kothari Group of Companies. She held various positions in prestigious institutions as Treasurer of Crafts Council of India, World Crafts Council and Chairman of National Crafts & Heritage Committee of ASSOCHAM. She was the President of International Womens' Association (IWA).</p>	<p>Mr. Arjun B Kothari is holding directorship in H C Kothari Group of Companies.</p> <p>He also worked in General Electric Company, USA as a senior specialist in the management development rotation programme.</p> <p>Well recognized for his strong business acumen and effective leadership capabilities. He excels in identifying opportunities, managing risks, and addressing complex business challenges. His strategic thinking, combined with a pragmatic approach to decision-making, positions him uniquely to lead the Company toward sustainable growth and long-term value creation. His ability to inspire teams and align organizational goals with strategic priorities continues to be a key driver of the Company's resilience and performance.</p>	<p>Over the past four decades, Mr. Sait has cultivated extensive experience in the industrial and services arenas. His domain expertise spans safe-deposit locker solutions, the steel industry, and polymer trade, particularly PVC industry. This multifaceted experience underscores his versatility and deep understanding of both capital-intensive business and service-oriented markets.</p> <p>Complementing his professional background, he has operated as a marketing advisor and strategist, advising several companies within these sectors and helping them shape robust market entry, product positioning, and growth strategies.</p> <p>As a seasoned consultant, Mr. Sait has offered tailored marketing strategy services for a brief period focusing on optimizing market penetration and scaling operations in highly competitive industries. His combined international education and extensive on-ground experience give him a nuanced perspective on both global best practices and local market dynamics.</p>
List of other Listed / Public Companies in which Directorship held	a) Kothari Petrochemicals Limited b) Kothari Safe Deposits Limited	a) Kothari Petrochemicals Limited b) Kothari Safe Deposits Limited	Nil
Listed entities from which resigned in the past three years	Nil	Nil	Nil

Particulars	Item No. 2	Item No. 4	Item No. 5
Chairman / Member of the Committee of the Board of Director of the Company	<u>Chairperson</u> CSR	<u>Member</u> SRC, CSR <u>Chairman</u> ICAC	<u>Member</u> AC, SRC, CSR, NRC, ICAC
Chairman / Member of the Committee of the other Listed / Public companies in which he / she is a Director	Kothari Petrochemicals Limited <u>Chairperson</u> SRC, CSR <u>Member</u> NRC & ICAC	i) Kothari Petrochemicals Limited <u>Member</u> SRC & CSR <u>Chairman</u> ICAC ii) Kothari Safe Deposits Limited <u>Chairman</u> Investment Committee	Nil
Number of Shares held in the Company (both own or held by/for other persons on a beneficial basis) as on March 31, 2025	26,38,498 Equity Shares	54,467 Equity Shares	12 Equity Shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mrs. Nina B. Kothari is the mother of Mr. Arjun B. Kothari, Managing Director of the Company.	Mr. Arjun B. Kothari is the son of Mrs. Nina B. Kothari, Chairperson of the Company	Mr. Abdul Kareem Sait is not related to any Director, Manager and other KMP of the Company.
Remuneration details	Commission proposed for FY 2025 - 26: Nil Commission paid for FY 2024 - 25: ₹ 50 Lakhs	Remuneration proposed: ₹ 12,00,000/- per month + perquisites + Commission not exceeding 5% of the net profits Remuneration last drawn: ₹ 10,00,000/- per month + perquisites + commission not exceeding 5% of the net profits subject to minimum of Rs.1 Crore.	Nil
Skills and capabilities required for the role and the manner the proposed Independent Director meets such requirements	NA	NA	Having strong industry knowledge and proven marketing and business development skills with extensive experience across both industrial and service sectors. His global perspective, combined with deep local market insight, enables him to contribute effectively to strategic decisions and drive business growth.
Number of meetings attended during the year.	Please refer to the Corporate Governance Section.		NA
Not debarred from holding office by order of SEBI or any authority.			

Note : AC - Audit Committee CSR - Corporate Social Responsibility Committee, SRC - Stakeholders Relationship Committee, NRC - Nomination and Remuneration Committee, ICAC - Investment & Credit Approval Committee.

BOARD'S REPORT

To the Members

The Directors are pleased to present the 64th Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2025.

Financial Summary & Highlights of the Company

(₹ in Lakhs)

Financial Performance	2024 - 2025	2023 - 2024
Revenue from Operations	31,001	50,273
Other Income	1,641	1,539
Total Income	32,642	51,812
Profit/(Loss) before Interest, Depreciation	3,499	5,971
Interest	357	353
Depreciation	1,466	1,427
Exceptional items (Debit) / Credit	634	-
Profit/(Loss) Before Tax	1,677	4,191
Tax Adjustments including Deferred Tax	634	1,242
Profit / (Loss) after Tax before comprehensive Income	1,043	2,949
Other Comprehensive Income Net of Tax	39	(28)
Total Comprehensive Income	1,082	2,921

Financial Highlights

The Company's Profit before Tax for the year ended 31st March 2025 has decreased by ₹ 2,515 lakhs to ₹ 1,677 lakhs as compared to ₹ 4,191 lakhs in the previous year. The total income for the year ending 31st March 2025 was ₹ 32,642 lakhs as against ₹ 51,812 lakhs in the previous year. The decrease in revenue is mainly due to lower sales volumes of Sugar, Power and Bagasse. The reduced sales were a result of lower sugarcane crushing and sugar production, which were adversely impacted by pest infestation and scanty rainfall, leading to a decline in recovery rates.

Sugar Industry Overview

World Sugar :

During 2024 - 25 Sugar Season (SS) the world sugar production is expected to be around 175.54 million metric tons as against consumption of 180.42 million metric tons. In 2023 - 24 Sugar season, the sugar production was 181.8 million metric tons against consumption of 179.1 million metric tons. The forthcoming year 2025 - 26 SS, the production is expected to surpass marginally the consumption.

India's sugar production during 2023 - 24 SS was 31.8 million metric tons and during 2024 - 25 sugar season, it is expected to be around 25.8 million metric tons. The decrease in sugar production is mainly on account of yield reduction reported in Maharashtra, Uttar Pradesh & Karnataka. The sugar consumption in the year 2024 - 25 SS is expected to be around 28.0 million metric tons.

Tamilnadu's Sugar production for the year 2024 - 25 SS is expected to be around 0.8 million metric tons against previous year's 1.05 million metric tons. States sugarcane cultivation areas got affected due to pest and disease incidence resulting in reduced crop yield and sugar recovery. In addition, due to the higher cost of cane harvesting (manual) and the higher revenue reported from other competitive crops like Paddy, Banana, Tapioca, Gingelly etc., sugarcane planting got affected in most of the factories command area. It is expected that there will be a reduction in fresh sugarcane planting area by around 30% than the previous year.

The Company's command area cane planting is expected to be same as that of previous years achievement due to pest and disease incidence and area diversion to other crops. Confidence building measures are being taken up to overcome the pest & disease incidence, involving Senior Scientists from the Sugarcane Breeding Institute, Coimbatore and Senior officials from the Department of Agriculture, Tamilnadu.

Performance of Business Segment

Sugar :

Your company has optimized its crushing operations by operating Kattur unit alone because of less cane quantum. Your Company crushed 2,61,780 tons of cane in 2024 - 25 and produced 2,39,970 quintals of sugar as against crushing of 8,35,208 tons of cane and sugar production of 7,46,880 quintals in the previous year. In the financial year 2024 - 25,

the average Sugar recovery was 8.94% as against 8.88% in the previous year. The reduction in cane crushing was on account of the decrease in sugarcane planting area and yield.

Your company is taking various steps to improve Sugarcane plantation including:

- Providing incentives for cane planting
- Adoption of latest technologies on sugarcane cultivation, mechanisation, water conservation etc.
- Development of new sugarcane varieties for higher yield and sugar recovery with the help of ICAR-SBI and TNAU.

With all these measures, we could see a positive trend in fresh sugarcane planting. However, it may take couple of years to develop sufficient cane to operate both units of the company at optimum capacity.

Alcohol

Your Company produced 168.95 lakh litres of alcohol during the financial year 2024 - 25 as against 198.53 lakhs litres in the previous year. Your Company has supplied 10.92 lakh litres of Ethanol to Oil Marketing Companies during the

ethanol marketing year 2023 - 24. For the marketing year 2024 - 25, against the Order/LOI of 8 lakhs litres, 6 lakh litres supplied till April'25, and the balance quantity will be supplied before July'25 end.

Co-generation of Power

During the financial year 2024 - 25, the total power generation was 18.63 million units against 71.42 million units for the corresponding period of 2023 - 24. The decrease in power production was due to the decrease in cane crushing volume. The long term PPA with TANGEDCO continues for Sathamangalam unit with a tariff of ₹ 5.189/Kwh. The surplus power from the Kattur unit is being sold to open access consumers through bilateral agreements / IEX.

Dividend

The Board of Directors met on 29th May 2025 to take account of the full year's performance, various growth opportunities and challenges. After reviewing this, the Board of Directors has decided not to recommend any dividend for the year 2024 - 2025, in order to conserve resources, considering the challenges ahead.

Conservation of Energy / Technology Absorption / Foreign Exchange Earning and Outgo

(a) Conservation of Energy : Kattur unit

Sl. No.	Area of Implementation of the Energy Conservation measure	Actual Energy Savings / Cost estimated		Incurred Capex (₹ in Lakhs)*
		Per Day (in Units)	Per Crushing Season of 100 days (₹ in Lakhs)	
1	Installation of 45 Kwh VFD for Raw Juice pump motor	204	1.06	Nil

*Spare VFD unit shifted from Sathamangalam unit.

(b) Technology absorption

- Your company produces the following liquid bio-fertilisers in technical collaboration with Tamilnadu Agricultural University (TNAU) at Kattur.
 - Glucono Acetobacter Diazotrophicus - Nitrogen Fixer
 - Phospho Bacteria - Bacillus magaterium (PSB) - Phosphorus Solubilizer
 - Phospho Bacteria - Arbuscular mycorrhizae (AM fungi) - Phosphorus Mobilizer
 - Frareuria Aurantia - Paenibacillus Mucilaginosus - Potash Release Bacteria
 - Zinc Solubilizer - Pseudomonas Chloroaphis (ZSB)
 - Vasicular Arbuscular Mycorrhize (VAM)

- To reduce the dependency on labour and to reduce the cost of cultivation of sugar cane, your company has facilitated development of mechanical cane planters to suit the soil and other field conditions prevailing in the command area. These planter machines can do six operations simultaneously, there by reducing the time consumed for planting besides reducing the cost by over 60%. As of now there are 5 planters in both the unit's area.
- Harvesting of sugar cane is the major labour intensive and expensive activity of sugarcane cultivation. To reduce the cost and dependency of labour, your Company has deployed about 25 sugarcane harvesters through entrepreneurs. We hope that in the coming years mechanized sugarcane cultivation will play a major role.

(c) Foreign exchange earnings and Outgo

(₹ in Lakhs)

Sl. No.	Particulars	2024 - 2025	2023 - 2024
(i)	Total Foreign Exchange inflow	-	-
(ii)	Total Foreign Exchange outflow	2.92	258.19

Awards and Recognition

Kattur Distillery unit has received Best Distillery-Platinum Award - (2023-24) - Tamilnadu Region from the SISSTA.

Research & Development:

Your Company's Research and Development (R & D) unit commenced operations in April 2023. The unit primarily focuses on developing various value-added products from Sugar and other by-products. A key area of focus is on Bio-fermentation, which is an emerging field through which many such value-added products can be produced using sugar and other by-product as feedstock. The capital outlay in the R & D unit so far is around ₹ 30 Crores including ongoing projects.

Current research projects include the development of low-calorie sweeteners and a few probiotic strains. Additionally, the Company has initiated research in the area of biosimilars. The Company has collaborated with a few agencies / experts to expedite the research projects.

The Company's R & D unit has been recognized by the Department of Scientific and Industrial Research (DSIR), Government of India. This recognition affirms the Company's compliance with national R & D standards and underscores its commitment to advancing research and development.

Board Meetings

During the year 06 Board Meetings were held, the details of which are given in the Corporate Governance Report. The intervening gap between any two meetings was within the period as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA circulars thereon.

Directors and Key Managerial Personnel

Mrs. Nina B. Kothari, (DIN: 00020119) Director is liable to retirement by rotation at the ensuing 64th Annual General Meeting and being eligible offers herself for re-appointment.

Mr. Arjun B Kothari, (DIN: 07117816) was reappointed as Managing Director with effect from 01st September 2022 for a period of three years and the Board proposes to reappoint him for another period of three years with effect from 01st

September 2025 subject to approval of shareholders in this Annual General Meeting.

Mr. Arjun B Kothari, Managing Director, Mr. M. Silvester Goldwin, Whole Time Director, Mr. R. Krishnan, Chief Financial Officer and Mr. R. Prakash, Company Secretary are the Key Managerial Personnel of the Company as per section 203 of the Companies Act, 2013.

Mr. Abdul Kareem Sait (DIN: 03265300) has been appointed as an Additional Director in the capacity of Independent Director of the Company, with effect from 27th June 2025 for a term of five years, subject to the approval of the shareholders in this Annual General Meeting. Mr. C. V. Krishnan (DIN: 01606522), Independent Director resigned from the Board with effect from 27th June 2025. The Board places on record its appreciation for the valuable advice and contribution made by Mr. C. V. Krishnan during his tenure with the Company. (Note: The aforesaid appointment and resignation were duly approved and taken on record by the Board at its meeting held on 27th June 2025. The Board also approved the inclusion of the same in the Board's Report.)

Declaration from Independent Directors

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 and Regulation 16 of the SEBI (LODR) Regulations, 2015 that the Independent Directors of the Company continues to meet the criteria of their Independence laid down in Section 149(6) and continue to be included in the Data Bank maintained by the Indian Institute of Corporate Affairs and the Online proficiency self-assessment test requirement pursuant to Rule 6(4) of Companies (Appointment and Qualification of Directors) Rules, 2014.

During the year under review, the Independent Directors met on March 18, 2025 without the presence of Non-Independent Directors and members of the Management to evaluate the performance of the Non - Independent Director & Board as a whole.

Composition of Audit Committee

During the year 04 Audit Committee meetings were held, the details of the composition of Audit Committee are provided in the Corporate Governance Report of this Annual Report. The Board has not rejected any proposal / recommendations of Audit Committee during the year. The intervening gap between any two meetings was within the period as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Remuneration Policy

The Board has on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. The salient features of the Remuneration Policy are stated in the Corporate Governance Report. The Remuneration Policy approved by the Board of Directors is posted on the website of the Company www.hckotharigroup.com/kscl

Vigil Mechanism / Whistle Blower Policy

The Company has a vigil mechanism named "Whistle Blower Policy" to deal with genuine concerns, if any, raised by the Directors / Employees. The details of Vigil Mechanism / the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the Company's website www.hckotharigroup.com/kscl. There were no incidents / concerns reported during the year under review.

Prevention of Insider Trading

The Company has adopted a Code of Prevention of Insider Trading with a view to regulating trading in securities by the Promoters, Directors and Designated Persons of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Promoters, Directors and the Designated Persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

Directors' Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, the Directors state that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- the directors had prepared the annual accounts on a going concern basis;

- the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- 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.

Material changes and commitments

There is no change in the nature of business of the company during the year. There is no material change or commitment affecting the financial position of the company that has occurred since 31st March 2025 to the date of this report.

Share Capital

The paid-up equity share capital of the Company as on March 31, 2025 was ₹ 8,288.86 Lakhs. The Company has neither issued any shares with differential voting rights nor granted stock options or sweat equity.

Annual Return

As required under Section 92(3), copy of Annual Return is placed on the Company's website. The web link to access the annual return is

<http://hckotharigroup.com/kscl/?q=node/20>

Auditors

a) Statutory Auditors

The Statutory Auditors of the Company M/s. P. Chandrasekar LLP, Chartered Accountants (Registration No.: 000580S/S200066) has been reappointed for the second term by the Shareholders at the 61st AGM held on 3rd August 2022 to hold office till the conclusion of the 66th Annual General Meeting of the Company.

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. There are no qualifications or observations, or any adverse remarks made by the Auditors in their Report on the Financial Statements for the year 2024 - 25 and no fraud was reported by auditors under Section 143(12) of the Companies Act, 2013.

b) Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit)

Amendment Rules, 2014, the Cost Audit Records maintained by the Company in respect of its Sugar, Co-gen and Distillery Unit are required to be audited. Your Directors, on the recommendation of the Audit Committee, appointed Mr. K. Suryanarayanan, Cost Accountant in Practice for conducting the audit of cost records of the Company and the remuneration payable to the Cost Auditor is required to be ratified by the Members in a general meeting. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to Mr. K. Suryanarayanan, Cost Accountant, is included at Item No. 3 of the Notice convening this 64th Annual General Meeting

c) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Alagar and Associates LLP, Chennai, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2024-25. The Secretarial Audit Report is forming part of this Annual Report. The Secretarial Report does not contain any qualifications or observations.

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f December 13, 2024, the Secretarial Auditors shall now be appointed by the Members of the Company, on the recommendation of the Board of Directors, for a period of five (5) consecutive years.

M/s. Alagar & Associates LLP, a peer reviewed firm of Company Secretary in Practice (Firm Registration No. L2025TN019200) have confirmed that they fulfill the criteria and are eligible for appointment and have not incurred any of disqualifications under SEBI Listing Regulations.

In accordance with the above said Regulation, based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on May 29, 2025, proposed the appointment of Secretarial Auditor to the members at the 64th Annual General Meeting.

d) Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Company has appointed M/s. R. Subramanian & Co. LLP, Chartered Accountants,

Chennai as Internal Auditor for Kattur unit & Head office and M/s. V. P. Mukundan & Associates, Chartered Accountants, Chennai as Internal Auditor for Sathamangalam unit of the Company.

Deposits

The Company has not accepted deposits either from the members or public falling within the ambit of Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year, hence, there were no outstanding deposits during and at the end of the financial year 2024 - 2025.

Significant and Material Orders Passed by the Regulators

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

Internal Financial Control Systems and their Adequacy

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Audit function is carried out by an independent firm of Chartered Accountants. The scope and authority of the Internal Audit function is defined by the Audit Committee. The Internal Audit Reports are placed before the Audit Committee on a quarterly basis for its scrutiny and suggestions, if any. The Internal Auditor attends the Audit Committee meetings.

The Internal Auditors monitor and evaluate the efficacy and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the Report of the Internal Auditors, the Company undertakes corrective action in the respective areas and strengthens controls.

Particulars of Loans, Guarantees or Investments

The Company has not given any Loans or Guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the general investments made by the company are given in the notes to the financial statements.

Risk Management

Pursuant to the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down the procedures to inform Board Members about the risk assessment and minimization procedures. Accordingly, the Company periodically submits the Risk Management Review Report to the Board for its review and suggestions.

Corporate Social Responsibility Policy

Pursuant to the provisions of section 135 and schedule VII of the Companies Act, 2013, Corporate Social Responsibility (CSR) Committee was formed to recommend (a) the policy on CSR and (b) implementation of the CSR Projects or Programs to be undertaken by the Company as per CSR Policy for consideration and approval by the Board of Directors. The policy on CSR as approved by the Board is posted on the Company's website www.hckotharigroup.com/kscl. A detailed Report on CSR activities in the prescribed format is forming part of this Annual Report.

Related Party Transactions

All related party transactions entered during the financial year were on an arm's length basis and in the ordinary course of business. There were no 'material' contracts or arrangements or transactions, and therefore disclosure in form AOC-2 is not required. All related party transactions are placed before the Audit Committee and the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseen and repetitive in nature. For all the transactions entered pursuant to the omnibus approval so granted, a statement giving details of all such transactions is placed before the Audit Committee for their review on a quarterly basis.

Disclosure about Cost Audit

Filing of Cost Audit Report	2024 - 2025	2023 - 2024
Due Date	27.09.2025	27.09.2024
Actual Date	30.08.2025 (tentatively)	26.08.2024
Cost Auditor Details	Mr. K. Suryanarayanan, M.No. 24946, Chennai	Mr. K. Suryanarayanan, M.No. 24946, Chennai
Audit Qualification in Report	-	Nil

Disclosure under the Insolvency and Bankruptcy Code, 2016

There was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the financial year.

Listing with Stock Exchanges

The Company is listed in The National Stock Exchange of India Limited (NSE) and the Stock Code is KOTARISUG & ISIN INE419A01022. The Company confirms that it has paid the Annual Listing Fees for the year 2025 - 2026 to NSE where the Company's Shares are listed.

The policy on Related Party Transactions as approved by the Board is posted on the Company's website www.hckotharigroup.com/kscl

Annual Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the Annual Performance Evaluation of the Board, its committees and of individual directors in the format (questionnaire) prescribed by the Nomination and Remuneration Committee of the Company.

The structured questionnaire covers various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance etc. The performance evaluation of the Directors (without participation of the relevant Director) was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process

Separate Meeting of Independent Directors

The Independent Directors of the Company had met during the year on 18th Mar 2025 to review the performance of Non-Independent Directors and the Board as a whole, reviewed the performance of the Chairperson of the Company and also assessed the quality, quantity and timeliness of flow of information between the company management and the Board without the presence of the Non - Independent Directors and members of the Management.

Corporate Governance and Shareholders Information

Your Company has taken adequate steps to adhere to all the stipulations laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance is included as a part of this Annual Report.

Certificate from the Practising Company Secretary confirming the compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this Report.

