



FORM A

Format of covering letter of the Annual Audit Report to be filed with the
Stock Exchanges

1.	Name of the Company:	Dhampur Sugar Mills Limited
2.	Annual financial statements for the year ended	31st March, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A


Mr. Gaurav Goel
Managing Director


Mr. M.P. Mehrotra
Chairman- Audit Committee

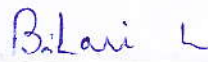

Mr. Arhant Jain
CFO

For S. VAISH & CO.,




(S.P. AGRAWAL)
PARTNER
Chartered Accountants
Membership No. 07269
FRN 00001C

For MITTAL GUPTA & CO.,





(B. L. GUPTA)
PARTNER
Chartered Accountants
Membership No. 073794
FRN 01874C

(Joint Auditors)



DHAMPUR SUGAR MILLS LIMITED

DHAMPUR, DISTRICT BIJNOR (U.P.) 246761

Tel: 01344-220006, Fax: 01344-220662

Email: investordesk@dhampur.com

Website: www.dhampur.com

CIN : L15249UP1933PLC000511

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 80th Annual General Meeting of the Company shall be held on Friday, the 11th September, 2015 at the Registered Office of the Company at Sugar Mill Compound, Dhampur, Distt. Bijnor (U.P.) at 2.00 p.m. to transact the following business:-

Ordinary Business:

Item No. 1

To receive, consider and adopt the Balance Sheet as at 31st March, 2015 and the Profit & Loss Account of the Company for the year ended 31st March, 2015 together with Board's Report and Auditors' Report thereon.

Item No. 2

To appoint a director in place of Shri Vijay Kumar Goel, who retires by rotation and being eligible offers himself for re-appointment.

Item No. 3

To appoint a director in place of Shri Ashok Kumar Goel, who retires by rotation and being eligible offers himself for re-appointment.

Item No. 4

Re-Appointment of Auditors

To consider, and if thought fit, to pass the following resolution as ordinary resolution:

"RESOLVED that, pursuant to provisions of Section 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under, M/s Mittal Gupta & Company, Chartered Accountants, Kanpur be and are hereby re-appointed as Statutory Auditors of the Company for the financial year 2015-16 to hold office from the conclusion of this meeting to the conclusion of next Annual General Meeting of the Company at a remuneration of ₹17,00,000/- and applicable taxes and re-imbursement of expenses incurred / to be incurred on actual basis.

Special Business

Item No. 5

Re-Appointment of Branch Auditors

To consider, and if thought fit, to pass the following resolution as ordinary resolution:

"RESOLVED THAT pursuant to Section 141 and other applicable provisions, if any, of the Companies Act, 2013, M/s S.S. Kothari Mehta & Company, Chartered Accountants, be and are hereby re-appointed as Branch Auditors for conducting audit of

accounts relating to DSM Sugar Meerganj, Distt. Bareilly and DSM Sugar, Rajpura, Distt. Sambhal units of the Company for the financial year 2015-16 to hold office from the conclusion of this meeting to the conclusion of next Annual General Meeting of the Company at a remuneration of ₹7,50,000/- and applicable taxes and re-imbursement of expenses incurred / to be incurred on actual basis.

Item No. 6

Payment of Remuneration to the Cost Auditor for the Financial Year 2015-16

To consider, and if thought fit, to pass with the following resolutions as ordinary resolution:

"RESOLVED that pursuant to the provisions of Section 148 (3) and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") and Rules framed thereunder, as amended from time to time and such other permissions as may be necessary, the members hereby ratify the remuneration of ₹1,50,000/- and applicable taxes and re-imbursement of expenses incurred / to be incurred on actual basis payable to Shri S.R. Kapur, Cost Accountant, Khatauli District-Muzaffarnagar (U.P.) who was re-appointed as Cost Auditors of the Company for the financial year 2015-16 by the Board of Directors of the Company.

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Item No. 7

Appointment of Ms Nandita Chaturvedi as an Independent Director

To consider, and if thought fit, to pass the following resolution as ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of 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 to the Companies Act, 2013, Ms Nandita Chaturvedi, (holding DIN No. 07015079) a Non – Executive Director of the Company who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and is eligible for appointment, be and is hereby appointed as Independent Director of the Company to hold office for five consecutive years w.e.f 12th November, 2014 upto 11th November, 2019.

Item No. 8

Invitation and Acceptance of Fixed Deposits from the Members and Public

To consider and if thought fit, to pass the following resolution as a Special Resolution:-

“RESOLVED that pursuant to the provisions of Sections 73, 76 and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Acceptance of Deposits) Rules, 2014, the consent of the members be and is hereby accorded to the Board of Directors of the Company to invite and accept fixed deposits from the public and members within limits prescribed in the Act and the overall borrowing limits of the Company, as approved by the Members, from time to time.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to finalise the scheme for invitation and acceptance of fixed deposits from the members and the public and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

Item No. 9

Reappointment of Shri V. K. Goel, Chairman and Executive Director of the Company and to fix his remuneration.

To consider and if thought fit, to pass the following resolution as a Special Resolution:-

“RESOLVED THAT pursuant to Sections 149, 152, 196, 197, 198, 202 and 203 read with Schedule V, and other applicable provisions of the Companies Act, 2013, if any, Shri V.K. Goel, be and is hereby re appointed as Chairman and Executive Director of the Company for a further period of 3 (Three) years with effect from 1st April, 2015.

RESOLVED FURTHER THAT the monthly remuneration and perquisites being paid to Shri V.K Goel, Chairman and Executive Director, be and is hereby decided for a period of three years with effect from 1st April, 2015 as under:

Remuneration :

Salary: With effect from 1st April, 2015, ₹ 6,25,000 /- per month. (In grade ₹ 6,25,000 – ₹ 42000- ₹ 7,09,000)

Perquisites:

Housing: For accommodation owned / rented by the Company a deduction @ 10% of the salary or actual rent paid whichever is lower.

Electric, Gas, Water And Furnishing: The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per Income-Tax Rules, 1962. This shall, however, be subject to a ceiling of 10% of Salary of the Chairman & Executive Director.

Medical: Reimbursement of actual expenses incurred for self and family subject to ceiling of one month's salary in a year or three months salary over a period of three years.

Leave Travel: For self and family once a year incurred in accordance with the rules of the Company.

Club Fees: Club fees subject to maximum of two clubs but not admission and life membership fees.

Personal Accident Insurance: Premium for insurance not to exceed ₹ 12,000/- per annum plus Service Tax as applicable.

Others: (Not to be treated as perquisites).

Provident Fund: Employer's contribution to Provident Fund to the extent not taxable under the Income-tax Act, 1961.

Gratuity: At the rate of half month's salary for each completed year of service subject to a ceiling of ₹ 10,00,000/-.

Conveyance: For use of Company's Car for private purposes a sum of ₹ 1000/- per month to be paid to the company.

RESOLVED FURTHER THAT the aforesaid monthly payment and monetary value of perquisites to be included in the remuneration for the purpose of Section 197 of the Companies Act, 2013 shall be within the limits as specified in the event of absence or inadequacy of net profit computed in the manner provided under the said section.”

RESOLVED FURTHER THAT in addition to the above basic salary and perquisites, it is hereby decided to pay a further remuneration by way of Commission @ 2% of the Net Profits of the Company as determined in accordance with the provisions of Sections 197 and 198 and other applicable provisions, if any of the Companies Act, 2013.

RESOLVED FURTHER THAT the total remuneration payable to Shri V.K Goel, will not exceed 5% of Net Profits of the Company.

RESOLVED FURTHER THAT in case, the total remuneration payable to all the Managing Directors and Whole Time Directors of the Company exceeds 10% of Profits of the Company, a proportionate deduction shall be made from the commission payable to Managing Directors/Whole Time Directors to restrict the total remuneration at 10% of the profit of the Company as determined in accordance with the provisions of Sections 197 and 198 and other applicable provisions, if any of the Companies Act, 2013.

RESOLVED FURTHER THAT Shri Gaurav Goel or Shri Gautam Goel, Managing Directors or Shri Arhant Jain, Executive President Finance & Company Secretary be and are hereby severally authorized to sign, execute and make such application(s), write letter(s), correspondence(s) and file such form(s), return(s) or any such documents with appropriate authority (ies), as may be considered necessary, expedient or desirable in order to give effect to this resolution to anyone concerned or interested in the matter, in this regard.

Item No. 10

Reappointment of Shri A.K Goel, Vice Chairman and Executive Director of the Company and to fix his remuneration

To consider and if thought fit, to pass the following resolution as a Special Resolution:-

“RESOLVED THAT pursuant to Sections 149, 152, 196, 197, 198, 202 and 203 read with Schedule V, and other applicable provisions of the Companies Act, 2013, if any, Shri A.K. Goel, be and is hereby re appointed as Vice Chairman of the Company for a further period of 3 (Three) years with effect from 1st April 2015

RESOLVED FURTHER THAT the monthly remuneration and perquisites being paid to Shri A.K Goel, Vice Chairman, be and is hereby decided for a period of three years with effect from 1st April, 2015 as under:

Remuneration :

Salary: With effect from 1st April, 2015, ₹ 6,25,000 /- per month. (In grade ₹ 6,25,000 – ₹ 42000- ₹ 7,09,000)

Perquisites:

Housing: For accommodation owned / rented by the Company a deduction @ 10% of the salary or actual rent paid whichever is lower.

Electric, Gas, Water And Furnishing: The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per Income-Tax Rules, 1962. This shall, however, be subject to a ceiling of 10% of Salary of the Vice Chairman & Executive Director.

Medical: Reimbursement of actual expenses incurred for self and family subject to ceiling of one month's salary in a year or three months' salary over a period of three years.

Leave Travel: For self and family once a year incurred in accordance with the rules of the Company.

Club Fees: Club fees subject to maximum of two clubs but not admission and life membership fees.

Personal Accident Insurance: Premium for insurance not to exceed ₹ 12,000/- per annum plus Service Tax as applicable.

Others: (Not to be treated as perquisites).

Provident Fund: Employer's contribution to Provident Fund to the extent not taxable under the Income-tax Act, 1961.

Gratuity: At the rate of half month's salary for each completed year of service subject to a ceiling of ₹ 10,00,000/-.

Conveyance: For use of Company's Car for private purposes a sum of ₹ 1000/- per month to be paid to the company.

RESOLVED FURTHER THAT the aforesaid monthly payment and monetary value of perquisites to be included in the remuneration for the purpose of Section 197 of the Companies Act, 2013 shall be within the limits as specified in the event of absence or inadequacy of net profit computed in the manner provided under the said section."

RESOLVED FURTHER THAT in addition to the above basic salary and perquisites, it is hereby decided to pay a further remuneration by way of Commission @ 2% of the Net Profits of the Company as determined in accordance with the provisions of Sections 197 and 198 and other applicable provisions, if any of the Companies Act, 2013.

RESOLVED FURTHER THAT the total remuneration payable to Shri A.K Goel, will not exceed 5% of Net Profits of the Company.

RESOLVED FURTHER THAT in case, the total remuneration payable to all the Managing Directors and Whole Time Directors of the Company exceeds 10% of Profits of the Company, a proportionate deduction shall be made from the commission payable to Managing Directors/Whole Time Directors to restrict the total remuneration at 10% of the profit of the Company as determined in accordance with the provisions of Sections 197 and 198 and other applicable provisions, if any of the Companies Act, 2013.

RESOLVED FURTHER THAT Shri Gaurav Goel or Shri Gautam Goel, Managing Directors or Shri Arhant Jain, Executive President Finance & Company Secretary be and are hereby severally authorized to sign, execute and make such application(s), write letter(s), correspondence(s) and file such form(s), return(s) or any such documents with appropriate authority (ies), as may be considered necessary, expedient or desirable in order to give effect to this resolution to anyone concerned or interested in the matter, in this regard.

Item No. 11**Reappointment of Shri Gaurav Goel as Managing Director of the Company and to fix his remuneration**

To consider and if thought fit, to pass the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to Sections 149,152,196, 197,198, 202 and 203 read with Schedule V, and other applicable provisions of the Companies Act, 2013, if any, Shri Gaurav Goel, be and is hereby re-appointed as Managing Director of the Company for a further period of 3 (Three) years with effect from 1st April 2015 .

RESOLVED FURTHER THAT the monthly remuneration and perquisites being paid to Shri Gaurav Goel, Managing Director , be and is hereby decided for a period of three years with effect from 1st April , 2015 as under:

Remuneration :

Salary: With effect from 1st April, 2015, ₹ 6,25,000 /- per month. (In grade ₹ 6,25,000 – ₹ 42000- ₹ 7,09,000)

Perquisites:

Housing: For accommodation owned / rented by the Company a deduction @ 10% of the salary or actual rent paid whichever is lower.

Electric, Gas, Water And Furnishing: The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per Income-Tax Rules, 1962. This shall, however, be subject to a ceiling of 10% of Salary of the Managing Director.

Medical: Reimbursement of actual expenses incurred for self and family subject to ceiling of one month's salary in a year or three months' salary over a period of three years.

Leave Travel: For self and family once a year incurred in accordance with the rules of the company.

Club Fees: Club fees subject to maximum of two clubs but not admission and life membership fees.

Personal Accident Insurance: Premium for insurance not to exceed ₹ 12,000/- per annum plus Service Tax as applicable.

Others: (Not to be treated as perquisites).

Provident Fund: Employer's contribution to Provident Fund to the extent not taxable under the Income-tax Act, 1961.

Gratuity: At the rate of half month's salary for each completed year of service subject to a ceiling of ₹ 10,00,000/-.

Conveyance: For use of Company's Car for private purposes a sum of ₹ 1000/- per month to be paid to the company.

RESOLVED FURTHER THAT the aforesaid monthly payment and monetary value of perquisites to be included in the remuneration for the purpose of Section 197 of the Companies Act, 2013 shall be within the limits as specified in the event of absence or inadequacy of net profit computed in the manner provided under the said section."

RESOLVED FURTHER THAT in addition to the above basic salary and perquisites, it is hereby decided to pay a further remuneration by way of Commission @ 2% of the Net Profits of the Company as determined in accordance with the provisions of Sections 197 and 198 and other applicable provisions, if any of the Companies Act, 2013.

RESOLVED FURTHER THAT the total remuneration payable to Shri Gaurav Goel, will not exceed 5% of Net Profits of the Company.

RESOLVED FURTHER THAT in case, the total remuneration payable to all the Managing Directors and Whole Time Directors of the Company exceeds 10% of Profits of the Company, a proportionate deduction shall be made from the commission payable to Managing Directors/Whole Time Directors to restrict the total remuneration at 10% of the profit of the Company as determined in accordance with the provisions of Sections 197 and 198 and other applicable provisions, if any of the Companies Act, 2013.

RESOLVED FURTHER THAT Shri Gaurav Goel or Shri Gautam Goel, Managing Directors or Shri Arhant Jain, Executive President Finance & Company Secretary be and are hereby severally authorized to sign, execute and make such application(s), write letter(s), correspondence(s) and file such form(s), return(s) or any such documents with appropriate authority (ies), as may be considered necessary, expedient or desirable in order to give effect to this resolution to anyone concerned or interested in the matter, in this regard.

Item No. 12

Reappointment of Shri Gautam Goel as Managing Director of the Company and to fix his remuneration

To consider and if thought fit, to pass the following resolution as a Special Resolution:-

“RESOLVED THAT pursuant to Sections 149,152,196, 197,198, 202 and 203 read with Schedule V, and other applicable provisions of the Companies Act, 2013, if any and subject to approval of Central Government, Shri Gautam Goel, be and is hereby re appointed as Managing Director of the Company for a further period of 3 (Three) years with effect from 1st April 2015.

RESOLVED FURTHER THAT the monthly remuneration and perquisites being paid to Shri Gautam Goel, Managing Director be and is hereby decided for a period of three years with effect from 1st April, 2015 as under:

Remuneration :

Salary: With effect from 1st April, 2015, ₹ 6,25,000 /- per month. (In grade ₹ 6,25,000 – ₹ 42000- ₹ 7,09,000)

Perquisites:

Housing: For accommodation owned / rented by the Company a deduction @ 10% of the salary or actual rent paid whichever is lower.

Electric, Gas, Water And Furnishing: The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per Income-Tax Rules, 1962. This shall, however, be subject to a ceiling of 10% of Salary of the Managing Director.

Medical: Reimbursement of actual expenses incurred for self and family subject to ceiling of one month's salary in a year or three months' salary over a period of three years.

Leave Travel: For self and family once a year incurred in accordance with the rules of the company.

Club Fees: Club fees subject to maximum of two clubs but not admission and life membership fees.

Personal Accident Insurance: Premium for insurance not to exceed ₹ 12,000/- per annum plus Service Tax as applicable.

Others: (Not to be treated as perquisites).

Provident Fund: Employer's contribution to Provident Fund to the extent not taxable under the Income-tax Act, 1961.

Gratuity: At the rate of half month's salary for each completed year of service subject to a ceiling of ₹ 10,00,000/-.

Conveyance: For use of Company's Car for private purposes a

sum of ₹ 1000/- per month to be paid to the company.

RESOLVED FURTHER THAT the aforesaid monthly payment and monetary value of perquisites to be included in the remuneration for the purpose of Section 197 of the Companies Act, 2013 shall be within the limits as specified in the event of absence or inadequacy of net profit computed in the manner provided under the said section.”

RESOLVED FURTHER THAT the total remuneration payable to Shri Gautam Goel will not exceed 5% of Net Profits of the Company.

RESOLVED FURTHER THAT in case, the total remuneration payable to all the Managing Directors and Whole Time Directors of the Company exceeds 10% of Profits of the Company, a proportionate deduction shall be made from the commission payable to Managing Directors/Whole Time Directors to restrict the total remuneration at 10% of the profit of the Company as determined in accordance with the provisions of Sections 197 and 198 and other applicable provisions, if any of the Companies Act, 2013.

RESOLVED FURTHER THAT Shri Gaurav Goel or Shri Gautam Goel, Managing Directors or Shri Arhant Jain, Executive President Finance & Company Secretary be and are hereby severally authorized to sign, execute and make such application(s), write letter(s), correspondence(s) and file such form(s), return(s) or any such documents with appropriate authority (ies), as may be considered necessary, expedient or desirable in order to give effect to this resolution to anyone concerned or interested in the matter, in this regard.

Item No. 13

Borrowing Powers of the Company:

To consider, and if thought fit, to pass the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013 and Rules made there under (as amended from time to time), Memorandum and Articles of Association of the Company and in supersession of the earlier resolutions passed by the Company with respect to the borrowing powers, consent of the members of the Company be and is hereby accorded, to borrow money(s) (apart from temporary loans from time to time obtained from the Company's Bankers in the ordinary course of business) in excess of the aggregate of paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, as the Board may, from time to time, deem necessary for the purpose of the Company, provided that the sum or sums so borrowed and remaining outstanding at anytime shall not exceed in the aggregate ₹2,500 Crores (Rupees Two Thousand Five Hundred Crores only).”

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all the necessary acts and actions as may be required to give effect to the aforesaid resolution.”

BY ORDER OF THE BOARD
FOR DHAMPUR SUGAR MILLS LIMITED

PLACE :NEW DELHI
DATE : 08.08.2015

(V. K. GOEL)
CHAIRMAN
(DIN:-00075317)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 4th September, 2015 to Friday, 11th September, 2015 (both days inclusive).
4. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agent M/s. Alankit Assignments Limited and have it duly filled and sent back to them.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Alankit Assignments Limited, 2E/21, Jhandewalan Extension, New Delhi-55 or to the Company.
6. Members desiring any information relating to the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
7. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts.

10. The shares of the Company are compulsorily traded in demat mode. Hence, the Members who are still holding physical share certificates are advised that it is in their own interest to dematerialize their shareholding to avail benefit of dematerialization viz. easy liquidity, electronic transfer, savings in stamp duty and prevention of forgery.
11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share Certificate to M/s Alankit Assignments Ltd., Registrar & Transfer Agent for consolidation into a single folio.
12. Details pertaining to Directors seeking appointment required as per Clause 49 of the Listing Agreement has been provided in the Corporate Governance Report, forming Part of Annual Report.
13. Pursuant to the provisions of section 124 of the Companies Act, 2013 dividend which remain unclaimed for a period of 7 years will be transferred by the Company to the 'Investor Education and Protection Fund' (IEPF) established by the Central Government pursuant to section 125 of the Companies Act, 2013.

Information in respect of such unclaimed dividend when due for transfer to the said Fund is given below:-

Financial Year Ended	Date of declaration of Dividend	Last date for claiming unpaid Dividend	Due date for transfer to IEPF
30.09.2009	10.02.2010	09.02.2017	10.03.2017
31.03.2011	01.08.2011	31.07.2018	01.08.2018
31.03.2012	15.09.2012	14.09.2019	15.10.2019
31.03.2013	20.09.2013	19.09.2020	20.10.2020

Shareholders who have not so far encashed the dividend warrant(s) are requested to seek issue of duplicate warrant(s) by writing to the Company's Registrar and Transfer Agents, M/S. Alankit Assignments Limited immediately. Shareholders are requested to note that no claims shall lie against the Company or the said Fund in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first become due for payment and no payment shall be made in respect of any such claims.

14. Pursuant to Clause 32 of the Listing Agreement entered into with the Stock Exchanges and Sections 101 and 136 of the Companies Act, 2013, electronic copy of Annual Report and Notice along with Attendance Slip and proxy form are being sent by e-mail to those shareholders whose e-mail addresses have been made available to the Company/ Depository Participants unless any member has requested for a hard copy of the same.
15. In terms of Circular No. NSDL/CIR/II/10/2012 dated March 09, 2012, for those Members whose Depository Participant accounts do not contain the details of their email addresses, printed copies of the Notice of Annual General Meeting and Annual Report for the year ended March 31, 2015 are being despatched in the mode prescribed under Companies Act, 2013.
16. The documents referred to in the accompanying Notice and the Annual Report are open for inspection at the Registered Office of the Company during the office hours between 11.00 A. M. and 1.00 P. M. on all working days except Sundays up to the date of the Meeting and shall also be available at the venue.

17. Voting through electronic means:

E-voting:

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies(Management and Administration) Rules, 2014 as amended vide Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement entered into with the Stock Exchanges, the Company is pleased to provide to the Members facility of voting by electronic means in respect of businesses to be transacted at the 80th Annual General Meeting (AGM) through remote e-voting (i.e. voting electronically from a place other than the venue of the general meeting). The Company also proposes to provide the option of voting by means of Ballot Form at the AGM in addition to the electronic voting system mentioned above. The Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating voting by electronic means and the business may be transacted through e-Voting services provided by National Securities Depository Limited (NSDL).

Shri Saket Sharma, of GSK & Associates, Company Secretaries (Membership No. F4229, C.P. No. 2565), who has consented to act as the Scrutiniser, was appointed by the Board of Directors as the Scrutiniser to scrutinise the voting process (electronically or otherwise) for the 80th Annual General Meeting of the Company in a fair and transparent manner and submit a consolidated Scrutiniser's report of the total votes cast to the Chairman or a person authorised by him in writing.

The procedure with respect to e-voting is provided below:

- A)** In case of Members receiving notice by e-mail from NSDL:
 - i.** Open e-mail and open the attached PDF file viz;" DSML. e-voting.pdf" with your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password. The said PDF file contains your "user ID" and "password for e-voting". Please note that this password is an initial password.
 - ii.** Launch internet browser by typing the URL <https://www.evoting.nsdl.com>.
 - iii.** Click on "Shareholder-Login".
 - iv.** Put your user ID and password as initial password noted in step (i) above. Click Login. If you are already registered with NSDL for e-voting, you can use your existing user ID and password for casting your vote.
 - v.** Password change menu appears. Change the password with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
 - vi.** Home page of e-voting opens. Click on "e-voting: Active Voting Cycles".
 - vii.** Select "EVEN" (E Voting Event Number) of Dhampur Sugar Mills Limited for casting your vote.

viii. Now you are ready for e-voting as "Cast Vote" page opens.

ix. Cast your vote by selecting appropriate option and click on: "Submit" and also "Confirm" when prompted.

x. Upon confirmation, the message "vote cast successfully" will be displayed.

xi. Once you have voted on the resolution, you will not be allowed to modify your vote.

xii. Institutional Shareholders and bodies corporate (i.e. other than individuals, HUF, NRI etc) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote to the Scrutiniser through e-mail to- saketfcs@gmail.com with a copy marked to- evoting@nsdl.co.in.

B) In case of Members receiving physical copy of Notice of Annual General Meeting :

- a.** User ID and Initial password sent separately.
- b.** Please follow all steps from Sl. No. (ii) to Sl. No.(xii) mentioned in (A) above, to cast your vote.

Other Instructions:

- I.** Persons who have acquired shares and became Members of the Company after the dispatch of the Notice of the AGM but before the cut-off date of 4th September, 2015, may obtain their user ID and password for e-voting from the Company or NSDL (Phone +91-22-2499 4600). If the member is already registered with NSDL e-voting platform then he can use existing User ID and password for casting the vote through remote e-voting.
- II.** The remote e-voting facility starts on Tuesday, 8th September, 2015 at 9.00 a.m. and ends on Thursday, 10th September, 2015 at 5.00 p.m. During this period, Members of the Company holding shares either in physical form or in dematerialised form, as on the cut off date of 4th September, 2015, may cast their votes electronically. The remote e-voting module will be disabled by NSDL for voting thereafter at 5.00 p.m. on Thursday, 10th September, 2015. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- III.** In case of any queries, you may refer to the "Frequently Asked Questions (FAQs)" for Shareholders and e-voting user manual for Shareholders available at the "downloads" section of NSDL website at www.evoting.nsdl.com or contact NSDL at the following Telephone No.: 022-2499 4600.
- IV.** The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date. In case of joint holders, only one of the joint holders may cast his vote.
- V.** Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting through ballot. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- VI.** The Scrutiniser shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and

thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutiniser shall submit a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, not later than three days after the conclusion of the AGM to the Chairman or a person authorised by the Chairman. The Chairman or a person authorised by the Chairman shall declare the result of the voting forthwith.