Management Discussion and Analysis Report

A detailed discussion on the industry structure (dealing with world sugar and Indian sugar) as well as on the financial and operational performance is contained in the 'Management Discussion and Analysis Report' that forms an integral part of this Report.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Human Resources Department created an "Internal Complaints Committee" for the prevention and redressal of sexual harassment of women at workplace as per the requirement of Sexual harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013. There were no incidents of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report

Particulars pursuant to Section 197(12) and the relevant Rules:

- a) The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details:

Sl. No.	Name	Designation	Ratio
(i)	Mr. Arjun B. Kothari	Managing Director	56.20:1
(ii)	Mr. M. Silvester Goldwin	Whole Time Director	25.20:1
(iii)	Mrs. Nina B. Kothari	Non-Executive Director (Chairperson)	12.55:1

- b) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year :

Sl. No.	Name	Designation	Percentage of Increase
(i)	Mrs. Nina B. Kothari	Non-Executive Director (Chairperson)	No increase
(ii)	Mr. Arjun B. Kothari	Managing Director	No increase
(iii)	Mr. M. Silvester Goldwin	Whole Time Director	No increase
(iv)	Mr. R. Krishnan	Chief Financial Officer	5%
(v)	Mr. R. Prakash	Company Secretary	12%

- c) 3.89% increase has been reported in the median remuneration of employees in the financial year.
- d) The number of permanent employees on the rolls of the company as on 31st Mar 2025: 472
- e) Increase of remuneration for employees was in the varying range of 5% to 8%, and for KMP the increase was 5% and 12% for the year.
- f) We affirm that the remuneration paid during the period under review is as per the Remuneration Policy of the company

Compliance with Secretarial Standards

The Company complies with all applicable secretarial standards issued by the Institute of Company Secretaries of India.

Cautionary Statement

Statements in this Report, particularly those which relate to Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from those either expressed or implied in the statement depending on the circumstances.

Acknowledgement

Your Directors thank the Banks, Customers, Farmers, Financial Institutions, Government Authorities, Suppliers and Shareholders for their continued support. Your Directors also place on record their appreciation for the services rendered by the employees of the Company.

On behalf of the Board
for **Kothari Sugars and Chemicals Limited**

Place : Chennai
Date : May 29, 2025

Nina B. Kothari
Chairperson
DIN : 00020119

BOARD'S REPORT
Information as per Section 197(12) of the Companies Act, 2013 & Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2025

Sl. No	Name	Designation	Qualification	Gross Remuneration (₹ In Lakhs)	Nature of Employment (Contractual or otherwise)	Date of Commencement of Employment	Age (in years)	Experience	Last or previous employment	No. of Equity Shares held	Relative of Director or Manager
1	Arjun B Kothari	Managing Director	B.Sc., Northwestern University, USA & Global Health and European Politics from Paris Institute of Political Studies, Paris, France	223.13	Permanent	08.04.2015	33	11	General Electric Company, USA	54,467 0.07%	Mr. Arjun B.Kothari is the relative of Mrs. Nina B.Kothari, Chairperson of the company
2	M. Silvester Goldwin	Whole Time Director	B. Tech. (Mechanical)	103.14	Permanent	27.07.1998	57	37	Miltech Engineers	-	-
3	R. Krishnan	Chief Financial Officer	B.Com., ICWA (Inter)	49.47	Permanent	23.10.2009	60	39	TTK Ltd.	-	-
4	R. Prakash	Vice President & Company Secretary	M.Com., FCS., LLB	47.08	Permanent	01.05.2010	48	18	Kothari Petrochemicals Ltd.	-	-
5	D. Sathiyarayanan	General Manager - Tech Services	B.E. (Mechanical) B.O.E., AVSI	43.82	Permanent	01.08.2016	55	33	Prudential Sugars	-	-
6	V. Ramachandran	Senior General Manager - Technical	B.E., (Mech), B.O.E., M.Tech. (Enviro Engg)	34.42	Permanent	19.08.1994	59	35	Vecons Energy Systems	-	-
7	P. Karthikeyan	Senior Manager - TLS	B.E. (Instrumentation)	32.23	Permanent	04.06.2007	43	22	Mawana Sugars	5,000 0.01%	-
8	Dr. Poornima Esram	General Manager	Ph.D (Biotechnology)	29.60	Permanent	13.05.2024	50	23	Aragen Life Sciences Pvt Ltd	-	-
9	S. Pushparaj	General Manager - Distillery	Fermentation & Alcohol Technologist (IFAT)	28.58	Permanent	14.08.2000	56	33	Mohan Breweries	-	-
10	R. Ravichandran	DGM - Process	B.Sc., Chemistry AVSI	23.60	Permanent	01.12.1995	55	29	New Horizon Sugar Mills Ltd.	-	-

Notes:

1. Remuneration shown above includes salary, bonus and contribution to provident fund, superannuation fund and perquisites valued as per Income Tax Rules, wherever applicable and in other cases at actual cost to the Company.

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

In alignment with the "Vision" of the company, Kothari Sugars and Chemicals Limited (KSCL), through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a socially responsible corporate, with environmental concern.

The policy encompasses the Company's philosophy its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large.

This policy shall apply to all CSR initiatives and activities taken up by the Company, for the benefit of different segments of the society, specifically the deprived, under privileged and differently abled persons.

For the purpose of focusing its CSR efforts in a continued and effective manner, the Company takes CSR initiatives covering mainly the poor and needy section of the society living in different parts of India, and would normally be considered as the activities covered under Schedule VII of the Companies Act, 2013 and amendments thereon. As per the Section 135 of the Companies Act, 2013 the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities within the State / States in India.

2. The Composition of the CSR Committee

The Company has constituted the CSR Committee with the following Directors:

Sl. No.	Name of the Directors	Designation / Nature of Directorship	Number of meetings held during the year	Number of meetings attended during the year
(i)	Mrs. Nina Bhadrashayam Kothari	Chairperson (Non - Executive & Non - Independent)	01	01
(ii)	Mr. Arjun B. Kothari	Member (Executive & Non - Independent)	01	01
(iii)	Mr. C. V. Krishnan	Member (Independent)	01	01
(iv)	Mr. M. R. Mohan	Member (Independent)	01	01

3. Details of the web link where Composition of the CSR committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the company.

<https://hckotharigroup.com/kscl/sites/default/files/3.%20CSR%20Policy%20with%20Annual%20action%20plan%202024-25.pdf>

4. Details of executive summary along with web-link(s) 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. (a) Average net profit of the company as per section 135(5)

(₹ in Lakhs)

Sl. No.	For the Financial Year	Annual Net Profit
(i)	2023 - 2024	3,774.58
(ii)	2022 - 2023	5,654.09
(iii)	2021 - 2022	3,693.40
Total		13,122.07
Average Net Profit		4,374.02

(b) Two percent of average net profit of the company as per section 135(5).

2% of Average Net Profit works out to ₹ 87.48 Lakhs

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

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

(e) Total CSR obligation for the financial year (5b+5c-5d): ₹ 87.48 Lakhs

6. (a) Amount spent on CSR Projects (both ongoing project and other than ongoing project):

₹ 87,50,000/- was spent on other than ongoing projects for the financial year 2024 - 2025 and no ongoing project was approved during the financial year.

(b) Amount spent in Administrative Overheads : Nil

(c) Amount spent on Impact Assessment, if applicable : Nil

(d) Total amount spent for the Financial Year (6a+6b+6c) : ₹ 87,50,000/-

(e) CSR Amount spent or unspent for the financial year : (Amount Unspent (in ₹))

Total amount spent for the Financial year (amount in ₹)	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 87,50,000/-	Nil		Nil		

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

S. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	87,48,046
(ii)	Total amount spent for the Financial Year	87,50,000
(iii)	Excess amount spent for the financial year [(ii) - (i)]	1,954
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	-
(v)	Amount available for setoff in succeeding financial years [(iii) - (iv)]	1,954

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Balance amount in Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(5), if any.		Amount remaining to be spent in succeeding financial years (in ₹)
					Amount (in ₹)	Date of transfer	
Not Applicable							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year :

● Yes ○ No

If yes, enter the number of Capital assets created / acquired : 01

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year

Sl. No.	Short particulars of the property or asset(s) (including complete address and location of the property)	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent (Amount in ₹.)	Details of entity / Authority / Beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
1	Educational infrastructure facility (additional classrooms) development in HC Kothari Balavihar Matriculation School M/s. Kothari Sugars and Chemicals Limited - Kattur Unit Campus Lalgudi Taluk, Trichy - 621706	621706	As on 31 st March 2025	60,00,000	CSR00005717	HCK Educational and Development Trust	No.18, Mahatma Gandhi Road, Nungambakkam, Chennai - 600 034.

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

2% of the average net profit has been spent during the financial year 2024 - 2025.

Place: Chennai
Date : May 29, 2025

M. Silvester Goldwin
 Wholetime Director
 DIN: 08145634

Nina B. Kothari
 Non-Executive Director &
 Chairperson of the CSR Committee
 DIN: 00020119

**Form No. MR - 3
SECRETARIAL AUDIT REPORT**

For the Financial Year ended March 31, 2025

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

To

The Members

Kothari Sugars and Chemicals Limited

Kothari Buildings, No.115, Nungambakkam High Road,
Nungambakkam, Chennai - 600 034.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended March 31, 2025 ("**Audit Period**") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by "**the Company**" for the Financial Year ended March 31, 2025 according to the provisions of:

1. The Companies Act, 2013 ('Act') and the rules made thereunder, as amended from time to time including Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI') and as mandated by the Companies Act, 2013.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; as amended from time to time;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, as amended from time to time;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, as amended from time to time; **(Not applicable for the Company for the audit period)**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'); as amended from time to time;

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. **(There were no events requiring compliance during the audit period);**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and sweat equity) Regulations, 2021; **(There were no events requiring compliance during the audit period);**
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding dealing with client;
- (f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (g) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(There were no events requiring compliance during the audit period)** and
- (i) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 **(There were no events requiring compliance during the audit period)**

We report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check-basis, the Company has complied with the following Labour and Industrial Laws specifically applicable to the Company, as listed below, as amended from time to time;

1. The Factories Act, 1948
2. The Sugar Cess Act, 1982
3. The Sugarcane Control (Order), 1966
4. The Sugar (Packing and Marking) Order, 1970
5. Sugar Development Fund Act, 1982
6. Food Safety and Standards Act, 2006
7. The Boiler Act, 1923
8. The Legal Metrology Act, 2009
9. Environmental Protection Act, 1986
10. Essential Commodities Act, 1955, and orders issued thereunder

11. The Tamilnadu Molasses Control and Regulation Rules, 1958
12. The Tamilnadu Sugarcane (Regulation of Purchase Price) Act, 2018
13. Tamilnadu Tax on consumption or sale of electricity Act, 2003
14. The Contract Labour (Regulation and Abolition) Act, 1970
15. The Employees Compensation Act, 1923
16. The Employees' Provident Funds & Miscellaneous Provisions Act, 1952
17. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
18. The Industrial Disputes Act, 1947
19. The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
20. The Minimum Wages Act, 1948
21. The Payment of Bonus Act, 1965
22. The Payment of Gratuity Act, 1972
23. The Payment of Wages Act, 1936
24. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
25. The Tamil Nadu Industrial Establishments (Conferment of Permanent Status to Workmen) Act, 1981
26. The Tamil Nadu Labour Welfare Fund Act, 1972
27. The Tamil Nadu Payment of Subsistence Allowance Act, 1981
28. The Tamil Nadu Shops and Establishments Act, 1947
29. The Tamil Nadu Tax on Professions, Trades & Callings and Employments Act, 1992
30. The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017
31. The Tamil Nadu Control of Industrial Major Accident Hazards Rules, 1994
32. The Environment (Protection) Rules, 1986
33. Maternity Benefit Act, 1961
34. The Equal Remuneration Act, 1976 and The Equal Remuneration Rules, 1976
35. Water (Prevention and Control of Pollution) Act, 1974
36. Tamil Nadu Water (Prevention and Control of Pollution) Rules, 1983
37. Air (Prevention and Control of Pollution) Act, 1981
38. Tamil Nadu Air (Prevention and Control of Pollution) Rules, 1983
39. Explosives Act 1884
40. Petroleum Act, 1934

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent to them at least seven days in advance or as the case may be, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per minutes, the decisions at the Board meetings were taken unanimously and there was no instance of dissent by any director during the period under review.

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

We further report that during the audit period, except the events listed below no other events occurred which had any major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards and that the Company has complied with such of those relevant clauses thereto which are applicable:

- i. Mr. M. Silvester Goldwin, (DIN: 08145634) was re-appointed as a Whole Time Director of the company for a period of three years with effect from 01st August 2024, in the shareholders meeting held on July 26, 2024.

For Alagar & Associates
 (Formerly known as M. Alagar & Associates)
(Practising Company Secretaries)
 Peer Review Certificate No: 6186 / 2024

M. Alagar
 Managing Partner
 FCS No: 7488
 COP No: 8196

Place : Chennai
Date : May 09, 2025

UDIN : F007488G000308514

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

ANNEXURE TO SECRETARIAL AUDIT REPORT

‘Annexure A’

To

The Members

Kothari Sugars and Chemicals Limited

Our report is to be read along with this letter.

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

For Alagar & Associates

(Formerly known as M. Alagar & Associates)

(Practising Company Secretaries)

Peer Review Certificate No: 6186 / 2024

M. Alagar

Managing Partner

FCS No: 7488

COP No: 8196

UDIN : F007488G000308514

Place : Chennai

Date : May 09, 2025

Management Discussion and Analysis

Industry Structure and Development

World Sugar

The global sugar production during the year 2024 - 25 SS is expected to be around 175.54 million metric tons as against 181.8 million metric tons reported in the previous year. The consumption during 2024 - 25 SS is expected to be around 180.41 million metric tons against 179.9 million metric tons in the previous year leading to a short fall of 4.88 million MT. 2025 - 26 SS is expected to be marginally surplus year.

Sugar production in Brazil is expected to be around 43 million metric tons during the year 2024 - 25 SS due to the diversion of more cane juice to sugar production.

In Thailand the production is estimated at around 10.35 million metric tons against previous seasons 8.77 million metric tons, which is an increase of about 18%. EU's sugar production during 2024 - 25 is expected to be like previous year's 15.6 million metric tons.

The sugar price in the international market has seen ups and downs during the 2024-25 sugar season.

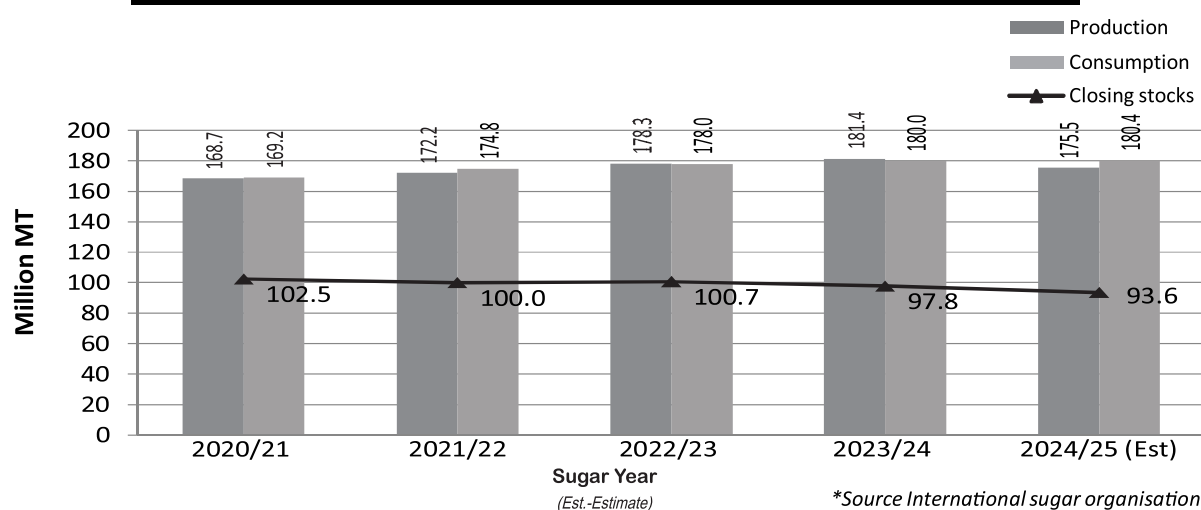
Indian Sugar

India's sugar production during the sugar year 2024 - 25 is expected to be at 25.8 million metric tons as against the previous year's 31.8 million metric tons. Major sugarcane yield reduction was reported from Maharashtra and Uttar Pradesh & to a minimum level from Karnataka, resulted in lesser production compared with previous season. The sugar consumption in 2024 - 25 SS is expected to be around 28.0 million metric tons, against previous year's 29 million metric tons.

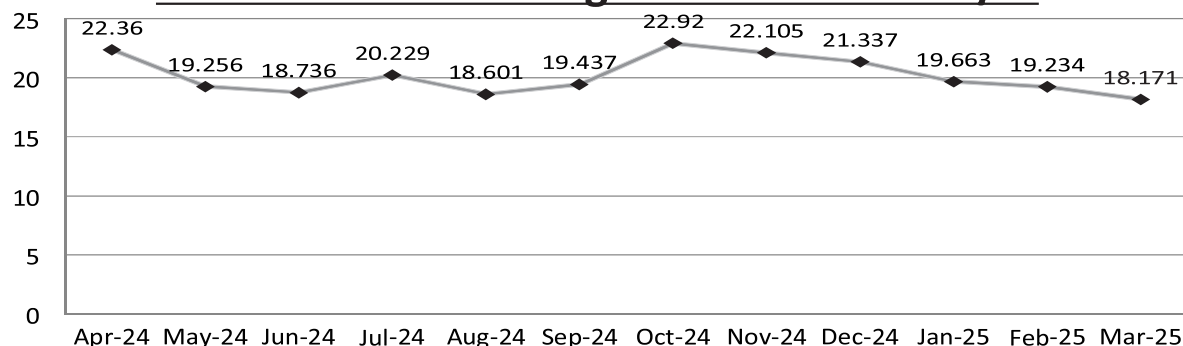
During 2024 - 25 sugar season, around 3.5 million metric tons of sugar is expected to be diverted to ethanol production against previous year's 2.15 million metric tons, which is excluded from the current sugar year's estimated production of 25.8 million metric tons. Government of India has allowed sugar export of 1 million metric tons during 2024 - 25 season.

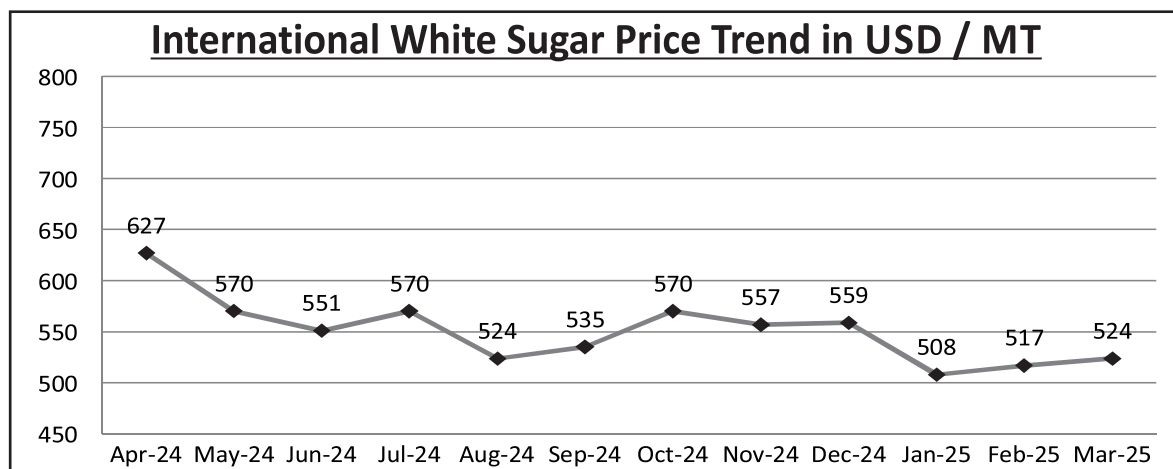
In the beginning of the year 2024 - 25, the opening stock of sugar was 8.0 million metric tons and the expected closing stock at the end of the sugar year 2024 - 25 would be around 5.4 million metric tons.

WORLD SUGAR PRODUCTION AND CONSUMPTION



International Raw Sugar Price Trend in C/lb





GOI has announced FRP for the sugar season 2024 - 25 as ₹ 3,400 / ton linked to 10.25% recovery. A premium / rebate @ ₹ 33.20 / ton of sugarcane is applicable for the increase / decrease in recovery of every 0.1% from 10.25% recovery. However, for sugar factories having recovery of 9.5% or less, the FRP is fixed at ₹ 3,151 / ton.

For the sugar season 2025 - 26 FRP is fixed as ₹ 3,550 / ton linked to 10.25% recovery. A premium / rebate @ ₹ 34.60 / ton of sugarcane is applicable for the increase / decrease in recovery of every 0.1% from 10.25% recovery. However, for sugar factories having recovery of 9.5% or less, the FRP is fixed at ₹ 3,290.50 / ton.

Though, the sugarcane procurement price has increased year on year, the Minimum Selling Price (MSP) of Sugar, which was fixed at ₹ 31/Kg in February 2019 has not been increased. However, the actual selling price is market driven.

On the Ethanol front, India has achieved 20% ethanol blending with petrol during March 2025, which is about 7 months ahead of earlier target. With this significant achievement, the GOI is seriously considering availability of various possibilities / options to increase ethanol blending to higher levels further.

This progress is significant for a country that imports around 90% of its energy needs. Ethanol blending has not only reduced India's crude oil dependency but also delivered over ₹ 1.2 trillion in foreign exchange savings over the last decade, substituting around 19.3 million metric tonnes of oil.

India's early achievement of its 20% blending target is a commendable milestone, but the journey beyond 20% will require deeper systemic reforms. A forward-looking policy framework must integrate energy goals with environmental safeguards, promote technological adoption across sectors, and ensure the economics work for producers and consumers alike.