VII. The declared results along with the Scrutiniser's Report will be available on the Company's website at www.dhampur.com and on the website of NSDL at www.evoting.nsdl.com and will also be forwarded to the Stock Exchanges where the Company's shares are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of the AGM.

18. Members holding Shares in physical form are requested to furnish their email id by post or by emailing to investordesk@dhampur.com along with their Folio No. for sending necessary communication / information in future. The Annual Report of the Company will also be available on the website of the Company; www.dhampur.com The members holding shares in electronic form may get their email Id's updated with their respective Depository participants.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 5

It is informed that M/s SS Kothari Mehta & Company, Chartered Accountants, the existing branch auditors, of the Company have approached for re-appointment and have further confirmed that the said appointment, if made, shall be in accordance and also indicates that criteria under section 141 of the Companies Act, 2013 has been satisfied.

As such, the re- appointment of M/s SS Kothari Mehta & Company, Chartered Accountants as Branch Auditors for Meeraganj and Rajpura unit for the Financial Year 2015-16 at a remuneration of ₹ 7,50,000/- is now being placed before the Members in general Meeting for their approval by way of Ordinary resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, in the resolution set out at Item No. 5 of the Notice.

Item No. 6

The Board had on May 27, 2015 on the recommendation of the Audit Committee, approved the appointment and remuneration of Shri S. R. Kapur, Cost Accountant, Khatauli District-Muzaffarnagar (U.P.) the Cost Auditors to conduct the audit of the Company for the Financial Year 2015-16 and remuneration of ₹ 1,50,000/- In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, ratification for the remuneration payable to the Cost Auditors for the Financial Year 2015-16 by way of an Ordinary Resolution is being sought from the members as set out at Item No. 6 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.6 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, in there solution set out at Item No. 6 of the Notice.

Item No. 7

In accordance with the provisions of Section 149 read with schedule IV of the Act, appointment of Independent Director requires approval of members.

Based on the recommendation of Nomination and Remuneration Committee, The Board of Directors have proposed for appointment of Ms Nandita Chaturvedi as an Independent Director of the Company for a period of Five years.

The Company has received a declaration from Ms Nandita Chaturvedi that that she meets the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, Ms Nandita Chaturvedi fulfill the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act, proposing the candidature of Ms. Nandita Chaturvedi for the office fo Director of the Company.

None of Directors or KMP except Ms. Nandita Chaturvedi and her relatives to the extent of their shareholding are concerned or interested in the proposed resolutions.

Item No. 8

The Board of Directors at their meeting held on May 27, 2015, have in-principle approved and recommended the invitation and acceptance of Fixed Deposits from the members and public pursuant to Sections 73 and 76 of the Companies Act, 2013 ("Act") and Companies (Acceptance of Deposits) Rules, 2014 ("Rules") as one of the modes to meet the ongoing fund requirements of the Company. The Fixed Deposit program would be credit rated on an annual basis and the Company may provide deposit insurance cover, if required under the Act read with the said Rules. It is proposed to authorise the Board or a committee thereof to negotiate and finalise the terms of Fixed Deposit Scheme and to do such other acts and deeds as may be necessary or incidental thereto.

In compliance with the provisions of Section 73 and 76 of the Act, read together with Rule 2(e) of the Companies (Acceptance of Deposits) Rules, 2014, approval of the Members by way of special resolution is being sought.

ITEM NO. 9

Shri V. K. Goel was reappointed as Chairman and Executive Director of the Company for a period of three years with effect from 1st February, 2013 to 31st January, 2016 which was approved by the shareholders in its meeting held on 20th September, 2013.

Now it has been proposed to re-appoint Shri V.K Goel as Chairman and Executive Director of the Company for a period of three years w.e.f 01st April, 2015 alongwith increase in remuneration.

The Nomination and Remuneration committee in its meeting held on 27th May, 2015 has considered and recommended for re-appointment of Shri V.K Goel as Chairman at a remuneration as set out in resolution given in item no. 9.

Pursuant to the provisions of Companies Act, 2013 and Schedule V of Companies Act, approval of members of the Company by way of Special Resolution is required for re-appointment of Shri V.K Goel as Chairman as he is above 70 years of age and remuneration proposed.

Shri V.K Goel is in Sugar Industry for the last more than fifty years. Under his able guidance, the Company has achieved different milestones over a period of time. He has held different positions in the sugar industry forums including President of Indian Sugar

Mills Association. The sugar industry is going through tough time due to high disparity in price of sugar and sugarcane. The Company will certainly be benefitted with the rich experience of Shri V.K. Goel, who is considered as legend in the Sugar industry. Further keeping in view the time and efforts put by Shri V.K. Goel, it is proposed to increase his remuneration as stated in the resolution and re-appoint him for a period of three years.

None of Directors or Key Managerial Personnel except Shri V. K. Goel himself and Shri A. K. Goel and Shri Gautam Goel, Directors of the Company, being relatives of Shri V.K. Goel are interested in this resolution.

ITEM NO. 10

Shri A.K. Goel was re-appointed as Vice-Chairman of the Company for a period of three years with effect from 1st April, 2012 to 31st March, 2015, which was approved by the shareholders in its meeting held on 30th August, 2012.

Now it has been proposed to re-appoint Shri A.K. Goel as Vice Chairman of the Company for a period of three years w.e.f 01st April, 2015.

The Nomination and Remuneration committee in its meeting held on 27th May, 2015 has considered and recommended for re-appointment of Shri A.K. Goel as Vice Chairman at a remuneration as set out in resolution given in item no. 10

Pursuant to the provisions of Companies Act, 2013 and Schedule V of Companies Act, approval of members of the Company by way of form of Special Resolution is required for re-appointment of Shri A.K. Goel as Vice Chairman as he is above 70 years of age and remuneration proposed.

Shri A.K. Goel has vast experience of over 45 years in the Sugar and Paper Industry. He has been President of Indian Sugar Mills Association (ISMA) and also the President of U.P. Sugar Mills Association (UPSMA). He is also the Founder President of Indian Agro Paper Mills Association (IAPMA). To take the Company out of the worst period of Sugar Industry, his vision and experience is more required to the Company than ever. Keeping in view the time and efforts put by Shri A.K. Goel, it is proposed to increase his remuneration as stated in the resolution and re-appoint him for a period of three years.

None of Directors or Key Managerial Personnel except Shri A. K. Goel and Shri V.K. Goel and Shri Gaurav Goel, Directors of the Company, being relatives of Shri A.K. Goel are interested in this resolution.

ITEM NO. 11

Shri Gaurav Goel was reappointed as Managing Director of the Company for a period of three years with effect from 1st April, 2012 to 31st March, 2015, which was approved by the shareholders in its meeting held on 30th August, 2012.

Now it has been proposed to re-appoint Shri Gaurav Goel as Managing Director of the Company for a period of three years w.e.f 01st April, 2015.

The Nomination and Remuneration committee in its meeting held on 27th May, 2015 has considered and recommended for re-appointment of Shri Gaurav Goel as Managing Director, at a remuneration as set out in resolution given in item no. 11.

Approval of members by way of Special Resolution is sought for increase in proposed remuneration to be paid to Shri Gaurav Goel pursuant to the provisions of Companies Act, 2013 and Schedule V thereto.

Shri Gaurav Goel is having more than a decade, Sugar Industry experience. He is currently the director of Indian Sugar Exim

Corporation Limited and the member of a committee of Indian Sugar Mills Association and The Associated Chambers of Commerce and Industry of India (ASSOCHAM). He was also the President for the year 2006-07 of the Young Entrepreneurs Organization, Delhi Chapter. He is a Business Management Graduate from United Kingdom and has been associated with the company since 1994. He is responsible for the overall management of financial aspects.

None of Directors or Key Managerial Personnel except Shri Gaurav Goel himself and Shri A.K. Goel, Director of the Company, being relative of Shri Gaurav Goel is interested in this resolution.

ITEM NO. 12

Shri Gautam Goel was reappointed as Managing Director of the Company for a period of three years with effect from 1st February, 2013 to 31st January, 2016 which was approved by the shareholders in its meeting held on 20th September, 2013.

Now it has been proposed to re-appoint Shri Gautam Goel as Managing Director of the Company for a period of three years w.e.f 01st April, 2015.

The Nomination and Remuneration committee in its meeting held on 27th May, 2015 has considered and recommended for re-appointment of Shri Gaurav Goel as Managing Director, at a remuneration as set out in resolution given in item no. 12.

Shri Gautam Goel has become Non- Resident Indian during the year. Accordingly his re-appointment is subject to approval of Central Government. Approval of members by way of Special Resolution is sought for re-appointment and increase in proposed remuneration to be paid to Shri Gautam Goel pursuant to the provisions of Companies Act, 2013 and Schedule V thereto.

Mr. Gautam Goel, having more than a decade, Sugar Industry experience. He has been the president of Indian Sugar Mills Association from 2011 to 2012. He has been associated with the company since 1994 and is responsible for the technical and working aspect of operations.

None of Directors or Key Managerial Personnel except Shri Gautam Goel himself and Shri V.K. Goel, Director of the Company, being relative of Shri Gautam Goel is interested in this resolution.

ITEM NO. 13

It is informed that the members of the Company in its Annual General Meeting held on 26th September, 2014 had authorized the Board of Directors to borrow monies up to ₹1500 crores under Section 180(1)(c) of the Companies Act, 2013

It is further informed that in view of the present scenario of the Company and Sugar Industry as a whole, more funds will be required to maintain requisite liquidity by the Company.

It is further informed that in order to maintain the adequate liquidity and efficient working of the Company, enhancement is required in the existing borrowing powers of the Company.

As per the applicable provisions of Companies Act, 2013, Consent of the members of the Company by way of Special resolution under provisions of Section 180(1)(c) the Companies Act, 2013 is sought for increase in the borrowing powers upto ₹2500 Crores, from Banks/Institutions etc.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in this resolution except to the extent of their shareholding in the Company, if any.

ATTENDANCE SLIP**DHAMPUR SUGAR MILLS LIMITED**

DHAMPUR, DISTRICT BIJNOR (U.P.) 246761

Tel: 01344-220006, Fax: 01344-220662

Email: investordesk@dhampur.com, Website: www.dhampur.com

CIN : L15249UP1933PLC000511

80th Annual General Meeting-Friday, September 11, 2015Name of the Member
(In Block Letters)Name of Proxy, If any
(In Block Letters)
(In case Proxy attends
the meeting in place of member)

DP ID/Client ID/Folio No.

No. of Shares held

I/We hereby record my / our presence at the 80th Annual General Meeting of the Company to be held on Friday, the 11th day of September, 2015 at the Registered Office of the Company at Sugar Mill Compound, Dhampur, Distt. Bijnor (U.P.) at 2.00 p.m.

Signature of the Member

Signature of the Proxy Holder(s)

Note:

- Members/Proxy holders are requested to bring this Attendance Slip duly filled in and signed with them when they come to the meeting and hand it over at the **ATTENDANCE VERIFICATION COUNTER** at the entrance of the Meeting Venue.
- NO ATTENDANCE SLIP SHALL BE ISSUED AT THE MEETING.
- Electronic copy of the Annual Report for the Financial year 2014-15 & Notice of the AGM alongwith the attendance slip & Proxy form is being sent to all the members whose email address is registered with the Company /DP unless any member has requested for a hard copy of the same. Members receiving electronic copy & attending the AGM can print copy of the Attendance slip.
- Physical copy of the Annual Report for the Financial year 2014-15 & the Notice of the AGM alongwith Attendance Slip & Proxy form is being sent in the permitted mode(s) to all members whose e-mail is not registered or have requested for hard copy. Please bring your copy of the Annual Report to the Meeting.
- The Meeting is of members only and you are requested not to bring with you any person who is not a member or a proxy.

Signature of the Member

Signature of the Proxy Holder(s)

E-VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD

Note : Please read the instructions given in the Notice of AGM before casting your vote through e-voting.

PROXY FORM

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

**DHAMPUR SUGAR MILLS LIMITED**

DHAMPUR, DISTRICT BIJNOR (U.P.) 246761

Tel: 01344-220006, Fax: 01344-220662

Email: investordesk@dhampur.com, Website: www.dhampur.com

CIN : L15249UP1933PLC000511

80th Annual General Meeting on Friday the 11th September, 2015

Name of the member(s) :

Registered address :

Email Id :

Folio No/ DP ID-Client ID No.

I/We, being the member (s) of..... Shares of the above named Company, hereby appoint

1. Name : E-mail Id :
Address :
Signature , or failing him / her
2. Name : E-mail Id :
Address :
Signature , or failing him / her
3. Name : E-mail Id :
Address :
Signature

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 80th Annual General Meeting of the Company, to be held on Friday the 11th September, 2015 at the Registered Office of the Company at Sugar Mill Compound, Dhampur, Distt. Bijnor (U.P.) at 2.00 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

**I wish my above Proxy to vote in the manner as indicated in the box below:

Resolution Number	Resolution	Against	For
Ordinary Business			
1	To receive, consider and adopt the Balance Sheet as at 31 st March, 2015 and the Profit & Loss Account of the company for the period ended on 31 st March, 2015 together with Director's Report and Auditors' Report thereon.		
2	To appoint a director in place of Shri V.K Goel, who retires by rotation and being eligible offers himself for re-appointment.		
3	To appoint a director in place of Shri A.K Goel, who retires by rotation and being eligible offers himself for re-appointment.		
4	To re-appoint M/s Mittal Gupta & Company, Chartered Accountants, Kanpur, as Statutory Auditors of the Company for the financial year 2015-16 to hold office from the conclusion of this meeting to the conclusion of next Annual General Meeting		
Special Business			
5	To appoint M/s S.S. Kothari Mehta & Co., Chartered Accountants, as Branch Auditors of Meerganj Unit and Rajpura unit of the Company for the financial year 2015-16 to hold office from the conclusion of this meeting to the conclusion of next Annual General Meeting.		
6	Payment of Remuneration to the Cost Auditor for the Financial Year 2015-16.		
7	Appointment of Ms Nandita Chaturvedi as Independent Director.		
8	Invitation and Acceptance of Fixed Deposits from the Members and Public		
9	Reappointment of Shri V. K. Goel, Chairman and Executive Director of the Company and to fix his remuneration		
10	Reappointment of Shri A. K. Goel, Vice Chairman and Executive Director of the Company and to fix his remuneration		
11	Reappointment of Shri Gaurav Goel as Managing Director of the Company and to fix his remuneration		
12	Reappointment of Shri Gautam Goel as Managing Director of the Company and to fix his remuneration		
13	Borrowing Powers of the Company		

Signed this.....day of.....2015.

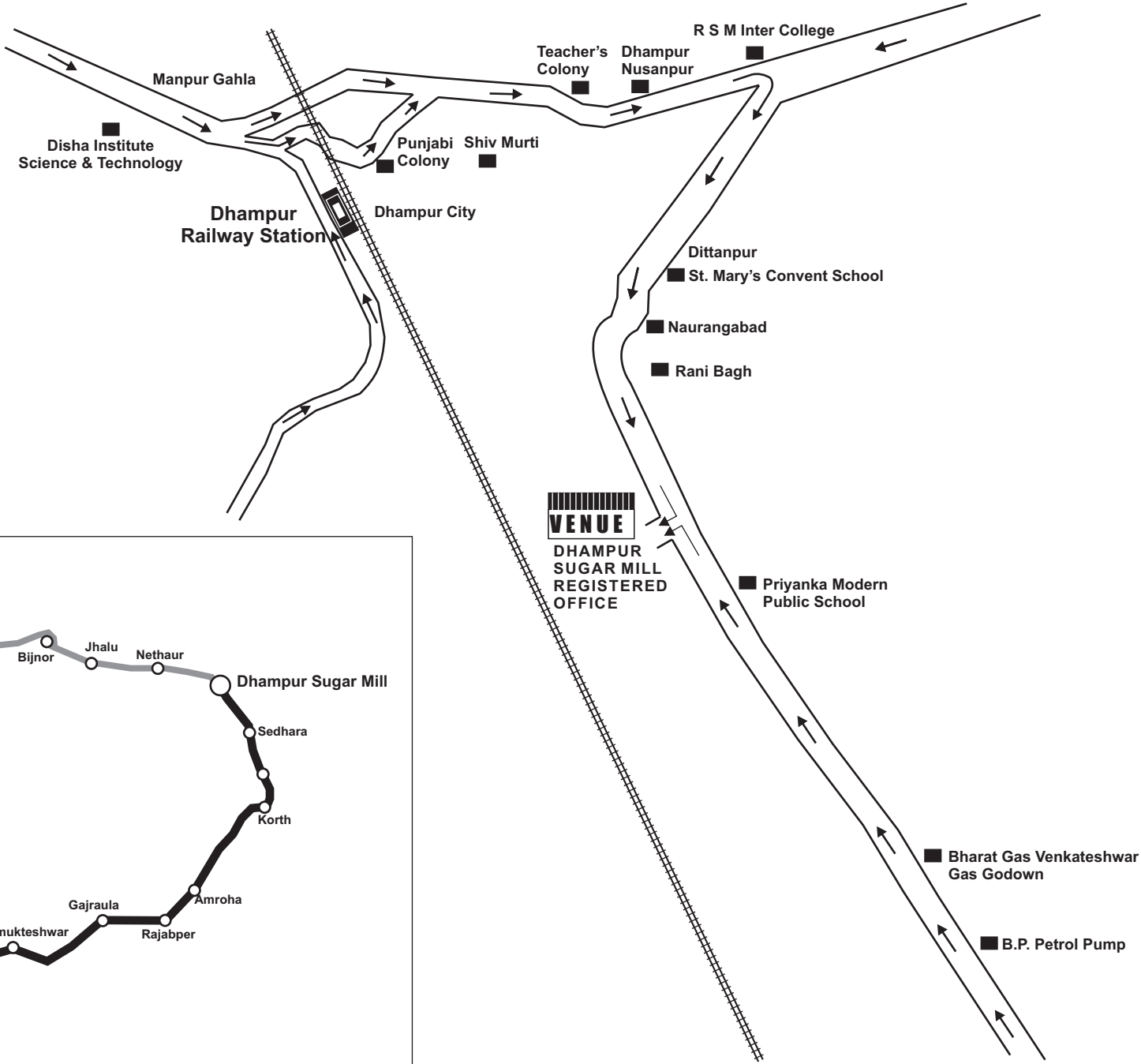
Signature of shareholder Signature of Proxy holder(s)

Notes:

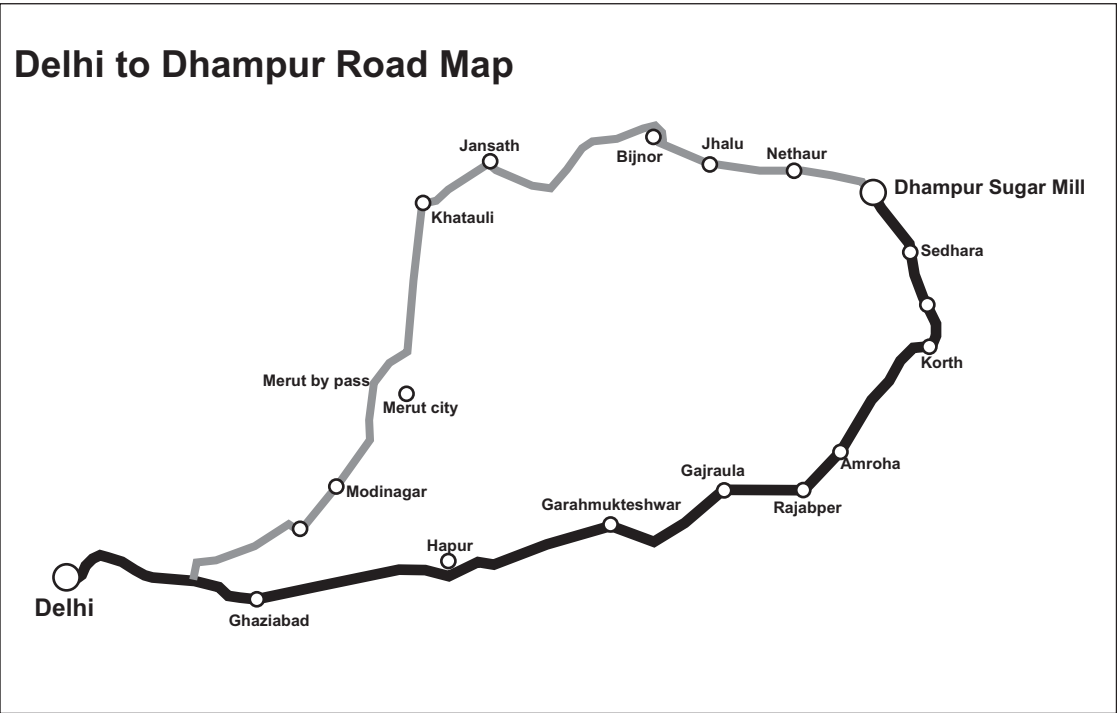
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. **It is optional to indicate your preference. If you leave the for, against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
3. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 30th Annual General Meeting.

DHAMPUR ROAD MAP

Registered Office of the Company at
Sugar Mill Compound,
Dhampur, Distt. Bijnor (U.P.)



Delhi to Dhampur Road Map



The background of the entire page is a detailed, monochromatic illustration of a sugarcane field. The stalks are vertical and segmented, with large, pointed leaves branching out. The illustration is rendered in a dark grey tone against a lighter grey background.

DHAMPUR SUGAR MILLS LIMITED

AGAINST ALL ODDS

ANNUAL REPORT
2014-15

Caution regarding forward-looking statements

This document contains statements about expected events, and financial and operational results of Dhampur Sugar Mills Limited which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant chance that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, and actual results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management discussion and analysis section part of the Dhampur Sugar Mills Limited Annual Report, 2014-15.

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This annual report is dedicated to the spirit of sugar manufacturers who, despite losses, continue to produce sugar and service the country's growing appetite.

The annual report encapsulates the story of Dhampur Sugar Mills Limited, who proactively diversified from sugar manufacture to the downstream processing of byproducts and continues to outperform the sectoral average.

Against all odds.

The Indian sugar industry is the second largest in the world.

This industry is one of India's biggest agricultural proxies, purchasing more than ₹60,000 crore in cane each year from farmers.

It is also one of the largest employers, providing a livelihood (directly and indirectly) to more than 50 million people.

It takes the cause of clean energy ahead through the manufacture of ethanol (petrol-blended) and cogeneration.

And yet...

... most sugar manufacturers are unable to break even in their core segment.

... the sector is one of the most regulated even after 24 years of liberalisation.

... the raw material price is controlled (read 'raised') by the government while the end product is exposed to market vagaries.

... the industry has reported the highest cane arrears in its existence, affecting viability.

Nearly 20 million people in Uttar Pradesh depend on sugarcane for their livelihood.

Sugar realisations declined from ₹31 a kilogram to ₹25; banks reduced financing the industry's working capital, affecting their ability to pay farmers.

The state's sugarcane arrears for the 2014-15 crushing season was in excess of ₹8,000 crore (calculated at ₹280 for a quintal of cane).

Nature made Uttar Pradesh one of the best cane-growing regions in the world; man made it one of the most challenging sugar manufacturing pockets in the country.

And yet...

... **Dhampur Sugar** crushed cane for 142 days in 2014-15.

... **Dhampur Sugar** embarked on expansions (greenfield and brownfield) when most companies postponed capital expenditure.

... **Dhampur Sugar** reported a recovery of 9.59% when most Uttar Pradesh sugar manufacturers reported a recovery of 9.55%.

... **Dhampur Sugar's** non-sugar revenues stood at around 30% in 2014-15, considerably higher than the corresponding industry average.

Against all odds.

Dhampur Sugar Mills Limited.

- One of India's leading integrated sugarcane processing companies.
- Extended its portfolio beyond sugar to renewable energy, alcohol, extra neutral alcohol, alcohol-based chemicals and biofertilisers.
- Three businesses in one.

Our legacy

Established in 1933 by Mr. Lala Ram Narain, Dhampur Sugar Mills Limited is one of India's oldest, largest and most respected sugar companies.

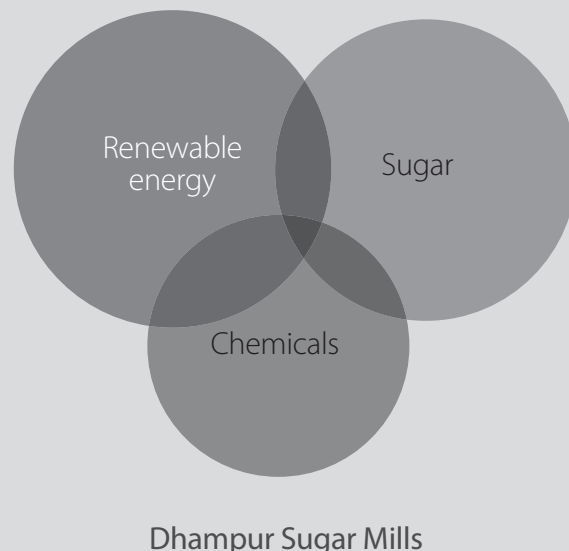
From humble beginnings in Dhampur, the Company has set industry benchmarks in terms of quality. Dhampur Sugar Mills is respected for its wide product basket, efficient research capabilities and timeless values.

Dhampur Sugar Mills extended beyond sugar manufacture to energy cogeneration, alcohol, extra neutral alcohol, alcohol-based chemicals and biofertilisers.

Dhampur Sugar Mills is today one of India's largest and most integrated sugar companies.

Our diversified business

Dhampur Sugar Mills Limited is three businesses in one.



Mission

To emerge as a leading agro-based Company and to manufacture and promote agro and other green products while maximising the renewable energy potential of agricultural commodities.

Vision

Our vision is to be a responsible corporate citizen by making a positive contribution to our environment and working for the benefit of all our stakeholders – farmers, employees, financial partners, shareholders and the community at large.

Our presence

Dhampur Sugar Mills Limited (corporate office in New Delhi) has integrated manufacturing facilities in Dhampur, Asmoli, Mansurpur, Rajpura and Meeranjan in Uttar Pradesh.

**Our
product
offerings**

- Refined sugar
- White sugar
- Retail sugar

**Sugar**

- 205 MW power
- 124 MW of surplus power

**Power**

- Ethanol/Rectified spirit
- Extra neutral alcohol
- Ethyl acetate

**Chemicals**

- Biocompost
- Liquid biofertilisers

**Biofertilisers**

Dhampur Sugar Mills is one of India's largest and most integrated sugar companies.

Our manufacturing facilities

Dhampur unit			
Nature of plant	Greenfield		
Location	Dhampur in Bijnor district of Uttar Pradesh		
Established	1933		
Capacity	Cane crushing capacity: 15,000 tonnes of cane per day	Ethanol/RS/ENA capacity: 2,00,000 litres per day; Ethyl acetate: 140 TPD	Power generation capacity: 65 MW
Uniqueness	Integrated sugar mill with cogeneration and distillery facilities		
Farmers associated	65,000		

Asmoli unit				
Nature of plant	Greenfield			
Location	Asmoli in Bheemnagar district of Uttar Pradesh			
Established	1994			
Capacity	Cane crushing capacity: 9,000 tonnes of cane per day	Refined sugar capacity: 900 TPD	Ethanol/RA/ENA capacity: 1,00,000 LPD	Power generation capacity: 40 MW
Uniqueness	Integrated sugar mill with cogeneration, distillery and refinery facilities			
Farmers associated	37,000			

Mansurpur unit

Nature of plant	Brownfield		
Location	Mansurpur in Muzaffarnagar district of Uttar Pradesh		
Established	2006		
Capacity	Cane crushing capacity: 8,000 tonnes of cane per day	Refined sugar capacity: 800 TPD	Power generation capacity: 33 MW
Uniqueness	Integrated sugar mill with cogeneration and refinery facilities		
Farmers associated	23,000		

Dhampur unit

Nature of plant	Greenfield		
Location	Rajpura in Bheemnagar district of Uttar Pradesh		
Established	2006		
Capacity	Cane crushing capacity: 8,500 tonnes of cane per day	Power generation capacity: 48 MW	
Uniqueness	Integrated sugar mill with cogeneration facilities		
Farmers associated	27,000		

Meerganj unit (formerly known as JK Sugar Limited)

Nature of plant	Brownfield		
Location	Meerganj in Bareilly district of Uttar Pradesh		
Established	2013		
Capacity	Cane crushing capacity: 5,000 tonnes of cane per day	Power generation capacity: 19 MW	
Uniqueness	Integrated sugar mill with cogeneration facilities		
Farmers associated	35,000		

Since 1933...

1933

Dhampur Sugar Mills Limited started its journey with a cane crushing capacity of 300 tonnes of cane per day at Dhampur

1987

Leased a sick unit at Mansurpur (1,800 TPD)

1991

Established a chemical unit at Dhampur to process molasses into alcohol and other chemicals (7,600 tonnes per annum)

1993

Increased crushing capacity at the Dhampur unit to 5,000 tonnes of cane per day

1994

Installed a new sugar unit at Asmoli with a crushing capacity of 2,500 tonnes of cane per day

1995

Increased crushing capacity at the Dhampur unit to 9,000 tonnes of cane per day

1996

Increased crushing capacity at the Dhampur unit to 10,000 tonnes of cane per day

1997

Improved capacity of the chemical plant at Dhampur to 16,500 tonnes per annum

1999

Enhanced crushing capacity of the Asmoli unit to 5,000 tonnes of cane per day

2006

- Improved crushing capacity of the Dhampur unit to 12,000 tonnes of cane per day and the Asmoli unit to 6,000 tonnes of cane per day • Merged Mansurpur Sugar Mills Limited with Dhampur Sugar Mills Limited

2007

- Established the greenfield Rajpura unit with a crushing capacity of 7,500 tonnes of cane per day • Enhanced power generation capacity at the Dhampur unit, the Asmoli unit and Mansurpur unit to 65 MW, 40 MW and 28 MW, respectively
- Commissioned a distillery at the Asmoli unit with a capacity of 1,00,000 LPD through a joint venture with Falck Renewables SpA

2008

- Expanded sugar crushing capacity at the Dhampur unit to 15,000 tonnes of cane per day, at Asmoli to 9,000 tonnes of cane per day and at Mansurpur to 8,000 tonnes of cane per day

2010

- Converted the Asmoli distillery into a wholly-owned subsidiary

2011

- Enhanced power generation capacity at the Mansurpur unit to 33 MW

2012

- Merged the Asmoli distillery with Dhampur Sugar Mills Limited vide an order from the Hon'ble Allahabad High Court.

2013

- Merged JK Sugar Mills Limited with Dhampur Sugar Mills Limited vide an order from the Hon'ble Allahabad High Court
- Entered the IMFL sector

2014

- Enhanced the distillery capacity to 3,00,000 LPD
- Successfully commissioned a 35.5 MW power plant at the Rajpura unit
- Started manufacturing, marketing and selling its own liquor brand

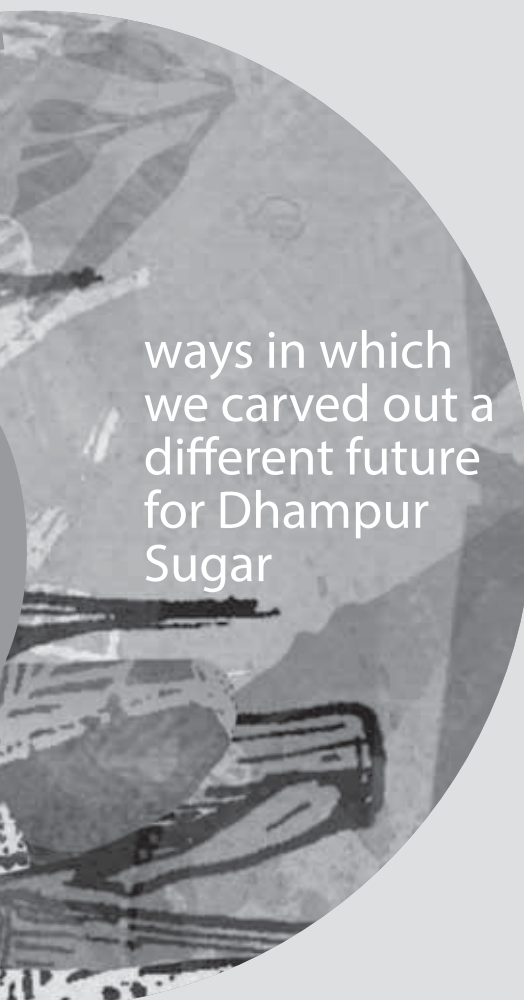


1 Extensive integration: Dhampur Sugar Mills Limited was one of the first companies in India's sugar industry to see a life beyond sugar. The result was that the Company didn't just built a robust foundation for sugar manufacture but also complemented that by corresponding investments in the downstream processing of byproducts generated from sugar manufacture. Consequently, Dhampur Sugar progressively evolved its personality; what was once principally a sugar company gradually became a sugar and derivatives organisation, resulting in a steady incremental increase in the profits of the non-sugar business over the last few years.

2 Balanced integration: The critical difference is not that Dhampur Sugar Mills Limited invested in non-sugar product lines; the difference is that the Company balanced its sugar and non-sugar investments. The sugar investments were never so imprudently high that sub-optimal returns in a weak sugar economy would affect overall competitiveness; the non-sugar investments were never so high that the Company did not possess adequate captive sugar availability to generate in-house raw material. The result of this balanced and measured approach is that every tonne of cane crushed at Dhampur generates 96 kilograms of sugar, 125 kilowatts of power, 8.1 litres of alcohol and 5.4 kilograms of chemicals – one of the highest downstream processing benchmarks in India's sugar industry.

3 Consistent investor: Dhampur Sugar has consistently invested in capacity creation and agumentation, good markets or bad. This makes it possible for the Company to capitalise on attractive equipment prices during the downturn coupled with quicker equipment availability. Following its IPO in 1992, the Company's crushing capacity grew almost nine-fold to 45,500 tonnes of cane crushed per day in 2014-15; while the distillery capacity tripled to 3,00,000 LPD in 2014-15 from 1,00,000 LPD in 2004-05; co-generation capacity nearly tripled to 205 MW in 2014-15 from 74 MW in 2004-05.






ways in which we carved out a different future for Dhampur Sugar

4 Timely acquisitions: The Company did not just meaninglessly invest in capacity; the Company recognised available capacity, negotiated prudently to acquire mills and invested in knowledge building to make them profitable. In so doing, Dhampur Sugar Mills leveraged asset value quicker and better than the Company would have done if it had to build them afresh. The Company merged Mansurpur Sugar Mills Limited and JK Sugar Limited (cumulative per day capacity of 11,500 tonnes of cane), added capacity (cumulative 1,500 tonnes of cane per day) and entered into a strategic joint venture with Falck Renewables SpA to commission a distillery and ethanol plant (Asmoli).

5 Strong relationships: Dhampur Sugar Mills possesses a robust Balance Sheet that inspires banker confidence, which in turn translates into an adequate availability of funds to finance the purchase of cane and new production capacities. The result is that the Company's command areas have generated increasing cane quantities year on year, translating into high asset utilisation. The Company's cane purchases increased from 375.76 lac quintals in 2011-12 to 458.58 lac quintals in 2014-15, supported by farmer training, provision of quality seeds, fertilisers, irrigation and knowledge sharing. Consequently, cane quality has improved; the average recovery of 9.59% reported by the Company in sugar season 2014-15 was 4 bps higher than the Uttar Pradesh average, reinforcing the Company's competitiveness and sectoral outperformance.

6 Progressive de-risking: At Dhampur Sugar Mills, competitiveness is not derived only from a growing proportion of non-sugar revenues. A large proportion of annuity incomes within non-sugar revenues is derived from cogenerated energy. This energy is marketed to the State Electricity Board, secured by a power purchase agreement, which provides revenue visibility, timely cash flows and an attractive tax hedge. Besides, 13.19% of the Company's revenues are derived from the chemicals segment - mainly from ethanol sale agreements with oil marketing corporations.

A horizontal decorative bar with a grayscale image of sugarcane stalks.

"We didn't just invest in non-sugar capacities; we balanced our sugar and non-sugar investments to optimise returns"

A conversation with **Gautam Goel and Gaurav Goel**, Managing Directors, Dhampur Sugar Mills Limited

What is your principal message to the shareholders?

The year 2014-15 was one of the most challenging in the history of India's sugar industry. Cane prices increased; sugar prices declined. This is not something that has never transpired before in our sector; it is the scale and tenure across which this happened that has translated into possibly the highest cane arrears for the industry as a whole and the inability of most mills to even pay the FRP.

And yet, Dhampur Sugar reported a counter-cyclical performance in 2014-15, which was largely derived from the superior working of its non-sugar business. For one, the proportion of non-sugar revenues stood at around 30% of our overall revenues in 2014-15; the non-sugar proportion of our profits increased from 156.92% to 327.45% during the period.

What are the various initiatives that strengthened the working of the Company's non-sugar business?

A number of features went into our sectoral outperformance. One, we

commissioned our Rajpura cogeneration plant and achieved 100% capacity utilisation. This increased cogeneration revenues by 10% and profits from this business by 50% over the previous year. Two, we negotiated with the State Electricity Board (grid) that made it possible to increase power tariffs by nearly 12%, which will translate into enhanced revenues and profits from 2015-16 onwards. Three, we embarked on the path of selling liquor directly in the market. Four, we invested ₹2.53 crore in 2014-15 in synthesising the capacity of ethyl acetate at Dhampur (now 140 metric tonne per day) which finds extensive use in the paint and varnishes industry. The result is that despite incurring a substantial loss in the sugar business, the Company made a cash loss of only ₹0.53 crore in 2014-15 compared to the cash loss of ₹8.05 crore in 2013-14 because of the profit earned from the non-sugar business.

How is the Company addressing the challenges in its sugar business?

The prevailing environment in the sugar industry is disappointing. For most

companies, the manufacture of sugar is a losing proposition. Given this reality, we do not consider it prudent to expand our sugar manufacturing capacity. On the contrary, we will work on cane development, improve our operating efficiencies and engage in capacity de-bottlenecking.

The only long-term solution for the industry would be a linkage of sugar realisations with cane prices. This would be a correction of the existing scenario where a decline sugar realisations is complemented by an increase in cane prices. The result is that farmers are unprecedentedly growing more and more cane despite growing arrears which is depressing sugar realisations. Only when there is an equitable balance between end product realisations and raw material costs, can one hope for a win-win proposition leading to sustainable industry growth. Either the industry is completely controlled or completely de-controlled; a half-way position will do more harm than good. This is not a Uttar Pradesh centric reality; this is a national phenomenon. The fact that the other states have made some



The proportion of non-sugar revenues stood at around 30% of our overall revenues in 2014-15; the non-sugar proportion of our profits increased from 156.92% to 327.45% during the period.

headway with linkages even as Uttar Pradesh is lagging can complicate the pan-India reality even further. I believe that the present government is sympathetic to the industry's cause but restrained by political considerations.

Is there a solution apart from the linkage that you indicated?

Currently, the FRP recommended by the government has exceeded the price that would have been warranted for payment based on the linkage formula. In such a circumstance, the government should pay the balance. During the year gone by, the FRP was ₹220 at 9.5% recovery across India. Now, say one's recovery is 0.1% higher than 9.5%, one has to pay an additional ₹2.31 per quintal of cane. So in any state of India, if the recovery is higher than 9.5%, the millers of the state have to pay an extra ₹2.31 on per quintal of cane purchased without being able to recoup it through sugar realisations. The result is that mills are being hostaged for their own productivity. The higher the efficiency, the bigger the loss.

How else can the scenario be corrected??

Presently, the difference between the FRP and the SAP is being borne by the State Governments, stretching their financials. The intervention by the Central Government in paying the difference will make it possible for the state governments

to invest in building infrastructure instead. Besides, the authorities can create stock of surplus sugar (10% of the national output) that would remove extra sugar from the market and introduce the same in the event of a production decline, helping correct prices to their fair levels across both periods. Incidentally, the decision of the government to increase import duty on sugar from 25% to 40% had no impact on prevailing realities

It is indeed an irony that even with record arrears we are likely to see record sugar output of around 27 million tonnes in 2015-16. And here I must confess that the sugar industry is just plain unlucky; there has been a decline in the remuneration for a number of crops, which makes cane remuneration appear handsome by comparison, the arrears scenario notwithstanding.

because no imports were happening in the first place anyway.

What is the outlook for the country's sugar industry?

It is indeed an irony that even with record arrears we are likely to see record sugar output of around 27 million tonnes in 2015-16. And here I must confess that the sugar

industry is just plain unlucky; there has been a decline in the remuneration for a number of crops, which makes cane remuneration appear handsome by comparison the arrears scenario notwithstanding. In view of this, we do not see any improvement in sugar realisations across the foreseeable future.

What is the scenario likely to be at Dhampur Sugars?

At Dhampur Sugars, we are optimistic of doing better in FY16 through greater efficiency, dedicated de-bottlenecking and enhancing non-sugar revenues.

Ethanol is our brightest prospect with the government permitting us to use heavy molasses which delivers a higher alcohol yield. This will enable us to divert some of our sugar capacity towards alcohol which would help us in increasing our alcohol production capacity substantially.

We expect additional cogeneration throughput through our newly commissioned plant at Rajpura, which should translate into higher revenues and profits.

The combination of these initiatives is expected to facilitate sectoral outperformance yet again and preparing us for a scenario when the core sugar economy corrects itself and realisations rebound.

Dhampur Sugars didn't just play the game better; it changed the game.

A number of years ago, when the sugar industry was largely regulated. The price which the Company was required to pay farmers, the quantum of sugar it needed to sell to the government without profit and the overall sale timing were all dictated by the government.

The Company took a proactive call. It selected to extend from the manufacture of sugar to the downstream processing of byproducts generated from sugar manufacture.

74 MW

Dhampur Sugars' cogeneration capacity, 2004-05

205 MW

Dhampur Sugars' cogeneration capacity, 2014-15

25,550 TPA

Dhampur Sugars' chemical capacity, 2004-05

This synergic diversification ensured a number of things for the Company.

One, it widened the Company's risk by progressing from one product to a multiple product basket.

Two, it empowered the Company to capitalise on the various dynamics benefiting the other products – tax hedge, long-term supply agreements and a long-term trend of demand over supply.

Three, it moderated the cyclical

impact on the Company's profits.

Four, it leveraged the Company's core competence – farmer relationships – to drive multi-revenue growth.

Dhampur Sugar did not just invest in synergic capacities; it sized these capacities in line with its core cane crushing capacity. This right sizing ensured that a reasonable balance was struck between the sugar and non-sugar capacities. This in turn optimised business returns, making



51,100^{TPA}

Dhampur Sugars' chemical
capacity, 2014-15

it possible for the Company to remain liquid and viable even during the most challenging troughs for the sugar industry.

This priority has been reflected in the Company's investment policies. The Company invested ₹785 crore in sugar capacities across the last decade ending 2014-15; it invested ₹710 crore in non-

sugar capacity building.

This has translated into a re-balancing of profit components. From a time when virtually all the profits of the Company were derived from sugar, the Company reported a 327.45% increase in profits from its non-sugar business during the year under review.

Dhampur Sugars didn't just invest in byproduct businesses; it went deeper in each.

At Dhampur Sugars, we didn't just diversify our exposure across a number of downstream byproduct segments; we went deeper within each with the objective to widen the value chain and enhance returns.

In 2012, we embarked on the production of liquid biofertilisers (fermentation-based) – an array of 14 products (with a production capacity of 3.6 lac litres per annum) manufactured from our state-of-the-art liquid biofertiliser unit at Rajpura (10,000 square feet) which were aggressively promoted among farmers.

100 KLPD

Dhampur Sugars' distillery
capacity, 2004-05

300 KLPD

Dhampur Sugars' distillery
capacity, 2014-15



The use of liquid biofertilisers demonstrated encouraging results in terms of yield and income. Recently, the Company introduced potash mobilisers, zinc and sulphur solubilisers, manganese solubiliser and fungal cultures with the objective to enhance yeild viability.

In the ethanol business, the Company capitalised on various government incentives leading to its blending in gasoline and the consequent reduction in exhaust emission and global warming.

The Company entered the IMFL segment with its own manufacturing unit at Dhampur. This would

help Dhampur to expand the business, which is evident from the fact that the Company has started manufacturing, marketing and selling its own liquor brand during FY15.

Revenues from the chemical and alcohol segment stood at 13.19% of total revenues in 2014-15 including the biofertilisers segment; revenues from the sale of power accounted for 15.35% of total revenues during the year under review.

Besides, revenues from the power and chemical businesses grew at a CAGR of 25.09% during the last ten years leading to 2014-15.

Dhampur Sugars didn't just believe in reporting happy returns; it ensured quicker returns as well.

One of the biggest challenges in recent years in the Indian sugar industry was mobilising adequate working capital with which to grow the business.

This challenge was on account of a crisis of confidence for the industry at large related to its viability.

₹ 1.17 crore

Dhampur Sugars' EBIDTA from non-sugar businesses, 2004-05

₹ 223.66 crore

Dhampur Sugars' EBIDTA from non-sugar businesses, 2014-15





As mills found it increasingly difficult to mobilise working capital, they found it difficult to pay for cane. This, in turn, made it difficult for the Company to achieve its desired asset utilisation, affecting production and revenues. This vice-like grip translated into losses and premature closure for a number of mills.

A differentiated response protected Dhampur Sugars.

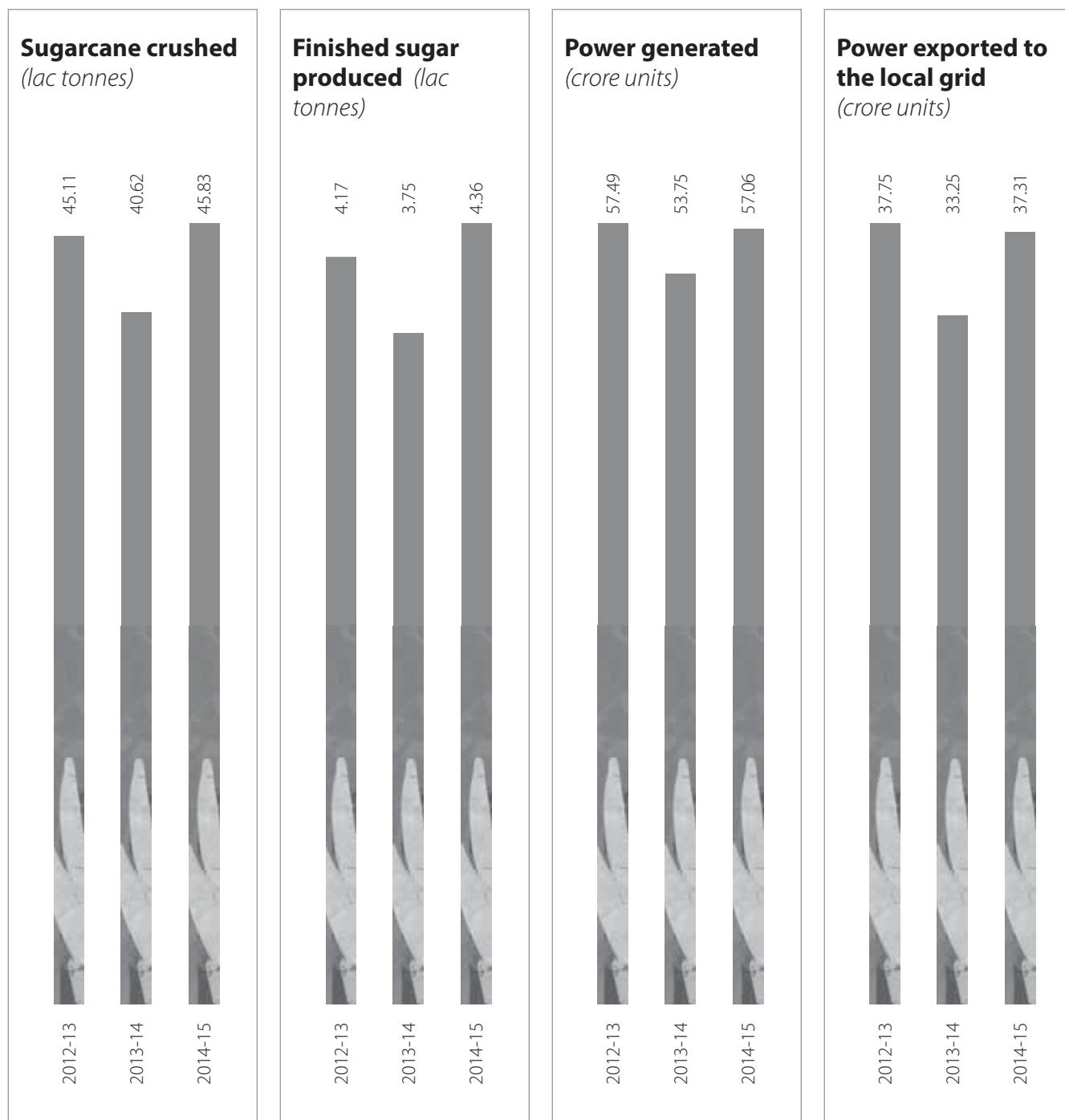
The Company hypothecated its sugar production to commercial banks, who provided the Company with corresponding working capital loans.

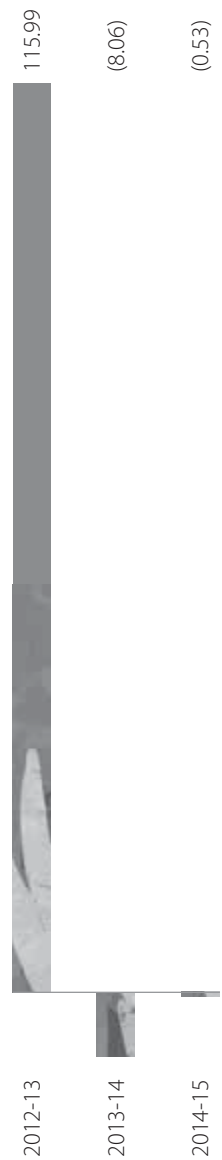
This precious working capital was utilised to pay for cane, indigenous biofertilisers and high-yielding seeds. The proceeds from the sale of sugar was utilised to pay the banks.

This sequence made it possible for us to honour the commitments made to farmers and bankers, strengthening our operational sustainability.

Over the last year, the Company cleared a substantial amount of its cane arrears across more than 1,87,000 farmers in five command areas, strengthening its reputation as a credible customer.

This is how we performed in 2014-15



**Ethanol/RS/ ENA
produced** (lac litres)**Income from
operations**
(₹ crore)**Gross block**
(₹ crore)**Cash profit**
(₹ crore)

Dhampur's excellence areas

Operations

In a business with diverse manufacturing opportunities, there is a premium on product, process and capacity selection for enhanced competitiveness.

Dhampur Sugar Mills Limited selected to integrate sugar manufacture with downstream industries across all its units. Dhampur led the way by emphasising on multi-product profitability.

The Company processes byproducts to generate ethanol, power and extra neutral alcohol across all its units, representing as case for standalone unit sustainability.



Sugar

The Company's five sugar manufacturing units enjoy a cumulative cane crushing capacity of 45,500 tonnes of cane per day. All the units of the Company are situated in Central/Western Uttar Pradesh, a preferred cane growing pocket. The Company's cane crushing units draw their cane from within a radius of around 20 to 25 kilometres normally, translating into low logistical costs. Dhampur is also one of the largest refined sugar producers of India with a capacity of 1,700 TPD. This has helped the Company to efficiently utilise its low-cost conversion following the availability of captive power during the off-season. The Company sources its raw materials from more than 1,87,000 farmers, with whom it enjoys multi-decadal relationships.