Government Policies

Government of India (GOI) has taken the following measures:

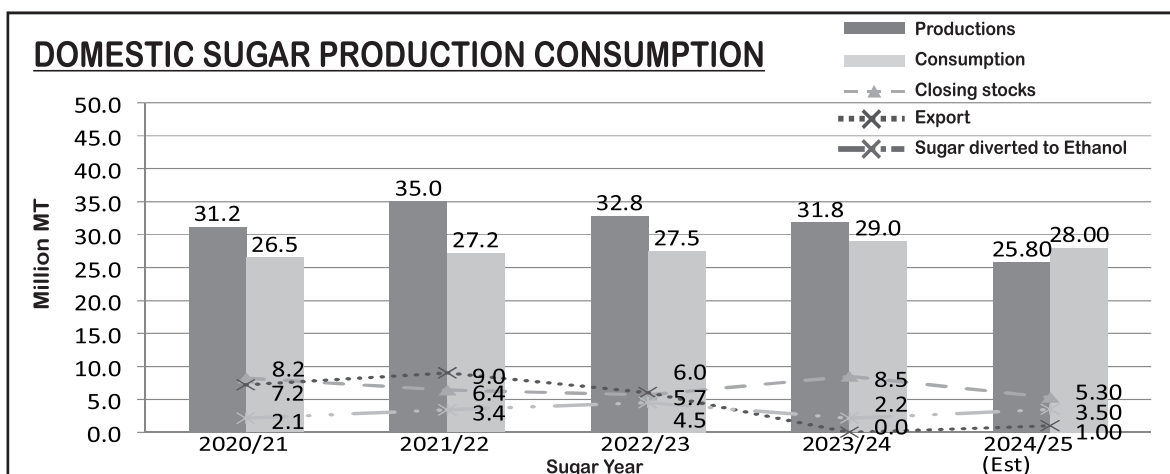
- GOI is continuing the monthly release mechanism for sugar which was re-introduced from Jan 2019.
- 1 million metric ton of sugar is allowed for export during 2024 - 25 season.
- For the marketing year 2024 - 25, the Ethanol procurement price has been increased to ₹ 57.97 per litre for the Ethanol produced from C-molasses & the other prices remains unchanged at ₹ 60.73 per litre for the Ethanol produced from BH-molasses and ₹ 65.61 per litre for the Ethanol produced from 100% sugarcane juice / syrup.
- GOI notified that the GST on ENA will be 18% till 31.10.24 and after that it is open to the state govt to fix tax if any. Based on this TN govt. has fixed VAT on ENA sale at 14.5%.

Tamil Nadu Government has taken the following measures:

The Government of Tamilnadu has disbursed a production incentive at the rate of ₹ 215 / ton directly to the farmers for the sugarcane supplied during crushing season 2023 - 24. For the crushing season 2024 - 25, Government has revised and increased this incentive amount to ₹ 349 /ton of sugarcane.

Opportunities and Threats

The Central Government's push to produce more ethanol, by granting subsidies to build more ethanol plants and increasing procurement prices of ethanol produced from B-Heavy molasses is helping the industry in a big way by absorbing a significant portion of surplus sugar production. In the long run, India will have the option of balancing both sugar and ethanol production based on market



* Source ISMA

requirements. The Govt. Policies like MSP and the monthly sugar release mechanism would help in stabilisation of the sugar price.

The reduction in the availability Agricultural labour force in Tamilnadu and the sharp increase in labour cost have serious impact on the sugarcane cultivation. Most of the factories could not get adequate cane supply to its rated crushing capacity. Therefore, mechanisation of sugarcane cultivation is to be expedited.

Vagaries in the monsoon pattern & continuation of pest and disease incidence in the central and coastal zones of Tamilnadu will have an impact on the availability of sugar cane which is the major raw material. Compared with 2023 - 24 crushing season, sugarcane availability for the 2024 - 25 crushing season is lower by around 25% and sugar recovery is lower because of lesser monsoon rain in few parts & wider spread of pest and disease incidence in more than 11 districts. This will have a cascading effect during 2025 - 26 crushing season too.

Segment-wise or product-wise performance of the Company

Sugar :

In 2024 - 25 financial year, 2,61,780 tons of sugarcane were crushed, as compared to the previous year's 8,35,208 tons. Due to steep reduction in the sugarcane availability, we have operated Kattur unit alone and not operated Sathamangalam unit based on the viability. This decrease of 68.66% in crushing volume is mainly due to the withdrawal of temporarily allocated area from two neighbouring units, a decrease in cane planting acreage in the own command area due to pest and disease and as well as yield.

Power :

Power generation in the financial year 2024 - 25 was 186.34 lakh units against the previous year's 714.25 lakh units. This

decrease in power generation is due to less cane crushing compared to the previous season. The Long term PPA with TANGEDCO continues for Sathamangalam unit with a tariff of ₹ 5.189/Kw-hr. From Kattur unit, power is being sold to open access consumers and IEX.

Alcohol:

During the financial year 2024 - 25, the total alcohol production was 16,895 KL against previous year's total production of 19,853 KL. As the availability of own molasses was inadequate, the company had procured 28,000 metric tons of molasses from other factories in the state as well from other state mills and operated distillery for the maximum possible number of days.

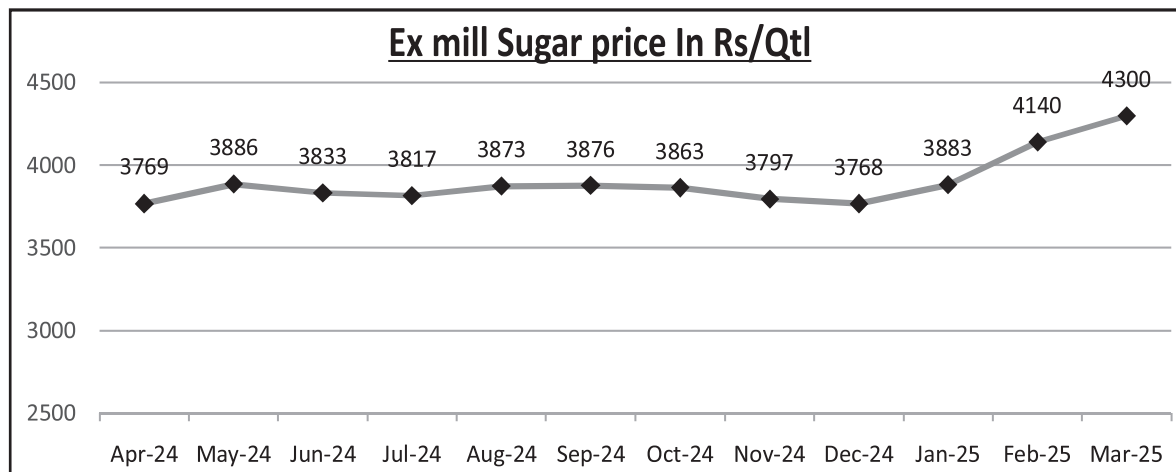
Quantitative Performance details:

The Company is engaged in three major segments, namely Sugar, Cogeneration of power (Cogen) and Distillery. The segment wise performance for the year is as under:

Particulars	Sugar (Tonnes)	Power & Other (Lakh Units)	Distillery (Lakh litre)
Production	23,997	186	169
Sales	44,337	54	153
(₹ in Lakhs)			
Sales	17,016	3,222	10,324
Operating Profit	(1,811)	217	4,303

Outlook:

India's Sugar production for the sugar season 2024 - 25 is estimated to be around 25.8 million metric tons after considering the diversion of sugarcane juice / syrup / B-Heavy molasses. This will result in closing stock of around 2.5 months sugar availability in the market and hence the price of sugar is likely to be stable. Global sugar production is expected to be around 175.54 million metric tons and



consumption is estimated to be around 180.40 million metric tons. The predictions of normal southwest monsoon in India during 2025 is expected to contribute to increase the cane planting acreage from the current downfall trend.

Risk and Concerns

Industry Risk

Whenever there is surplus sugar production in the country the selling price falls below the cost of production. Most of the times when India produces surplus sugar, the Global sugar production also becomes surplus. Hence, exports also become unviable.

Risk Mitigation

Ethanol production capacity should be increased to absorb surplus sugar available in the market for stabilisation of the sugar price in the long run. The development of alternate usage of sugar and positive and proactive policies by the Government are the key drivers. The monthly sugar release mechanism and minimum selling price for sugar introduced by the Central Government help in stabilisation of sugar price.

Risk specific to the Company

Withdrawal of temporarily allocated command area and the continuation of pest and disease incidence at your factory's command area will adversely affect raw material availability for the company and in turn the overall capacity utilization. Compared with 2023 - 24 crushing season, sugarcane availability for the 2024 - 25 crushing season is lower by around 68% and sugar recovery is also lower than our target but maintains at around same level of previous year. Further, pest and disease incidence in sugarcane crops in the central part of Tamilnadu and in your company's command area forced the farmers to go for alternative crops as a crop rotation measure. Also, competitive crops like

Paddy, tapioca, banana, gingelly etc., fetch better revenue compared to sugarcane. All these will have a cascading effect during 2025 - 26 crushing season too.

Risk Management

Your company gives top priority to the development of sugar cane in the command area by optimizing utilisation of all resources.

A few major initiatives taken by the company are given below.

- (i) Working on the development of new sugar cane clones having characteristics like higher yield, high sugar recovery, early maturing, drought tolerant, pest & disease resistant etc., in association with SISMA, TNAU and Sugar cane Breeding Institute, Coimbatore.
- (ii) Bulk planting of high yield and high sugar varieties like Co-86032, Co-18009 etc., in both the units command areas.
- (iii) Educating farmers on modern cultivation practices by organising technical seminars, providing technical support, demonstrating modern practices in Demo plots, etc.
- (iv) Providing technical and financial support to the farmers on the development of irrigation infrastructure such as well deepening, lift irrigation, installation of new bore / pumps etc.
- (v) Promoting water conservation systems like micro irrigation systems in association with the State Agriculture Department.
- (vi) Mechanization of cane cultivation, right from ploughing to harvest to the possible extent to reduce the cultivation cost to the farmers and the dependency on labour.

Discussion on Financial Performance with respect to Operational Performance

Operational Review and State of Affairs

Sl. No.	Production Performance	2024 - 2025	2023 - 2024
(i)	No of crushing days: Kattur Unit Sathamangalam Unit	100 12	151 165
(ii)	Cane Crushed (tons)	2,61,780	8,35,208
(iii)	Sugar Recovery (%)	8.94	8.88
(iv)	Sugar Produced from cane (Quintals)	2,39,970	7,46,880
(v)	Alcohol Produced (KL)	16,895	19,854
(vi)	Power Produced (lakh kwh)	186	714

Due to decrease in cane availability, the sugarcane crushing has decreased by over 69% compared to the previous year and sugar production is down by over 68% due to pest infection and scanty rainfall, leading to a lower recovery. The FRP (Fair and Remunerative Price) has risen by 4.50%. Despite the said impact the sugar segment posted marginally a lower loss compared to the previous year. This was made possible due to suspension of operation at our Sathanmangalam unit resulting in reduction of expenditure substantially.

In the distillery segment, profitability decreased significantly due to lower production by 15% and sales by 14% with the average selling price / litre increasing by around 8%. This is directly attributable to shortage of molasses owing to lower sugarcane crushing.

In the power segment, the export of power to the grid has declined by over 85% consequent to lower crushing and lower sales volumes of bagasse.

The finance cost marginally decreased by around 10% compared to the previous year due to the repayment of term loans, despite higher interest cost reset and higher usage of short-term borrowings.

Internal Control Systems and their adequacy

The Company has established a system of internal control across all its business operations and for safeguarding the Assets. The functions of Internal Audit are carried out by an independent firm of Chartered Accountants, who submit their Reports on a quarterly basis to the Management. These Reports are placed before the Audit Committee at its meetings for review.

The Board, Audit Committee and the Management ensure that the internal financial control system operates effectively, and they periodically review the effectiveness of internal control system in order to ensure due and proper implementation and due compliance with applicable laws, accounting standards and regulatory norms.

The Internal Auditors review the adequacy of internal control systems and suggest necessary checks and balances to ensure and increase the effectiveness of the system and that the policies are in place for approval and control of expenditure.

Human Resources / Industrial Relations

Human resources are the most important resources in an organization and need to be used efficiently, because the success, stability and growth of an organization depend on its ability in acquiring, utilizing and developing human resources for the benefit of the Organization. Employees attend a series of training sessions on Technical and soft skills as part of the Employee Development Program. Special Onsite Program and In-house Training program were conducted on safety. During the year, industrial relations have continued to be cordial, conducive, and mutually productive.

The Human Resources Department created an Internal Complaint Committee for the prevention and redressal of sexual harassment of women at workplace as per the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013. There were no incidents of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The total number of employees as on 31st March 2025 was 472 in respect of sugar and allied operations.

Key Financial Ratios

Description	U/M	2024-25	2023-24	Remarks
Debtors Turnover	Days	30	27	Barring EB dues rest of the sales are on cash and carry basis.
Inventory Turnover	Days	155	117	Lower Sales due to Quota mechanism implemented by Govt. of India.
Interest coverage ratio	Times	5.69	12.89	Lower earnings and Higher interest due to lower sales realisation
Current ratio	Times	2.18	1.76	Higher Investment and lower liabilities due to lower crushing.
Debt Equity ratio	Times	0.17	0.25	Decrease in borrowings (cash credit)/cane dues due to lower crushing.
Operating Profit Margin	%	-0.78	5.98	Higher cane cost, Lower crushing and lower yields
Net Profit Margin	%	3.36	5.87	Lower due to product volume and margin mix. Higher tax provision.
Return on Networth	%	3.67	11.00	Lower retained earnings due to product volume and margin mix.

On behalf of the Board
 for **Kothari Sugars and Chemicals Limited**

Place : Chennai
Date : May 29, 2025

Nina B. Kothari
 Chairperson
 DIN : 00020119

CORPORATE GOVERNANCE

Corporate Governance Philosophy

Kothari Sugars and Chemicals Limited believes that sound ethical practices, transparency in operations and timely disclosures go a long way in enhancing long-term values while safeguarding the interest of all the stakeholders. It is this conviction that has led the Company to make strong Corporate Governance values intrinsic in all its operations. The Company is led by a distinguished Board, which includes Independent Directors. The Board provides a strong oversight and strategic counsel. The Company has

established systems and procedures to ensure that the Board of the Company is well-informed and well-equipped to fulfill its oversight responsibilities and to provide the management, the strategic direction it needs.

Board of Directors

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition of the Board and Directorship held as on 31st March 2025

Name of the Directors	Director Category	No. of Board Meetings attended	Attendance at previous AGM held on Jul 26, 2024	No. of Directorships in other Companies	No. of Committee Memberships in other companies		No. of shares held by the Director
					Chairman	Member	
Mrs. Nina B. Kothari	Promoter & Non-Executive Chairperson	6	Yes	13	01	-	26,83,498
Mr. Arjun B. Kothari	Promoter & Managing Director	6	Yes	12	-	01	54,467
Mr. M. Silvester Goldwin	Executive	6	Yes	-	-	-	Nil
Mr. C. V. Krishnan	Independent	5	Yes	-	-	-	Nil
Mr. M. R. Mohan	Independent	6	Yes	-	-	-	Nil
Mr. S. Sundarraman	Independent	6	Yes	01	01	01	Nil

Note :

- Other directorships also include Private Limited Companies.
- Only membership in Audit Committee, Stakeholders' Relationship Committee have been reckoned for Committee Memberships.
- The time gap between the Board Meetings was within the prescribed time limits.

(iv) Mr. Arjun B. Kothari, Managing Director of the Company is a relative of Mrs. Nina B. Kothari, Chairperson of the Company. None of the other directors are related inter se in any manner.

The Board of Directors met six times during the year on 17th May 2024, 02nd Aug 2024, 26th Aug 2024, 05th Nov 2024, 12th Feb 2025 and 18th Mar 2025.

None of the Directors on the Board is a member of more than 10 committees or act as Chairperson of more than 5 committees across all Listed Companies and Unlisted Public Limited Companies in which he / she is a Director.

Names of other Listed Companies in which the Directors of the Company is a Director and their category:

S. No.	Name of the Director	Name of Other Listed Company	Category of Directorship
1	Mrs. Nina B. Kothari	Kothari Petrochemicals Limited	Non - Executive Director
2	Mr. Arjun B. Kothari	Kothari Petrochemicals Limited	Managing Director
3	Mr. S. Sundarraman	Kothari Petrochemicals Limited	Independent Director

Familiarisation programme for Independent Directors

A Familiarisation programme for Independent Directors of the Company was being conducted either before or after the Board Meetings and the details of such familiarization programmes are disseminated on the website of the Company www.hckotharigroup.com/kscl

Presentations / briefings were also made at the meeting of the Board of Directors / Committees and also during the Plant visit by the KMP's / Senior Executives of the Company on Company's financial and operational performance, industrial relations prevailing during the period, marketing strategies, and latest Regulatory updates etc

Core skills, expertise and competencies of the Board of Directors:

The Board of Directors has identified the following core skills, expertise and competencies in the context of the Company's business and sector for it to function effectively which are given below:

The Directors shall possess hands on expertise on technical, academic skills, general management, global business, technology, manufacturing / operations, risk management etc. The Directors shall understand company's structure, policies, and culture including the mission, vision, values, goals, current strategic plan and governance structure and also in which the Company operates including the industrial trends, challenges and opportunities, unique dynamics within the sector that are relevant to the success of the Company.

The Directors shall have the ability to understand and analyse financial reports / key financial statements to review and analyse budgets, annual operating plans considering Company's resources, strategic goals and priorities, analyse various reports, create and incorporate multiple viewpoints with different perspectives. Ability to identify key risks to the organisation in a wide range of areas including production, marketing, legal and regulatory compliance management and systems.

The following matrix sets out the skills, expertise and competence of each of the Directors in the Company:

S. No.	Name of the Directors	Skills, Expertise and Competence
(i)	Arjun B. Kothari	Well recognized for his business acumen and leadership skills and has overall managerial experience. Proven Leader in making sound commercial judgments and managing risks and challenges of the business. Strategic thinker with the right capacity to steer the company.

(ii)	Nina B. Kothari	Hands on experience in General Management and Administration and well known for her diversified business knowledge and Mentoring abilities. Varied experience in the domain of Finance, Administration & General Management in diverse family businesses.
(iii)	M. Silvester Goldwin	Renowned professional in sugar industry having about 36 years of overall experience in various functions of sugar industry including operation & maintenance, design & engineering, project management, technical services, sales & marketing, business development etc. Expert in the field of sugar manufacture, cogeneration of power, modern distillery technologies and energy management.
(iv)	C. V. Krishnan	An Alumnus of IIT (Madras) and IIM (Ahmedabad) with wide range of experience in General Management, Collaborations, Joint Ventures, Acquisitions, Mergers and Disinvestments in India and abroad. Strategic thinker with global business exposure with experience across industries. Contributor to Academic and Research activities with focus on Management Education / Development Research.
(v)	M. R. Mohan	A retired IAS officer having around thirty four years of experience in Government Service in various capacities including General Administration, Management of Industrial Establishments, discharging regulatory functions and the Quasi - Judicial responsibilities, etc. Successfully turned around many sick units, including a sugar mill into profitable ones.
(vi)	S. Sundarraman	Chartered Accountant with more than three decades of experience in auditing and taxation with litigation experience and demonstrated accomplishments in the field of statutory audits, taxation (particularly international tax) and business advisory. Consistently recognized for his ability to design and implement proactive, cost-saving solutions for businesses. Professional Expertise in Consulting, Corporate Law, Finance, General Management, Legal and Taxation.

Considering the skills, expertise and competencies required for effective functioning and discharge of Board's duties, your Board is satisfied with the present composition of the Board of Directors. In the opinion of the Board, the

Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

Committees of the Board

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and a Non-mandatory Committee viz. Investment and Credit Approval Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee. The Minutes of the Committee Meetings are tabled at the subsequent Board Meetings.

Audit Committee

The Audit Committee comprises of the following Independent Directors and attendance of each director for the year ended 31st March 2025 is as follows:

Sl. No.	Name of the Directors	Designation	No. of Meetings held	No. of Meetings attended
(i)	Mr.S. Sundarraman	Chairman	04	04
(ii)	Mr. C. V. Krishnan	Member	04	03
(iii)	Mr. M. R. Mohan	Member	04	04

The Chairman of the Audit Committee was present at the Annual General Meeting of the company held on 26th Jul 2024. The Audit Committee met four times during the year on 17th May 2024, 02nd Aug 2024, 05th Nov 2024 and 12th Feb 2025.

The Audit Committee acts as a link between the Board of Directors and the Statutory and Internal Auditors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The role and terms of reference of the Audit Committee are governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the members of Audit Committee are financially literate and have relevant finance / accounting exposure. The Managing Director, Whole Time Director and Chief Financial Officer are permanent invitees to the meetings of the committee. The Statutory Auditor and Internal

Auditors were present at Audit Committee meetings. The Company Secretary acts as the Secretary to the Committee. The composition of the Audit Committee is as per Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Nomination And Remuneration Committee

The Nomination and Remuneration Committee comprises of the following Non-Executive and Independent Directors. The Company Secretary is the Secretary to the Committee. The Chairman of Nomination and Remuneration Committee was present at the Annual General Meeting of the Company held on 26th Jul 2024. The Committee met once during the year on 14th May 2024.

The composition of Committee and attendance of each director for the year ended 31st March 2025 is as follows:

Sl. No.	Name of the Directors	Designation	No. of Meetings held	No. of Meetings attended
(i)	Mr.C. V. Krishnan	Chairman	01	01
(ii)	Mr. S. Sundarraman	Member	01	01
(iii)	Mr. M. R. Mohan	Member	01	01

Remuneration Policy

Policy for selection and Appointment of Directors / KMP / Senior Management and their Remuneration

The Nomination and Remuneration (N&R) Committee has framed a policy which, inter alia, deals with the manner of selection of Board of Directors, Managing Director / KMP's / Senior Management and their remuneration.