Talking points, 2014-15

The Company reported the following improvements during the year under review:

- Revenues from the sugar business

stood at ₹1,627.21 crore for 2014-15 against ₹1,605.88 crore in 2013-14, a 1.32% growth

- Achieved an average capacity utilisation of 76% across all units during sugar season 2014-15
- Increased contribution to total revenues to 69.12% in 2014-15 compared to 65.49% in 2013-14
- Crushed 45.83 lac tonnes of sugarcane in 2014-15 compared to 40.62 lac tonnes in 2013-14
- Refined sugar constituted 40.70% of the total sugar produced; the Company generated a revenue of ₹641 crore from double refined sugar
- Enhanced average sugar recovery from 9.27% in 2013-14 to 9.51% in 2014-15

Road ahead

The Company will focus on improving overall production efficiency and earnings from the refined sugar segment (value-added), while increasing the number of crushing days and recovery in the forthcoming season.



Distillery

Dhampur was the first sugar Company in India to produce alcohol through the encillium process developed by the National Chemical Laboratory (Pune) in 1992.

The Company proactively commissioned chemical complexes, profitably utilising byproduct molasses to produce a range of alcohols (ethanol and rectified spirit).

Over time, the Company emerged as one of the largest Indian producers of ethanol and sugarcane derivatives through its 3,00,000 LPD capacity distillery. The Company diversified into the manufacture of value-

added chemicals (ethyl acetate and acetic anhydride) that command higher demand and realisations. The product basket of the Company comprises chemicals like ethanol, rectified spirit, extra neutral alcohol, carbon dioxide and biofertilisers, among others. The Company automated operations to attain flexibility in switching manufacture between chemicals as per market conditions.

Talking points, 2014-15

The Company reported the following improvements during the year under review:

- Revenues from the chemical business

stood at ₹326.68 crore for 2014-15

- Revenues from the distillery accounted for nearly 13.19% of the total revenue generated
- Improved average realisations from ₹36.93 per litre in 2013-14 to ₹38.68 per litre in 2014-15

Road ahead

The Company will continue to enhance the production of ethanol and alcohol by utilising heavy molasses. It will also focus on enhancing synthesising capacity of value-added ethyl acetate segment which enjoys attractive demand from the paints and varnishes industry.



Power

In a power-intensive business like sugar manufacture, the onus is on the Company's ability to maximise the generation of power from the downstream utilisation of byproducts. The Company installed 205 MW of cogeneration capacity, one of the largest aggregate capacities in India's sugar industry. The capacity provides adequate power for captive use and merchant sale (124 MW). The Company's multi-fuel boilers ensures year-long power generation. The Company because of using bagasse for power generation became a REC (Renewable Energy Certificate) certified Company. This helped the Company in generating additional revenues by selling the REC credits earned by the Company.

Talking points, 2014-15

The Company reported the following improvements during the year under review:

- Increased total revenue from the power business to ₹380.41 crore in 2014-15 from ₹345.82 crore in 2013-14.
- Increased the power production capacity by almost 20% in 2014-15 - 169 MW in 2013-14 to 204.5 MW - following the successful commissioning of the new power plant (35.5 megawatts) at Rajpura
- Enhanced machine-time efficiency, increasing the yield ratio of steam from bagasse and reduced the per unit production cost
- Revenue from power now accounts for 16.65% of the total revenue generated compared to 14.11% in 2013-14; the

proportion of EBITDA contributed by the power generation business was around 115% during the year under review

- During 2014-015, the Company earned a total of 1,34,598 REC certificates, which were sold at a minimum cost of ₹1,500 per certificate.
- Exported 37.31 crore units of power to the State Electricity Grid at an average realisation of ₹4.71 per unit in 2014-15 as against ₹4.31 in 2013-14

Road ahead

The Company will focus on enhancing the overall cogeneration capacity by improving the efficiency of each plant, a cushion against industry volatility. It will run power plants for the entire year; ensuring full asset utilisation. It will also explore new areas where to market power under the open access system.

Cane management

In a business where the growing space is finite and options varied, the Company is required to consistently demonstrate cane viability.

To incentivise sugarcane planting and protect the sugarcane acreage in its command areas, the Company remunerated the farmers in a timely manner at FRP. The Company was favourably located in the largest sugar producing state of India which enjoyed a crushing season of six to seven months against four to five months in other sugar producing regions. The consequent viability translated into economies-of-scale.

The Company undertook numerous cane development initiatives. It provided crop

loans to augment cane production in its command areas. It provided numerous agro inputs and fertiliser subsidies to encourage sugarcane production. Dedicated cane procurement teams were deployed to manage cane procurement. The Company purchased sugarcane from farmers, eliminating intermediaries. The Company's cane managers conducted periodic surveys; based on their date-wise cum pre-harvesting maturity surveys, harvesting permits were issued.

Talking points, 2014-15

The Company reported the following improvements during the year under review:

- Increased cane purchase by 12.8% to ₹1,268.87 crore
- Increased cane crushing by almost 12.8% from 40.62 lac tonnes in 2013-14 to 45.82 lac tonnes in 2014-15.
- Maintained the number of farmer associations at 1,87,000 in 2014-15, almost similar to last year.
- Invested ₹7.27 crore in farmer training, providing quality seeds, fertilisers, irrigation and arranging seminars for the farmers.

Road ahead

The Company will strengthen cane development with the objective to satisfy its growing cane appetite.

Marketing

In a business where the Company markets diverse products across customer segments, there is a need to service exactly what the customer wants.

The Company presently accounts for 1.3% of the country's ethanol market but has the capacity and the capability to increase its production capacity to account for 4% of the country's ethanol market. The Company strengthened the viability of its distillery business by foraying into the

branded Indian Made Foreign Liquor (IMFL) segment in 2013-14.

Talking points, 2014-15

The Company reported the following improvements during the year under review:

- Produced 4.36 lac tonnes of sugar (including raw sugar); marketed 3.97 lac tonnes (including raw sugar).
- Engaged with three oil marketing

companies to supply 52 million litres of ethanol for a peak price of around ₹41.5 per litre.

Road ahead

The Company intends to enhance its share in the fuel ethanol market and widen its biofertiliser segment by going deeper and wider across the sugar producing belts of Uttar Pradesh.

Management discussion and analysis

Indian economy at a glance

After a couple of dull years, the Indian economy improved in 2014-15 with a new Central Government at its helm. With the economy set to grow at 7.4%* and cross the \$2.1-trillion mark in 2014-15 against a 6.9% growth in 2013-14, there is a renewed scene of optimism that India would exceed the growth of the Chinese economy.

(Source: Forbes)

This improvement materialised on the back of a moderate manufacturing sector performance and increased public expenditure. Capital formation, an indicator of investment growth in the economy, declined to 29.8% (during April-December 2014) from 30.7% (during April-December 2013). The manufacturing sector grew by 10.1% during the October-December quarter against 8.7% in the previous quarter; the public services sector grew by nearly 20% against 6%, during the same time period. On the other hand, the construction and the agricultural sectors declined by 1.7% and 0.4%, respectively.

As per industry estimates, the economic situation appeared better and headed towards the right direction.

[* This figure has been calculated around the base year of 2011-12.]

Global sugar industry

After a weak 2014, which saw global sugar prices decline by almost 11%, sugar producers were hoping for some respite but circumstances only worsened.

The price of the Sugar 11 futures contract, traded on the New York Mercantile Exchange (NYMEX), fell freely. With Sao Paulo, Brazil's single largest cane-growing state, witnessing the worst drought in more than 80 years, the global sugarcane output and crushing declined significantly in 2014-15. However, contrary to the

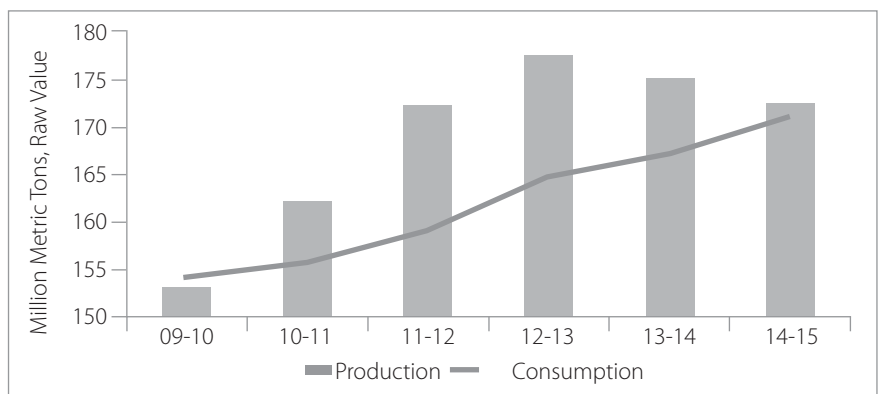
preliminary estimates (in August 2014) of about a 6% decline, total cane crushed till end-November was lower by just 3%. Higher-than-expected crushing depressed global sugar prices from 17 US cents per pound in October 2014 to 13 US cents per pound (as of March 2015). (Source: ISMA)

(in lac tonnes)

World sugar production - consumption, trade and stock			
Particulars	2012-13	2013-14	2014-15*
World production	1,774.86	1,757.03	1,724.58
Human consumption	1,656.64	1,687.34	1,709.96
Total import	516.97	504.81	517.63
Total export	544.90	559.13	536.97
Ending stock	439.78	455.15	422.15

(Source: United States Department of Agriculture, *: Estimated)

Global sugar production and consumption



(Source: <http://apps.fas.usda.gov/psdonline/circulars/sugar.pdf>)

Sugar industry in India

The Indian sugar industry, the world's second-largest producer of sugar after Brazil, saw an increase in sugar output by nearly 13% in 2014-15 (SY) despite going through a financial crisis.

The current sugar season was the fifth consecutive year of surplus production. The total production in the country across all mills during the 2014-15 sugar season stood at around 24.72 million tonnes (till 31st March, 2015), which was 2.84 million tonnes higher than the production in

the last season. As per the Food Ministry, the total sugar production is expected to touch 27 million tonnes (estimated 25 million tonnes), as against an estimated consumption of 24.8 million tonnes. (Source: ISMA)

Production and consumption of sugar in India (million tonnes)



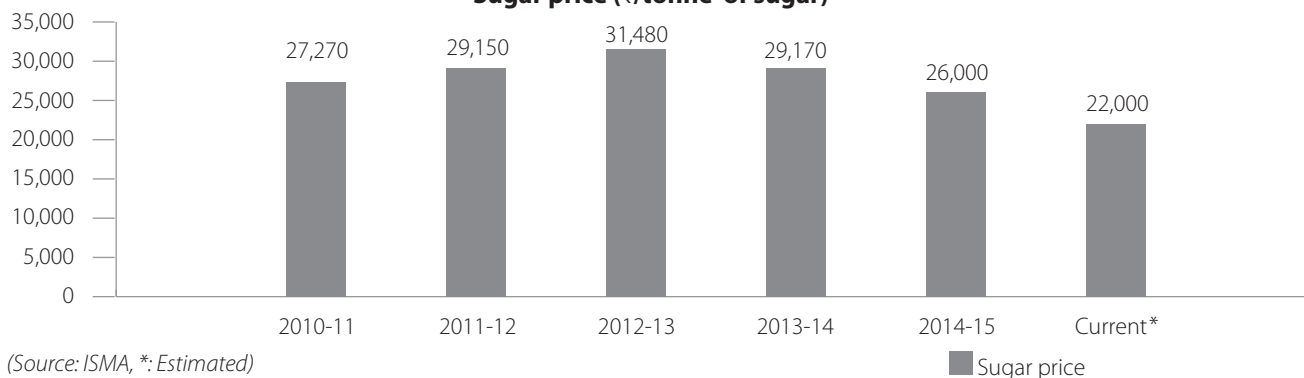
Due to declining realisations, mills were unable to recover production costs. With this liquidity crunch continuing for a number of years now and with the depressed ex-mill prices of ₹2,100-2,200 per

quintal in Western and Southern states and ₹2,300-2,400 per quintal in Northern states, sugar mills found it difficult to pay the fair and remunerative price (FRP) or meet operating expenses. From the beginning

of the sugar season, ex-mill sugar prices declined by almost ₹7,000 per tonne of sugar, the current ex-mill sugar prices being the lowest in three years.

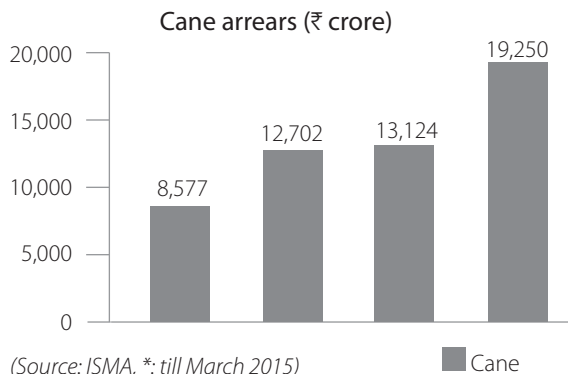
Average domestic sugar prices

Sugar price (₹/tonne of sugar)



Due to the mill inability to generate surpluses, cane arrears rose to record levels - around ₹21,000 crore across the country (₹13,124 crore at the end of March 2014) with Uttar Pradesh accounting for almost half this quantum.

Cane arrears over the years



With the sugar season starting with a surplus stock of almost 15 lac tonnes (opening balance of 75 lac tonnes), the total surplus sugar stock at the end of this season is expected to be somewhere around 30 lac tonnes. This unutilised surplus stock is expected to block around ₹7,500 crore of cash, which could have been a big relief for the industry as the same could have helped the mills clear at least 50% of the cane arrears to the farmers.

(Source: ISMA)

Did you know?

Every 10 lac tonnes of sugar blocks ₹3,000 crore of working capital. (Source: ISMA)

Uttar Pradesh production

In Uttar Pradesh, sugar mills produced 67.85 lac tonnes of sugar till 15th April, 2015, which was 5.30 lac tonnes higher than the sugar production during the corresponding period of the previous year i.e. up to 15th April, 2014. One of the main reasons for increased production was the increase in average recovery percentage of sugar. During the current year, till 15th April, 2015, sugar recovery was around 9.53% as against last season's cumulative average of 9.29%. There were 50 sugar mills operational as on 15th April, 2015, as against 42 (as on 15th April, 2014). (Source: www.indiansugar.com)

Measures which could help revive the industry

The government needs to find sustainable ways to improve mill viability and dispose the surplus sugar stock of around 30 lac tonnes through the following measures:

Re-insertion of Clause 3(B): In case a State Government wants to incentivise cane farmers with a payment higher than the FRP, the difference should be borne by that particular State Government, and not by the sugar mills. This is what is followed in the case of paddy, wheat, among others.

Creation of buffer stock for 20 lac tonnes for PDS: Annual requirement of sugar for PDS across the country is around 27 lac tonnes. Currently, State Governments are procuring sugar to fulfil their PDS requirements by floating tenders during the season. The Central Government can create a buffer stock of 20 lac tonnes.

The advantage of this will be that around 20 lac tonnes of sugar will be drawn out from the market, which is otherwise depressing the sugar prices.

Incentive on ethanol/removal of excise duty on ethanol: Production of fuel grade ethanol can help reduce some of the surplus sugar, especially considering the fact that there is still a demand-supply gap of around 100 crore litres. Furthermore, this is a renewable fuel, which doesn't harm the environment and also helps save foreign exchange. Better realisation of revenue from ethanol means better prices for farmers too. Therefore, an incentive of ₹7-8 per litre of ethanol should be given to divert surplus sugar into ethanol, which should be adequate to compensate mills for the losses in revenue from diversion of sugar to ethanol. Otherwise, the central excise duty of fuel grade ethanol should be removed. Removal of central excise from ethanol

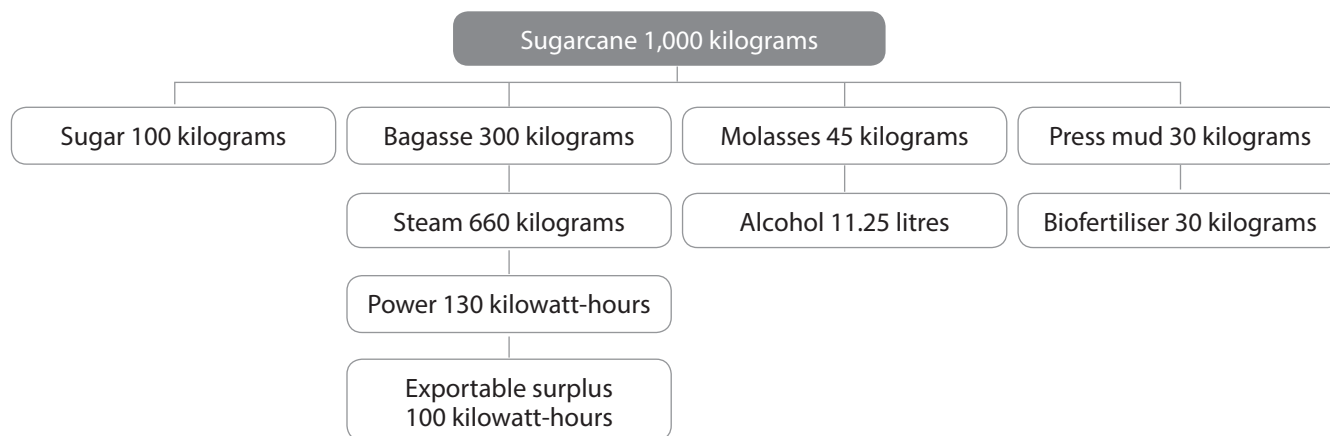
at ex-mill price of around ₹40 per litre, works out to around ₹5 per litre of ethanol, sufficient to encourage some conversion of surplus sugar by diverting heavy molasses into ethanol production, at least in some areas. The other products, made out of molasses like rectified spirit and extra neutral alcohol, are not burdened by a central excise duty either.

Restructuring of outstanding bank loans: The debt burden of the sugar mills has more than trebled in the last five years. Three years ago, the Central Government restructured the debt of the textile industry when it was passing through a difficult phase. A similar financial restructuring should be announced for the sugar industry which should include rescheduling of the period of repayment, a moratorium on repayment of three years worth of loans and a reduction in the rate of interest for outstanding loans, including

the opportunity to convert working capital loans to term loans. In order to overcome the current liquidity problem and help in clearing cane arrears, interest-free loans should be offered against excise duty, as was given last year.

Allow the export of white sugar: The Central Government incentivised the production and export of raw sugar, but it was delayed by almost five months. The global prices are so low that raw sugar exports are not viable despite the incentives. In view of this and the revision in sugar production upwards by 15 lac tonnes by the Central Government, there is a need to seriously consider subsidising white sugar exports by another 15-20 lac tonnes. Since white sugar stocks will be available with mills, the time to enter export contracts will be till September 2015 as against mid-April for raw sugar exports.

Value chain of sugarcane



Ethanol Blending Programme (EBP) in India, 2015

Ethanol blending represents the blending of ethanol with petrol. Many countries, including India, have adopted ethanol blending in petrol to reduce vehicle emissions, reduce the import of crude petroleum and improve cash flow of millers.

The renewable ethanol content, which is a byproduct of the sugar industry, is expected to result in a net reduction in the emission of carbon dioxide, carbon monoxide and hydrocarbons. Ethanol burns cleaner and more completely than the petrol it is blended into. In India, ethanol is mainly derived through sugarcane molasses, a byproduct in the

conversion of sugarcane juice to sugar.

The practice of blending ethanol with petrol started in India in 2001 at 5:95 ratio. It was estimated that a 5% blending (115 crore litres) would result in a replacement of around 1.8 million barrels of crude oil, resulting in savings of around US\$ 197 million in foreign currency (at 10% blending, savings will be over US\$ 377 million). Keeping this in mind, the Government of India mandated blending 5% ethanol with petrol in nine states and four union territories in 2003 and mandated 5% blending of ethanol with petrol on an all-India basis in November 2006 (20 states and eight union territories except a few North East India states and Jammu & Kashmir). This was also an attempt to reduce the under-recovery of public

sector oil marketing companies (OMCs).

It has been more than a decade that the government first proposed the blending of ethanol with petrol and the current ethanol blending limit was a meagre 1.4% till February 2015 (lower than previous year's 2%), despite the Central Government allowing interested states to adopt a 10% blending target to moderate pollution.

The levies slapped on the inbound and outbound supplies of the ethanol by the different State Governments and the fixed pricing policy of ethanol on the part of the government were two deterrents to enhanced ethanol blending. The Centre stipulated that interested mills would need to sell ethanol at ₹48.50 and ₹49.50 a litre at the depot of OMCs locating beyond 100 kilometres and 300 kilometres, respectively.

State levies on ethanol

₹ / litre	Inbound supplies	Outbound supplies
Delhi	-	2.00
Gujarat	-	3.00
Kerala	-	0.56
Madhya Pradesh	-	1.00
Maharashtra	1.50	1.50
Punjab	-	2.00
Rajasthan	-	1.00
Uttar Pradesh	1.00	-
Uttarakhand	-	1.10
West Bengal	-	0.25

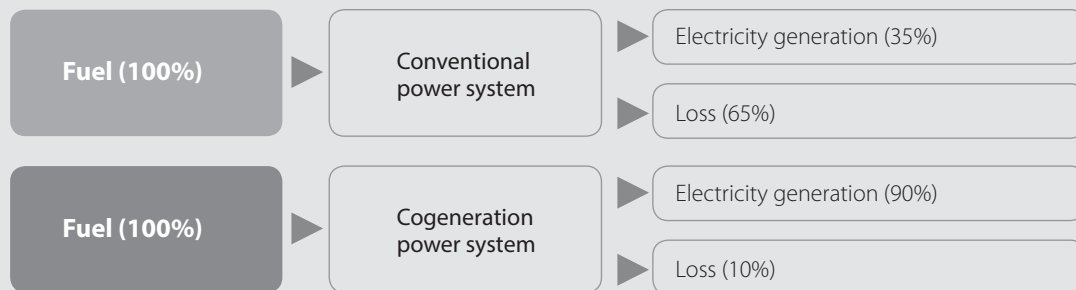
Note: Apart from the aforementioned levies, states like Andhra Pradesh and Karnataka impose a VAT of 5.5% on ethanol; Maharashtra levies 5% and Tamil Nadu 8%, whereas Uttar Pradesh imposes an extra levy of ₹1.10 per litre. (Source: ISMA)

Advantages of ethanol-blended fuels

- This is a renewable energy source produced by using molasses from the sugar manufacturing process
- Enhanced energy security and trade balance and reduced risk
- Reduces gasoline use; ensures a lower dependence on imported oil
- Rural economic development and a boost to the agricultural sector
- Environmental benefits (reduced carbon dioxide and carbon monoxide emissions)
- Displaces dangerous and environmentally damaging components in gasoline (benzene)

Electricity through cogeneration: A promising development

In a sugar mill, bagasse (fibrous residue of crushed sugarcane) is incinerated to create high pressure steam in boilers to rotate the turbo generator blades and produce electric current. The process is called cogeneration, which essentially implies the production of two forms of energy (electricity and heat). The power generated is used to meet sugar mill requirements; the surplus is fed into the grid.



India's 530 working sugar mills crush around 240 million tonnes of cane per year and generate 80 million tonnes of wet bagasse (50% moisture), of which they consume around 70 million tonnes to meet captive power and steam requirements. A capacity of around 1,854 megawatts of surplus power generation was commissioned in 170 sugar mills in Andhra Pradesh, Bihar, Haryana, Karnataka, Maharashtra, Punjab, Tamil Nadu, Uttar Pradesh and Uttarakhand even as more than 200-MW projects across about 20 private sector sugar mills are under construction.

Benefits of cogeneration	Barriers of cogeneration
<ul style="list-style-type: none"> ● Energy savings and cost reduction ● Reduction in T&D losses ● Reliable and quality energy supply ● Improved local grid power quality ● Source of additional profits ● Reduction in particulate and GHG emissions ● Sustainable energy source 	<ul style="list-style-type: none"> ● Ignorance regarding feasibility and benefits ● Weak management of existing facilities ● Lack of expertise for optimum configuration ● Absence of supportive and sustainable policies ● Adverse impact of power sector reforms ● Large number of diverse stakeholders ● Non-congruent attitudes and mindsets



Outlook

Sugar production is prone to cyclical variation. Typically, three years of high output are followed by two bad years. However, 2014-15 marked the fifth year in a row where production was higher, which coupled with a huge opening stock and declining sugar prices impacted realisations.

High cane dues were estimated to have reduced plantings in Uttar Pradesh by 10-15%, even as acreages in Maharashtra and Karnataka were estimated to have increased by 10-15%.

To give some relief to the companies, the Central Government agreed on increasing raw sugar export subsidy on one hand and on the other increased subsidy on raw sugar imports of up to 1.4 million tonnes by 18% — from ₹3,371 per tonne in 2013-14 sugar season to ₹4,000 per tonne. But the free fall in global prices has made exports unattractive and with the exports not materialising, the domestic sugar glut further expanded and imposed further pressure on domestic prices. One may not see any significant improvement in price realisations in the near future only because the new sugar year would start off with stocks of roughly 90 lac tonnes, equivalent to almost four months' domestic consumption.

ISMA's proposal

- One, ensure that the State Governments shouldered the difference between the Centre Government fixed procurement

price and the higher State Government advised price.

- Two, create a buffer stock of two million tonnes for the following year's PDS.
- Three, provide excise duty cuts or a higher incentive for ethanol.
- Four, provide ailing sugar mills a loan bailout.
- Provide a subsidy for white sugar exports.
- Link sugar realisations with cane costs.

Internal control systems and their adequacy

Internal control systems give authenticity to the information, reports, records, documents, transactions and serve as a strong foundation for decision making for the management. The Company has established proper internal control systems and procedures compatible with the size of its operations and business. With a view to ensure that the aforementioned systems are adhered to and the controls are not flouted, internal audit of operations is conducted on a quarterly basis. The Audit Committee reviews the reports of the Internal Audit Committee and monitors the overall effectiveness and the operational efficiency of the internal control systems.

The Audit Committee provides valuable suggestions from time to time towards improving the business processes, systems and internal controls.

10-15%

High cane dues were estimated to have reduced plantings in Uttar Pradesh by 10-15%, even as acreages in Maharashtra and Karnataka were estimated to have increased by 10-15%.

Finance review

Accounting policy

Dhampur Sugar Mills follows the accrual basis of accounting. Its accounts were prepared on the basis of accounting standards as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Financial performance review, 2014-15

Particulars	2014-15 (₹ in crore)	2013-14 (₹ in crore)	% growth
Income from Operations	1,863.52	1,903.75	(2)
PBT	(54.16)	(83.94)	35
PAT	(12.83)	(78.35)	84
Cash profit	(0.53)	(8.06)	93
EPS (₹)	(2.54)	(14.04)	(82)

Analysis of Profit & Loss Account

- The Company's revenue from operations decreased by 2% from ₹1,897.78 crore in 2013-14 to ₹1,856.06 crore in 2014-15 largely owing to loss incurred in the sugar segment. Other income increased by nearly 25% from ₹5.97 crore in 2013-14 to ₹7.46 crore in 2014-15 mainly owing to foreign exchange differences compared to the previous year.

- Operating expenses for 2014-15 stood at ₹1,646.97 crore as against ₹1,694.62 crore in 2013-14, the 3% decrease in operating expenses was mainly because all the manufacturing units of the Company remaining closed for four months during the last sugar season. Raw material expenses as a proportion of the total operating expenses stood at around 77% in 2014-15 which was almost identical to the previous year (79%).
- Owing to shutdown of the five sugar processing units, raw material expenditure decreased by 5% to ₹1,274.06 crore in 2014-15 as against ₹1,343.70 crore in 2013-14. The proportion of raw material cost as a percentage of total expenditure cost stood at 69% in 2014-15 which was also identical to what it was in the last financial year (70%).
- The cost of the Company's employee benefits increased from ₹73.34 crore in 2013-14 to ₹76.19 crore in 2014-15, mainly owing to increase in employees and increased remuneration by 4%.
- The Company's other expenses for 2014-15 was ₹172.57 crore, decreasing 7% from ₹185.62 crore in 2013-14. The decrease was largely due to a decrease in power and fuel cost, rent and taxes, insurance expenses, and expenses related to previous year.

Particulars	2014-15 (₹ in crore)	% of Capital Employed	2013-14 (₹ in crore)	% of Capital Employed
Share capital	75.96	3.74	80.41	4.52
Reserves and surplus	346.51	17.04	360.87	20.28
Money received against equity share warrants	1.24	0.06	2.48	0.14
Net worth	423.71	20.84	443.76	24.94
Long-term borrowings	571.89	28.13	544.74	30.62
Short-term borrowings	894.27	43.98	665.40	37.40
Current maturities of long term borrowings	143.42	7.05	125.20	7.04
Total Borrowings	1609.58	79.16	1335.34	75.06%
Capital employed	2033.29	100.00	1779.10	100.00

Capital employed

The total employed capital increased by 14.29% in 2014-15 as compared to the downfall of 8% in 2013-14, largely due to an increase in the borrowings by nearly 21%. The return on capital employed increased from 3% in 2013-14 to 5% in 2014-15.

The net worth decreased by 4% mainly on account of the decrease in the share capital and reserves and surplus.

Net worth

- The Company's net worth was ₹423.71 crore as on 31st March 2015, which decreased by nearly 4% compared to the previous year's ₹443.76 crore as on 31st March 2014. The decrease was due to redemption of preference share capital and fall in the reserves and surplus. Net worth as a proportion of capital employed decreased from 25% in 2013-14 to 21% in 2014-15.
- **Share capital:** The share capital decreased by 6% in 2014-15 standing at ₹75.96 crore as on 31st March 2015 largely because of the redemption of preference shares worth ₹5.95 crore.
- **Reserves and surplus:** The reserves and surplus decreased from ₹360.87 crore as on 31st March 2014 to ₹346.51 crore as on 31st March 2015, by nearly 4%, largely owing to loss during the period. As a proportion of capital employed on a y-o-y basis, reserves and surplus decreased from the previous year's 20% to 17% in 2014-15.

Loan funds

- The long-term debt-equity ratio was 1.35 in 2014-15 against 1.23 in 2013-14, largely owing to a increase of 5% in the long-term borrowings along with an decrease of 4% in the reserves and surplus and 6% decrease in equity capital. Long-term loan funds increased by 5% from ₹544.74 crore as on 31st March 2014 to ₹571.89 crore as on 31st March 2015.

- Finance cost increased by 5% in 2014-15 from ₹142.21 crore in 2013-14 to ₹149.66 crore in 2014-15 and interest coverage for 2014-15 stood at 1.01 as against 0.94.

Application of funds

Gross block

The net block (tangible assets) of the Company increased by nearly 15% from ₹1,086.02 crore as on 31st March 2014 to ₹1,253.93 crore as on 31st March 2015 was largely on account of new additions in plant and machinery in 2014-15.

However, depreciation and amortization expenses decreased substantially by 27% from ₹75.88 crore in 2013-14 to ₹55.23 crore in 2014-15. Return on gross block increased from 3% in 2013-14 to 5% in 2014-15.

Capital work-in progress decreased by 91% in 2014-15, standing at ₹17.74 crore as on 31st March 2015 compared to ₹207.03 crore as on 31st March 2014 largely because of capitalisation of power plant at the Rajpura Unit.

Investments

Non-current investments decreased nearly 60% from ₹1.97 crore as on 31st March 2014 to ₹0.78 crore as on 31st March 2015 largely owing to sale of part of investment in securities.

Working capital management

- Current assets as on 31st March 2015 stood at ₹1,697.22 crore against ₹1,425.89 crore as on 31st March 2014, an increase of 19%. Current Ratio was 0.85 as on 31st March 2015 against 0.83 as on 31st March 2014 owing to a higher increase in current assets over current liabilities.
- Inventories (finished and semi-finished goods along with raw materials) for 2014-15 increased 2% from ₹1,224.34 crore as on 31st March 2014 to ₹1,252.26 crore as on 31st March 2015. The

average inventory cycle for 2014-15 stood at 246 days of turnover equivalent compared to 236 days in 2013-14.

- Debtors as on 31st March 2015 stood at ₹222.96 crore against ₹119.26 crore as on 31st March 2014, an increase of 87%. The debtors' cycle increased to 44 days of turnover equivalent in 2014-15 from 23 days in 2013-14 largely owing to longer credit being offered.
- The short-term loans and advances for 2014-15 stood at ₹39.51 crore compared to ₹35.24, after an increase of 12% largely owing to increase in advances to suppliers/contractors/service providers and advances to employees among others.
- Current liabilities increased 17% from ₹1,721.13 crore as on 31st March 2014 to ₹2,008.01 crore as on 31st March 2015, mainly due to an increase in short-term borrowings and other current liabilities. Trade payables decreased from ₹702.63 crore in 2013-14 to ₹675.01 crore in 2014-15, a decline of 4%, whereas the other current liabilities increased by nearly 25%. Short-term borrowing increased from ₹665.40 crore in 2013-14 to ₹894.27 crore in 2014-15, a rise of 34%, largely owing to an increase of 52% in the cash credit from banks.

Cash and bank balances

The cash and bank balance decreased by 14% from ₹19.53 crore as on 31st March 2014 to ₹16.73 crore as on 31st March 2015.

Taxation

The Company's total tax liability increased to ₹1.60 crore as on 31st March 2015 from NIL as on 31st March 2014. The Company's contribution towards the exchequer stood at ₹1.60 crore in 2014-15.

Social responsibility at Dhampur



At Dhampur Sugar, we recognise that true growth revolves around the idea of inclusion. We do not look upon this as mere responsibility that has to be fulfilled – it forms the very basis of our value system. We are committed to the growth and development of the society and have consequently undertaken various CSR projects in different parts of Uttar Pradesh. We have been consistently working towards the eradication of hunger, poverty and malnutrition, and creating awareness about preventive healthcare and sanitation.

For a better world

We have been working towards educating the rural populace so as to achieve socioeconomic and gender equality. The Company has undertaken a CSR project under the banner of a trust to promote education and sports among youths hailing from economically-disadvantaged families. In the field of education, three English-medium schools have been established by the Company – at Dhampur, Asmoli and Gunnaur – places where nearly 50% of the population belong to minority communities. The operative philosophy is that there should be no discrimination on the basis of caste, religion or gender. Special efforts have been made by students and the teachers alike to ensure that a holistic environment prevails. Recognising the need healthy body in addition to a healthy mind, we conducted initiatives to promote sports and other physical activities as well.

Going green

In 2014-15, the Dhampur Sugar Mills Bridge Team performed commendably to win the senior selection trials. This has given them the chance to represent India at the 42nd World Bridge Teams Championships for the d'Orsi Senior Bowl. This prestigious championship is being held in India for the first time.

The team also won the Poddar Masters and the Madhav Prasad Memorial Tournament and finished runners-up at the Summer Nationals, Willingdon Mahalaxmi Grand Prix and the Hindustan Club Tournament.

Sports

In the realm of squash, the players nurtured under the aegis of the Company have continued to perform in national and international tournaments.

De-risking Dhampur

Risks can be expressed as uncertainties about events which can have a material impact on the performance of the organisation.

Risk governance at Dhampur covers preemptive risk identification and mitigation, leading to a stable and sustainable business model.

Regulatory risk:

Unfavourable government regulations could impact the Company's growth.

Risk mitigation

- Sugarcane prices in many states have been fully linked to sugar realisations and in some states partial linkage has been implemented in recent years, this has given some respite to the bleeding sugar industry and has enhanced organisational viability.
- A number of subsidy and export incentives were given by the Central and State Governments to incentivise sugar production.
- The Central Government's mandate of 10%-ethanol blending with petrol has ensured steady offtake of ancillary products.

Cyclical risk: The sugar industry in India is cyclical and a downtrend in the industry could expose the Company to high input prices and low realisations, affecting viability and eroding profitability.

Risk mitigation

- The Company's integrated business model produces value-added sugar byproducts like ethanol, power and biofertilisers.
- The Company created a significant capacity for refined sugar, enabling it to process raw sugar into white sugar even during downturns.
- The proportion of non-sugar revenues accounted for almost 30% of the Company's total revenues for the period ending on 31st March 2015, indicating a higher protection against cyclical risk.

Raw material risk: Cane availability can be threatened by adverse climatic conditions or profitable crop switchovers. A decline in sugarcane production can impact the profitability.

Risk mitigation

- Uttar Pradesh is the largest sugarcane producing state in India and the quantum of cane crushed has gone up by 6% in 2014-15.
- The Company sources its sugarcane from more than 1,87,000 farmers, with whom the Company has developed robust multi-decadal relationship, thus facilitating procurement.
- The Company trains farmers extensively in cane selection, procurement and latest farming techniques to counter probable climatic impact. The Company provides high-yielding seed varieties to farmers, enhancing cane recovery and growth.
- To further mitigate its raw material risk the Company deployed dedicated teams in its command areas to manage cane development and map the farmer's requirements. This team not only looks after cane development but also encourages farmers to plant more cane by explaining the mechanics of viability.

Locational risk: An inappropriate location could impact profitability because a lengths duration between harvesting and crushing can lead to a reduction in the recovery rate, which would lead to lowered sugar production and sales.

Risk mitigation

- The Company's command areas have a network of sub-roads, connected with larger roads and state highways, facilitating speedy cane evacuation.
- The Company has strategically positioned its mills so that they remain close to its command area (Dhampur's mills are located within an average of 50 kilometres from the command area) and are well-connected with railways and highways, which ensures delivery within 48 hours of harvest.
- The Company has a dedicated logistics team to manage the logistical issues and has also developed several cane gate centres across different locations to expedite the cane intake in large quantities.

Working capital risk: Sugar is a capital-intensive industry, thus an inability to mobilise funds to run the day-to-day business of the Company may impact operations, which in turn would affect the bottomline.

Risk mitigation

- Sugar to non-sugar revenue ratio as on 31st March 2015 stood at 70:30; this indicated that there is a steady cash flow from the ancillary activities where the same are not capital-intensive at all. So the cash generated from the ancillary business can be easily utilised for the sugar business.
- Further with the Company's focus on premium products (refined sugar and value-added distillery products) coupled with growing sales derived from power generation, assures the Company of a predictable cash flow.
- The Company's policy to liquidate its inventory at the end of the sugar season has helped the Company to keep its working capital requirements under control.

Competition risk: Inability of the Company to mobilise adequate cane because of the increased competition for cane, may inflate the cost of raw materials and dent margins.

Risk mitigation

- Multi-locational presence of the Dhampur mills (Dhampur, Asmoli, Mansurpur, Rajpura and Meerganj) across Central and Western Uttar Pradesh ensures adequate sugarcane availability from each of the catchment areas.
- The farmers from whom the Company sources its sugarcane enjoy multi-decadal relationship with the Company and both the parties have stuck with each other during the best and worst of times.
- A dedicated logistics team and the cane gate centre initiative of the Company has helped the farmers to free their land immediately after the end of the sugar season and move to the second crop faster.

BOARD REPORT

To,
The Members,
Dhampur Sugar Mills Limited

The directors have pleasure in presenting their Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2015.

Financial results

(₹ in crores)

Particulars	Current Year for the Period 2014-15	Previous Year for the Period 2013-14
Total Income	1,854.77	1,897.05
Less - Expenditure during the year	1,701.65	1,759.92
Profit/(Loss) before Depreciation, Interest & tax	153.12	137.13
Less - Depreciation	55.15	75.88
Less - Interest	149.66	142.21
Less - Provision For Tax & Adjustments	(41.33)	(5.59)
Net Profit/(Loss)	(10.36)	(75.37)

Operational performance

Sugar units:

The key operational data of sugar/co-generation/chemical units are as follows :

Sugar operations at a glance

	31st March, 2015	31st March, 2014
Cane crushed (lac - qtls.)	458.22	406.24
Recovery (per cent)	9.51	9.27
Finished Sugar produced (lac - qtls.)	43.57	37.51

Co-generation operations at a glance

	31st March, 2015	31st March, 2014
Power generated (M.W.)	5,70,576	5,37,485
Sale to UPPCL (M.W.)	3,73,076	3,32,549

Chemical operations at a glance

Production	31st March, 2015	31st March, 2014
RS/ENA/Ethanol (in lacs BL)	371.94	612.89
Chemicals (net) (in lacs KG)	245.35	311.77

Subsidiaries, Joint Ventures and/or Associate Companies

A Statement containing salient features of the financial statement of Dhampur International Pte Limited and Dhampur Global Pte Limited, subsidiaries of the Company is annexed as Annexure 1 and forms an integral part of this report.

Material Changes and Commitments during the Year

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report during the year under review, as required under Section 134(3)(l) of the Companies Act, 2013.

Change in the Nature of Business

During the year, there was no material change in nature of business of the Company.

Dividend

In absence of profits, your directors do not recommend any dividend for the year ending 31st March 2015.

Reserves & Surplus

The Company has incurred a Loss of ₹10.36 Crore which has been adjusted in Profit and Loss Account under the head Reserves & Surplus.

Equity Share Capital

The Company had issued 30,00,000 equity warrants, each having an option to convert into equity shares of ₹10 each at a premium of ₹23 each, during the previous year. Holder of 15,00,000 equity warrants has exercised this conversion option during the year and consequently, the equity shares were allotted.

Directors

The Board of Directors in their meeting held on 12th November, 2014 appointed Smt. Nandita Chaturvedi as Additional Director and

Non-Executive Independent Director of the Company w.e.f 12th November, 2014 for a period of five consecutive years for a term upto 11th November, 2019. The above appointment was based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Shareholders of the Company at the forthcoming Annual General Meeting.

Smt. Nandita Chaturvedi holds office upto the date of the forthcoming Annual General Meeting and is eligible for appointment. Details of the proposal for her appointment has been provided in the Notice of the 80th Annual General Meeting of the Company containing explanatory statement.

Shri V.K Goel and Shri A.K Goel will retire at the ensuing Annual General Meeting and being eligible have offered themselves for their re-appointment.

It has been proposed to change the Remuneration and terms of appointment of Shri V.K Goel, Chairman, Shri A.K Goel, Vice Chairman, Shri Gaurav Goel and Shri Gautam Goel, Managing Directors subject to approval of shareholders in the ensuing annual general meeting of the Company.

Brief profile of Shri V.K Goel, Shri A.K Goel, Shri Gaurav Goel, Shri Gautam Goel and Smt. Nandita Chaturvedi, has been given in the Corporate Governance, forming part of the Annual Report.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of Companies Act, 2013 and rules made thereunder, Shri Arhant Jain, Executive President Finance & Company Secretary has been designated as Chief Financial Officer and Company Secretary of the Company.

Deposits

1. Accepted during the year : ₹9.27 crores
2. Remained unpaid or unclaimed as at the end of the year ₹0.31 Crores
3. If there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:

- a. At the beginning of the year; N.A
- b. Maximum during the year; N.A
- c. At the end of the year; N.A

Deposits not in compliance with Chapter V of the Act

The Company has not accepted any deposit, which is not in compliance with chapter V of the Act.

Particulars of Loans, Guarantees or Investment

Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to Financial statements.

Related Party Transactions

All the transactions done with Related parties for the year under review were on arm's length basis and are in compliance with the applicable provisions of the Act and Listing Agreement.

There are no material significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at <http://www.dhampur.com>

Your directors draw attention of the members to Note 31 to the Financial Statement which sets out related party disclosures.

Auditors and Auditors' Report

M/s Mittal Gupta & Co., Chartered Accountants, Kanpur, the auditors of your Company will retire at the ensuing Annual General Meeting and being eligible are proposed to be re-appointed.

M/s S Vaish & Co., Chartered Accountants, Kanpur, joint Statutory Auditors of the Company have expressed that they shall not like to continue as Statutory Auditors.

The observations of the Auditors in their report read with the accounts are self-explanatory except emphasis on subsidy announced by government of Uttar Pradesh.

We submit that the government of Uttar Pradesh has announced subsidy scheme in order to extend financial support to the sugar

industries enabling them to make cane payments. The Company has estimated the subsidy amount of ₹ 12261.33 lacs based on the average selling price of Sugar and By-products which is significantly lower than the threshold specified in the Press note dated 12.11.2014.

The Company is confident that the announced subsidy will be notified by the government.

Secretarial Auditors and Secretarial Audit Report

Pursuant to the provisions of Section 204 of Companies Act, 2013 and rules made there under, the Company has appointed GSK & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as Annexure 2 and forms an integral part of this report.

There is no secretarial audit qualification for the year under review.

Corporate Governance

In compliance with Clause 49 of the Listing Agreement with the Stock Exchanges, a detailed Corporate Governance Report has been given elsewhere in this report, along with the Management Discussion and Analysis Report, which form an integral part of the Annual Report.

A certificate from GSK & Associates, a Firm of Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

Directors Responsibility Statement:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 your directors state that:

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

- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the Company has an effective internal control and risk mitigation system, which are constantly assessed and strengthened with the new/revised standard operating procedures.
- (f) the directors, have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Declaration by Independent Directors

The Company has received declaration from all Independent Directors in accordance with the provisions of Section 149(6) of the act, whose names are as under:

1. Shri M. P. Mehrotra
2. Shri Priya Brat
3. Shri Ashwani K Gupta
4. Shri Harish Saluja
5. Shri Rahul Bedi
6. Smt. Nandita Chaturvedi

Audit Committee

Details of the composition of the Audit Committee and the attendance at the meetings held during the financial year 2014-15 forms part of the Corporate Governance Report.

Nomination and Remuneration Policy

The Board of Directors have framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The details of this policy is explained in the Corporate Governance Part of this report. The remuneration policy is in consonance with the existing policy of the Company.

Risk Management Policy

The Company has Risk Management Committee of Directors to have a system of Risk Management, inter alia, to review it periodically.

Vigil Mechanism/Whistle Blower Policy

The Company has formulated Vigil Mechanism /Whistle Blower Policy for employees and Directors to keep high standards of ethical behavior and provide safeguards to whistle blower.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2014-15.

No. of complaints received	Nil
No. of complaints disposed off	Nil

Corporate Social Responsibility (CSR)

The composition of CSR Committee is as under:

1. Shri V.K Goel, Chairman
2. Shri Gaurav Goel, Member
3. Shri Ashwani K Gupta, Member

The Annual Report on CSR initiatives is attached as per Annexure-3.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are given in the Annexure-4 attached to this report.

Extract of Annual Return

According to the provisions of Section 92(3) the prescribed Form MGT-9 (Extract of Annual Return) is attached as per Annexure-5.

Details of Board Meeting held during the Year

Details of the composition of the Board Meeting and the attendance at the meetings held during the financial year 2014-15 forms part of the Corporate Governance Report.

Significant and Material Orders Passed by The Regulators, or Courts or Tribunals impacting the Going Concern Status and Company's Operations in Future

There was no such order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Managerial Remuneration

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name of the director	Designation	DIN	Ratio
Shri Vijay Kumar Goel	Promoter, Chairman and Whole-time director	00075317	25.30 : 1
Shri Ashok Kumar Goel	Promoter, Vice Chairman and Whole-time director	00076553	25.30 : 1
Shri Gaurav Goel	Promoter and Managing Director	00076111	28.34 : 1
Shri Gautam Goel	Promoter and Managing Director	00076326	28.34 : 1
Shri Mahesh Prasad Mehrotra	Independent Director	00016768	NA
Shri Priya Brat	Independent Director	00041859	NA
Shri Ashwani Kumar Gupta	Independent Director	00108678	NA
Shri Sudarshan Kumar Wadhwa	Nominee Director	05327641	NA
Shri Harish Saluja	Independent Director	01233800	NA
Shri Rahul Bedi	Independent Director	02573535	NA
Shri Sandeep Kumar	Whole Time Director	06906510	9.39 : 1
Smt. Nandita Chaturvedi	Independent Director	07015079	NA

2. Percentage increase in remuneration of each director and CEO in the financial year

Name of the director/CEO/CFO/CS	Designation	DIN	Percentage increase
Shri Vijay Kumar Goel	Promoter , Chairman and Whole-time director	00075317	Nil
Shri Ashok Kumar Goel	Promoter, Vice Chairman and Whole-time director	00076553	There has been no Increase in remuneration of the Director/CEO/CFO/CS in the financial year.
Shri Gaurav Goel	Promoter and Managing Director	00076111	
Shri Gautam Goel	Promoter and Managing Director	00076326	
Shri Mahesh Prasad Mehrotra	Independent Director	00016768	
Shri Priya Brat	Independent Director	00041859	
Shri Ashwani Kumar Gupta	Independent Director	00108678	
Shri Sudarshan Kumar Wadhwa	Nominee Director	05327641	
Shri Harish Saluja	Independent Director	01233800	
Shri Rahul Bedi	Independent Director	02573535	
Shri Sandeep Kumar	Whole Time Director	06906510	
Smt. Nandita Chaturvedi	Independent Director	07015079	
Shri Arhant Jain	CFO and CS		

3. Percentage increase in the median remuneration of employees in the financial year: 5.71%
4. Number of permanent employees on the rolls of company:
Permanent Employees: 3,296
5. Explanation on the relationship between average increase in remuneration and company performance:

The Company is giving Statutory increment to its workers wherever applicable, irrespective of the performance of the Company.
6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

The Company has incurred loss due to adverse market conditions of Sugar Industry. During the year, the Company has not increased remuneration of Key Managerial Personnel.
7. The key parameters for any variable component of remuneration availed by the directors:
Commission on Net Profits of the Company to be paid to them.
Nil
8. The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year: N.A
9. There was no employee of the Company who was in receipt of remuneration in excess of ₹ 60 Lakhs and holding 2% or more of equity share capital of the Company.

Acknowledgement

Your Directors place on record their acknowledgement and sincere appreciation to the shareholders for their confidence in the management of the Company, the Central Government, the State Government, Banks and Financial Institutions for their continued support, the Cane Growers for their efforts in ensuring timely cane supply, the Company's officers and staff for their relentless and dedicated efforts, resulting in the Company's growth and look forward to a bright future.

By Order of the Board of Directors

Place: New Delhi
Dated: 27.05.2015

V. K. Goel
Chairman

ANNEXURE - 1 TO BOARD REPORT

FORM NO. AOC.1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ crores)

1. Name of the subsidiary: Dhampur International PTE Limited and Dhampur Global PTE Limited.
2. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: 1st April, 2014 to 31st March, 2015.
3. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries: US Dollar and ₹62.59
4. Other Information :

₹ in Crores

Particulars	Dhampur International PTE Limited (DIPL)	Dhampur Global PTE Limited (DGPL)
Share capital	10.80	0.01
Reserves & surplus	(5.53)	(0.07)
Total assets	14.86	0.05
Total Liabilities	9.59	0.11
Investments	0.01	0
Turnover	126.75	0
Profit before taxation	(2.42)	0
Provision for taxation	0	0
Profit after taxation	(2.42)	0
Proposed Dividend	0	0
% of shareholding	100%	100% (Holding by DIPL)

- i) Name of Subsidiaries which are yet to commence operations: N.A.
- ii) Name of Subsidiaries which have been liquidated or sold during the year: N.A.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

The Company has no associate or joint venture , for which statement referred above is required to be given.

ANNEXURE - 2 TO BOARD REPORT

SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED 31ST MARCH, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Dhampur Sugar Mills Limited
Distt. Bijnor, Dhampur – 246761,
Uttar Pradesh

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by DHAMPUR SUGAR MILLS LIMITED (CIN: L15249UP1933PLC000511) (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 year ended on 31st March, 2015, 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 year ended on 31st March, 2015 according to the provisions of:

I.

- The Companies Act, 2013 (the Act) and the rules made thereunder.
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder.
- 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.
- The following Regulations and Guidelines prescribed under the

Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 (Not applicable to the Company during the audit period);
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);
- f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client.
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified during the period hence not applicable to the Company).

- b. The Listing Agreements entered into by the Company with Stock Exchanges.

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, etc. mentioned above.

II.