Criteria of selection of Non - Executive Directors

- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
 - Qualification, expertise and experience of the Directors in their respective fields;
 - Personal, Professional or business standing;
 - Diversity of the Board.
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his/her engagement level.

Remuneration

The Non - Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of

expenses for participation in the Board / Committee meetings and commission of such sum as may be approved by the Board of Directors within the limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Remuneration details of Managing Director / Whole Time Director is disclosed in detail elsewhere in the Board's Report.

In accordance with the approval of the members of the Company vide Special Resolution dated 26th Jul 2024, Ms. Nina B. Kothari, the Non - Executive Chairperson is entitled for a commission of 1% of the Net Profits of the Company as computed in the manner laid down in Section 198 of the Act, subject to a minimum of ₹ 50,00,000/- for the financial year 2024 - 2025. The other Non - Executive Directors of the company are not paid any remuneration except sitting fees. The details of the transactions and pecuniary relationship with the Non - executive Directors vis-à-vis the Company are disclosed elsewhere in the Annual Report

Criteria for Performance evaluation framed by N & R Committee

- Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee shall lay down the criteria for the formal annual evaluation of Board, Committees and Individual Directors.
- Pursuant to the above requirements, the Nomination and Remuneration Committee has framed a format inter alia containing attendance & participation at meetings, inputs provided & its impact on the company whether positive or adverse etc. for the Annual Evaluation of the performance of the Board, individual Directors and its Committees. Thus, Nomination and Remuneration Committee recommends the devised format to the Board to apply while conducting the Annual Evaluation..

The Remuneration Policy approved by the Board of Directors is posted on the website of the Company viz. www.hckotharigroup.com/ksc

Details of Sitting Fees paid during the financial year 2024 - 2025

Name of the Directors	Sitting Fees Paid					(Amount in ₹)
	Board Meeting	Audit Committee	CSR Committee	Nomination & Remuneration Committee	Independent Director Meeting	Total
Mrs. Nina B. Kothari	1,80,000	N.A	10,000	N.A	N.A	1,90,000
Mr. C. V. Krishnan	1,50,000	90,000	10,000	10,000	10,000	2,70,000
Mr. M. R. Mohan	1,80,000	1,20,000	10,000	10,000	10,000	3,30,000
Mr. S. Sundarraman	1,80,000	1,20,000	N.A	10,000	10,000	3,20,000
Total	6,90,000	3,30,000	30,000	30,000	30,000	11,10,000

The other transactions with Non - Executive Director's vis-à-vis the company during the Financial Year ended 31st March 2025 are disclosed elsewhere in the Annual Report.

Stakeholders' Relationship Committee:

The Stakeholders Relationship Committee carries out the functions of transmissions, duplicate share certificates, dematerialisation of shares and all other issues pertaining to shares and also to redress investor grievances like non-receipt of dividend warrants, non-receipt of share certificates, non-receipt of annual reports etc.

In order to expedite the process, the Board of Directors has also delegated the authority severally to the Stakeholders Relationship Committee and the Company Secretary to

approve the share transfers / transmissions and accordingly, the Stakeholders Relationship Committee or the Company Secretary approve the transmission of shares generally on a fortnight basis. The Committee also reviews the performance of the Registrar and Share Transfer Agents.

The committee met thrice during the year 2024 - 2025. No sitting fee is paid for attending the meetings of the Committee.

The attendance of each Director in the Stakeholders' Relationship Committee meeting held during the year ended 31st March 2025 is as follows:

Sl. No.	Name of the Directors	Designation	No. of Meetings held	No. of Meetings attended
(i)	Mr. M. R. Mohan	Chairman	03	03
(ii)	Mr. C. V. Krishnan	Member	03	03
(iii)	Mr. Arjun B. Kothari	Member	03	03

The Chairperson of the Stakeholders' Relationship Committee was present at the previous Annual General Meeting of the company held on Jul 26, 2024. Mr. R Prakash, the Company Secretary is the Compliance Officer.

No Complaints were received from the Shareholder(s) / Department(s) during the financial year 2024 - 2025.

Pursuant to SEBI LODR Regulations, 2015 the Company is processing investor complaints in a web-based complaints redress system "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES.

All the requests and complaints received from the shareholders were attended to within the stipulated time and nothing was pending for disposal at the end of the year. Mr. R. Prakash, Company Secretary, is the Compliance Officer of the company. For any clarification / complaint the shareholders may contact the Secretarial Department at the registered office of the company.

Also, an investor can initiate online dispute resolution through the ODR portal after the option to resolve complaint / dispute with the listed entity through the aforesaid available routes i.e. Raising the grievance with the listed entity / its RTA and SEBI SCORES are exhausted.

The Online Dispute Resolution Portal named SMART ODR Portal- 'Securities Market Approach for Resolution through ODR' offers a user-friendly platform to file disputes for resolution through Online conciliation and online Arbitration. It enables investors to access Online Dispute Resolution Institutions for the resolution of their complaints. The weblink of the SMART ODR portal is <https://smartodr.in/>

Senior Management:

The Senior Management comprises of the following Personnel of the Company and there was no change in the Senior Management during the financial year 2024 - 25.

Sl. No.	Name of the Person	Designation / Role
1.	Mr. R. Prakash	Company Secretary
2.	Mr. R. Krishnan	Chief Financial Officer
3.	Mr. V. Ramachandran	Plant Head, Kattur
4.	Mr. M. Palanivelrajan	Plant Head, Sathamangalam
5.	Mr. D. Sathiyarayanan	General Manager - Technical Service

General Body Meetings:

The details of the Annual General Meetings held in the last three years are as follows :

Year / Date / Day / Time	Venue
2023 - 2024 Jul 26, 2024, Friday 11:00 Hrs.	The Annual General meeting was held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"). The Registered office i.e. No.115, Kothari Buildings, Mahatma Gandhi Salai, Nungambakkam, Chennai - 600 034 was the deemed venue of the meeting.
2022 - 2023 Aug 10, 2023, Thursday 14:00 Hrs.	
2021 - 2022 Aug 03, 2022, Wednesday 10:30 Hrs.	

The details of Special Resolutions passed in AGM / EGM in the last 3 years are as follows:

Date of AGM	Whether any Special Resolution was passed	Particulars
Jul 26, 2024	Yes	(i) Payment of Commission to Mrs. Nina B. Kothari, Non - Executive Chairperson of the Company (ii) Re-appointment of Mr. M. Silvester Goldwin, as Wholetime Director of the Company.
Aug 10, 2023	Yes	Payment of Commission to Mrs. Nina B. Kothari, Non - Executive Chairperson of the Company.
Aug 03, 2022	Yes	(i) Re-appointment of Mr. Arjun B. Kothari, as Managing Director of the Company. (ii) Re-appointment of Mr. C. V. Krishnan, as an Independent Director of the Company.

No Special Resolution was passed by the Shareholders of the Company through Postal Ballot during the year 2024-2025.

Means of Communication

- The Unaudited Quarterly Financial Results and Audited Annual Financial Results of the company along with the QR Code for webpage where complete financial results are published in The Financial Express and Makkal Kural.
- The company's website address is: www.hckotharigroup.com/kscl. The website contains basic information about the company and such other details as required under Regulation 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company ensures periodical updation of its website. The company has designated email-id ksclcs@hckgroup.com and secdept@hckgroup.com to enable the shareholders to register their grievances.
- Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all data related to quarterly financial results, shareholding pattern and report on Corporate Governance etc. are filed in NEAPS / New Digital Exchange (NSE Portal) within the time frame prescribed in this regard.
- No presentations have been made to institutional investors or to analysts.

GENERAL SHAREHOLDER INFORMATION
(a) Annual General Meeting

Day, Date and Time	Wednesday, 06 th August 2025 @ 11:00 A.M.
Venue	The Annual General meeting will be held through Video Conferencing ("VC") / Other Audio - Visual Means ("OAVM"). The Registered office i.e. No.115, Kothari Buildings, Mahatma Gandhi Salai, Nungambakkam, Chennai - 600 034 shall be deemed to be venue of the meeting.

(b) Financial Calendar of the Company

The Financial year covers the period from 1st April to 31st March

Results for Quarter ending 30 th June, 2025	First fortnight of August, 2025
Results for Quarter ending 30 th September, 2025	First fortnight of November, 2025
Results for Quarter ending 31 st December, 2025	First fortnight of February, 2026
Results for Quarter ending 31 st March, 2026	Last Week of May, 2026

(c) Date of Book Closure

The period of Book Closure is fixed from Thursday, 31st July 2025 to Wednesday, 06th August 2025 (both days inclusive).

(d) Listing of Shares

The shares of the Company are listed at The National Stock Exchange of India Limited (NSE), Mumbai and the Listing Fees for the Financial Year 2025- 2026 has been paid. (Stock Code: KOTARISUG). ISIN: INE419A01022.

(e) Details of the outstanding ADRs / GDRs / Warrants or Convertible Instruments: Nil
(f) Distribution of Shareholding as on 31st March 2025 (Amount in ₹)

₹ of Equity shares held	No. of Shareholders	Paid up Capital
Upto 5000	66,280	5,54,24,270
5001-10000	3,437	2,84,22,010
10001-20000	1,514	2,34,34,520
20001-30000	546	1,39,99,530
30001-40000	213	78,02,050
40001-50000	203	97,35,820
50001-100000	232	1,73,07,060
100001 and above	149	67,27,60,540
Total	72,574	82,88,85,800

(g) Reconciliation of Share Capital Audit

Quarterly audit was conducted by a Practising Company Secretary, reconciling the issued and listed capital of the company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit. As on 31st March 2025, there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories. 8,28,51,715 equity shares representing 99.94% of the paid-up equity capital have been dematerialized as on 31.03.2025.

(h) Registrar and Share Transfer Agents

M/s. Cameo Corporate Services Limited, having its registered office at Subramanian Building, No.1, Club House Road, Chennai - 600 002 are the Registrars for the demat segment and also the share transfer agents of the company, to whom communications regarding share transfer and dematerialization requests must be addressed. All matters connected with share transfer, transmission, dividend payment are handled by the share transfer agent.

(i) Foreign Exchange Risk and hedging activities

Presently your Company is not exporting any of its products. Hence, foreign exchange risk did not arise during the financial year 2024 - 2025.

(j) Plant Locations

Kattur	Kattur Railway Station, Lalgudi, Trichy District - 621 706. Tamilnadu. Phone Nos.: 0431-2541224, 2541350, Fax No.: 0431 - 2541451
Sathamangalam	Sathamangalam Village, Vetriyur Post, Via - Keezhapalur, Ariyalur Taluk, Ariyalur Dist - 621 707, Tamilnadu. Phone Nos.: 04329-320800, Fax No.: 04329 - 209730

(k) Address for Correspondence

Company's Registered Office	Company's Share Transfer Agent
The Company Secretary Kothari Sugars and Chemicals Limited Kothari Buildings, 115, Mahatma Gandhi Salai, Nungambakkam, Chennai - 600 034. Tel. No. : 044-35225526, 35225529 Email : secdept@hckgroup.com	M/s. Cameo Corporate Services Limited Unit: Kothari Sugars and Chemicals Limited Subramanian Building, 5 th Floor, No. 1, Club House Road, Chennai - 600 002. Phone No. 044 - 40020700 / 710 Online Investor Portal : https://wisdom.cameoindia.com Website : www.cameoindia.com

(l) Credit Rating and revision thereto

CRISIL Ratings Limited a credit rating agency has rated the following facilities which are availed from Bank as detailed below:

Sl. No.	Facility	Amount (₹ in Crores)	Rating
(i)	Long-Term Fund Based - Working Capital Facilities - Cash Credit	100.00	[CRISIL] BBB+ / Stable [pronounced as CRISIL triple B plus Stable]
(ii)	Short-Term Non-Fund Based - Working Capital Facilities - Bank Gaurantee	3.00	[CRISIL] A2 [pronounced as CRISIL A two]
Total		103.00	

OTHER DISCLOSURES

Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis.

There was no materially significant related party transaction having potential conflict with the interests of the Company during the year. Transactions with related parties, as per the requirements of Indian Accounting Standard 24, are disclosed in the notes to accounts annexed to the financial statements.

In terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained prior approval of the Audit Committee for entering into transactions with related parties. The approved policy for related party transactions has been uploaded on the Company's website www.hckotharigroup.com/kscl

Vigil Mechanism / Whistle Blower Policy

The Company has formulated a Whistle Blower Policy of Vigil Mechanism and has established a mechanism for Directors / Employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the code of conduct or ethics policy.

The Vigil Mechanism / Whistle Blower Policy broadly covers a detailed process for reporting, handling and investigation of fraudulent activities and providing necessary protection to the employees who report such fraudulent activities/unethical behaviour. All suspected violations and Reportable Matters are reported to the Chairman of the Audit Committee directly. The company affirms that no one has been denied access to the Audit Committee.

Further details are available in the Whistle Blower policy of the Company posted in Company Website www.hckotharigroup.com/kscl

Compliances

There have been no instances of non-compliance by the company on any matters related to the capital markets, nor any penalty/strictures been imposed on the company by the Stock Exchanges or SEBI or any other statutory authority on such matters. The disclosure of compliances with respect to Corporate Governance requirements as specified in Regulation 17 to 27 and sub-regulation (2) of Regulation 46 is made in the Corporate Governance Report.

Compliance with mandatory / non mandatory requirements

The company has complied with all applicable mandatory requirements in terms of Regulations 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed elsewhere in this report.

Statutory Auditor Fee Particulars

The Members at the 61st Annual General Meeting held on 03rd August 2022 have appointed M/s. P. Chandrasekar LLP, Chartered Accountants as the Statutory Auditor of the Company and to hold office till the conclusion of the 66th Annual General Meeting of the Company. The Company does not have any Subsidiaries. No fees were paid during the year to any entity in the network firm / network entity of which the Statutory Auditor is a part.

The Audit Committee approved the fee for other services rendered by the Statutory Auditors other than the Statutory Audit. The total fee paid for the year 2024 - 2025 to M/s. P. Chandrasekar LLP, Chartered Accountants is given below:

Sl. No.	Description of the Service	Fees (Amount in ₹)
(i)	Statutory Audit	6,00,000
(ii)	Limited Review Report	1,50,000
	Total	7,50,000

Particulars of Loans and Advances to the related entities

There are no loans and advances in the nature of loans was given to the firms/companies in which directors are interested.

Discretionary requirements

The discretionary requirements as specified in Part E of Schedule II have been adopted to an extent possible by the Company.

Certificate from Practising Company Secretary confirming Directors are not debarred / disqualified

A Certificate from a Company Secretary in Practice has been obtained confirming that none of the Directors on the board of the company has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such Statutory Authority.

Disclosure as required under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

- | | | |
|--|---|-----|
| (a) Number of complaints filed during the financial year | : | Nil |
| (b) Number of complaints disposed of during the financial year | : | Nil |
| (c) Number of complaints pending as on end of the financial year | : | Nil |

Code of Conduct for the Board of Directors and the Senior Management

The standards for business conduct provide that the Directors and the Senior Management will uphold ethical values and legal standards as the company pursues its objectives, and that honesty and personal integrity will not be compromised under any circumstances. A copy of the said code of conduct is available on the website www.hckotharigroup.com/kscl. As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and Senior Management personnel have affirmed compliance with the code of conduct for the financial year 2024 - 2025.

On behalf of the Board
for Kothari Sugars and Chemicals Limited

Place : Chennai
Date : May 29, 2025

Nina B. Kothari
Chairperson
DIN : 00020119

DECLARATION BY MANAGING DIRECTOR ON CODE OF CONDUCT UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members

I, hereby declare that to the best of my knowledge and information, all the Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the year ended March 31, 2025.

for Kothari Sugars & Chemicals Limited

Place: Chennai
Date : May 29, 2025

Arjun B. Kothari
Managing Director
DIN : 07117816

CERTIFICATE UNDER REGULATION 17(8) & PART B OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, Arjun B. Kothari, Managing Director and R. Krishnan, Chief Financial Officer of the Company hereby confirm and certify that:

- (a) We have reviewed Financial Statements and Cash Flow Statements for the year ended 31st March 2025 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee.
 - (i) significant changes, if any, in internal control over financial reporting during the year.
 - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the Financial Statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Chennai
Date : May 29, 2025

Arjun B. Kothari
Managing Director
DIN : 07117816

R. Krishnan
Chief Financial Officer

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE
(Pursuant to Regulation 34(3) and Schedule V Para E of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To the Members of Kothari Sugars and Chemicals Limited

We have examined the compliance of conditions of Corporate Governance by **Kothari Sugars and Chemicals Limited**, for the year ended March 31, 2025 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanation given to us and the representations made by the Directors and the management of the company, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI LODR.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Alagar & Associates**
(Formerly known as M. Alagar & Associates)
(Practising Company Secretaries)
Peer Review Certificate No.: 6186/2024

Place : Chennai
Date : May 09, 2025

M. Alagar
Managing Partner
FCS No. 7488 / COP No. 8196
UDIN: F007488G000308461

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To the Members of Kothari Sugars and Chemicals Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Kothari Sugars and Chemicals Limited** having CIN **L15421TN1960PLC004310** and having its registered office at Kothari Buildings, 115, Nungambakkam High Road, Chennai - 600 034 (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with **Regulation 34(3) read with Schedule V Para C, Sub-clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal <http://www.mca.gov.in/> as considered necessary and explanations furnished to us by the Company & its officers, **we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending March 31, 2025, have been debarred or disqualified from being appointed or continuing as Directors of companies** by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No.	Name of the Director	DIN	Designation	Date of appointment
1	Mrs. Nina Bhadrashyam Kothari	00020119	Chairperson (Non - Executive & Non - Independent Director) - Woman Director	27.05.2014 (subject to retire by rotation)
2	Mr. Arjun Bhadrashyam Kothari	07117816	Managing Director (Executive & Non - Independent	08.04.2015 (Re-appointment 01.09.2022)
3	Mr. M. Silvester Goldwin	08145634	Whole Time Director	01.08.2018 (Re-appointment 01.08.2024)
4	Mr. C. V. Krishnan	01606522	Independent Director	28.05.2018 (Re-appointment 28.05.2023)
5	Mr. M. R. Mohan	10289673	Independent Director	08.11.2023
6	Mr. S. Sundarraman	01032768	Independent Director	08.11.2023

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Alagar & Associates**
(Formerly known as M. Alagar & Associates)
(Practising Company Secretaries)
Peer Review Certificate No.: 6186/2024

Place : Chennai
Date : May 09, 2025

M. Alagar
Managing Partner
FCS No. 7488 / COP No. 8196
UDIN: F007488G000308437

INDEPENDENT AUDITORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2025

To the Members of Kothari Sugars and Chemicals Limited
REPORT ON THE AUDIT OF THE INDIAN ACCOUNTING STANDARDS (IND AS) FINANCIAL STATEMENT

Opinion

1. We have audited the accompanying Ind AS financial statements of Kothari Sugars and Chemicals Limited ("the Company"), which comprise the balance sheet as at March 31, 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of profit after tax and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

S. No.	Key Audit Matters	Principal audit procedures
1.	Quantity of raw materials Quantity of raw materials Significant portion of the material procurement is from individual farmers and sugarcane are accounted on weight basis. Hence, any variance in the ascertainment of the quantity purchased may have a significant impact on the cost of materials.	Our audit procedures included: <ul style="list-style-type: none"> ➤ Assessment of controls over ascertaining the quantity of purchase for which payment is made. ➤ Assessment of controls over calibration system of the weighing equipment. ➤ Performed substantive audit procedures on cane procurement.
2.	Investments As on 31 st March 2025, the Company stands invested in various financial instruments. The amount of investments has been considered a key audit matter given the relative size of the balance in the financial statements.	Our audit procedures included: <ul style="list-style-type: none"> ➤ We have tested the design and operating effectiveness of controls with regard to acquisition as well as redemption of investments. ➤ We have reviewed the board minutes as well as the investment policy to ensure that the investments made are in compliance with them. ➤ We have verified the fund statements received from the respective fund houses, Demat Holding Statements and internal MIS of the management to evaluate the correctness of the investments reported in the balance sheet.
3.	Contingent liabilities The Company has material amounts of disputed statutory levies such as Excise Duty, Service Tax and Electricity taxes, which have not been paid pending adjudication by the respective authority. Refer to Note 39 of the Financial Statements.	Our audit procedures included: <ul style="list-style-type: none"> ➤ Evaluation of internal controls relating to identification and evaluation of litigations involving statutory dues. ➤ Obtained the list of litigations and claims from the Company's legal team, identified material litigations from the list and performed inquiries on the management's evaluation of these material litigations. ➤ Performed an independent assessment of the conclusions reached by the management. ➤ Evaluated the management's assumptions, estimates and judgements used for calculating the provisions and contingent liabilities disclosed in the Ind AS financial statements.

Information other than the financial statements and auditor's report thereon

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report together

with the annexure thereto and Report on Corporate Governance but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the Ind AS financial statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the Ind AS 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 Ind AS financial statements

8. Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

10. 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.
11. 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.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS 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

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.
15. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian 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 and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financials statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- (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:
 - (i) The Company has disclosed the impact of pending litigations in Note 39 to the financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts on which there were material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the

aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations as provided under (a) and (b) above, contain any material misstatement.

- v. During the year 2024-25, the Company has not paid any dividend. Hence reporting under clause (f) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the year.

- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit-log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. The audit trail has been preserved by the company as per the statutory requirements for record retention.