- The Air (Prevention & Control of Pollution) Act, 1981 [Read with the Air (Prevention & Control of Pollution) Rules, 1982]
- The Environment (Protection) Act, 1986 [Read with the Environment (Protection) Rules, 1986]
- The Water (Prevention & Control of Pollution) Act, 1974 [Read with the Water (Prevention & Control of Pollution) Rules, 1975]
- The Hazardous Waste (Management, Handling And Transboundary Movement) Rules, 2008
- The Factories Act, 1948
- The Industrial Disputes Act, 1947
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- The Employees' State Insurance Act, 1948
- The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- The Payment of Bonus Act, 1965
- The Payment of Gratuity Act, 1972
- The Contract Labour (Regulation and Abolition) Act, 1970
- The Maternity Benefit Act, 1961
- The Child Labour (Prohibition and Regulation) Act, 1986
- The Industrial Employment (Standing Orders) Act, 1946
- The Employees' Compensation Act, 1923 (earlier known as Workmen's Compensation Act, 1923)
- The Apprentices Act, 1961
- The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956

During the year under review the Company has filed periodical return and has not received any show cause notice and has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have relied on the representation made by the Company and its officers on systems and mechanism formed by the Company for compliance under other Act, Laws and Regulations to the Company.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year 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 at least seven days in advance, 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.

Majority decision is carried through while there has been no member dissenting from the decisions arrived.

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 the Company has passed special resolutions at its Annual General Meeting held on 26th September, 2014, under Section 180(1)(c), 180(1)(a) and 186 authorizing the Board of Directors to borrow money to create charge on assets of the Company in favour of the lenders and to make investment, gave loans and guarantee.

We further report that the Company had issued 30,00,000 equity warrants, each having an option to convert into equity shares of ₹ 10 each at a premium of ₹ 23 each, during the previous year. Holder of 15,00,000 equity warrants has exercised this conversion option during the year and consequently, the equity shares were allotted.

For GSK & Associates

(Company Secretaries)

Saket Sharma

Partner

Date: 27.05.2015

Place: New Delhi

(Membership No.: F4229)

(CP No.: 2565)

ANNEXURE - 3 TO BOARD REPORT

FORMAT FOR THE ANNUAL REPORT ON CSR INITIATIVES TO BE INCLUDED IN THE BOARD REPORT BY QUALIFYING COMPANIES

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.

The CSR policy was approved by the Board of Directors at its meeting held on 21st May, 2014 and has been uploaded on the Company's website under the link <http://dhampur.com/Policies.aspx>

The Company had proposed to undertake activities relating to promoting education, sports, good agricultural practices, skill development, women empowerment etc for the financial year 2014-15.

The Company through its various programmes will be investing the resources for undertaking the following activities :
 1. Eradication of hunger, poverty and malnutrition
 2. Promotion of preventive health care and sanitation
 3. Promotion of education
 4. Promotion of gender equality
 5. Reducing social and economic inequality
 6. Ensuring environmental sustainability
 7. Protection of Flora and Fauna
 8. Protection of National Heritage, art and culture
 9. Measures for the benefit of armed forces veterans, war widows and their dependents
 10. Promoting sports
 11. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
12. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
13. Rural development projects
2. The composition of CSR Committee is as under:
Shri V.K Goel, Chairman
Shri Gaurav Goel, Member
Shri Ashwani K Gupta, Member
3. Average Net Profit of the Company for last 3 financial years: ₹0.79 Cr.
4. Prescribed CSR Expenditure (2% of the amount as in item 3 above): ₹0.02 Cr.
5. Details of CSR spent during the financial year:
 - (a) Total amount spent for the financial year: ₹0.05 Cr.
 - (b) Amount unspent, if any; Nil
 - (c) Manner in which the amount spent during the financial year as detailed below:

In accordance with the Company's CSR Policy and in compliance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, The Company through the trust established by it at its unit has undertaken the CSR project of promoting education.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs: (1) Local area or others (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) Project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct Expenditure on projects or (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implement-ing agency
	Education Facility to Children	Promotion of Education	School situated at Rajpura and Asmoli, Distt. Sambhal (U.P.)	₹0.02 Crores	₹0.05 Crore	₹0.05 Crore	₹0.05 Crore

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report. N.A
7. The Chairman of the CSR Committee has given a responsibility statement on behalf of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

Managing Director

Chairman of CSR committee

ANNEXURE - 4 TO BOARD REPORT

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of energy:

- (i) the steps taken or impact on conservation of energy;

The company has installed spentwash fired boiler at its Dhampur Unit. The boiler will use spent wash as fuel (apart from bagasse) which will result in less bagasse consumption in the boiler leading to additional bagasse saving for the same steam generation.

- (ii) the steps taken by the Company for utilising alternate sources of energy;

The Company is producing renewable energy not only for its captive consumption, but it is also exporting power to state.

- (iii) the capital investment on energy conservation equipments;

Power and fuel consumption	31st March, 2015	31st March, 2014
1. Electricity		
A Purchased:		
Units (kwh)	60,30,003	40,91,170
Total Value (₹)	4,41,47,955	2,50,30,749
Rate (₹/ Unit)	7.32	6.12
B Own generation :		
i Through diesel generator:		
Units (Kwh)	2,14,728	11,23,904
Unit per liter of diesel	2.96	3.07
Cost/ unit	20.13	17.87
ii Through steam turbine:		
Units (Kwh)	15,15,29,728	14,10,35,657

Unit per liter of fuel /oil/gas : Steam produced mainly by use of own and purchased bagasse paddy husk and coal

2. Coal		
Quantity (tonnes)	805	13,813.11
Total cost (₹ in lac)	54.43	825.90
Average rate (₹/ tonnes)	6761	5979
3. Furnace oil		
Quantity (lts.)	-	-
Total cost (₹)	-	-
Average rate	-	-

Power and fuel consumption	31st March, 2015	31st March, 2014
4. Other/ Internal generation:		
Quantity (tonnes)	-	-
Total cost (₹)	-	-
Average rate	-	-
II Consumption per unit of production		
A Sugar (qtls.)	44,01,135	37,50,577
- Electricity (Kwh/ qtls.)	35.84	38.99
- Furnace oil	-	-
- Coal (tonnes)	-	-
B Chemical (qtls.)		
- Electricity (Kwh/ qtls.)	25.98	24.80
- Furnace oil	-	-
- Coal (tonnes)	-	-

(B) Technology absorption:

- (i) the efforts made towards technology absorption: N.A.
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution: N.A.
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - (a) the details of technology imported: N.A.
 - (b) the year of import: N.A.
 - (c) whether the technology been fully absorbed: N.A.
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A. and
- (iv) the expenditure incurred on Research and Development: ₹7.27 crore compared with previous year's ₹8.81 crore.

(C) Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

b) Total foreign exchange used and earned :

₹ in Crores

	Current Year	Previous Year
Export and foreign exchange earnings	179.24	177.11
Imports and expenditure in foreign currency	82.52	30.07

ANNEXURE - 5 TO BOARD REPORT

FORM NO. MGT. 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

- i. CIN: L15249UP1933PLC000511
- ii. Registration Date: 22.05.1933
- iii. Name of the Company: Dhampur Sugar Mills Limited
- iv. Category / Sub-Category of the Company: Public Company/Limited by shares
- v. Address of the Registered office and contact details: Dhampur, Dist. Bijnor-246761, U.P
- vi. Whether listed company: Yes , with NSE and BSE Limited
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any:
Alankit Assignments Limited
Alankit House, 2E/21, Jhandewalan Extension, New Delhi-110065

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	Sugar	2060	69.12
2	Power	4390	16.65
3	Chemical:		
	Rectified Spirit	2200	13.40
	Ethyl Acetate	3007	

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name and Address of the Company	CIN/ GLN/Foreign Registration Number	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Dhampur International Pte Limited (DIPL), Singapore	200912388N	Foreign Subsidiary	100%	2 (87)
2	Dhampur Global Pte Limited (DGPL), Singapore	201308817K	Foreign Subsidiary	100% by DIPL	2 (87)

I. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year				% Change during the year
	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS								
(1) Indian								
a. Individual/ HUF	–	7712604	13.48	7712604	–	7712604	13.14	-0.34
a. Individual/ HUF	–	7712604	13.48	7712604	–	7712604	13.14	-0.34
b. Central Govt.	–	–	–	–	–	–	–	–
c. State Govt. (s)		13297273	23.24	14797273		14797273	25.20	1.96
d. Bodies Corp.	–	–	–	–	–	–	–	–
e. Banks/FI	–	–	–	–	–	–	–	–
f. Any Other.	–	–	–	–	–	–	–	–
(i) Directors & Relatives		85364	0.15	85364		85364	0.15	0.00
(ii) Person Acting in Concert		9490396	16.59	9490396	–	9490396	16.16	-0.42
Sub-total (A) (1)		30585637	53.46	32085637		32085637	54.65	1.19
(2) Foreign								
a. NRIs – Individuals	–	–	–	–	–	–	–	–
b. Other – Individuals	–	–	–	–	–	–	–	–
c. Bodies Corp.	–	–	–	–	–	–	–	–
d. Banks / FI	–	–	–	–	–	–	–	–
e. Any Other....	–	–	–	–	–	–	–	–
Sub-total (A)(2)		–	–	–	–	–	–	
Total shareholding of Promoter (A) = (A) (1)+(A) (2)		30585637	53.46	32085637	–	32085637	54.65	1.19
B. PUBLIC SHAREHOLDING								
(1) Institutions								
a. Mutual Funds	3374	3515	0.01	141	3374	3515	0.01	0.00
b. Banks/FI	331	2049878	3.58	2053062	331	2053393	3.50	-0.09
c. Central Govt	–	–	–	–	–	–	–	–

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year				% Change during the year
	Physical	Total	% of Total Shares	Demat	Physical	To tal	% of Total Shares	
d. State Govt(s)	–	–	–	–	–	–	–	–
e. Venture Capital Funds	–	–	–	–	–	–	–	–
f. Insurance Companies	–	–	–	–	–	–	–	–
g. FIs	650	58447	0.10	797	650	1447	0.00	-0.10
h. Foreign								
Venture Capital Funds	–	–	–	–	–	–	–	–
i. Others (specify)								
Sub-total (B)(1)	4355	2111840	3.69	2054000	4355	2058355	3.51	-0.19
(2) Non-Institutions								
a. Bodies Corp.								
i) Indian	13096	7427323	12.98	8466747	13096	8479843	14.44	1.46
ii) Overseas	–	191812	0.34	191812	–	191812	0.33	-0.01
b. Individuals								
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	461067	9316745	16.28	8516205	450747	8966952	15.27	-1.01
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	17238	6761039	11.82	6033879	17238	6051117	10.31	-1.51
c. Others (specify)								
(i) Non Resident Indian	89	819405	1.43	881065	89	881154	1.50	0.07
(ii) Trust	–	1134	–	65	–	65	–	–
Sub-total (B)(2)	491490	24517458	42.85	24089773	481170	24570943	41.85	-1.00
Total Public Shareholding (B) = (B) (1) + (B)(2)	495845	26629298	46.54	26143773	485525	26629298	45.35	-1.19
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRs	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	495845	57214935	100.00	58229410	32571162	58714935	100.00	0.00

i. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Ashok Kumar Goel	298000	0.52	0.00	298000	0.51	0	-0.01
2	Deepa Goel	10370	0.02	0.00	10370	0.02	0	0.00
3	Gaurav Goel	3461379	6.05	0.00	3461379	5.90	0	-0.15
4	Gautam Goel	3492339	6.10	0.00	3492339	5.95	0	-0.16
5	Vijay Kumar Goel	425466	0.74	0.00	425466	0.72	0	-0.02
6	Vinita Goel	25050	0.04	0.00	25050	0.04	0	0.00
7	Aparna Jalan	46100	0.08	0.00	46100	0.08	0	0.00
8	Asha Kumari Swaroop	4	0.00	0.00	4	0.00	0	0.00
9	Ritu Sanghi jointly with Ajay Sanghi	7500	0.01	0.00	7500	0.01	0	0.00
10	Shefali Poddar	31760	0.06	0.00	31760	0.05	0	0.00
11	Shudh Edible Products Limited	4549680	7.95	5.94	4549680	7.75	5.79	-0.20
12	Sonitron Limited	4940716	8.64	3.28	4940716	8.41	3.19	-0.22
13	Ujjwal Rural Services Limited (Formerly Associated Metals Company Limited)	125000	0.22	0.00	125000	0.21	0.00	-0.01
14	Goel Investments Limited	11255515	19.67	0.44	11255515	19.17	0.43	-0.50
15	Saraswati Properties Limited	1916758	3.35	0.00	3416758	5.82	0	2.47
	Total	30585637	53.46	9.66	32085637	54.65	9.41	1.19

i. Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	30585637	53.46	30585637	53.46
2	Allotment on Preferential basis	1500000	2.55	1500000	2.55
3	At the End of the year	32085637	54.65	32085637	54.65

ii. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		% of total shares of the Company	No. of shares	% of total shares of the Company
1	PAT Financial Consultants Pvt. Ltd.	0.00	1877953	3.20
2	BMF Investments Limited	2.78	1588627	2.71
3	ICICI Bank Limited	2.55	1435462	2.44
4	Max Life Insurance Company Limited A/C - Ulif01425/03/08lifedynopp104 - Dynamic Opportunities Fund	0.00	1260817	2.15
5	Manish Gupta	1.17	670244	1.14
6	Dwarkadhish Trading Private Limited	1.73	461809	0.79
7	JK Tyre & Industries Limited	0.80	460075	0.78
8	Punjab National Bank	0.70	400000	0.68
9	Jaideep Narendra Sampat	0.52	295824	0.50

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		% of total shares of the Company	No. of shares	% of total shares of the Company
10	Anil Kumar Goel	0.46	265000	0.45
11	Madhu Gokul Binani	0.45	259803	0.44
12	Manish Gupta	0.39	221236	0.38
13	Jaideep Sampat	0.17	200000	0.34
14	Sanjay Datta	0.87	200000	0.34

ii. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Shri Vijay Kumar Goel				
	At the beginning of the year	425466	0.74	425466	0.72
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	425466	0.74	425466	0.72
2	Shri Ashok Kumar Goel				
	At the beginning of the year	298000	0.52	298000	0.51
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	298000	0.52	298000	0.51
3	Shri Gaurav Goel				
	At the beginning of the year	3461379	6.05	3461379	5.90
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
4	Shri Gautam Goel				
	At the beginning of the year	3492339	6.10	3492339	5.95
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	3492339	6.10	3492339	5.95
5	Shri Ashwani K Gupta				
	At the beginning of the year	13237	0.02	13237	0.02
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	13237	0.02	13237	0.02

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
6	Shri Harish Saluja				
	At the beginning of the year	3000	0.01	3000	0.01
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	3000	0.01	3000	0.01
7	Shri Sandeep Kumar				
	At the beginning of the year	755	0.00	755	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	755	0.00	755	0.00
8	Shri Arhant Jain				
	At the beginning of the year	5031	0.01	5031	0.01
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	5031	0.01	5031	0.01

IV. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	635.33	27.02	29.79	692.14
ii) Interest due but not paid	4.95	-	-	4.95
iii) Interest accrued but not due	8.68	0.22	2.05	10.95
Total (i+ii+iii)	648.96	27.24	31.84	708.04
Change in Indebtedness during the financial year				
• Addition Principal	100.53	4.14	9.27	113.94
• Addition Interest	-	-	-	11.57
• Reduction Principal	(67.72)	NIL	(19.11)	(86.83)
• Reduction Interest	-	-	-	(15.90)
Net Change	-	-	-	22.78
Indebtedness at the end of the financial year				
i) Principal Amount	668.14	31.16	19.95	719.25
ii) Interest due but not paid	3.79	-	-	3.79
iii) Interest accrued but not due	5.64	0.24	1.90	7.78
Total (i+ii+iii)	677.57	31.40	21.85	730.82

V. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Amount in (₹)

Sl. no.	Particulars of Remuneration	Name of MD/WT/ Manager				Total
		Shri Vijay Kumar Goel	Shri Ashok Kumar Goel	Shri Gaurav Goel	Shri Gautam Goel	
1.	Gross salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	48,00,000	48,00,000	48,00,000	48,00,000	1,92,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	–	–	5,76,000	5,76,000	11,52,000
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	–	–	–	–	–
2.	Stock Option	–	–	–	–	–
3.	Sweat Equity	–	–	–	–	–
4.	Commission - as % of profit - others, specify...	–	–	–	–	–
5.	Others, please specify	–	–	–	–	–
	Total (A)	48,00,000	48,00,000	53,76,000	53,76,000	2,03,52,000
	Ceiling as per the Act*					

*The Company is paying remuneration to the Executive Directors as per Schedule V of Companies Act, 2013 (erstwhile Schedule XIII of Companies Act, 1956) due to inadequate/inabsence of Profits.

Remuneration to Managing Director, Whole-time Directors and/or Manager:

Amount in (₹)

Sl. no.	Particulars of Remuneration	Name of MD/WT/ Manager	Total
		Shri Sandeep Kumar	
1.	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1655260	1655260
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	126545	126545
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	–	
2.	Stock Option	–	
3.	Sweat Equity	–	
4.	Commission - as % of profit - others, specify...	–	
5.	Others, please specify	–	
	Total (A)	1781805	1781805

A. Remuneration to other directors:

Amount in (₹)

Sl. no.	Particulars of Remuneration	Name of Directors				Total
		Shri A.K. Gupta	Shri S.K. Wadhwa	Shri Rahul Bedi	Shri Harish Saluja	
1.	Independent Directors					
	• Fee for attending board committee meetings	1,80,000	–	90,000	1,20,000	3,90,000
	• Commission	–	–	–	–	–
	• Others, please specify	–	–	–	–	–
	Total (1)	1,80,000	–	90,000	1,20,000	3,90,000
2.	Other Non-Executive Directors					
	• Fee for attending board committee meetings	–	80,000	–	–	80,000
	• Commission	–	–	–	–	–
	• Others, please specify	–	–	–	–	–
	Total (2)	–	–	–	–	–
	Total (B) = (1 + 2)	1,80,000	80,000	90,000	1,20,000	4,70,000
	Total Managerial Remuneration	1,80,000	80,000	90,000	1,20,000	4,70,000
Overall Ceiling as per the Act – The Company is paying only Sitting Fees to its Non-Executive and Independent Directors						

Amount in (₹)

Sl. no.	Particulars of Remuneration	Name of Directors				Total
		Shri M. P. Mehrotra	Shri Priya Brat	Smt. Nandita Chaturvedi	Shri B.B. Tandon*	
1.	Independent Directors					
	• Fee for attending board committee meetings	2,00,000	2,40,000	50,000	30,000	5,20,000
	• Commission	–	–	–	–	–
	• Others, please specify	–	–	–	–	–
	Total (1)	2,00,000	2,40,000	50,000	30,000	5,20,000
2.	Other Non-Executive Directors					
	• Fee for attending board committee meetings	–	–	–	–	–
	• Commission	–	–	–	–	–
	• Others, please specify	–	–	–	–	–
	Total (2)	–	–	–	–	–
	Total (B) = (1 + 2)	2,00,000	2,40,000	50,000	30,000	5,20,000
	Total Managerial Remuneration	2,00,000	2,40,000	50,000	30,000	5,20,000

* Ceased to be Director w.e.f. 30.09.2014

B. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Amount in (₹)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total
		CEO	Company Secretary & CFO	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	N.A.	986444	986444
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	–	–	–
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	–	–	–
2.	Stock Option	–	–	–
3.	Sweat Equity	–	–	–
4.	Commission - as % of profit - others, specify...	–	–	–
5.	Others, please specify	–	–	–
	Total	–	986444	986444

VI. Penalties/Punishment/Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
B. DIRECTORS					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
C. OTHER OFFICERS IN DEFAULT					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance:

The Company possesses an ethical mindset about the values of good Corporate Governance, that involves support from diversified categories of people and agencies. The following attributes are significant for good Corporate Governance:

- Transparency in policies and action.
- Independence to develop and maintain a healthy work culture.
- Accountability for performance.
- Responsibility towards the society and for its core values.
- Growth for stakeholders.

The Company makes an honest endeavour to uphold these attributes in all its operational aspects.

Board of Directors:

The Company's Board of Directors comprises promoters, executives, non-executives, nominee(s) and Independent Directors. There are 12 Directors on the Board as on 31st March, 2015, of whom five are whole-time Directors, including Chairman and Vice Chairman.

During the period from 1st April, 2014 to 31st March, 2015, four Board meetings were held on:

- 21st May, 2014
- 9th August, 2014
- 12th November, 2014
- 10th February, 2015

The attendance of each Director at Board meetings, the last Annual General Meeting and number of other directorships and chairmanships/memberships of committees of each Director in various companies:

Name of Director(s)	Category	No. of Board meeting attended	Last AGM attended	No. of other directorships and committee memberships/chairmanships		
				Other directorships	Committee memberships	Committee chairmanships
Shri V. K. Goel	P, C & ED	4	Yes	4	None	None
Shri A. K. Goel	P & VC	3	Yes	1	1	None
Shri Gaurav Goel	P & MD	4	Yes	13	3	1
Shri Gautam Goel	P & MD	2	Yes	6	None	None
Shri A. K. Gupta	ID & NED	3	Yes	12	3	1
Shri Priya Brat	ID & NED	4	No	4	7	2
Shri M. P. Mehrotra	ID & NED	4	Yes	13	7	7
Shri Harish Saluja	ID & NED	3	No	8	2	None
Shri Rahul Bedi	ID & NED	4	No	None	None	None
Shri Sandeep Kumar	WTD	2	Yes	None	None	None
Smt. Nandita Chaturvedi	ID & NED	2	No	None	None	None
Shri S. K. Wadhwa	Nominee Director	4	No	None	None	None
Shri B. B. Tandon*	ID & NED	2	No	15	8	3

* Ceased to be director w.e.f. 30.09.2014

P, C & ED : Promoter, Chairman and Executive Director;
VC : Vice Chairman;
MD : Managing Director;
ID : Independent Director;

WTD : Whole-time Director;
NED : Non-Executive Director;
ND : Nominee Director.

Brief resume of the Directors being reappointed, nature of their expertise in specific functional areas and names of companies in which they hold directorship and the membership of committees of the Board are furnished here under:

a) Shri V. K. Goel: Chairman of the Company . He is well known Sugar Technologist and Entrepreneur with vast experience of around 54 years. He is the source of inspiration for every innovation and R&D and has placed the Company among the global leaders in sugarcane technology. He has been the President of Indian Sugar Mills Association (ISMA), an apex body of sugar manufacturers of India. An avid sportsperson, he is also the Founder President of Delhi Squash Association.

He has been associated with the Company as a promoter Director since 1960.

Age : 74 Years

Qualification : Chemical Engineer

Experience : 54 years

Directorship in other companies: 1) Goel Investments Limited, 2) Delton Cables Limited 3) Saraswati Properties Limited, 4) Khandelwal Laboratories Private Limited

Committee/Executive position held in other Companies: None

b) Shri A. K. Goel: Vice Chairman of the Company, has vast experience of over 45 years in the Sugar and Paper Industry. He has been President of Indian Sugar Mills Association (ISMA) and also the President of U.P. Sugar Mills Association (UPSMA). He is also the Founder President of Indian Agro Paper Mills Association (IAPMA). He is a dedicated bridge player and Founder President of Contract Bridge Association. He has represented India at the Bridge Olympiad and the Bermuda Bowl. He has been associated with the Company as a promoter Director since 1969.

Age : 69 Years

Qualification : Commerce Graduate

Experience : 45 years.

Directorship in other companies: 1) Goel Investments Limited

Committee/Executive position held in other Companies: None

c) Shri Gaurav Goel, Managing Director of the Company, having more than a decade, Sugar Industry experience. He is currently the director of Indian Sugar Exim Corporation Limited and the member of a committee of Indian Sugar Mills Association and The Associated Chambers of Commerce and Industry of India (ASSOCHAM) He was also the President for the year 2006-07 of the Young Entrepreneurs Organization, Delhi Chapter.

He is a Business Management Graduate from United Kingdom and has been associated with the Company since 1994. He is responsible for the overall management of Financial aspects. He takes avid interest in Tennis, Bridge and Reading.

Age : 42 Years

Qualification : Bachelor in Business Management

Experience : 18 years

Directorship in other companies: 1) Goel Investments Limited 2) Shudh Edible Products Ltd. 3) Mangalam Cement Limited 4) Decon Mercantile Pvt. Ltd. 5) Francis Klein and Company Bombay Private Limited 6) Star Metal Refinery Pvt. Ltd. 7) YPO (Delhi Chapter) U/s 25 8) Dhampur International Pte. Ltd. (Singapore), 9) Venus India Asset-Finance Private Limited, 10) Dhampur Global Pte Ltd. (Singapore), 11) Venus India Structured Finance (Offshore) Fund Limited , Tortola 12) Venus India Structured Finance Master Fund Limited, Tortola 13) Indian Sugar Exim Corporation Limited

Committee/Executive position held in other Companies: 3

d) Shri Gautam Goel, Managing Director of the Company, having more than a decade, Sugar Industry experience.

He has been the President of Indian Sugar Mills Association from 2011-12. He has been associated with the Company since 1994 and is responsible for the technical and working aspect of operations. He is a dedicated Sports person with special interest in squash and has represented Delhi in National Tournaments.

Age : 41 Years

Qualification : Graduate

Experience : 18 years .

Directorship in other companies: 1) Goel Investments Limited
2) Shudh Edible Products Ltd. 3) Saraswati Properties Ltd
4) Sonitron Ltd. 5) Dhampur International Pte Ltd. (Singapore)
6) Dhampur Global Pte Ltd. (Singapore)

Committee/Executive position held in other Companies: Nil

- e) **Smt. Nandita Chaturvedi**, Independent Director is graduate from Indore University. She is working as Horticulture Consultant for Indian Airforce at Race Course, Delhi, The Laburnum Condominium Project at Sushant Lok, Gurgaon, Santushti Complex, which is under Airforce and Landscaped Airhouse at the Airchief's residence at Akbar Road, Delhi. She is also attached to Miele at Jasola Business Centre, Delhi.

Audit Committee:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013 and such other functions as may be specifically delegated to the Committee by the Board from time to time. The powers include investigating any activity within its terms of reference; seeking information from any employee; obtaining outside legal or other professional advice; and securing attendance of outsiders with relevant expertise, if it considers necessary. The role includes oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible; recommending the appointment, re-appointment, if required, replacement or removal of statutory auditors, fixation of audit fees and approval of payment for any other services, as permitted; reviewing the adequacy of internal audit function; discussing with internal auditors any significant findings and follow-up thereon; reviewing with the management annual and quarterly financial statements before submission to the Board for approval; approval or any subsequent modification of any transactions of the Company with related parties; review and monitor the auditors independence and performance and effectiveness of audit process; scrutiny of inter corporate loans and investments, if any; evaluation of internal financial controls and risk management system; and reviewing the functioning of the Whistle blower mechanism.

The constitution of the Audit Committee also meets with the requirements under Section 177 of the Companies Act, 2013. The members of the Audit Committee comprise three Independent Non-Executive Directors and the Managing Director.

Details of the composition of the Audit Committee and the attendance at the meetings held are as follows:

Sl. No.	Name of Directors	Meetings attended
1	Shri M. P. Mehrotra, Chairman	4
2	Shri A. K. Goel (Ceased to be a member w.e.f. 27.05.2015)	3
3	Shri A. K. Gupta	3
4	Shri Priya Brat	4
5	Shri Gaurav Goel (became a member w.e.f. 27.05.2015)	–

Shri Arhant Jain, Executive President (Finance)-cum Company Secretary also acts as the Secretary to the Committee.

During the period from 1st April, 2014 to 31st March, 2015, four committee meetings were held on:

- 1) 21st May, 2014
- 2) 9th August, 2014
- 3) 12th November, 2014
- 4) 10th February, 2015

The Committee, inter-alia, reviewed the financial statements including Auditors' Reports for the year ended 31st March, 2015 and recommended its adoption, records of related party transactions, reports related to compliance of laws and risk management.

Nomination and Remuneration Committee

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors. The role includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on Board diversity; and identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Remuneration Policy

The objective and broad framework of the Remuneration Policy is to consider and determine the remuneration, based on the fundamental principles of payment for performance, for potential, and for growth. The Remuneration Policy reflects on certain guiding

principles of the Company such as aligning remuneration with the longer term interests of the Company and its shareholders, promoting a culture of meritocracy and creating a linkage to corporate and individual performance, and emphasising on line expertise and market competitiveness so as to attract the best talent. It also ensures the effective recognition of performance and encourages a focus on achieving superior operational results. The Nomination and Remuneration Committee recommends the remuneration of Directors and Key Managerial Personnel, which is approved by the Board of Directors, subject to the approval of shareholders, where necessary. The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the directors, key managerial personnel and other employees of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration to directors, key managerial personnel and senior management personnel should also involve a balance between fixed and incentive pay reflecting short and long term performance objectives

appropriate to the working of the Company.

Details of the composition of the Remuneration Committee and the attendance at the meetings held is as follows:

Sl. No.	Name of Directors	Meetings attended
1	Shri M. P. Mehrotra, Chairman	3
2	Shri Harish Saluja	2
3	Shri A. K. Gupta	2
4	Shri Priya Brat	3

Shri Arhant Jain, Executive President (Finance)-cum Company Secretary also acts as the Secretary to the Committee.

During the period from 1st April, 2014 to 31st March, 2015, three committee meetings were held on:

- 1) 21st May, 2014
- 2) 9th August, 2014
- 3) 12th November, 2014

Details of remuneration to the Directors for the year ended 31st March, 2015

Name of the Directors	Salary (₹)	Benefits (₹)	Bonus (₹)	Commission (₹)	Sitting Fees (₹)	Service Contract/Notice Period/Severance Fees
Shri V. K. Goel	4800000	-	-	-	-	Term valid till 31.01.2016 and Re-appointed up to 31.03.2018, subject to approval of members in the ensuing Annual General Meeting. No Notice period and no severance fees.
Shri A. K. Goel	4800000	-	-	-	-	Term valid till 31.03.2015 and Re-appointed up to 31.03.2018, subject to approval of members in the ensuing Annual General Meeting. No Notice period and no severance fees.
Shri Gaurav Goel	4800000	576000	-	-	-	Term valid till 31.03.2015 and Re-appointed up to 31.03.2018, subject to approval of members in the ensuing Annual General Meeting. No Notice period and no severance fees.
Shri Gautam Goel	4800000	576000	-	-	-	Term valid till 31.01.2016 and Re-appointed up to 31.03.2018, subject to approval of members in the ensuing Annual General Meeting and Central Government. No Notice period and no severance fees.
Shri Sandeep Kumar	1655260	126545	-	-	-	Term of office valid till 22.06.2017. No Notice period and no severance fees.
Shri A. K. Gupta	-	-	-	-	180000	Appointed as Independent Director up 25.09.2019.

Name of the Directors	Salary (₹)	Benefits (₹)	Bonus (₹)	Commission (₹)	Sitting Fees (₹)	Service Contract/Notice Period/Severance Fees
Shri M. P. Mehrotra	-	-	-	-	200000	Appointed as Independent Director up 25.09.2019.
Shri Harish Saluja	-	-	-	-	120000	Appointed as Independent Director up 25.09.2019.
Shri Rahul Bedi	-	-	-	-	90000	Appointed as Independent Director up 25.09.2019.
Shri Priya Brat	-	-	-	-	240000	Appointed as Independent Director up 25.09.2019.
Shri S. K. Wadhwa	-	-	-	-	80000	Nominee Director (PNB)
Smt. Nandita Chaturvedi	-	-	-	-	50000	Appointed as additional Independent Director up to the conclusion of ensuing Annual General Meeting.
Shri B.B Tandon	-	-	-	-	30000	Ceased to be Director w.e.f. 30.09.2014

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the performance evaluation of its own performance and of the Board Committees, viz. Audit Committee, Nomination and Remuneration Committee, CSR Committee and Stakeholders' Relationship Committee as well as evaluation of performance of Directors individually. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering 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, corporate governance practices and stakeholders' interests, etc. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, meeting risk management & competition challenges, compliance & due diligence, financial control, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Nomination & Remuneration Committee also carried out evaluation of every director's performance. The Directors expressed their satisfaction with the evaluation process.

Policy on Board diversity

The Board of Directors shall have the optimum combination of Directors from the different areas / fields like production, Management, Quality Assurance, Finance, Sales and Marketing,

Supply chain, Research and Development, Human Resources etc or as may be considered appropriate.

Stakeholder's Relationship Committee

The " Stakeholder's Relationship Committee comprises of Shri A. K. Gupta, Chairman; Shri Priya Brat; and Shri Harish Saluja.

The Committee, inter-alia, reviews issue of duplicate certificates and oversees and reviews all matters connected with the Company's transfers of securities. It looks into redressal of shareholders'/ investors' complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, among others.

It oversees the performance of the Company's Registrar and Transfer Agent, and recommends measures for overall improvement in the quality of investor services. Besides, it monitors implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992. The Board delegated the power of approving transfer of securities to Shri Gaurav Goel, the Company's Managing Director.

Besides the committee shall have such terms of reference, role, responsibility and powers as specified in Section 178 of the Companies Act, 2013 and as specified in the listing agreement, as amended from time to time."

During the period from 1st April, 2014 to 31st March, 2015, four Committee meetings were held on:

- 1) 21st May, 2014
- 2) 9th August, 2014
- 3) 12th November, 2014
- 4) 10th February, 2015

The attendance at the meetings are as follows:

Sl. No.	Name of Directors	Meetings Attended
1	Shri A. K. Gupta, Chairman	3
2	Shri Priya Brat	4
3	Shri Harish Saluja	3

Shri Arhant Jain, Executive President (Finance)-cum Company Secretary also acts as the Secretary to the Committee.

Familiarisation Programme For Directors

The Company has put in place a system to familiarise the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

The newly appointed director is explained his/her role, duties, function and responsibilities expected of him while acting as Director of the Company.

The directors have been explained the compliance required from them under Companies Act, 2013 and Clause 49 of the Listing Agreement entered in to with Stock Exchanges.

Subsidiary

The Company does not have any material subsidiary as defined under clause 49 of the Listing Agreement. However Policy for Determining Material subsidiaries has been formulated and uploaded on the website of the Company i.e www.dhampur.com.

Status of Investors' Grievances

The total number of correspondence/complaints received is 213 and all of them have been dealt with to the satisfaction of shareholders during the year ended 31st March, 2015 and no demat request/transfer was pending as on that date.

Compliance Officer

Shri Arhant Jain, Executive President (Finance) & Company Secretary, is the Compliance Officer of the Company.

The Company has made separate e-mail id i.e. investordesk@dhampur.com for the purpose of investors which is also given at the website of the Company.

Corporate Social Responsibility

As per the requirement of Companies Act, 2013, The Committee named as Corporate Social Responsibility Committee (CSR Committee) was constituted on 21st May, 2014 which comprises of three directors Shri VK Goel, Chairman, Shri Gaurav Goel, Managing Director and Shri Ashwani K Gupta, Independent Director.

The committee's responsibility is to assist the board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of Corporate Social Responsibility policy as specified in Schedule VI of the Companies Act, 2013.

The Company formulated CSR policy, which is uploaded on the website of the Company (weblink <http://dhampur.com/Policies.aspx>)

The CSR committee met one time during the year on 23rd May, 2014.

Independent Directors Meeting

During the year under review, The Independent Directors met on 10th February, 2015, interalia, to:

1. Review the performance of Non-Independent directors and the Board as a whole;
2. Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
3. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Disclosures and Affirmation

I. Compliance with Mandatory Requirements:

The Company is in compliance with all mandatory requirements under clause 49 of the Listing Agreement.

II. Related Party Transactions

All transactions entered into with related parties during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant related party transactions during the year.

Related Party transactions have been disclosed in the notes to accounts forming part of financial statements. A statement in summary form of transactions with related parties in the ordinary course of business and on arm's length basis is placed before the Audit Committee periodically for its review.

Pursuant to the requirement of Clause 49 of the Listing Agreement, The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at <http://www.dhampur.com>

None of the transactions of the Company with related parties were in conflict with the interest of the Company.

- III. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years During the last three years:

There were no penalties, strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.

IV. Whistle Blower policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Whistle Blower Committee made for the purpose. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

- V. The Company has followed the Accounting standards referred to in section 133 of Companies Act, 2013 and other applicable laws and regulations for the preparation of financial Statements. The Significant accounting policies applied have been set out in the notes to the financial statements.
- VI. The Company has laid down procedures for Risk Assessment and Minimization, and the same is periodically reviewed by the Board. The Company has adequate internal control systems to identify risk and ensuring their effective control.

- VII. There was no public issue or rights issue during the year. However, the Company had issued 30,00,000 equity warrants each having an option to convert into equity shares of ₹ 10 each at a premium of ₹ 23 each, during the previous year. Holder of 15,00,000 equity warrants has exercised this conversion option during the year and consequently, the 15,00,000 equity shares were allotted.

Means of Communication

- I. The Company's Quarterly results in the proforma prescribed by the Stock Exchanges pursuant to clause 41 of the Listing Agreement are approved and taken on record by the Board of Directors and submitted to the stock exchanges.
- II. The results are normally published in Business Standard/ Financial Express/Economics Times (in English) and Jan Satta/ Amar Ujala/Veer Arjun (in Hindi).
- III. The Company's financial results and official press releases are displayed on Company's website (www.dhampur.com) within the time prescribed in this regard.
- IV. The Company's website also displays Presentations, if any made to the media, analysts, institutional investors, fund managers, etc. from time to time.
- V. The quarterly results, shareholding patterns, periodical compliances and all other corporate communications to the Stock Exchanges viz. National stock Exchange of India Limited and BSE Limited are filed electronically to them through NEAPS portal on NSE and BSE listing Centre with BSE.

General Meetings:

Details of Annual General Meetings are as follows:

i. Location and time, where last three AGMs were held.

Year	Location	Date	Time
2013-14	Registered office: P.O. Dhampur (Bijnor)	26th September, 2014	2.00 p.m
2012-13	Registered office: P.O. Dhampur (Bijnor)	20th September, 2013	2.00 p.m
2011-12	Registered office: P.O. Dhampur (Bijnor)	30th August, 2012	2.00 p.m

ii. Whether special resolutions were passed in the previous 3 AGMs?

Yes-

Financial Year 2013-14 as under :

- Invitation and Acceptance of Fixed Deposits from the Members and Public
- To create securities in favour of Lenders u/s 180(1)(a) of the Companies Act, 2013.
- Borrowing limits of the Company u/s 180(1)(c) of the Companies Act, 2013.

Financial Year 2012-13 as under :

Re-appointment of Shri V.K Goel as Chairman of the Company.

iii. Whether special resolutions were put through postal ballot last year?

During the year Special Resolution u/s 186 of Companies Act, 2013 has been passed by the members of the Company allowing the Company to make investments, give loans and guarantees.

The Board had appointed Shri Saket Sharma of GSK & Associates, a Firm of Company Secretary, Kanpur as Scrutinizer to conduct the postal ballot voting process in a fair and transparent manner.

The details of the voting pattern in respect of the Special resolution passed :

Promoter/Public	No. of shares held	No. of votes (E-voting + Postal Ballot)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
	-1	-2	(3)=[(2)/(1)]*100	-4	-5	(6)= [(4)/(2)]*100	(7)= [(5)/(2)]*100
Promoter and Promoter Group	30585637	30500273	99.721	30500273	0	100	0
Public – Institutional holders	2216670	67200	3.032	67200	0	100	0
Public-Others	24412628	119958	0.491	108707	11251	90.62	9.38
Total	57214935	30687431	53.635	30676180	11251	99.963	0.037

iv. Are votes proposed to be conducted through postal ballot this year? No

General Shareholder Information

80th Annual General Meeting:

Date: 11th September, 2015

Time: 2 p.m.

Venue: Registered office at Dhampur, Dist.Bijnor (U.P)

Tentative financial calendar

Board meeting to approve quarterly financial results:

Period quarter ending	Proposed Board meeting dates
30th June, 2015	End July, 2015
30th September, 2015	End October, 2015
31st December, 2015	End January, 2016
31st March, 2016	End May, 2016

Date of Book Closure

04.09.2015 to 11.09.2015

Listing on stock exchanges

- BSE Limited (BSE)
- The National Stock Exchange of India Limited (NSE)

The annual listing fees for the year 2015-16 have been duly paid to all the above stock exchanges.

Stock exchanges

- The Bombay Stock Exchange Limited (BSE)
- The National Stock Exchange of India Limited (NSE)

Stock code

500119

Dhampursug

The equity shares available for dematerialization are as follows
ISIN No.INE041A01016 with NSDL and CDSL.

Stock market data from 1st April, 2014 to 31st March, 2015

Months	National Stock Exchange		Bombay Stock Exchange	
	High (₹)	Low (₹)	High (₹)	Low (₹)
March, 2015	43.25	34	40.5	33.85
February, 2015	44.6	38.3	45.2	38.4
January, 2015	46.95	42	47.7	42.36
December, 2014	48.9	41.6	51	41.75
November, 2014	52.5	42	52.65	45.2
October, 2014	52.5	44.3	52.4	44.35
September, 2014	60.35	44.1	59.85	44.25
August, 2014	60.25	50.25	59.9	50.45
July, 2014	67.45	55	67.35	55
June, 2014	68.00	52.10	69.00	52.65
May, 2014	61.00	40.50	61.00	40.80
April, 2014	50.50	41.50	49.90	41.70

Share price performance in comparison to broad based indices – BSE Sensex and NSE Nifty as on March 31, 2015

FY 2014-15	BSE		NSE	
	DSML	Sensex	DSML	Nifty
01.04.2014	43.50	22455.23	42.25	6719.50
31.03.2015	36.00	27868.21	36.55	8491.00

Registrars & Share Transfer Agents

M/s Alankit Assignments Limited,
Alankit House,
2E/21 Jhandewalan Extension,
New Delhi 110 055
Ph: 011-42541953,
Fax : 011-42541201
E-mail : rta@alankit.com

Share Transfer System

At present, the share transfers which are received in physical form are processed and the share certificates returned within the stipulated period from the date of receipt, subject to the documents being valid and complete in all respects.

As per the SEBI circular, it has become mandatory for transferee(s) to furnish a copy of his/her/their PAN CARD for registration of transfer of shares in Physical form.

Distribution of shareholding as on 31st March, 2015

Sl. No.	Shareholding of normal value of ₹ 10 each	No. of share-holders	Per cent of total shareholders	Share amount (₹)	Per cent of total equity
1	1 to 5000	38975	91.27	39346380	6.701
2	5001 to 10000	1939	4.541	15711140	2.676
3	10001 to 20000	798	1.869	12159570	2.071
4	20001 to 30000	291	0.681	7423970	1.264
5	30001 to 40000	161	0.377	5723770	0.975
6	40001 to 50000	139	0.326	6508100	1.108
7	50001 to 100000	172	0.403	12538270	2.135
8	100001 to ABOVE	228	0.534	487738150	83.069
	TOTAL	427031	100	587149350	100

Category	Holding	%
1 Promoter	7712604	13.14
2 Associate Company	14797273	25.20
3 Director and Relatives	85364	0.15
4 Person Acting in Concert	9490396	16.16
5 Banks/FI	2053393	3.50
6 FI	1447	0.00
7 Corporate Bodies	8479843	14.44
8 Resident Indian Public	15018069	25.58
9 NRI/OCB/Foreign Nationals	1072966	1.83
10 Mutual Funds	3515	0.01
11 Trust	65	0.00
Grand Total	58714935	100

Dematerialisation of shares

Over 99.15% of the outstanding shares have been dematerialized up to 31st March, 2015. Trading in equity shares of the Company is permitted only in dematerialised form w.e.f October/November, 2000 as per notification issued by the Securities and Exchange Board of India (SEBI).

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company had issued 30,00,000 Equity Warrants having conversion option in to Equity Shares in previous year. The option has been exercised for 15,00,000 Equity Warrants as a result 15,00,000 Equity Shares were allotted.

The remaining 15,00,000 warrants are due for conversion in September, 15 on exercise of option by the warrants holders.

Code of Conduct

The Company has adopted a code of conduct for its Board of Directors and Senior Management Personnel and the same has been posted on the Company's website.

Non Mandatory Requirements

The Board: The Company has an Executive Chairman.

Shareholders Rights: The quarterly/half-yearly results are published in the newspapers and hosted on the Company's website www.dhampur.com and are filed to the Stock Exchanges electronically through NEAPS portal on NSE and BSE listing Centre with BSE Limited. The same are not sent to shareholders individually.

Audit Qualifications: The Company is always striving towards ensuring the unqualified financial statements.

Separate posts of Chairman and Managing Director /CEO:

The Company has different persons for the post of Chairman and Managing Director/CEO.

Plant Locations:

Sugar units:

Dhampur, Dist. Bijnor (U.P.)
Asmoli, Dist. Sambhal (U.P.)
Mansurpur, Dist. Muzaffarnagar (U.P.)
Rajpura, Dist. Sambhal (U.P.)
Meerganj, Dist. Bareilly (U.P.)

Distillery/Chemical units:

Dhampur, Dist. Bijnor (U.P.)
Asmoli, Dist. Sambhal (U.P.)

Co-generation units:

Dhampur, Dist. Bijnor (U.P.)
Asmoli, Dist. Sambhal (U.P.)
Mansurpur, Dist. Muzaffarnagar (U.P.)
Rajpura, Dist. Sambhal (U.P.)
Meerganj, Dist. Bareilly (U.P.)

Address for Correspondence:

Dhampur Sugar Mills Limited,
241 Okhla Industrial Estate,
Phase – III, New Delhi 110 020
Ph: 011-30659400, Fax: 011-26935697
E-mail: investordesk@dhampur.com
CIN: L15249UP1933PLC000511

Declaration on the Code of Conduct

Pursuant to Clause 49 of the Listing Agreement with stock exchanges, I, Arhant Jain, Executive President (Finance) & Company Secretary of Dhampur Sugar Mills Limited, declare that all the Board Members and Senior Executives of the Company have affirmed their compliance with the Code of Conduct during the year ended 31st March, 2015.

CERTIFICATE BY CEO/CFO

FOR THE PERIOD FROM 1ST APRIL, 2014 TO 31ST MARCH, 2015

The Board of Directors

Dhampur Sugar Mills Limited

- a) We have reviewed the Balance Sheet, Profit and Loss Account, Cash Flow Statement and the Director's report for the year ended 31st March, 2015 and based upon our knowledge and information certify that :
- i. These statements do not contain any materially untrue statement or omit any material fact or contain the statement 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 and other applicable laws and regulations.
- b) There are, to best of our knowledge and belief no transactions entered into by the Company during the period, which are fraudulent, illegal or violative of the Companies Code of Conduct.
- c) We accept the responsibility for establishing and maintaining internal control for financial reporting for the Company and we have:
- i) Evaluated the effectiveness of the internal control system of the Company.
 - ii) Disclosed to the Auditors and Audit Committee of the Board, deficiencies in the design or operation of internal controls, if any of which we are aware, and
 - iii) Necessary steps taken /proposed to be taken to ratify these deficiencies.
- d) We have indicated to Auditors and the Audit Committee of the Board that there have been:
- i) no significant changes in internal control over the financial reporting during the period,
 - ii) no significant changes in accounting policies during the period
 - iii) no 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.

Place: New Delhi

Date: 27.05.2015

Gaurav Goel

Managing Director

Arhant Jain

*Chief Financial Officer and
Company Secretary*

CERTIFICATE ON CORPORATE GOVERNANCE

To

**The Members of
Dhampur Sugar Mills Limited**

We have examined the compliance of conditions of Corporate Governance by Dhampur Sugar Mills Limited for the period ended 31st March, 2015 as stipulated in Clause 49 of the listing Agreements of the said Company with Stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management, our examination was limited to procedures and in implementations there of, adopted by the Company, for ensuring the compliance of the conditions of the 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 explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreements.

We state that in respect of Investor Grievance(s) received during the period ended 31st March, 2015, no such grievances are pending for a period exceeding one month against the Company as per the records maintained by company and presented to the Investor Grievance Committee.

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 GSK & Associates

Saket Sharma

Company Secretary

C.P. No. 2565

Place: Kanpur

Dated: 27.05.2015

Independent Auditors' Report

To
The Board of Directors of
Dhampur Sugar Mills Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Dhampur Sugar Mills Limited** ("the Company") and its Subsidiaries (the Company and its subsidiaries constitute "the group"), which comprise the consolidated Balance Sheet as at 31st March, 2015, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143 (10) of Companies Act, 2013.

Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control system over financial reporting in place and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence by the other auditors in terms of their reports referred to in sub paragraph (a) of the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give true fair view in conformity with accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015 and its consolidated Loss and its Consolidated Cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the Note No. – "26 (b)" of the annexed consolidated financial statements which explains the reasons for recognition of subsidy announced by the Government of Uttar Pradesh.

Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements of the subsidiary viz. Dhampur International Pte. Limited and fellow subsidiary viz. Dhampur Global Pte.

Limited whose consolidated financial statements reflect total assets of ₹14.79 Crores as at 31st March, 2015 and total revenues of ₹126.75 Crores and net cash flows amounting to ₹(1.83) Crores for the year ended on that date, as considered in the consolidated financial statements.

These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

We did not audit the financial statements of Meerganj Unit included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹274.19 Crores as at 31st March, 2015 and total revenues of ₹114.84 Crores for the year ended on that date, as considered in the standalone financial statements. The financial statements of Meerganj Unit have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt

with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2015 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiaries companies, none of the directors of the Group companies is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Group has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note No. – "38")
 - b. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

For **S. VAISH & CO.,**
Chartered accountants
FRN 00001C

For **MITTAL GUPTA & CO.,**
Chartered Accountants
FRN 01874C

(**S.P. AGRAWAL**)
Partner
M No. 07269

(**B. L. GUPTA**)
Partner
M No. 073794

Place: Kanpur
Dated: 27th May, 2015

Consolidated Balance Sheet as at 31st March, 2015

(₹ in crores)

Particulars	Note No.	As at 31.03.2015		As at 31.03.2014	
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	3	75.96		80.41	
Reserves and surplus	4	346.51		360.87	
Money received against Equity share warrants	3B	1.24	423.71	2.48	443.76
Non-current liabilities					
Long-term borrowings	5	571.89		544.74	
Other long-term liabilities	8	3.49		5.15	
Long-term provisions	6	20.65	596.03	19.95	569.84
Current liabilities					
Short-term borrowings	7	894.27		665.40	
Trade payables	8	675.01		702.63	
Other current liabilities	8	428.46		342.68	
Short-term provisions	9	10.27	2008.01	10.42	1721.13
Total			3027.75		2734.73
ASSETS					
Non-current assets					
Fixed assets					
Tangible assets	10	1253.93		1086.02	
Capital work-in-progress		17.74		207.03	
Non-current investments	11	0.78		1.97	
Deferred tax Assets (Net)	12	45.10		0.00	
Long-term loans and advances	13	12.77		13.59	
Other non-current assets	14	0.21	1330.53	0.23	1308.84
Current assets					
Inventories	15	1252.26		1224.34	
Trade receivables	16	222.96		119.26	
Cash and cash equivalents	17	16.73		19.53	
Short-term loans and advances	13	39.51		35.24	
Other current assets	14	165.76	1697.22	27.52	1425.89
Total			3027.75		2734.73
Significant Accounting Policies					
Notes on Financial Statements	1 to 38				

This is the Balance Sheet referred to in our report of even date

For and on behalf of the Board of Directors

For S. Vaish & Co.

For Mittal Gupta & Co.