For P. Chandrasekar LLP
Chartered Accountants
FRN: 000580S/S200066

S. Raghavendhar
Partner
Membership No.: 244016
UDIN : 25244016BMHPFN8364

Place : Chennai

Date : May 29, 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Kothari Sugars and Chemicals Limited on the Ind AS financial statements as of and for the year ended March 31, 2025

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment, investment property and relevant details of right-of-use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) As explained to us, the property, plant and equipment, investment property and right-of-use assets are physically verified by the Management at reasonable intervals; no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and based on the examination of the documents provided to us, we report that the title deeds of all the immovable properties of land and buildings as disclosed in the Ind AS financial statements are held in the name of the Company as at the Balance Sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Management has conducted physical verification of inventory at reasonable intervals. In our opinion, the coverage and procedure of such verification is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.
(b) The Company has been sanctioned working capital limits in excess of Rupees five crores in aggregate from banks / or financial institutions during the year on the basis of security of the current assets of the Company. The quarterly returns / statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.
- (iii) (a) During the year the Company has not provided loans or advances in the nature of loans, or stood guarantee, or provided security to any other entity. Hence reporting under clause (iii) (a) to clause (iii) (f) of the Order is not applicable.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the investments made by it. The Company has not provided any loans or guarantee, or security as covered under Section 185 or 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us and based on our audit procedures, we report that:
 - (a) the Company is regular in depositing with the appropriate authorities the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Customs Duty, Excise Duty, Cess, Goods and Service Tax as applicable to the appropriate authorities. There were no undisputed amounts payable which were in arrears as at March 31, 2025 for a period of more than six months from the date they become payable except as below:

Statute	Nature of Dues	Amount (₹ in lakhs)
Tamil Nadu Tax on Consumption or Sale of Electricity Act, 2003	Interest u/s 7 of Tamil Nadu Tax on Consumption or Sale of Electricity Act, 2003	432

- (b) Details of dues of various taxes and statutory dues not deposited on account of disputes as of 31st March 2025 is given below:

Name of the Statute	Nature of the Dues	Amount* (₹ in lakhs)	Forum where the dispute is pending	Period to which the dues belong to
Central Excise Act, 1944	Excise Duty*	8.71	Madras High Court	Oct' 1999 to Mar' 2000
Central Excise Act, 1944	Excise Duty*	87.31	CESTAT	April 1997 to December 1997
Central Goods and Service Tax Act, 2017	GST	24.25	Commissioner GST (Appeals)	2018-2019 & 2019-2020
Income Tax Act, 1961	Income Tax*	537.94	Commissioner of Income Tax (Appeals)	2022-2023
Tamil Nadu Tax on Consumption or sale of electricity Act, 2003	Electricity Tax	539.94	Government of Tamil Nadu	April 2009 to May 2011
	Interest on above dues	983.85		

*Amounts exclude interest and payments under protest.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3 (viii) of the Order is not applicable to the Company.
- (ix) (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not borrowed any term loan during the year 2024-25. Hence reporting under clause (ix) (c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report under clause (ix) (e) and clause (ix) (f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) during the year. Accordingly, reporting under clause (x) (a) of the Order is not applicable.
- (b) On an overall examination of the financial statements, we report that the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, reporting under clause (x) (b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor / secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) There were no whistle blower complaints received by the Company during the year.

- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with the director or persons connected with them as referred to in Section 192 of the Companies Act, 2013.
- (xvi) (a) 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.
(b) The Company has not conducted any non-banking or housing finance activities.
(c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3 (xvi) (c) of the Order is not applicable.
(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3 (xvi) (d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year
- (xviii) There has been no resignation of statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable.
- (xix) On the basis of ratios disclosed in the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the meetings of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto the date of the audit report and we neither given any guarantee nor any assurance that all liabilities falling due within one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) The Company has spent the minimum amount required to be spent on Corporate Social Responsibility (CSR), as stipulated in section 135 of the Companies Act. Therefore, no unspent amount is required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 within six months of the expiry of the financial year, in compliance with second proviso to sub-section 5 of section 135 of the Act. Accordingly, clause 3(xx)(a) of the Order is not applicable.
(b) The Company does not have any unspent amount towards CSR on ongoing projects requiring a transfer to a distinct account in compliance with provisions of sub-section (6) of section 135 of the said Act. Accordingly, clause 3(xx)(b) of the Order is not applicable.

For **P. Chandrasekar LLP**
Chartered Accountants
FRN: 000580S/S200066

S. Raghavendhar
Partner

Place : Chennai
Date : May 29, 2025

Membership No.: 244016
UDIN: 25244016BMHPFN8364

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 15(f) of the Independent Auditor's Report of even date to the members of Kothari Sugars and Chemicals Limited on the Ind AS financial statements as of and for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Kothari Sugars and Chemicals Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 with reference to financial statements

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **P. Chandrasekar LLP**
Chartered Accountants
FRN: 000580S/S200066

S. Raghavendhar
Partner

Place : Chennai
Date : May 29, 2025

Membership No.: 244016
UDIN: 25244016BMHPFN8364

BALANCE SHEET AS AT MARCH 31, 2025

(₹ in Lakhs)

S.No	Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
A	ASSETS			
	Non-Current Assets			
	(a) Property, Plant and Equipment	2	14,854.51	16,199.67
	(b) Capital Work in Progress	2	-	26.76
	(c) Investment Property	3	100.83	103.20
	(d) Intangible Assets other than goodwill	4	10.92	9.33
	(e) Intangible Assets under development	2	450.00	-
	(f) Right-of-use of assets	4(a)	61.58	71.31
	(g) Financial Assets			
	(i) Investments	5(a)	1,715.40	1,312.93
	(ii) Trade Receivables	6(a)	235.57	903.67
	(iii) Other financial assets other than loans	7	450.26	105.04
	(h) Other Non-Current Assets	8	19.13	21.15
	Total non-Current Assets		17,898.20	18,753.06
	Current Assets			
	(a) Inventories	9	9,705.88	16,773.43
	(b) Financial Assets			
	(i) Investments	5(b)	11,626.01	8,690.78
	(ii) Trade Receivables	6(b)	1,718.33	2,183.59
	(iii) Cash and Cash Equivalents	10	81.81	6.55
	(iv) Bank balances other than (iii) above	11	8.67	11.69
	(v) Other Financial assets	7	515.65	1,095.11
	(c) Current tax assets (Net)	8(a)	-	20.00
	(d) Other current Assets	8	3,401.55	724.10
	Total Current Assets		27,057.90	29,505.25
	TOTAL ASSETS		44,956.10	48,258.31
B	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share Capital	12	8,288.86	8,288.86
	(b) Other Equity	13	20,641.41	19,559.49
	Total Equity		28,930.27	27,848.35
	Liabilities			
	Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) Lease Liabilities	4(b)	66.18	74.39
	(b) Deferred Tax Liabilities	31	3,558.82	3,577.06
	Total Non-Current Liabilities		3,625.00	3,651.45
	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	14	4,917.37	6,941.58
	(ii) Lease liabilities	4(b)	8.41	7.48
	(iii) Trade Payables			
	(a) Total Outstanding dues to Micro and Small Enterprises	15	2.97	46.22
	(b) Total Outstanding dues of creditors other than Micro and Small Enterprises	15	6,721.74	8,656.37
	(iv) Other Financial Liabilities	16	178.41	216.79
	(b) Other Current Liabilities	17	183.55	456.26
	(c) Current Tax Liabilities (Net)	8(b)	42.38	-
	(d) Short term Provisions	18	346.01	433.81
	Total Current Liabilities		12,400.83	16,758.51
	Total Liabilities		16,025.83	20,409.96
	TOTAL EQUITY AND LIABILITIES		44,956.10	48,258.31

Refer Note 1 for Significant accounting policies.

The accompanying notes are integral part of these financial Statements

Vide our report of even date

For P. Chandrasekar LLP

Chartered Accountants

FRN : 000580S/S200066

S. Raghavendhar

Partner

Membership No.244016

Place: Chennai

Date : May 29, 2025

For and on behalf of the Board of Directors of

Kothari Sugars and Chemicals Limited

CIN : L15421TN1960PLC004310

Nina B Kothari

Chairperson

DIN: 00020119

S. Sundarraman

Director

DIN: 01032768

R. Prakash

Company Secretary

R. Krishnan

Chief Financial Officer

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2025 (₹ in Lakhs)

S.No	Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
I	Revenue from Operations	19	31,001.58	50,272.88
II	Other Income	20	1,640.61	1,539.45
III	Total Income (I+II)		32,642.19	51,812.33
IV	Expenses:			
	Cost of materials consumed	21	15,344.28	36,787.15
	Changes in Inventories of finished goods, work-in-progress and stock in trade	22	6,931.26	(2,595.89)
	Employee benefit expenses	23	2,882.60	3,350.20
	Finance costs	24	357.28	352.55
	Depreciation and amortisation expense	25	1,465.53	1,426.84
	Other expenses	26	4,618.55	8,300.07
	Total Expenses (IV)		31,599.50	47,620.91
V	Profit before exceptional items and Tax (III-IV)		1,042.69	4,191.42
VI	Exceptional items - (Expenses) / Income	27	633.91	-
VII	Profit before Tax (V + VI)		1,676.60	4,191.42
VIII	Tax Expense:			
	1) Current tax	32	652.31	722.26
	2) Deferred tax	31	(18.23)	519.92
	Total Tax expenses		634.08	1,242.18
IX	Profit for the year (VII-VIII)		1,042.52	2,949.24
	Other Comprehensive Income			
	A. (i) Items that will not be reclassified to profit or loss			
	a) Re-measurement of the defined benefit plan	34	60.56	(43.05)
	(ii) Income tax relating to items that will not be re-classified to profit or loss		(21.16)	15.04
	B. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be re-classified to profit or loss		-	-
X	Total other comprehensive income (A(i+ii)+(B(i+ii)))		39.40	(28.01)
XI	Total Comprehensive Income (IX+X)		1,081.92	2,921.23
XII	Earnings Per Equity Share (Nominal value per share ₹10/-)			
	(a) Basic (₹)	35	1.26	3.56
	(b) Diluted (₹)	35	1.26	3.56

The accompanying notes are integral part of these financial Statements

Vide our report of even date

For P. Chandrasekar LLP

Chartered Accountants

FRN : 000580S/S200066

S. Raghavendhar

Partner

Membership No.244016

Nina B Kothari

Chairperson

DIN: 00020119

S. Sundarraman

Director

DIN: 01032768

Place: Chennai

Date : May 29, 2025

R. Prakash

Company Secretary

R. Krishnan

Chief Financial Officer

For and on behalf of the Board of Directors of

Kothari Sugars and Chemicals Limited

CIN : L15421TN1960PLC004310

STATEMENT OF CHANGES IN EQUITY**A. Equity Share Capital as at 31.03.2025**

(₹ in Lakhs)

Balance as on a April 01, 2024	Changes in Equity share Capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during 2024-25	Balance as on March 31, 2025
8,288.86	-	-	-	8,288.86

A. Equity Share Capital as at 31.03.2024

Balance as on a April 01, 2023	Changes in Equity share Capital due to prior period errors	Restated balance as at April 1, 2023	Changes in equity share capital during 2023-24	Balance as on March 31, 2024
8288.86	-	-	-	8,288.86

B. Other Equity as at 31.03.2025

(₹ in Lakhs)

Reserves and Surplus				Total
Particulars	Capital Redemption Reserve	General Reserve	Retained Earnings	
Balance at April 01, 2024	1,400.00	1,928.60	16,230.89	19,559.49
Changes in accounting policy of prior period errors	-	-	-	-
Restated Balance at April 01, 2024	-	-	-	-
Dividend Paid	-	-	-	-
Other Comprehensive Income for the year *	-	-	39.40	39.40
Profit for the year	-	-	1,042.52	1,042.52
Balance at March 31, 2025	1,400.00	1,928.60	17,312.81	20,641.41

* Represents actuarial gain / (Loss) on remeasurement of defined benefit obligation.

B. Other Equity as at 31.03.2024

(₹ in Lakhs)

Reserves and Surplus				Total
Particulars	Capital Redemption Reserve	General Reserve	Retained Earnings	
Balance at April 01, 2023	1,400.00	1,928.60	14,138.55	17,467.15
Changes in accounting policy of prior period errors	-	-	-	-
Restated Balance at April 01, 2023	-	-	-	-
Interim Dividend	-	-	(828.89)	(828.89)
Other Comprehensive Income for the year *	-	-	(28.01)	(28.01)
Profit for the year	-	-	2,949.24	2,949.24
Balance at March 31, 2024	1,400.00	1,928.60	16,230.90	19,559.49

* Represents actuarial gain / (Loss) on remeasurement of defined benefit obligation.

The accompanying notes are integral part of these financial Statements

Vide our report of even date

For P. Chandrasekar LLP

Chartered Accountants

FRN : 000580S/S200066

S. Raghavendhar

Partner

Membership No.244016

Nina B Kothari

Chairperson

DIN: 00020119

S. Sundarraman

Director

DIN: 01032768

Place : Chennai

Date : May 29, 2025

R. Prakash

Company Secretary

R. Krishnan

Chief Financial Officer

For and on behalf of the Board of Directors of

Kothari Sugars and Chemicals Limited

CIN : L15421TN1960PLC004310

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in Lakhs)

S. No	Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
A.	Cash flow from operating activities				
	Profit before tax		1,676.60		4,191.42
	Adjustments for:				
	Depreciation and Amortisation	1,465.53		1,426.84	
	Finance Costs (net)	357.28		352.55	
	Dividend Income	(10.90)		(5.54)	
	Rental Income from Investment Property	(35.03)		(32.87)	
	Profit on sale of Fixed Assets (net)	(15.37)		(0.04)	
	Interest Income	(390.22)		(529.49)	
	Liability no longer required written back	(190.29)		(358.55)	
	Net (Gain) / Loss arising on FVPTL Transactions	(794.78)		(580.73)	
	Loss / (gain) on sale of investments		386.20		272.17
	Operating profit before working capital changes		2,062.80		4,463.59
	Changes in operating assets and liabilities				
	Adjustments for (increase) / decrease in:				
	Trade and other receivables	1,238.99		1,409.74	
	Inventories	7,067.55		(3,213.75)	
	Other Assets	(2,694.76)		(107.84)	
	Other Financial Assets	244.09		100.76	
	Trade Payable	(1,977.88)		159.50	
	Other Liabilities	(125.67)		(327.17)	
	Other Financial Liabilities	(36.94)	3,715.38	(204.57)	(2,183.33)
	Cash generated from operations		5,778.18		2,280.26
	Less :Direct taxes paid net of refund		532.78		722.26
	Net cash generated from operating activities		5,245.40		1,558.00
B.	Cash flow from investing activities				
	Purchase of Property, Plant and Equipment including capital work in progress		(542.79)		(1,741.40)
	Advances to Capital Creditors		(2.02)		11.59
	Proceeds from sale of Property, plant and Equipment		25.13		3.78
	(Purchase) / Sale of investments (net)		(2,542.92)		(2,222.12)
	Short Term Capital gains tax		(30.53)		(6.94)
	Rental Income from Investment Property		34.00		30.63
	Interest received		274.74		361.80
	Dividend received		10.90		5.54
	Net cash used in investing activities		(2,773.48)		(3,557.11)
C.	Cash flow from Financing activities				
	Repayment Term loan Borrowings		-		(45.13)
	Dividend Paid		-		(828.89)
	Bank balances other than cash and cash equivalents		-		0.53
	Lease Rent payment under Ind AS 116		(14.65)		(14.40)
	Finance Cost		(357.80)		(348.44)
	Net cash used in financing activities		(372.45)		(1,236.32)
	Net (decrease) / increase in cash and cash equivalents (A+B+C)		2,099.47		(3,235.43)
	Reconciliation				
	Cash and cash equivalents as at beginning of the year		(6,935.03)		(3,699.60)
	Cash and cash equivalents as at end of the year		(4,835.56)		(6,935.03)
	Net (increase) / decrease in cash and cash equivalents		(2,099.47)		3,235.43

Refer Note 10 for Cash and Cash Equivalents.

The accompanying notes are integral part of these financial Statements

Vide our report of even date

For P. Chandrasekar LLP
Chartered Accountants
FRN : 000580S/S200066
S. Raghavendhar

Partner

Membership No.244016

Place : Chennai
Date : May 29, 2025
Nina B Kothari

Chairperson

DIN: 00020119

R. Prakash

Company Secretary

S. Sundarraman

Director

DIN: 01032768

R. Krishnan

Chief Financial Officer

For and on behalf of the Board of Directors of

Kothari Sugars and Chemicals Limited
CIN : L15421TN1960PLC004310

NOTES FORMING PART OF FINANCIAL STATEMENTS**Note 1****CORPORATE OVERVIEW**

Kothari Sugars and Chemicals Limited (referred to as "KSCL" or the "Company") are the Manufacturers of Sugar, Alcohol and Power having units at Kattur and Sathamangalam, Tamilnadu.

KSCL has two sugar factories having a capacity to crush 6400 Tons of Cane per day, generate 33 MW of power and a distillery having a capacity of 60 KLPD.

The functional and presentation currency of the Company is Indian Rupees ("₹") which is the currency of the primary economic environment in which the Company operates.

MATERIAL ACCOUNTING POLICIES**1. Statement of Compliance**

The financial statements have been prepared in accordance with Ind AS notified under section 133 of the Companies Act 2013 [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

1.1 Basis of preparation and presentation

The financial statements have been prepared in accordance with Ind AS under notified under section 133 of the Companies Act 2013 [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date,
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below:

1.2 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

a. Sale of goods

Revenue from the sale of goods is recognized at the point in time when control of goods is transferred to the customer depending on the terms of the sales and all the following conditions are satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods.
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- the amount of revenue can be measured reliably.
- it is probable that the economic benefits associated with the transaction will flow to the company; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

b. Rendering of Services

Revenue from a contract to provide services is based on the agreements/ arrangements with the parties concerned. In the case of services rendered over a period revenue is recognized based on the progress measured in line with the receiver of service. In the case of service rendered at a point in time, revenue is recognized as satisfaction of performance obligation.

NOTES FORMING PART OF FINANCIAL STATEMENTS

c. Dividend and interest income

- (i) Dividend income from investments is recognized when the shareholder's right to receive payment has been established.
- (ii) Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company using the effective interest rate method.

d. Insurance Claims

Insurance claims are accounted for based on claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

1.3 Leasing

Leases are classified in accordance with Ind AS 116, Standards for Leases which is effective from 01st April 2019. Below conditions need to be fulfilled if the contract is to be classified as lease:

- Identified asset.
- Lessee obtains substantially all of the economic benefits.
- Lessee directs the use.

Lessee Accounting:

A Lessee will recognize assets and liabilities for all leases for a term of more than 12 months unless the underlying asset is of low value. A Lessee is required to recognize a right of use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments. A lessee will measure right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities.

A lessee recognizes depreciation of the right-of-use asset and interest on the lease liability (as per IND AS 17 the same was classified as rent in case of operating lease on a straight-line basis)

Lease liability = Present value of lease rentals + present value of expected payments at the end of lease. The lease liability will be amortized using the effective interest rate method.

Lease term = non-cancellable period + renewable period if lessee reasonably certain to exercise.

Right to use asset = Lease liability + lease payments (advance)-lease incentives to be received if any initial + initial direct costs + cost of dismantling / restoring etc. The assets will be depreciated as per IND AS 16 Property, plant and equipment.

Lessor Accounting:

A lessor shall classify each of its leases as either an operating lease or a finance lease.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

For operating leases, lessors continue to recognize the underlying asset and recognize the lease rental incomes on a straight-line basis.

For finance leases, lessors derecognize the underlying asset and recognize a net investment in the lease.

1.4 Functional and presentation currency and Foreign Currency Transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e., the "functional currency"). The financial statements are presented in Indian Rupee (₹), the national currency of India, which is the functional currency of the Company.

In preparing the financial statements of the company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transaction. All receivables and payable in foreign currency are restated based on the exchange rate prevailing at the reporting date and the resultant gain or loss is recognized in the profit and loss statement.

1.5 Borrowing and related costs

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs), and the redemption amount is recognized in Profit and Loss over the period of borrowings using an effective interest method.

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned from the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

NOTES FORMING PART OF FINANCIAL STATEMENTS

All other borrowing costs are recognized as profit or loss in the period in which they are incurred.

1.6 Government grants

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

Government grants related to revenue nature are recognized on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate for and are adjusted with the related expenditure. If not related to a specific expenditure, it is taken as income and presented under "Other Income."

1.7 Employee Benefits

(a) Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements)
- Net interest expense or income; and
- Re-measurement expense or income

The company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

Past service cost is recognized in profit or loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Defined benefit plans comprise gratuity payable

to eligible employees on the exit due to retirement or otherwise. Contributions paid/payable to defined contribution plans comprising of Superannuation and Provident Funds for certain employees covered under the respective Schemes are recognized in the Statement of Profit and Loss each year.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

(b) Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of the services provided by employees up to the reporting date.

1.8 Earnings per Share

The Company presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

1.9 Taxation

Income tax expense represents the sum of the tax currently payable net of MAT (Minimum Alternate Tax) credit utilization and deferred tax.

a. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net

NOTES FORMING PART OF FINANCIAL STATEMENTS

basis or to realize the assets and settle the liabilities simultaneously.

b. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the way the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

c. MAT Credit

It is the difference between the amount paid as per book profit tax under section 115JB of the Income tax Act, 1961 and the tax as per regular provisions of the Income Tax Act, 1961. MAT credit is a tax credit and as per IndAS 12 tax credits are treated as deferred tax assets.

d. Current and deferred tax for the year

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

1.10 Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties during construction for production, supply or administrative purposes are carried out at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs are capitalized in accordance with the Company's accounting policy. Such properties are classified into the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of the assets are as follows:

Block of the Asset	Useful Life in (years)
Freehold Land	NA
Factory Building	30
Plant and Equipment	15
Office Equipment	5
Furniture and Fixtures	10
Vehicles	8

Useful lives applied as above are based on Schedule II to the Companies Act, 2013 except certain items of Buildings for which the useful life has been taken based on internal technical evaluation.

Assets costing ₹ 5,000 and below are depreciated over a period of one year. An item of property, plant and equipment is de-recognized upon disposal or

NOTES FORMING PART OF FINANCIAL STATEMENTS

when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

1.11 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including transactions costs. After initial recognition, investment properties are measured in accordance with Ind AS 16's requirement for cost model.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is de-recognized.

1.12 Intangible Assets

a. Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

b. De-recognition of intangible assets

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is de-recognized.

c. Useful lives of intangible assets

Estimated useful lives of the intangible assets are not more than 6 years.

1.13 Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value represents

the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost of inventory comprises of purchase price, cost of conversion and other directly attributable costs that have been incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories.

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

1.14 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) because 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.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

1.15 Financial instruments

Financial assets and financial liabilities are recognized when a company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

NOTES FORMING PART OF FINANCIAL STATEMENTS

1.16 Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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

a. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition). The debt instruments carried at amortized cost include Deposits, Debtors, Loans and advances recoverable in cash.

The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. All other financial assets are subsequently measured at fair value.

b. Effective interest method

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

Expense is recognized on an effective interest basis for debt instruments other than those financial liabilities classified as at FVTPL. Interest expense is recognized in profit or loss and is included in the Finance cost line item.

c. Investments in equity instruments at FVTPL (Fair Value Through Profit and Loss account)

The Company has elected to carry investment in equity instruments as Fair value through Profit and Loss account. On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in profit and loss account pertaining to

investments in equity instruments. This election is permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in the Profit and Loss account.

The Company has certain strategic equity investments, and some are held for trading. The Company has chosen the FVTPL irrevocable option for these investments (see note 5). Fair value is determined in the manner described in note 37.3.

d. Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item.

e. Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, lease receivables, trade receivables, and other contractual rights to receive cash or other financial assets, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

The company assesses the impairment of trade receivables on case-to-case basis and creates allowance for expected credit loss accordingly.

NOTES FORMING PART OF FINANCIAL STATEMENTS**f. De-recognition of financial assets**

The Company de-recognizes a financial asset when the contractual rights to the cash flow from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred assets, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

g. Modification of financial assets

When the contractual cash flows of a financial asset is modified without requiring derecognition then the gross carrying amount of the financial assets is recalculated based on the modified cash flows and a gain or loss is recognized in the statement of profit and loss for the difference between the amortized cost before modification and the recalculated gross carrying amount.

1.17 Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

a. Financial liabilities at FVTPL

Financial liabilities at FVTPL include derivative liabilities. Non-derivative financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by

the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL. There are no non-derivative financial liabilities carried at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognized in profit or loss. Fair value is determined in the manner described in note 37.3.

b. Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance Cost line item.

c. De-recognition of financial liabilities

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

1.18 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing, and financing activities of the Company are segregated based on the available information.

1.19 Key sources of estimation uncertainty and judgement made:

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Key assumption concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as given below.

a. Fair value measurement and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 37.3.

b. Useful lives of Property, Plant and Equipment

The useful life of property, plant, equipment, and other intangible assets are reviewed at each reporting date. Any re-adjustment would result in revised depreciation for the future periods.

c. Provisions and contingent liabilities

The Company estimates provisions that have present obligations because of past events, and it is probable that an outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

d. Provision for Income tax and Deferred tax

The Income tax expenses for the year estimated using assumptions and judgements, certain allowances and provisions, any change in actual income tax expenses is recognized in the year it arises. Deferred tax assets are recognized to the extent of future taxable profit expected by the management.

e. Provision for defined benefit obligations to employees

The Company's provisions for defined benefit obligations are on the basis of actuarial valuation report which uses various inputs and assumptions to estimate the obligations. (Refer note 34).

f. Significant judgements made in the preparation of financials

(a) Outcome of the litigations involving the company:

The impact of litigations involving the Company has been presented based on the best judgement of the Company on the outcome of these litigations wherever the management expects the outcome

to be unfavorable, the expected outflow is estimated and provided in the books based on the provisioning policy.

1.20 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.21 Impairment of assets

On each reporting date, the Company reviews the carrying amounts of assets to evaluate whether if assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit as relevant.

Intangible assets with indefinite useful lives, goodwill and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced accordingly.

An impairment loss is recognised immediately in statement of profit and loss if identified.

1.22 Cash and Cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

1.23 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS 117 Insurance contracts and amendments to Ind AS 116-Leases, relating to sale and leaseback transactions, applicable w.e.f. April 1, 2024. The Company has evaluated the new pronouncements and has concluded that it does not have any impact in its financial statements.

1.24 Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 2

PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amounts of		
Freehold land	404.79	404.79
Building	2,396.33	2,548.95
Plant and Equipment	11,556.95	12,684.69
Furniture and Fixtures	65.72	71.46
Office Equipment	2.70	2.70
Vehicles	428.02	487.08
Total	14,854.51	16,199.67
Capital work-in-progress	-	26.76
Intangible assets under Development	450.00	-

(₹ in Lakhs)

Particulars	Freehold land	Building	Plant and Equipment	Furniture and fixtures	Vehicles	Office Equipment	Total
Cost or Deemed cost							
Balance at March 31, 2023	391.31	2,983.22	20,346.71	103.68	550.14	54.22	24,429.27
Additions	13.48	707.29	1,612.56	17.54	237.35	-	2,588.22
Disposals	-	-	-	-	13.59	-	13.59
Balance at March 31, 2024	404.79	3,690.52	21,959.27	121.22	773.90	54.22	27,003.91
Additions	-	3.64	92.44	-	20.85	-	116.93
Disposals	-	-	0.45	-	150.49	-	150.94
Balance at March 31, 2025	404.79	3,694.15	22,051.25	121.22	644.26	54.22	26,969.90

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Freehold land	Building	Plant and Equipment	Furniture and fixtures	Vehicles	Office Equipment	Total
Accumulated depreciation and impairment							
Balance at March 31, 2023	-	993.57	8,080.04	43.71	232.60	51.51	9,401.42
Disposals	-	-	-	-	9.84	-	9.84
Depreciation expenses	-	148.00	1,194.54	6.05	64.06	-	1,412.65
Balance at March 31, 2024	-	1,141.57	9,274.58	49.76	286.81	51.51	10,804.24
Disposals	-	-	0.43	-	140.83	-	141.26
Depreciation expenses	-	156.26	1,220.15	5.74	70.26	-	1,452.41
Balance at March 31, 2025	-	1,297.82	10,494.31	55.50	216.24	51.51	12,115.39
Carrying amount as on March 31, 2024	404.79	2,548.95	12,684.69	71.46	487.08	2.70	16,199.67
Carrying amount as on March 31, 2025	404.79	2,396.33	11,556.95	65.72	428.02	2.70	14,854.51

(Details of assets offered as securities are provided in Note 14)

Capital Work In Progress Ageing Schedule as at 31.03.2025

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Intangible assets under Development	450.00	-	-	-	450.00

Change in CWIP as at 31.03.2025

Particulars	Opening Balance as at 01.04.24	Additions	Capitalized	Closing Balance as at 31.03.25
Capital work in Progress	26.76	-	26.76	-
Intangible assets under Development	-	450.00	-	450.00

Capital Work In Progress Ageing Schedule as at 31.03.2024

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	26.76	-	-	-	26.76

Change in CWIP as at 31.03.2024

Particulars	Opening Balance as at 01.04.23	Additions	Capitalized	Closing Balance as at 31.03.24
Capital work in Progress	879.70	258.04	1,110.98	26.76

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 3

INVESTMENT PROPERTY

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amounts of		
Investment property	100.83	103.20
Total	100.83	103.20

Particulars	As at March 31, 2025	As at March 31, 2024
Cost or Deemed cost		
Balance at the beginning of the year	160.24	160.24
Disposal during the year	-	-
Balance at end of the year	160.24	160.24

Particulars	As at March 31, 2025	As at March 31, 2024
Accumulated depreciation and impairment		
Balance at the beginning of the year	57.04	54.68
Depreciation expenses	2.37	2.37
Balance at end of the year	59.41	57.04

All the Company's investment properties are held under freehold interests.

3.1 Fair value of the Company's investment properties

The following table gives details of the fair value of the Company's investment properties

Particulars	As at March 31, 2025	As at March 31, 2024
Land and Building in Tamilnadu	1,709.41	1,562.49
Land and Building other than in Tamilnadu	1,707.36	1,636.81
Total	3,416.77	3,199.30

The fair value of the Company's investment properties as at March 31, 2025 and March 31, 2024 has been arrived at on the basis of a valuation carried out by an independent valuer not registered under Rule 2 of Companies (Registered Valuers and Valuation) Rules 2017.

Note 4

OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amounts of		
Software and licenses	10.92	9.33
Total	10.92	9.33

Particulars	As at March 31, 2025	As at March 31, 2024
Cost or Deemed cost		
Balance at the beginning of the year	71.22	65.10
Additions	2.62	6.12
Balance at end of the year	73.84	71.22

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Accumulated depreciation and impairment		
Balance at the beginning of the year	61.89	59.78
Depreciation expenses	1.03	2.11
Balance at end of the year	62.92	61.89
Carrying amount at the end of year	10.92	9.33

Note 4a
RIGHT-OF-USE OF ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amounts of		
Assets under Lease	61.58	71.31
Total	61.58	71.31

Particulars	As at March 31, 2025	As at March 31, 2024
Cost or Deemed cost		
Balance at the beginning of the year	97.24	97.24
Additions	-	-
Balance at end of the year	97.24	97.24

Particulars	As at March 31, 2025	As at March 31, 2024
Accumulated depreciation and impairment		
Balance at the beginning of the year	25.93	16.21
Depreciation expenses	9.72	9.72
Balance at end of the year	35.65	25.93
Carrying amount at the end of year	61.58	71.31

Note 4b
Lease Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening net carrying balance	81.86	88.32
Additions	-	-
Add: Accretion of interest	7.37	7.95
Less: Payments	14.64	14.40
Total	74.59	81.86
Of which		
Current	8.41	7.48
Non-Current	66.18	74.39
Total	74.59	81.86

NOTES FORMING PART OF FINANCIAL STATEMENTS**Note 5(a) - NON - CURRENT INVESTMENTS**

(₹ in Lakhs)

Particulars	No. of Shares / Bonds / Units	As at March 31, 2025	No. of Shares / Bonds / Units	As at March 31, 2024
Investments in Debentures carried at amortized cost				
7.60% NCD - FOOD CORPORATION OF INDIA LTD	10	99.34	10	99.34
8.25% NCD - REC LTD	3	31.45	3	31.45
9.10% NCPD - TATA INTERNATIONAL LTD	-	-	10	100.60
8.65% NCD - TATA CLEANTECH CAPITAL LTD	5	51.31	5	51.31
8.30% TATA CAPITAL FINANCIAL SERVICES LTD - NCD	-	-	100	100.17
7.98% GOI - REC LTD - NCD	1	101.10	1	101.10
8.94% BAJAJ FINANCE LTD - NCD	-	-	4	40.90
8.75% - SHRIRAM TRANSPORT FINANCE CO.LTD	100	104.44	-	-
8.75%- SHRIRAM TRANSPORT FINANCE CO.LTD	20	21.63	-	-
9.05% - Piramal Enterprises Ltd	1,400	14.45	-	-
8.75% - Piramal Enterprises Ltd	10,000	104.97	-	-
8.80% - Hinduja Leyland Finance Ltd	100	103.04	-	-
9.30% MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD.	2,100	21.81	2,100	21.81
8.55% CHOLAMANDALAM INVESTMENT & FINANCE CO.LTD.	1	10.11	1	10.11
7.905% TATA CAPITAL FINANCIAL SERVICES LTD.	300	298.60	100	298.60
8.05% HDB FINANCIAL SERVICES LTD.	10	100.00	10	100.00
9% M&M FINANCIAL SERVICES LTD.	10,000	101.36	10,000	101.36
9.30% M&M FINANCIAL SERVICES LTD.	20,000	206.32	20,000	206.32
8.25% HDFC CREDILA FINANCIAL SERVICES LTD.	50	49.85	50	49.85
8.18% Can Fin Homes Ltd 03/04/2029	195	195.48	-	-
7.84% HDB Financial Services Ltd	10	100.13	-	-
Total		1,715.40		1,312.93
Market Value of Quoted Investments		-		-
Cost of Un-quoted Investments		1,715.40		1,312.93
Note 5 (b) - CURRENT INVESTMENTS				
Investments Carried at Fair Value through Profit & Loss				
a) Investments in Equity Instruments				
KOTHARI PETROCHEMICALS LIMITED (Rs.10 EACH)	1,000	1.57	1,000	1.22
GUJARAT PETROSYNTHESIS LTD (Rs. 10 EACH)	5,000	3.07	5,000	2.43
REC LTD (Rs.10 EACH)	27,246	116.94	27,246	122.88
BIO- TECH CONSORTIUM LTD (Rs..10 EACH)	50,000	5.00	50,000	5.00
Total		126.58		131.53
b) Investments in Infrastructure Investment Funds (INVITs)				
INDIA GRID TRUST	1,89,698	267.30	1,47,258	195.53
POWERGRID INFRASTRUCTURE INVESTMENT TRUST	1,27,891	97.18	1,27,891	121.13
INDUS INFRA TRUST ERSTWHILE BHINVIT	87,010	93.50	-	-
Total		457.99		316.65
c) Investments in Mutual Funds				
ADITYA BIRLA SUNLIFE ARBITRAGE FUND	7,45,379	209.58	-	-
ADITYA BIRLA SUNLIFE SL INTERVAL INCOME FUND	-	-	3,27,230	102.69
ADITYA BIRLA SUNLIFE BANKING & PSU DEBT FUND	11,267	41.93	11,267	38.63
ADITYA BIRLA SUNLIFE CORPORATE BOND FUND	1,74,053	195.73	1,74,053	179.70
ADITYA BIRLA SUNLIFE 3-6 MONTHS DEBT INDEX FUND	19,91,914	203.78	-	-
ADITYA BIRLA SUNLIFE HFC INDEX FUND	9,99,300	103.53	-	-
ADITYA BIRLA SUNLIFE 9-12 MONTHS INDEX FUND	9,99,950	100.37	-	-
ADITYA BIRLA SUNLIFE FLOATING RATE FUND	77,889	272.48	77,889	251.92
ADITYA BIRLA SUNLIFE LOW DURATION FUND	15,575	110.85	-	-
ADITYA BIRLA SUNLIFE MONEY MANAGER FUND	33,566	123.41	33,566	114.39
ADITYA BIRLA SUNLIFE SHORT TERM FUND	6,26,783	315.15	5,23,969	242.08
ADITYA BIRLA SUNLIFE SAVINGS FUND	68,275	373.23	68,275	345.61
AXIS CORPORATE BOND FUND	2,34,043	41.25	2,34,043	37.85
AXIS LIQUID FUND	5,362	154.62	7,335	196.85
BANDHAN BOND FUND-SHORT TERM - Erstwhile IDFC MF	3,21,753	192.29	3,21,753	176.72
BANDHAN CORPORATE BOND FUND - Erstwhile IDFC MF	26,44,165	511.71	26,44,165	471.22
BANDHAN CRISIL GILT 2027 INDEX FUND - Erstwhile IDFC MF	16,96,148	215.45	16,96,148	199.06
BANDHAN CRISIL-IBX FINANCIAL SERVICES 3-6 MONTHS DEBT INDEX FUND	9,99,950	100.56	-	-
BANDHAN FIXED MATURITY PLAN (FMP) - SERIES 209 (93DAYS)	9,99,950	101.04	-	-
EDELWEISS BHARAT BOND FUND OF FUND	-	-	999,940	113.51
EDELWEISS ARBITRAGE FUND	2,90,415	59.37	290,415	54.93
ETERNITY CAPITAL FUND - ALTERNATIVE INVESTMENT FUND	-	-	8,78,741	153.86
HDFC CORPORATE BOND FUND	13,58,057	441.93	13,58,057	405.84
HDFC FMP 1406D SERIES 46	9,99,950	120.09	9,99,950	111.20
HDFC LIQUID FUND - DIRECT - GROWTH	4,147	211.21	-	-

Particulars	No. of Shares / Bonds / Units	As at March 31, 2025	No. of Shares / Bonds / Units	As at March 31, 2024
HDFC LIQUID FUND - DIRECT - GROWTH - PMS	714	32.91	-	-
HDFC SHORT TERM DEBT FUND	5,63,012	181.77	4,03,106	119.69
ICICI PRU CORPORATE BOND FUND	18,82,580	575.16	18,82,580	529.86
ICICI PRU CRISIL-IBX FIN SERV-3-6 MONTHS DEBT INDEX FUND	9,99,950	100.36	-	-
ICICI PRU LIQUID FUND	2,079	7.98	-	-
ICICI PRU NIFTY SDL SEP 2026 INDEX FUND	8,68,653	102.57	-	-
ICICI PRUDENTIAL SHORT TERM FUND	7,08,517	453.88	7,08,517	417.54
JM SHORT DURATION FUND	9,99,950	120.18	9,99,950	110.90
JM LOW DURATION FUND	1,71,053	63.79	1,71,053	59.10
KOTAK CORPORATE BOND FUND	6,672	256.74	6,672	235.87
KOTAK CRISIL - IBX AAA FIN.SERV.INDEX - SEP 2027 FUND	9,88,171	103.55	-	-
KOTAK CRISIL - IBX FIN.SERVICES 3-6 MONTHS DEBT INDEX FUND - DG	9,99,950	100.66	-	-
NIPPON INDIA CORPORATE BOND FUND	4,06,485	249.84	4,06,485	229.25
NIPPON INDIA FLOATING RATE FUND	1,24,003	57.53	1,24,003	52.97
NIPPON INDIA AAA PSU BOND SDL	9,99,950	119.43	9,99,950	110.74
NIPPON INDIA NIFTY G-SEC MATURITY INDEX FUND	4,65,157	55.15	4,65,157	50.94
NIPPON INDIA CRISIL - IBX AAA FIN.SERV.DEC 2026 MATURITY INDEX FUND	14,99,925	155.15	-	-
NIPPON INDIA LIQUID FUND	996	63.24	-	-
UTI SHORT TERM INCOME FUND	-	-	3,82,014	116.29
EDELWEISS NIFTY PSU BOND PLUS SDL INDEX FUND - GROWTH	4,77,526	58.20	4,77,526	53.78
EDELWEISS BHARAT BOND FOF - DIRECT PLAN	4,00,875	58.90	4,00,875	54.24
ABSL INTERVAL INCOME FUND - QUARTERLY INTERVAL PLAN - SERIES 1 - DG	-	-	3,27,230	102.69
ADITYA BIRLA SUNLIFE LIQUID FUND - DIRECT - GROWTH	16,187	67.78	26,404	102.89
AVESTHA MUTICAP COMPOUNDERS FUND	1,42,508	184.24	1,42,508	148.89
AXIS ARBITRAGE FUND	21,89,702	436.78	11,36,598	210.04
AXIS CRISIL IBX 70:30 CPSE PLUS SDL APRIL 2025 INDEX FUND	17,15,063	204.93	-	-
AXIS CRISIL-IBX AAA BOND FINANCIAL SERVICES - SEP 2027 INDEX FUND	5,13,741	52.90	-	-
AXIS CRISIL-IBX AAA BOND NBFC-HFC-JUNE 2027 INDEX FUND	9,99,950	102.41	-	-
AXIS FIXED TERM PLAN - SERIES 120 - DIRECT - GR	-	-	9,99,950	101.45
AXIS OVERNIGHT FUND - DIRECT - GROWTH	-	-	98	1.25
BAJAJ FINSERV LIQUID FUND - DIRECT - GROWTH	-	-	15,738	165.85
DSP LIQUIDITY FUND - DIRECT - GROWTH	3,931	145.76	404	13.95
HDFC ARBITRAGE FUND - WSP - DIRECT - GROWTH	19,06,527	378.03	13,85,557	254.47
ICICI PRUDENTIAL EQUITY ARBITRAGE FUND - DIRECT - GR	311,254	112.51	3,11,254	104.22
JM ARBITRAGE FUND	334,980	114.63	3,34,980	106.64
KOTAK EQUITY ARBITRAGE FUND - GROWTH - DIRECT	19,90,309	783.24	5,71,298	207.87
KOTAK FMP SERIES 326 - DIRECT - GROWTH	-	-	10,06,337	102.80
KOTAK FMP SERIES 327 - DIRECT - GROWTH	-	-	9,99,950	101.73
KOTAK FMP SERIES 329 - DIRECT - GROWTH	-	-	19,999,000	200.50
KOTAK INCOME PLUS ARBITRAGE FOF	17,00,091	205.65	-	-
KOTAK LIQUID FUND - DIRECT - GROWTH	734	38.48	2,057	100.36
KOTAK NIFTY AAA BOND HTM INDEX FUND - DIRECT - GROWTH	20,12,376	216.92	10,71,123	107.20
SBI ARBITRAGE OPPORTUNITIES FUND - DIRECT - GROWTH	9,42,226	332.73	6,33,518	207.37
SBI FIXED MATURITY PLAN (FMP) - SERIES 92	-	-	9,99,950	101.18
SBI Liquid Fund - Direct - Growth	248	10.07	-	-
SUNDARAM LIQUID FUND - DIRECT - GROWTH	-	-	1,260	26.86
Total		10,503.59		7,702.78
d) Investments in Debentures carried at amortized cost				
8.55%INDIA INFRASTRUCTURE FINANCE CO.LTD - NCB	-	-	10	100.97
10.25% - SHRIRAM TRANSPORT FINANCE CO.LTD	-	-	10	100.24
8.75% - SHRIRAM TRANSPORT FINANCE CO.LTD	-	-	100	104.02
8.75%- SHRIRAM TRANSPORT FINANCE CO.LTD	-	-	20	21.52
9.10% NCPD - TATA INTERNATIONAL LTD	10	100.60	-	-
8.30% TATA CAPITAL FINANCIAL SERVICES LTD - NCD	100	100.17	-	-
MLD - DMI FINANCE PRIVATE LTD	-	-	10	111.91
7.99% HDB FINANCIAL SERVICES LTD	100	100.70	100	101.16
8.60% - MAS Financial Services Ltd	100	100.27	-	-
8.94% BAJAJ FINANCE LTD - NCD	4	40.90	-	-
8.15% Kotak Mahindra Investments Ltd	95	95.22	-	-
Total		537.85		539.81
Total Current Investments		11,626.01		8,690.78
Value of Quoted Investments		121.58		126.53
Value of Un-quoted Investments		11,504.43		8,564.25

NOTES FORMING PART OF FINANCIAL STATEMENTS**Note 6(a)****TRADE RECEIVABLES (NON-CURRENT ASSET)**

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Considered Good - Secured	-	-
Considered Good - Unsecured	235.57	903.67
Significant Increase in credit risk	-	-
Total	235.57	903.67
Current	235.57	903.67

TRADE RECEIVABLES AGEING SCHEDULE AS AT 31.03.2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	235.57	-	-	-	-	-	235.57
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	235.57	-	-	-	-	-	235.57

TRADE RECEIVABLES AGEING SCHEDULE AS AT 31.03.2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	903.67	-	-	-	-	-	903.67
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	903.67	-	-	-	-	-	903.67

NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 6(b)
TRADE RECEIVABLES (CURRENT ASSET)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Considered Good - Secured	-	-
Considered Good - Unsecured	1,718.33	2,179.28
Significant Increase in credit risk	-	4.31
Total	1,718.33	2,183.59
Current	1,718.33	2,183.59

TRADE RECEIVABLES AGEING SCHEDULE AS AT 31.03.2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,013.45	704.88	-	-	-	-	1,718.33
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	1,013.45	704.88	-	-	-	-	1,718.33

TRADE RECEIVABLES AGEING SCHEDULE AS AT 31.03.2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	540.12	1,639.17	-	-	-	-	2,179.28
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	4.31	4.31
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	540.12	1,639.17	-	-	-	4.31	2,183.59

NOTES FORMING PART OF FINANCIAL STATEMENTS**Note 7****OTHER FINANCIAL ASSETS**

(₹ in Lakhs)

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
At Amortised Cost				
Unsecured, considered good				
a) Security Deposit	150.26	105.04	33.49	-
b) Deposits maturing within 12 months		-	300.00	665.08
c) Deposits maturing after 12 months	300.00	-	-	-
c) Interest accrued on NCD / bonds	-	-	89.06	66.43
d) Advance recoverable in cash	-	-	-	
(i) Unsecured and Considered good	-	-	93.11	363.60
(ii) Considered doubtful	-	-	-	-
Less: Provision for Doubtful advances	-	-	-	-
Total	450.26	105.04	515.65	1,095.11

Note 8**OTHER ASSETS**

(₹ in Lakhs)

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
a) Balance with Customs and Central Excise / GST authorities	-	-	253.88	364.63
b) Capital advances to suppliers	19.13	21.15	-	-
c) Other advances to suppliers	-	-	2,939.01	54.19
d) Advance recoverable in kind or for value to be received				
Unsecured and Considered good	-	-	-	-
(i) Prepaid Expenses	-	-	208.66	305.28
(ii) Considered doubtful	-	-	-	
Less: Provision for Doubtful advances	-	-	-	
Total	19.13	21.15	3,401.55	724.10

Note 8(a)**CURRENT TAX ASSETS (Net)**

(₹ in Lakhs)

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
TDS, TCS and Tax Paid (Net of Provisions)	-	-	-	20.00
Total	-	-	-	20.00

NOTES FORMING PART OF FINANCIAL STATEMENTS
Note 8(b)
CURRENT TAX LIABILITY (Net)

(₹ in Lakhs)

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Income Tax Payable (Net of TDS, TCS and Tax Paid)	-	-	42.38	-
Total	-	-	42.38	-

Note 9
INVENTORIES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
a) Raw, Chemicals and Packing materials	502.27	987.58
b) Goods in Transit (Molasses)	377.50	-
c) Stock in-Process	266.24	467.04
d) Finished goods	7,844.94	14,575.39
e) Stores and spares	813.28	828.13
Less: Writedown of non-moving stores & spares	(98.33)	(84.71)
Total	9,705.88	16,773.43

The cost of inventories recognised as an expense during the year was ₹ 22,275.54 Lakhs (2023-24 ₹ 34,191.25 Lakhs)

Inventories are stated at the lower of cost and net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost of inventory comprises of purchase price, cost of conversion and other directly attributable costs that have been incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories

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

Note 10
CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
a) Balances with banks		
(i) In Current account	66.83	4.83
(ii) In Deposit account	13.29	-
b) Cash on hand	1.69	1.72
Total	81.81	6.55
Less : Cash Credit balance	4,917.37	6,941.58
Cash and Cash Equivalents for Cash Flow Statements	(4,835.56)	(6,935.03)

NOTES FORMING PART OF FINANCIAL STATEMENTS**Note 11****OTHER BANK BALANCES**

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
a) Balances with banks in earmarked accounts		
(i) In unclaimed Dividend account	8.54	11.58
(ii) In margin money accounts for Bank Guarantee issued	0.12	0.11
Total	8.67	11.69

Note 12**12.1 EQUITY SHARE CAPITAL**

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
AUTHORISED		
Equity Shares :		
13,00,00,000 Equity shares of ₹ 10/- each (March 31, 2024 - 13,00,00,000)	13,000.00	13,000.00
12,00,000 Redeemable Preference shares of ₹ 100/- each (March 31, 2024 - 12,00,000)	1,200.00	1,200.00
20,00,000 Redeemable Preference shares of ₹ 10/- each (March 31, 2024 - 20,00,000)	200.00	200.00
ISSUED, SUBSCRIBED AND FULLY PAID UP		
8,28,88,580 Equity Shares of ₹ 10/- each (March 31, 2024 - 8,28,88,580)	8,288.86	8,288.86
Total	8,288.86	8,288.86

12.2 Shares held by promoters at the end of the year 31.03.25

Promoter Name	No. of shares	% of the total shares	% Change during the year
(i) NBK Real Estates Private Limited	5,81,86,610	70.20	-
(ii) Nina B Kothari	26,83,498	3.24	-
(iii) Arjun B Kothari	54,467	0.07	-
(iv) Nayantara B Kothari	23,025	0.03	-
(v) Anandita Kothari	-	-	-
Total	6,09,47,600	73.53	-

12.3 Shares held by Promoter at the end of the year 31.03.24

Promoter Name	No. of shares	% of the total shares	% Change during the year
(i) NBK Real Estates Private Limited	5,81,86,610	70.20	-
(ii) Nina B Kothari	26,83,498	3.24	-
(iii) Arjun B Kothari	54,467	0.07	-
(iv) Nayantara B Kothari	23,025	0.03	-
(v) Anandita Kothari	-	-	-
Total	6,09,47,600	73.53	-

NOTES FORMING PART OF FINANCIAL STATEMENTS
12.4 Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period.

Reconcilitaion	2024-25		2023-24	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
Equity Shares of ₹10 each fully paid up				
At the beginning of the period	8,28,88,580	8,288.86	8,28,88,580	8,288.86
At the end of the period	8,28,88,580	8,288.86	8,28,88,580	8,288.86

12.5 Details of shares held by each shareholder holding more than 5 percent of equity shares in the Company

Reconcilitaion	No. of shares held as at			
	March 31, 2025		March 31, 2024	
	Nos.	%	Nos.	%
NBK Real Estates Private Limited (Parvathi Trading and Finance Co Pvt.Ltd).(Holding Company)	5,81,86,610	70.20	5,81,86,610	70.20

12.6 Term attached to Equity Shares:

The Company has one class of equity share having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. All equity shares have equal rights to receive or participate in any dividend or other distribution in respect of such shares.

Note 13
OTHER EQUITY

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Redemption Reserve	1,400.00	1,400.00
General Reserve	1,928.60	1,928.60
Retained earnings	17,312.81	16,230.89
Total	20,641.41	19,559.49

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
a) Capital Redemption Reserve		
Opening balance	1,400.00	1,400.00
Add: Appropriation from statement of Profit and Loss	-	-
Closing Balance	1,400.00	1,400.00

The capital redemption reserve is created out of the statutory requirement on redemption of Preference shares. These are not available for distribution of dividend and will not be reclassified subsequently to profit or loss.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
b) General Reserve		
Opening balance	1,928.60	1,928.60
Add: Changes during the year	-	-
Closing Balance	1,928.60	1,928.60

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss except to the extent permitted as per Companies Act, 2013 and Rules made thereunder.

Particulars	As at March 31, 2025	As at March 31, 2024
c) Retained Earnings		
Opening balance	16,230.89	14,138.55
Less: Dividend on Equity Shares	-	828.89
Profit /(Loss) for the year	1,081.92	2,921.23
Closing Balance	17,312.81	16,230.89
The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial performance of the Company and also considering the requirements of the Companies Act, 2013.		
Total Other Equity	20,641.41	19,559.49

Note 14

SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Secured - at amortised cost		
Loan repayable on demand (refer note a)	4,917.37	6,941.58
Total	4,917.37	6,941.58

a) Working capital facilities of ₹ 4917.37 lakhs (Prev.year ₹ 6941.58 lakhs) in the form of open cash credit has been availed from Indian bank. The loans were secured by first charge on land, buildings and Plant and equipment and all the movable properties (present and future) at Sathamangalam Sugar and Co-generation Unit and hypothecation of Finished Goods / Work-in-process / stores and spares and book debts of Sathamangalam / Kattur sugar, Co-generation Unit and Distillery unit).

NOTES FORMING PART OF FINANCIAL STATEMENTS
Note 15
TRADE PAYABLES AGEING SCHEDULE AS AT 31.03.2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues						
(i) MSME	2.97					2.97
(ii) Others	676.15	1,692.03	-	-	-	2,368.18
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others		136.35	185.67	610.77	3,420.77	4,353.56
Total	679.12	1,828.38	185.67	610.77	3,420.77	6,724.71

Identification of MSME Vendors is on the basis of information provided by the respective vendor.

TRADE PAYABLES AGEING SCHEDULE AS AT 31.03.2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues						
(i) MSME	46.22	-	-	-	-	46.22
(ii) Others	1,492.51	2,544.45	6.33	-	-	4,043.29
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	241.39	610.77	162.92	3,598.00	4,613.08
Total	1,538.73	2,785.84	617.10	162.92	3,598.00	8,702.59

Identification of MSME Vendors is on the basis of information provided by the respective vendor.

Note 16
OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
At Amortised Cost		
(a) Interest accrued but not due on borrowings	2.14	3.59
(b) Unclaimed dividends (refer note 16.1 & 16.2)	8.54	11.57
(c) Advances and Deposits repayable in cash	21.76	34.90
(d) Other Miscellaneous liabilities	14.89	15.18
(e) Employee related	131.07	151.55
Total	178.41	216.79

16.1 These amounts represent dividend paid to the shareholders which remained unclaimed at their end.

16.2 During the year a sum of ₹ 4.60 lakhs as unclaimed dividend transferred to Investor Education and Protection Fund.

NOTES FORMING PART OF FINANCIAL STATEMENTS**Note 17****OTHER LIABILITIES**

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Statutory remittances	158.82	325.32
(b) Advances and Deposits from Customers / others	12.87	7.72
(c) Deferred revenue arising from Interest free deposit	7.27	13.84
(d) Gratuity payable	4.59	109.38
Total	183.55	456.26

Note 18**PROVISIONS**

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
a) Compensated absences including Bonus	130.93	128.51
b) Related to expenses	215.08	305.30
Total	346.01	433.81

Note 19**REVENUE FROM OPERATIONS**

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Sale of Products	30,923.07	50,217.49
	30,923.07	50,217.49
(b) Other operating revenues		
- Scrap sales	78.51	55.39
Total	31,001.58	50,272.88

Sale of products is net of commission on sales and discount of ₹ 30.92 lakhs (Previous year ₹ 53.46 lakhs)

Disclosure pursuant to Ind AS 108 para 34

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sugar Segment		
No. of Customers having 10% or more of the revenue (Nil) (Prev. year Nil)	-	-
Power Segment		
No. of Customers having 10% or more of the revenue (Nil) (Prev. Year 1 No.)	-	8,756.77
Distillery Segment		
No. of Customers having 10% or more of the revenue	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS
Note 20
OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Interest income		
On bank deposits, NCD and Bonds	284.59	374.19
Interest income - EB Related (Ind AS)	105.63	155.29
(b) Dividend Income		
From equity and Mutual Funds	10.90	5.54
(c) Other gains or losses		
Profit on sale of Fixed Assets (net)	15.37	0.04
Net gain / (Loss) arising on financial assets measured at FVTPL	520.18	416.81
Profit on sale of investments	274.60	163.92
(d) Other non-operating income		
Operating lease rental from Investment property	35.03	32.87
Insurance claims received	28.74	23.47
Liability no longer required written back	190.29	358.55
Other Miscellaneous income	175.27	8.77
Total	1,640.61	1,539.45

Note 21
COST OF MATERIAL CONSUMED

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sugarcane	9,275.62	27,213.65
Coal and Bio-fuel	1,589.72	4,489.02
Molasses	4,101.61	4,208.23
Chemical and Others	280.14	534.17
Packing	97.20	342.09
Total	15,344.28	36,787.15

NOTES FORMING PART OF FINANCIAL STATEMENTS**Note 22 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROCESS**

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock:		
Finished goods		
Sugar	13,103.44	11,466.22
Molasses	243.46	307.69
Industrial Alcohol	1,228.48	117.74
Work in progress		
Sugar	455.51	543.07
Molasses	11.53	11.81
Sub-Total (A)	15,042.43	12,446.54
Closing Stock:		
Finished goods		
Sugar	6,139.87	13,103.44
Molasses	25.16	243.46
Industrial Alcohol	1,679.90	1,228.48
Work in progress		
Sugar	261.29	455.51
Molasses	4.94	11.53
Sub-Total (B)	8,111.17	15,042.43
Net change (Increase) / Decrease (A-B)	6,931.26	(2,595.89)

***Note :** Reclassification of Molassess stock held at Distillery as at 31st March 2024 which was hitherto held as Finished goods now reclassified as Raw Material amounting to ₹ 676.57 lakhs. The same has been adjusted in Change in inventories and consumption of materials in the Profit and Loss account. By virtue of this change there is no impact in Profit and Loss account.

Note 23**EMPLOYEE BENEFIT EXPENSE**

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Salaries, Wages and Bonus	2,508.63	2,853.52
(b) Contribution to Provident and other Funds	243.98	262.19
(c) Workmen and Staff welfare expenses	129.99	234.49
Total	2,882.60	3,350.20

Note 24**FINANCE COST**

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(i) Interest on Cash Credit and Term loans	332.66	323.56
(ii) Interest on Lease liabilities	0.92	0.89
(iii) Other borrowing costs	23.70	28.10
Total	357.28	352.55

NOTES FORMING PART OF FINANCIAL STATEMENTS
Note 25
DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation/amortisation on		
a) Property, Plant and Equipment	1,452.41	1,412.65
b) Investment property	2.37	2.37
c) Right-of-use of Assets	9.72	9.72
d) Intangible assets	1.03	2.11
Total	1,465.53	1,426.84

Note 26
OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
a) Consumption of stores and spare parts	-	561.74	-	1,662.17
b) Power and Fuel	-	901.47	-	903.25
c) Operating lease Rental	-	42.44	-	42.67
d) Repairs-Buildings	96.05	-	294.49	-
e) Repairs-Machinery	443.22	-	920.78	-
f) Repairs-Others	152.72	692.00	156.72	1,371.99
g) Biocompost	-	128.08	-	162.13
h) Insurance	-	172.87	-	170.46
i) Rates and Taxes	-	257.59	-	247.18
j) Directors Sitting Fees	-	11.10	-	15.00
k) Freight & Clearing Expenses	-	715.81	-	1,829.09
l) Auditor's Remuneration (Ref.note 28)	-	7.50	-	7.50
m) Bad debts	-	6.45	-	-
n) Travelling Expenses	-	53.53	-	332.61
o) Professional Fees	-	303.81	-	527.23
p) Research & Development Expenses	-	-	-	35.24
q) CSR expenditure	-	87.50	-	76.22
r) Other Expenses	-	676.66	-	917.33
Total	-	4,618.55	-	8,300.07

NOTES FORMING PART OF FINANCIAL STATEMENTS**Note 27****EXCEPTIONAL ITEMS**

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Exceptional items		
Refund / Reversal of excess provision in TANGEDCO Tariff matter	633.91	-
Total	633.91	-

Note 28**PAYMENT TO AUDITORS**

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a) Statutory Audit	6.00	6.00
b) Limited audit review	1.50	1.50
Total	7.50	7.50

Note 29**DIRECT OPERATING EXPENSES ARISING FROM INVESTMENT PROPERTY**

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Direct operating expenses arising from investment property that generated rental income during the year	3.63	2.76
Direct operating expenses arising from investment property that did not generate rental income during the year	2.02	3.10
Total	5.65	5.86

Note 30**DIRECTORS REMUNERATION**

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a) Managing Director Salary	123.10	123.10
b) Managing Director Commission	100.00	208.56
c) Wholetime Director Salary	103.11	103.11
d) Commission paid to Non-Executive Director	50.00	50.00
e) Sitting Fees to Non-Executive Directors	11.10	15.00
Total	387.31	499.77

Note 31**DEFERRED TAX BALANCES**

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Deferred tax assets	69.65	101.10
Deferred tax liabilities	(3,628.47)	(3,678.16)
Total	(3,558.82)	(3,577.06)

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Year 2024-25	Opening balance	Recognised in profit or loss account	Recognised in Other Comprehensive income	Closing balance
Deferred tax (Liabilities) / Asset in relation to				
Property, Plant and equipment	(3,361.72)	235.09	-	(3,126.62)
Provision compensated absences and defined benefit obligations	44.91	5.39	-	50.30
Financial Assets at FVTPL	-316.44	(185.41)	-	(501.85)
Modification of Financial Instruments	56.19	(36.84)	-	19.35
Total	(3,577.06)	18.23	-	(3,558.82)
Tax losses	-			
Net Deferred tax Assets / (Liability)	(3,577.06)	18.23	-	(3,558.82)
MAT credit entitlement		-	-	-
MAT credit Utilized		-	-	-
Total	(3,577.06)	18.23	-	(3,558.82)

(₹ in Lakhs)

Year 2023-24	Opening balance	Recognised in profit or loss account	Recognised in Other Comprehensive income	Closing balance
Deferred tax (Liabilities) / Asset in relation to				
Property, Plant and equipment	(2,942.48)	(419.24)	-	(3,361.72)
Provision compensated absences and defined benefit obligations	33.37	(3.50)	15.04	44.91
Financial Assets at FVTPL	(163.07)	(153.37)	-	(316.44)
Modification of Financial Instruments	-	56.19	-	56.19
Total	(3,072.18)	(519.92)	15.04	(3,577.06)
Tax losses	-			
Net Deferred tax Assets / (Liability)	(3,072.18)	(519.92)	15.04	(3,577.06)
MAT credit entitlement	-	162.01	-	(162.01)
MAT credit Utilized	-	(162.01)	-	162.01
Total	(3,072.18)	(519.92)	15.04	(3,577.06)

Note 32

INCOME TAXES RELATING TO CONTINUING OPERATIONS

(₹ in Lakhs)

Particulars	2024-25	2023-24
Current tax		
In respect of current year	571.31	722.26
In respect of Previous years	81.00	-
MAT credit availed	-	162.01
MAT Credit utilized	-	(162.01)
Total	652.31	722.26

NOTES FORMING PART OF FINANCIAL STATEMENTS

The Income tax expense for the year can be reconciled to the accounting profit as follows: (₹ in Lakhs)

Particulars	2024-25	2023-24
Profit before tax from continuing operations	1,676.60	4,191.42
Income tax expenses calculated at 34.944% (Prev.year 34.944%)	585.87	1,464.65
a) Tax effect on IT depreciaton and Book Depreciation	192.10	48.42
b) Fair value gains on Investments	(181.77)	(145.65)
c) MAT credit Utilized	-	(162.01)
c) Deduction u/s 35(1)(iv) Scientific Research	(2.95)	(378.78)
e) Other Disallowances of income / Expenses	59.07	(104.37)
Total	652.31	722.26

(₹ in Lakhs)

Particulars	2024-25	2023-24
Deferred tax		
Arising on income and expenses recognised in other comprehensive income		
Re-measurement of defined benefit obligation	60.56	(43.05)
Total income tax recognised in other comprehensive income	(21.16)	15.04

Note 33**SEGMENT INFORMATION**

Operating results are regularly reviewed by the entity's chief operating decision maker(CODM) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available for the following segments which are tabulated below. No operating segments have been aggregated in arriving at the reportable segments of the Company. Specifically the Company's reportable segments under Ind AS 108 are as follows.

i) Operating Segment

Segment	Sugar	Power	Distillery
Segment Output	Sugar	Electricity	Alcohol

ii) Geographical information

The Company predominantly operates in the following principal geographical areas

Asia	India (Country of domicile)
------	-----------------------------

Revenue and expenses directly attributable to segments are reported under each reportable segment. Other expenses and income which are not attributable or allocable to segments have been disclosed as net un-allocable expenses / income.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable. Property, plant and equipment that are used interchangeable amont segments are not allocated to reportable segments.

Operating segments represent products also and therefore, separate disclosure of revenue from major products are not made.

Inter segment transfer pricing:

Inter segment prices are normally negotiated amongst the segments with reference to cost, market prices and business risks, within an overall objective of optimising the resources for the enterprise.

NOTES FORMING PART OF FINANCIAL STATEMENTS

33.1 Segment Reporting

OPERATING SEGMENTS REVENUE AND RESULTS

(₹ in Lakhs)

Particulars	OPERATING SEGMENTS						Elimination		Overall	
	Sugar		Power		Distillery					
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Revenue (Sales / Income)										
External customers (Net of GST)	17,299.10	28,462.48	3,225.78	10,543.00	10,398.19	11,212.02	-	-	30,923.07	50,217.50
Other operating revenue	75.56	55.32	-	-	2.95	0.07	-	-	78.51	55.38
Inter-segment sales	1,118.50	2,526.89	1,375.45	2,453.63	239.62	199.99	(2,733.57)	(5,180.50)	-	-
Total	18,493.16	31,044.68	4,601.23	12,996.63	10,640.76	11,412.07	(2,733.57)	(5,180.50)	31,001.58	50,272.88
Operating Profit / (Loss)	(1,811.18)	(2,034.57)	217.11	2,670.40	4,303.43	5,397.76	-	-	2,709.36	6,033.59
Interest income	-	-	-	-	-	-	-	-	284.59	374.19
Dividend income	-	-	-	-	-	-	-	-	10.90	5.54
Other Unallocated Income / (exp)	-	-	-	-	-	-	-	-	(970.97)	(1,869.35)
Finance costs	-	-	-	-	-	-	-	-	(357.28)	(352.55)
Profit / (Loss) before tax	(1,811.18)	(2,034.57)	217.11	2,670.40	4,303.43	5,397.76	-	-	1,676.60	4,191.42
Tax Expenses										
Current tax	-	-	-	-	-	-	-	-	652.31	722.26
Deferred tax	-	-	-	-	-	-	-	-	(18.23)	519.92
Total Tax	-	-	-	-	-	-	-	-	634.08	1,242.18
Net Profit after tax	-	-	-	-	-	-	-	-	1,042.52	2,949.24
Other information										
Segment Assets	14,848.87	22,845.59	4,390.13	6,204.14	9,424.06	6,629.73	-	-	28,663.06	35,679.46
Unallocated Corporate Assets	-	-	-	-	-	-	-	-	16,293.04	12,578.85
Total Assets	-	-	-	-	-	-	-	-	44,956.10	48,258.31
Segment Liabilities	4,619.99	6,384.49	2,410.44	2,624.41	208.42	197.70	-	-	7,238.86	9,206.59
Unallocated Corporate Liabilities	-	-	-	-	-	-	-	-	8,786.97	11,203.37
Total Liabilities	-	-	-	-	-	-	-	-	16,025.83	20,409.96
Capital Expenditure	25.10	1,217.94	0.39	8.94	73.59	9.68	-	-	99.08	1,236.55
Unallocated capital expenditure	-	-	-	-	-	-	-	-	20.47	1,357.80
Total Capital Expenditure	-	-	-	-	-	-	-	-	119.55	2,594.34
Depreciation	611.69	575.21	299.77	322.10	400.70	387.89	-	-	1,312.16	1,285.20
Unallocated Depreciation	-	-	-	-	-	-	-	-	153.37	141.64
Total Depreciation	611.69	575.21	299.77	322.10	400.70	387.89	-	-	1,465.53	1,426.84

(₹ in Lakhs)

33.2 Geographical Information

Particulars	Rest of the world			India		Total	
	2024-25		2023-24	2024-25	2023-24	2024-25	2023-24
Segment Revenue	-	-	-	31,001.58	50,272.88	31,001.58	50,272.88

NOTES FORMING PART OF FINANCIAL STATEMENTS**Note 34****A. Defined contribution plans**

The Company makes Provident Fund, Superannuation Fund which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 170.28 Lakhs (PY ₹ 178.18 Lakhs) for provident fund contribution and for superannuation fund contribution of ₹ 13.13 Lakhs (PY ₹ 13.13 Lakhs) in the statement of Profit or loss. The contribution payable to these plans by the Company are at rates specified in the rules of the schemes.

B. Defined benefit plans (Gratuity)

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as March 31, 2025 by fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit cost method. The following table sets forth the status of the Gratuity Plan of the Company and the amount recognized in the Balance Sheet and Statment of Profit and Loss. The Comapny provided the gratuity benefit through annual contributions to a fund managed by the ICICI Prudential Life Insurance Company Limited.

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk : The plan exposes the Company to the risk of fall in interest rates. A drop in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Investment risk : The probability or likelihood of occurrence of losses relative to the expected return on any particular investment which in inherent.

Salary escalation Risk : The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic risk : The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Gratuity

Liability to existing employees of the Company in respect of gratuity is covered insurance policy administered by the Trust.

The actuarially valued liabilities under the Projected Unit Credit Method for the employees of the participating enterprise of the trust are calculated enterprise wise. The investments available with the underwriter are adjusted in proportion to the liability and the shortfall is provided for in the books of the participating enterprise. Consequently, the actuarial loss / gain if any relating to the other participating enterprise is also borne by every other participating enterprise.

The following table sets forth the status of the Gratuity plan of the Company and the amounts recognized in the Balance sheet and the Statement of Profit and loss.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	GRATUITY (FUNDED)	
	2024 - 25	2023 - 24
Present value of obligations at the beginning of the year	886.03	743.66
Less: Equitable interest of Kothari Petrochemicals Limited employees.	-	-
Current service cost	64.36	63.94
Interest Cost	62.49	54.35
Re-measurement (gains) / losses:		
-Actuarial gains and losses arising from change in financial assumption	25.38	45.55
-Actuarial gains and losses arising from experience adjustment	(76.09)	14.50
Benefits paid	(38.72)	(35.98)
Present value of obligations at the end of the year	923.43	886.03
Changes in the fair value of planned assets		
Fair value of plan assets at the beginning of the year	776.65	634.01
Interest income	59.33	46.14
Return on plan assets	9.84	17.00
Other (Taxes, Expenses)	2.36	5.82
Contributions by the employer	109.38	109.66
Benefits paid	(38.72)	(35.98)
Fair value of plan assets at the end of the year	918.85	776.65
Amounts recognized in the Balance Sheet		
Projected benefit obligation at the end of the year	923.43	886.03
Fair value of plan assets at end of the year	918.85	776.65
Gross Liability	4.58	109.38
Funded status of the plans - Liability recognized in the balance sheet	4.58	109.38
Components of defined benefit cost recognized in profit or loss		
Current service cost	64.36	63.94
Net interest expenses	62.49	54.35
Net cost in Profit or Loss	126.85	118.29
Components of defined benefit cost recognized in Other Comprehensive income		
Re-measurement on the net defined benefit liability:		
-Actuarial gains and losses arising from change in financial assumption	25.38	45.55
-Actuarial gains and losses arising from experience adjustment	(76.09)	14.50
Return on plan assets	(9.84)	(17.00)
Net Cost in other Comprehensive Income	(60.56)	43.05

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	2024 - 25	2023 - 24
Assumptions		
Discount rate	7.70%	7.21%
Interest Rate (Rate of return on assets)	NA	NA
Expected rate of salary increase	6.50%	6.50%
Expected rate of attrition	2.00%	2.00%
Average age of members	42.41	41.45
Average remaining working Life	15.64	16.60
Mortality (IALM - 2012-14) Table	100%	100%

The Company has invested the plan assets with insurer managed funds. The Insurance Company has invested the plan assets in Govt. securities, Debt Funds, Mutual Funds ,Money market instruments etc. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

Note (i) Experience Adjustments

(₹ in Lakhs)

Particulars	For the Year Ended	
	31-Mar-25	31-Mar-24
(Gain) / Loss on Plan Liabilities	(76.09)	14.50
% of Opening Plan Liabilities	(8.59)	1.95
Gain / (Loss) on Plan Assets	(9.84)	(20.02)
% of Opening Plan Assets	(1.27)	(3.16)

Notes :

- (a) Experience adjustment has been provided only to the extent of details available.
- (b) Estimates of future salary increase take account of inflation, seniority, promotion and other relevant factors.
- (c) The discount rate is based on the prevailing market yields of Government of India Bonds as at the Balance Sheet date for the estimated term of the obligation.
- (d) The Company's gratuity funds are managed by ICICI Prudential Life insurance Co. Ltd.
- (e) The Company's best estimate of the contribution expected to be paid to the plan during the next year is ₹ 4.50 Lakhs (PY ₹ 109.65 Lakhs).

Note (ii) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and attrition rate. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period., while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹ in Lakhs)

Particulars	Assumption	March 31, 2025	March 31, 2024
Discount rate			
Plus 100 basis points	7.78%	(56.88)	(57.09)
Minus 100 basis points	5.78%	65.03	65.28
Salary Increase rate			
Plus 100 basis points	7.50%	64.56	65.08
Minus 100 basis points	5.50%	(57.53)	(57.96)
Attrition rate			
Plus 100 basis points	3.00%	0.54	2.39
Minus 100 basis points	1.00%	(0.66)	(2.74)

NOTES FORMING PART OF FINANCIAL STATEMENTS
Note 35
EARNINGS PER SHARE

Particulars	2024-25	2023-24
Basic Earnings per share (₹)	1.26	3.56
Diluted Earnings per share (₹)	1.26	3.56

35.1 Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share as follows :

Particulars	2024-25	2023-24
Profit after Taxation (₹ In Lakhs)	1,042.52	4,192.33
Earnings used in the calculation of basic earnings per share (₹ lakh)	1,042.52	4,192.33
Number of equity shares of ₹ 10 each outstanding at the beginning of the year	8,28,88,580	8,28,88,580
Number of equity shares of ₹ 10 each outstanding at the end of the year	8,28,88,580	8,28,88,580
Weighted Average number of Equity Shares	8,28,88,580	8,28,88,580

Note 35.2
Diluted Earnings per share

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share as follows : (₹ in Lakhs)

Particulars	2024-25	2023-24
Earnings used in the calculation of basic earnings per share	1,042.52	4,192.33
Adjustments (if any)	-	-
Earnings used in the calculation of diluted earnings per share	1,042.52	4,192.33

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows :

Particulars	2024-25	2023-24
Weighted average number of equity shares used in calculation of basic earnings per share	8,28,88,580	8,28,88,580
Shares deemed to be issued for no consideration	-	-
Weighted average number of equity shares used in calculation of diluted earnings per share	8,28,88,580	8,28,88,580

Note 36
36.1 Capital Management

The Company's capital management is intended to maximise the return to shareholders for meeting the long and short term objectives of the Company through the leveraging of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through long and short term borrowings. The Company monitors the capital structure on the basis of debt to equity ratio and the maturity of the overall debt of the Company.

The following table summarises the capital of the Company: (₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Equity	28,930.27	27,848.35
Debt	4,917.37	6,941.58
Cash and cash equivalents	(81.81)	(6.55)
Net debt	4,835.56	6,935.03
Total capital (Equity + Net debt)	33,765.83	34,783.38
Net debt to capital ratio	0.14	0.20

NOTES FORMING PART OF FINANCIAL STATEMENTS**36.2 Categories of financial instruments**

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
a) Mandatorily measured:		
i) Equity instruments and Mutual Funds	11,088.16	8,150.97
Measured at amortised cost		
i) Trade Receivables	1,953.90	3,087.26
ii) Other financials assets	965.91	1,200.15
iii) Cash and cash equivalents	81.81	6.55
iv) Investments in Debentures and Bonds	2,253.25	1,852.73
v) Bank balances other than (iii) above	8.67	11.69
Financial liabilities		
Measured at amortised cost		
i) Borrowings	4,917.37	6,941.58
ii) Lease liabilities	74.59	81.87
iii) Trade payables	6,724.71	8,702.59
iv) Other financial liabilities	178.41	216.79

37.1 Credit Risk Management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (predominantly trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counter parties are periodically monitored and taken up on case to case basis. There is no material expected credit loss based on the past experience. However, the Company assesses the impairment of trade receivables on case to case basis and has accordingly created loss allowance. Company is collecting advance from its customer in sugar and distillery business effectively mitigating credit risk to a negligible level. Further in respect of advances/loans given to registered farmers, Company holds a lien on cane dues payable to them or to their guarantors.

The credit risk on cash and bank balances is limited because the counter parties are banks with high credit ratings assigned by accredited rating agencies.

37.2 Liquidity Risk Management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding contractual maturities of financial liabilities as at 31 March 2025. (₹ in Lakhs)

Particulars	Carrying amount	Upto 1 year	Between 1-3 years	More than 3 years	Total contracted cash flows
Non interest bearing	6,977.71	6,911.54	20.19	45.98	6,977.71
Fixed Interest rate instruments	4,917.37	4,917.37	-	-	4,917.37
Total	11,895.08	11,828.91	20.19	45.98	11,895.08

NOTES FORMING PART OF FINANCIAL STATEMENTS

The table below provides details of financial assets as at 31st March 2025: (₹ in Lakhs)

Particulars	Carrying amount	Upto 1 year	Between 1-3 years	More than 3 years	Total contracted cash flows
Trade receivables	1,953.90	1,953.90	-	-	1,953.90
Investments	13,341.41	11,626.01	1,715.40	-	13,341.41
Cash and cash equivalents	81.81	81.81	-	-	81.81
Bank balances	8.67	8.67	-	-	8.67
Other Financial assets	965.91	515.65	450.26	-	965.91
Total	16,351.70	14,186.04	2,165.66	-	16,351.70

The table below provides details regarding contractual maturities of financial liabilities as at 31st March 2024. (₹ in Lakhs)

Particulars	Carrying amount	Upto 1 year	Between 1-3 years	More than 3 years	Total contracted cash flows
Non interest bearing	9,001.25	8,926.66	17.83	56.76	9,001.25
Fixed Interest rate instruments	6,941.58	6,941.58	-	-	6,941.58
Total	15,942.83	15,868.24	17.83	56.76	15,942.83

The table below provides details of financial assets as at 31st March 2024. (₹ in Lakhs)

Particulars	Carrying amount	Upto 1 year	Between 1-3 years	More than 3 years	Total contracted cash flows
Trade receivables	3,087.26	3,087.26		-	3,087.26
Investments	10,003.71	8,690.78	1,312.93	-	10,003.71
Cash and cash equivalents	6.55	6.55		-	6.55
Bank balances	11.69	11.69		-	11.69
Other Financial assets	1,200.15	1,200.15		-	1,200.15
Total	14,309.36	12,996.43	1,312.93	-	14,309.36

37.3 Fair Value Measurements

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined i.e the valuation techniques and inputs used:

Particulars	Fair value as at* (₹ in Lakhs)		Fair value hierarchy
	As at March 31, 2025	As at March 31, 2024	
Investment in equity instruments at FVTPL	11,088.16	8,150.97	Level 1

Notes :

1. The Level 1 financial instruments are measured using quotes in active market and NAV declared by the Fund.
2. Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)
3. In case of Investments in debt instruments carried at amortized cost trade receivables, cash and cash equivalents, trade payables, short term borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

NOTES FORMING PART OF FINANCIAL STATEMENTS**Note - 38****RELATED PARTY TRANSACTION**

S. No.	Name of Related Party	Relationship
1	M/s. NBK Real Estates Private Limited	Holding Company
2	(i) M/s. Kothari Petrochemicals Limited (ii) M/s. Kothari Safe Deposits Limited	Under section 2(76)(v) of the Companies Act, 2013
3	M/s. BHK Land holdings Pvt.Ltd.	Under section 2(76)(iv) of the Companies Act, 2013
4	Shyam Kothari Foundation	Charitable Trust created and managed by Promoters
5	M/s. HCK Educational and Development Trust	Charitable Trust created and Managed by Promoters
6	Kothari Sugars and Chemicals Ltd.- Employee Gratuity Scheme	Trust set up to manage post employment benefit plan of Kothari Sugars and Chemicals Ltd., Employees
7	(i) Mr. Arjun B. Kothari - MD (ii) Mr. M Silvester Goldwin - WTD (iii) Mr. R. Krishnan - CFO (iv) Mr. R. Prakash - CS	Key Management Personnel (KMP)
8	Mrs. Nina B Kothari - Chairperson	Non Independent Non Executive Director (KMP)
9	Mrs. Anandita Arjun Kothari	Relative of Managing Director
10	Mrs. Nayantara B. Kothari	Relative of Chairperson and Managing Director
11	(i) Mr.CV Krishnan (ii) Mr. S Sundaraman (iii) Mr.M R Mohan	Non Executive Independent Directors (KMP)

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 38

Transactions with Related Parties for the year ended March 31, 2025

(₹ in Lakhs)

Nature of Transactions	Under section 2(76) of the Companies Act, 2013																								Key Management Personnel (KMP)						Non Independent Non Executive Director (KMP)				Non Executive Independent Directors (KMP)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
	BHK Land Holdings Pvt. Ltd.				NBK Real Estates Pvt. Ltd.				Kothari Petrochemicals Limited				Kothari Safe Deposit Limited				Kothari Sugars and Chemicals Ltd. - Employee Gratuity Scheme				Anandita Arjun B Kothari				Nayantara B Kothari				Shyam Kothari Foundation				HCK Educational and Development Trust				Arjun B Kothari Managing Director (KMP)				(WTD/CFO/CS) - KMP				Nina B Kothari (Chairperson)				CV Krishnan MR Mohan S Sundaraman																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														
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NOTES FORMING PART OF FINANCIAL STATEMENTS**Note 39****CONTINGENT LIABILITIES**

(₹ in Lakhs)

Particulars	2024-25	2023-24
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances.	974.71	33.06
Other monies for which the Company is contingently liable		
a) Bank Guarantees issue for Tenders.	-	-
b) Disputed Excise Duty / GST and Customs demand (out of which ₹ 73.39 Lakhs (2023 - 24 ₹ 73.39 Lakhs) have been deposited under protest.	228.11	624.07
c) Disputed electricity matters.	1,244.97	1,494.86

Future cash outflows in respect of the above referred matters are determinable only on receipt of judgements / decisions pending at various forums / authorities.

Note 40

The Company has filed the monthly statement of current assets with the Bank and same are in agreement with the books of accounts except to the extent of disputed trade payables that have been excluded in the monthly statements submitted to the bank for DP purposes.

Note 41**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

(₹ in Lakhs)

Particulars	2024 - 2025	2023 - 2024
(i) Amount required to be spent by the company during the year	87.50	76.22
(ii) Amount of expenditure incurred	87.50	76.22
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	-	-
(vi) Nature of CSR activities	Educational infrastructure facility developments in Schools and development of infrastructure facility by providing the medical equipment to hospital, giving preference to local area	Educational infrastructure facility developments in Schools giving preference to local area
(vii) Details of related party transactions.		
(a) Donation to HCK Education and Development Trust	60.00	76.22
(b) Donation to Shyam Kothari Foundation	27.50	-
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provisions during the year shall be shown separately.	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS
Note 42
KEY FINANCIAL RATIOS

Description	Basis	Amount (₹ in Lakhs)	U/M	2024-25	2023-24	% change	Remarks / Explanation
Current Ratio	Current Assets / Current Liabilities	27,058 / 12,401	Times	2.18	1.76	24%	Higher Investment and lower liabilities due to lower crushing.
Inventory turnover Ratio	Cost of sales / Average Inventory	31,242 / 13,240	Days	155	117	(24%)	Lower Sales due to Quota mechanism implemented by Govt.of India.
Trade Payable Turnover Ratio	Net credit purchases / Average trade payables	22,930 / 7,714	Days	123	84	46%	Lower sales of Sugar, Alcohol and Bagasse resulting in lower realisation leading to higher credit period.
Trade Receivables Turnover Ratio	Net credit sales / Average trade receivables	31,002 / 2,521	Days	30	27	10%	Barring EB dues rest of the sales are on cash and carry basis.
Debt Equity Ratio	Total Liabilities / Equity	4,992 / 28,930	Times	0.17	0.25	(32%)	Decrease in borrowings (cash credit)/cane dues due to lower crushing.
Debt Service coverage Ratio	Net Profit + Depn.+ Interest (TL) / Interest + Term Loan paid	2,865 -	Times	-	104.78	(100%)	No long term borrowings outstanding
Net Capital Turnover Ratio	Revenue from operations / Average Working capital	31,002 13,702	Times	2.26	4.21	(46%)	Lower revenue from operations and higher working capital utilisation.
Return on Investment	Investment Income / Average Investment	1,026 11,673	%	8.79	6.82	29%	Higher due to impact of interest hike by RBI during Prev.year resulting in higher Marked to Market valuations.
ROCE (Return on Capital employed)	Profit Before Tax / Total Equity + Non Current Liabilities	1,677 28,996	%	5.78	15.01	(61%)	Lower profit before tax due to lower production of sugar,Alcohol and Power & Bagasse due to rawmaterial Short- age.
Return on Equity Ratio	Profit after Tax / Total Average Equity	1,043 28,389	%	3.67	11.00	(67%)	Lower retained earnings due to product volume and margin mix.
Net Profit [PAT]	Net Profit / Net sales	1,043 31,002	%	3.36	5.87	(43%)	Lower due to product volume and margin mix. Higher tax provision.

Note 43**APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved by the Board of Directors on May 29, 2025.

Note 44

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

In terms of our report attached

For P. Chandrasekar LLP

Chartered Accountants

FRN : 000580S/S200066

For and on behalf of the Board of Directors of

Kothari Sugars and Chemicals Limited

CIN : L15421TN1960PLC004310

S. Raghavendhar

Partner

Membership No.244016

Nina B Kothari

Chairperson

DIN: 00020119

S. Sundarraman

Director

DIN: 01032768

Place : Chennai

Date : May 29, 2025

R. Prakash

Company Secretary

R. Krishnan

Chief Financial Officer

KOTHARI SUGARS AND CHEMICALS LIMITED

Regd. Office. "Kothari Buildings"

No. 115, Mahatma Gandhi Salai,

Nungambakkam, Chennai - 600 034.