(S. P. Agrawal)

Partner

Chartered Accountants

Place : Kanpur

Dated : 27th May, 2015

(B. L. Gupta)

Partner

Chartered Accountants

Arhant Jain
Executive President (Finance)
& Secretary

V. K. Goel
Chairman

A. K. Goel
Vice Chairman

Gaurav Goel
Managing Director

Gautam Goel
Managing Director

A. K. Gupta
Director

M. P. Mehrotra
Director

Consolidated Profit and Loss Statement for the year ended 31st March, 2015

(₹ in crores)

Particulars	Note No.	Year ended 31.03.2015		Year ended 31.03.2014	
INCOME					
Revenue from operations	18	1856.06		1897.78	
Less : Excise duty and other taxes		65.82	1790.24	74.98	1822.80
Other income	19		7.46		5.97
Total revenue			1797.70		1828.77
EXPENSES					
Cost of Raw materials consumed	20		1274.06		1343.70
Purchases of Stock-in-Trade	18		104.22		22.33
(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods	21		19.93		69.63
Employee benefits expense	22		76.19		73.34
Finance costs	24		149.66		142.21
Depreciation and amortization expense			55.23		75.88
Other expenses	23		172.57		185.62
Total Expenses			1851.86		1912.71
Profit before exceptional and extraordinary items and tax			(54.16)		(83.94)
Exceptional items					
Profit before extraordinary items and tax			(54.16)		(83.94)
Extraordinary items			0.00		0.00
Profit/(loss) before tax			(54.16)		(83.94)
Tax expense:					
Current tax/Income tax adjustments			(1.60)		(0.32)
Less: MAT credit entitlement			-		0.32
Deferred tax assets/(liability) (Net)			42.93		5.59
Profit/(loss)			(12.83)		(78.35)
Earning per equity share (nominal value of share ₹ 10/- each)					
Basic (₹ per share)			(2.54)		(14.04)
Diluted (₹ per share)			(2.48)		(13.34)
Significant Accounting Policies					
Notes on Financial Statements	1 to 38				

This is the Profit and Loss statement referred to in our report of even date

For and on behalf of the Board of Directors

For S. Vaish & Co.

For Mittal Gupta & Co.

(S. P. Agrawal)
Partner
Chartered Accountants

(B. L. Gupta)
Partner
Chartered Accountants

Place : Kanpur
Dated : 27th May, 2015

Gaurav Goel
Managing Director

Arhant Jain
Executive President (Finance)
& Secretary

Gautam Goel
Managing Director

V. K. Goel
Chairman

A. K. Gupta
Director

A. K. Goel
Vice Chairman

M. P. Mehrotra
Director

Consolidated Cash Flow Statement for the year ended 31st March, 2015

(₹ in crores)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax and exceptional items	(54.16)	(83.94)
Adjustment for:		
Depreciation	55.23	75.88
Loss on sale of fixed assets (net)	0.50	1.43
Finance Cost	149.66	142.21
Interest and other investment income	(1.55)	(4.12)
Molasses storage fund	0.10	0.13
Provision for doubtful debts & balance written off	0.19	0.92
Operating profit before working capital changes	149.97	132.51
Adjustments for:		
Trade and other receivables	(246.94)	24.49
Inventories	(27.92)	86.94
Trade and other payables	44.44	238.24
Cash generated from operation	(80.45)	482.18
Taxes refund/(paid)	(0.26)	(1.05)
Net cash from operating activities (A)	(80.71)	481.13
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of fixed assets (Net)	(48.96)	(250.52)
Purchases/Sale of investments (Net)	1.22	(0.68)
Interest and other investment income	1.55	4.18
Net cash used in investing activities (B)	(46.19)	(247.02)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Redemption of preference shares	(5.95)	(2.94)
Money Received against Share Warrant/Equity share capital	3.71	2.48
Proceeds from borrowings (net)	273.34	(103.30)
Change in deposit pledged against margin money/guarantee with bank	0.91	(1.17)
Dividend including dividend distribution tax	(0.38)	(10.34)
Finance Cost Paid	(147.01)	(124.20)
Net cash used in financing activities (C)	124.62	(239.48)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(2.28)	(5.37)
Opening Balance of Cash and Cash Equivalents	11.73	17.10
Closing balance of Cash and Cash Equivalents	9.45	11.73

Reconciliation of Cash & Cash Equivalents :

(₹ in crores)

Particulars	As at 31.03.2015	As at 31.03.2014
Closing Balance of Cash & Cash Equivalents as per Cash Flow Statement	9.45	11.73
Add: Balance in Unpaid Dividend account	0.26	0.34
Add: Deposit pledged against margin money/guarantee	2.27	3.18
Add: Deposit with original maturity more than 3 months but upto 12 months	3.57	3.25
Add: Deposit earmarked for molasses storage fund	1.18	1.03
Closing Balance of Cash & Cash Equivalents as per Note No - 17	16.73	19.53

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of the Board of Directors

For S. Vaish & Co.

For Mittal Gupta & Co.

(S. P. Agrawal)

Partner

Chartered Accountants

Place : Kanpur

Dated : 27th May, 2015

(B. L. Gupta)

Partner

Chartered Accountants

Gaurav Goel

Managing Director

Arhant Jain

Executive President (Finance)
& Secretary

Gautam Goel

Managing Director

V. K. Goel

Chairman

A. K. Gupta

Director

A. K. Goel

Vice Chairman

M. P. Mehrotra

Director

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

1 Corporate Information:

Dhampur Sugar Mills Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1913. Its shares are listed on two stock exchanges in India namely, National Stock Exchange of India and Bombay Stock Exchange of India. The company is engaged in the manufacturing and selling of sugar, chemicals and co-generation of power..

2 Significant Accounting Policies :

A Basis of consolidation and significant accounting policies

The consolidated financial statements of the company and its subsidiaries (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, (the "Act") read with rule 7 of Companies (Accounts) Rules, 2014, guidelines issued by SEBI and the relevant provisions of the Act, as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year, unless otherwise stated.

B Principles of consolidation

The consolidated financial statements relate to Dhampur Sugar Mills Limited ('the Company') and of the financial statements of its wholly owned subsidiary Dhampur International Pte. Limited and wholly owned fellow subsidiary Dhampur Global Pte. Limited (Collectively referred to as the 'Group'). The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Company i.e. 31st March, 2015.
- ii) The financial statement of the Company and its subsidiary companies have been consolidated on a line-by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating the intra-group balances and intra-group transactions resulting in unrealised profits or losses.
- iii) As far as possible, the consolidated financial statements have been prepared using uniform accounting policies, like transaction and events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- iv) The excess of cost to the Company of its investments in the subsidiary company is recognized in the financial statement as goodwill and the excess of company's portion of equity of the subsidiary over the cost of the investments therein is treated as capital reserve.
- v) Minority interest in the net assets of consolidated subsidiary consists of the amount of equity attributable to the minority share holders at the dates on which investments are made by the Company in the subsidiary company and further movements in their share in the equity, subsequent to the dates of investments as stated above. If, the amount of losses applicable to the minority on consolidation exceeds the minority interest in the equity of the subsidiary, the excess, and any further losses applicable to the minority, are adjusted against the majority interest except to the extent that minority has a binding obligation to, and is able to, make good the losses. If the subsidiary subsequently reports profits, all such profits are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered.
- vi) Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Name of the Company	Country of Incorporation	Percentage of holding and voting power either directly or indirectly through subsidiary	
		As at 31st March, 2015	As at 31st March, 2014
Subsidiary (held directly)			
Dhampur International Pte Ltd. (DIPL)	Singapore	100%	100%
Subsidiary (held indirectly)			
Dhampur Global Pte Ltd. (100% subsidiary of DIPL)	Singapore	100%	100%

C Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period.

Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

D Fixed Assets

Fixed assets are stated at cost, net of recoverable taxes and includes amount added on revaluation, less accumulated depreciation, and

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

impairment loss, if any. All costs, including financing costs attributable to construction or acquisition of fixed assets till commencement of commercial production, and adjustments arising from exchange rate variations attributable to the fixed assets are capitalised.

E Depreciation and Amortisation

- a) Depreciation on fixed assets is provided for over the useful life of assets specified in the Schedule -II of Companies Act, 2013.
- b) Depreciation on Plants and buildings acquired upto 31st March, 1989 and other assets acquired upto 31st March, 2014 is provided on written down value method.
- c) Depreciation on Plants and buildings acquired after 31st March, 1989 and other fixed assets acquired after 31st March, 2014 is provided on straight line method

F Foreign Exchange Transactions

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- b) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- c) Non monetary foreign currency items are carried at cost.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

G Inventories

- a) Raw material, process chemicals, stores and spares, packing material and traded goods are carried at weighted average cost.
- b) Finished Goods except molasses are carried at lower of cost and net realisable value.
- c) Stock of finished farm products, molasses and bagasse are carried at estimated selling price.
- d) Standing cane and other crops are carried at cost.
- e) Goods in process is carried at lower of cost and net realisable value.
- f) Loose tools and instruments are carried at depreciated value.
- g) Renewable Energy Certificate are carried at lower of cost and net realisable value.

H Excise Duty

Excise duty in respect of finished goods held in stock at the end of the period except in respect of those products which are being used for captive consumption, is provided for and is included in the value of closing stock.

I Employees Benefits

- a) Defined contribution plan
Company's contributions paid/payable during the year to provident fund and pension fund are recognised in the profit and loss account.
- b) Defined Benefit Plan
Company's liabilities towards gratuity are determined using the projected unit credit method which considers each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gain and losses are recognised immediately in the profit and loss account as income or expenses. Obligation measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date or Government bonds where the currency and terms of the Government are consistent with the currency and estimated terms of the defined benefit obligation.
- c) Short term benefits (namely leave encashment) are provided for on accrual basis.
- d) Employee separation cost
Compensation to employee who have opted for retirement under the "Voluntary Retirement Scheme" of the company is charged to the profit and loss account in the year of retirement.

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

J Leases

- (a) Lease rentals in respect of operating lease, if any, are expensed with reference to lease term, except for rentals pertaining to the period upto the date of commissioning of the assets which are capitalised.
- (b) Income in respect of assets given on operating lease if any, is recognised on accrual basis with reference to lease terms.

K Investments:

- a) Current investments are carried at lower of cost and net realisable value.
- b) Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

L Revenue Recognition

Revenue is recognised only when it can be reliably measured and is reasonable to expect ultimate collection. Revenue from sale of goods is recognised on transfer of significant risks and rewards of ownership to the customers. Revenue includes excise duty and is net of sales tax, value added tax and applicable discounts and allowances. Dividend income is recognised when right to receive is established. Interest income is recognised when no significant uncertainty as to measurability or collectability exists.

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

M Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets till commencement of commercial production and/or put to use. All other borrowing costs are expensed in the period they occur.

N Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961. Deferred tax resulting from timing differences between taxable income and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax assets is recognised and carried forward only to the extent that there is virtual certainty that the assets will be realised in future.

O Impairment of Assets

The carrying amount of assets are reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount.

An impairment is charged to the profit and loss account in the year in which an asset is identified as impaired. Impairment losses recognised in prior accounting periods are reversed if there is any change in the estimate of the recoverable amount.

P Government Grants:

Government grants are recognised where there is reasonable assurance that the conditions attached to them will be complied and the grants will be received. Government grants are accounted for as under:

- (i) Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds.
- (ii) Government grants related to specific depreciable fixed assets are adjusted with the value of assets. Government grants related to specific non depreciable fixed assets are credited to capital reserve.
- (iii) Government grants that are receivable as compensation for expenses or losses incurred or for the purpose of giving immediate financial support are either deducted from the expenditure in case these relate to specific expenditure and in other cases are treated as other income. These grants if available to the sugar industry in general are treated as ordinary items and if available only to the company are treated as an extraordinary item and disclosed accordingly.

Q Provisions, Contingent Liabilities and Assets

Provisions are recognised in respect of obligations where, based on the evidence available, their existence at the balance sheet date is considered probable.

Contingent liabilities are shown by way of notes to the accounts in respect of obligations where, based on the evidence available their existence at the balance sheet date is considered not probable.

Contingent assets are not recognised in the financial statements.

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

3 SHARE CAPITAL

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
Authorized shares				
11,38,26,000 equity shares of ₹ 10/- each		113.83		113.83
69,17,400 preference shares of ₹ 100/- each		69.17		69.17
Issued, subscribed and paid-up shares				
Equity shares				
5,87,14,935 (5,72,14,935) equity shares of ₹ 10/- each fully paid-up	58.71		57.21	
3,25,496 equity shares forfeited	0.07		0.07	
Less : Calls in arrears	#	58.78	#	57.28
Preference shares				
4,13,940, 6% Cumulative Redeemable preference shares of ₹ 100/- each fully paid-up {Amount pending for redemption - ₹ 33.33 (₹ 66.67) per share}		1.38		2.76
4,69,013, 1% Cumulative Redeemable preference shares of ₹ 100/- each fully paid-up {Amount pending for redemption - ₹ 16.67 (₹ 50.00) per share}		0.78		2.35
18,01,817, 8% Cumulative Redeemable preference shares of ₹ 100/- each fully paid-up {Amount pending for redemption - ₹ 83.35 (₹ 100.00) per share}		15.02		18.02
TOTAL		75.96		80.41

3.a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period is set out below :

Particulars	31.03.2015		31.03.2014	
	No.	(₹ in crores)	No.	(₹ in crores)
Authorized shares				
Equity shares				
At the beginning of the period	113826000	113.83	113826000	113.83
Outstanding at the end of the period	113826000	113.83	113826000	113.83
Preference shares				
At the beginning of the period	6917400	69.17	6917400	69.17
Outstanding at the end of the period	6917400	69.17	6917400	69.17
Issued, subscribed and paid-up shares				
Equity shares				
At the beginning of the period	57214935	57.21	53905975	53.91
Issued during the period	1500000	1.50	3308960	3.30
Outstanding at the end of the period	58714935	58.71	57214935	57.21
Preference shares				
At the beginning of the period	2684770	23.13	882953	8.05
Issued during the period	-	-	1801817	18.02
Redeemed during the period	-	5.95	-	2.94
Outstanding at the end of the period	2684770	17.18	2684770	23.13

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

3 SHARE CAPITAL (contd.)

3.b. Details of shareholders holding more than 5% shares :

Particulars	31.03.2015		31.03.2014	
	No.	% holding	No.	% holding
Equity shares of ₹ 10 each fully paid-up				
Goel Investments Ltd.	11255515	19.17	11255515	19.67
Sonitron Ltd.	4940716	8.41	4940716	8.64
Shudh Edible Products Ltd.	4549680	7.75	4549680	7.95
Mr. Gautam Goel	3492339	5.95	3492339	6.10
Mr. Gaurav Goel	3461379	5.90	3461379	6.05
Saraswati Properties Limited	3416758	5.82	1916758	3.35
6% Cumulative Redeemable Preference shares of ₹ 100 each fully paid-up				
IFCI Ltd.	413940	100.00	413940	100.00
1% Cumulative Redeemable Preference shares of ₹ 100 each fully paid-up				
IFCI Ltd.	469013	100.00	469013	100.00
8% Cumulative Redeemable Preference shares of ₹ 100 each fully paid-up				
JK Tyre & Indurtries Limited	1801817	100.00	1801817	100.00

3.c. Calls unpaid of equity shares

Particulars	31.03.2015		31.03.2014	
	No.	Amt. (in ₹)	No.	Amt. (in ₹)
i) Calls unpaid by directors and officers	Nil	Nil	Nil	Nil
i) Calls unpaid by others	2185	10705	2185	10705

3. d. Terms/right attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the shareholders of equity shares are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

3.e. 33,08,960 Equity shares of ₹ 10 each and 18,01,817 8% Cumulative Redeemable Preference shares of ₹ 100 each were allotted during the year 2013-14 to the shareholders of J K Sugar Ltd pursuant to the scheme of amalgamation without payment being received in cash.

3.f. Right attached to Preference shares

- The Preference shares will constitute direct, unconditional, un-subordinated and unsecured obligations of the company and will at all times rank pari passu and without any preference among them.
- No premature redemption option to the company, nor to the shareholders of Cumulative Redeemable Preference shares and no option to the shareholders to seek redemption in case of non-payment of dividend.

3.g. Terms of redemption of Preference shares

- 4,13,940 - 6% Cumulative Redeemable Preference Shares of ₹ 100 each are redeemable in 3 equal yearly installments commencing from December, 2013.
- 4,69,013 - 1% Cumulative Redeemable Preference Shares of ₹ 100 each are redeemable in 12 equal quarterly installments commencing from December, 2012.
- 18,01,817 - 8% Cumulative Redeemable Preference Shares of ₹ 100 each are redeemable in 3 equal yearly installments commencing from April 01, 2014.

3.h. The Board of directors recommended the following dividend :

Particulars	31.03.2015	31.03.2014
Proposed dividend per equity share of ₹ 10/- each	₹ NIL	₹ NIL
Proposed dividend per 6% Cumulative Redeemable Preference Share of ₹ 100/- each	₹ NIL	₹ 5.51
Proposed dividend per 1% Cumulative Redeemable Preference Share of ₹ 100/- each	₹ NIL	₹ 0.71
Proposed dividend per 8% Cumulative Redeemable Preference Share of ₹ 100/- each	₹ NIL	₹ NIL

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

3 SHARE CAPITAL (contd..)

3B - Money received against Equity share warrants

(₹ in crores)

Particulars	As at 31.03.2015	As at 31.03.2014
Money recieved against Equity share warrants		
15,00,000 (30,00,000) Equity share warrants of ₹ 8.25 per warrant	1.24	2.48
TOTAL	1.24	2.48

3B. a. Terms of share warrants issue:

1. The holder(s) of each warrant shall have an option to apply for and be allotted One equity share of ₹ 10 each at premium of ₹ 23 per share i.e. ₹ 33 per share at any time within 18 months from the date of allotment of warrant. i.e. 26th March 2014.
2. Application money of ₹ 8.25 per warrant shall be adjusted against the price payable subsequently for acquiring by exercising the option. Application money of ₹ 8.25 per warrant shall be forfeited if the option to acquire shares is not exercised.
3. The Equity shares issued and allotted upon exercise of option will be fully paid and will rank pari-passu with the existing equity shares.
4. During the current financial year option has been excersised for 15,00,000 equity share warrants.

4 RESERVES AND SURPLUS

(₹ in crores)

Particulars	As at 31.03.2015	As at 31.03.2014
Capital reserve		
Balance as per last account	10.64	10.64
Securities Premium Reserve		
Balance as per last account	319.96	319.96
Add: received during the year	3.45	0.00
	323.41	319.96
Reserve for construction of Molasses Storage Tank		
Balance as per last account	1.57	1.44
Add: Provided during the period	0.10	0.13
Less: Transferred to General Reserve	(0.61)	0.00
	1.06	1.57
Capital redemption reserve		
Balance as per last account	0.00	0.00
Add: transferred from general reserve	3.72	0.00
	3.72	0.00
Revaluation Reserve		
Balance as per last account	35.69	0.00
Add: During the year	0.00	35.69
	35.69	35.69
General reserve		
Balance as per last account	54.43	52.03
Add : Transferred from Resrve for Construction of Molasses Storage Tank	0.61	0.00
Add: Transferred from Debenture Redemption Reserve	0.00	2.40
Less: adjustment relating to fixed assets (Refer Note No. - '10')	5.08	0.00
Less:Transferred to Capital Redemption Reserve	3.72	0.00
	46.24	54.43
Surplus		
Balance as per last account	(61.42)	17.23
Profit/(loss) for the year	(12.83)	(78.35)
Less : Appropriations		
Dividend on preference shares	0.00	0.26
Tax on dividend	0.00	0.04
Net deficit	(74.25)	(61.42)
TOTAL	346.51	360.87

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

5 LONG-TERM BORROWINGS

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
	Non-current	Current	Non-current	Current
Term loans				
Secured				
Rupee term loans from banks	341.53	77.08	334.81	83.55
Rupee term loans from banks SEFASU	103.45	6.08	109.53	0.00
Foreign currency term loan from bank	44.80	24.05	0.00	0.00
Zero coupon rupee term loans from banks	0.00	2.06	2.06	4.12
Rupee term loans from sugar development fund	44.07	25.83	68.66	32.60
	533.85	135.10	515.06	120.27
Unsecured				
Deposits - from directors & their relatives	2.68	5.80	0.00	2.03
- from public	4.20	2.52	2.30	2.55
Buyers' credit from banks	31.16	0.00	27.02	0.00
Deferred payment liabilities	0.00	0.00	0.36	0.35
	38.04	8.32	29.68	4.93
Total	571.89	143.42	544.74	125.20

5.a. Nature of security

Rupee term loan from bank under the Government sponsored subvention Scheme for Extending Financial Assistance to Sugar Undertakings (SEFASU), 2014 of ₹ 109.53 crores are secured by third parri passu charge on block/fixed assets of the company and personal guarantee of promoter directors.

Rupee term loans from Sugar Development Fund are secured by exclusive second charge on all movable and immovable assets excluding current assets of the company.

All other term loans from financial institutions and banks are secured by first parri passu charge on all movable and immovable assets except book debts, stock-in-trade, raw materials, spare parts and other current assets.

All the term loans are guaranteed by promoter directors.

During the year Rupee Term Loan of ₹ 64.30 Crores from bank has been converted into Foreign Currency Term Loan (FCTL) of USD 11 Million for a period of 12 months. FCTL carry interest rate @ 6.547% p.a. After 12 months FCTL equivalent to ₹ 64.30 Crores will be reconverted into Rupee Term Loan and will be repaid according to original term of sanction of Rupee Term Loan. Accordingly Current Maturity of FCTL has been worked out on the basis of original terms and conditions of Rupee Term Loan and shown as current liability and in the details of "Maturity Profile" of Term Loans.

5.b. Maturity profile and Rate of interest of long term borrowings are as set out below :

(₹ in crores)

Particulars	ROI (%) as on 31.03.2015	1-2 years	2-3 years	3-4 years	Beyond 4 years	Total
Secured						
Term Loans from banks	13.25	5.00	4.86	0.00	0.00	9.86
	13.00	55.88	63.67	47.46	54.80	221.81
	12.75	18.27	10.75	6.00	0.00	35.02
	12.00	32.20	32.20	32.20	22.40	119.00
	2.85	0.18	0.18	0.18	0.11	0.65
100% Intt. Subvention		36.51	36.51	30.43	-	103.45
Sub-total		148.04	148.16	116.27	77.31	489.78
Rupee term loans from sugar development fund	7.00	2.78	2.78	2.05	0.67	8.29
	4.00	22.49	12.45	0.70	0.14	35.78
Sub-total		25.27	15.23	2.76	0.81	44.07
Total secured		173.31	163.40	119.02	78.12	533.85
Unsecured Deposits	11 to 12	6.88	-	-	-	6.88
Buyers Credit from Bank	1.50	28.00	2.24	0.92	-	31.16
Grand-total		208.19	165.64	119.94	78.12	571.89

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

6 LONG-TERM PROVISIONS

(₹ in crores)

Particulars	As at 31.03.2015	As at 31.03.2014
Provision for employee benefits :		
Provision for gratuity	20.65	19.95
Total	20.65	19.95

7 SHORT-TERM BORROWINGS

(₹ in crores)

Particulars	As at 31.03.2015	As at 31.03.2014
Secured		
Cash credit from banks	858.58	563.47
Rupee loans from banks	30.00	79.76
	888.58	643.23
Unsecured		
Deposits - from related parties	0.80	5.29
- from public	3.64	16.41
Loans and advances - from directors	0.39	0.35
- from other companies (includes ₹ 0.71 Crore (₹ 0.12 Crore) from related parties)	0.86	0.12
	5.69	22.17
Total	894.27	665.40

7.a. Nature of security

All Cash credit limits from banks other than District Co-operative Banks of ₹ 643.08 Crores are secured by pledge of stocks of sugar and hypothecation of consumable stores and spare parts, chemicals, molasses etc. and by parri passu third charge over the fixed assets of the company and personal guarantee of promoter directors.

Cash Credit accounts from District Co-operative Banks of ₹ 215.50 Crores are secured by pledge of stocks of sugar and by parri passu third charge over the fixed assets of the company and personal guarantee of promoter directors.

Rupee loans from banks of ₹ 30 Crores by subservient charge on Fixed assets & Current Assets of the company

8 TRADE PAYABLES AND OTHER CURRENT LIABILITIES

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
	Non-current	Current	Non-current	Current
Trade payables (Refer Note No. - '32' of dues to micro and small enterprises)	0.00	675.01	0.00	702.63
Other liabilities				
Current maturities of long term borrowings (Refer Note No. - '5')	0.00	143.42	0.00	125.20
Interest accrued but not due on borrowings	3.49	4.29	5.15	5.80
Interest accrued and due on borrowings	0.00	3.79	0.00	4.95
Unpaid dividend	0.00	0.26	0.00	0.34
Unpaid matured deposits and interest accrued thereon	0.00	0.31	0.00	1.21
Advance from customers	0.00	1.17	0.00	8.58
Other Liabilities	0.00	229.55	0.00	155.77
Others :				
Security deposits	0.00	4.11	0.00	3.62
Statutory dues payable	0.00	41.56	0.00	37.21
sub-total	3.49	428.46	5.15	342.68
Total	3.49	1103.47	5.15	1045.31

9 SHORT-TERM PROVISIONS

(₹ in crores)

Particulars	As at 31.03.2015	As at 31.03.2014
Provision for employee benefits		
Provision for employees	10.27	10.12
Other provisions		
Provision for dividend (including dividend distribution tax)	0.00	0.30
Total	10.27	10.42

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

10	TANGIBLE ASSETS												₹ in crores		
	Particulars	Land	Building	Plant & Equipments	Furniture & Fixtures	Railway sidings	Weighbridge	Computers	Office Equipments	Electrical Appliances	Vehicles	Live Stock	Farm Asset & Equipment	Total (2014-2015)	Total (2013-2014)
	Cost														
	As on 01-04-2014	86.45	164.39	1419.31	11.38	0.00	7.51	9.57	2.40	8.27	16.54	0.01	0.46	1726.29	1642.81
	Additions	0.77	7.09	212.93	0.45	0.00	0.04	0.74	0.13	0.26	3.29	0.00	0.09	225.80	89.55
	Disposals	0.00	0.00	1.99	0.01	0.00	0.00	0.08	0.00	0.02	0.57	0.00	0.00	2.67	10.86
	Other adjustments :														
	Exchange differences	0.00	0.00	(0.01)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.01)	2.76
	Borrowing costs	0.00	0.05	4.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.96	2.03
	As at 31-03-2015	87.22	171.53	1635.15	11.82	0.00	7.55	10.23	2.53	8.51	19.26	0.01	0.55	1954.37	1726.29
	Depreciation														
	As on 01-04-2014	0.00	33.99	569.78	6.34	0.00	5.84	7.47	1.85	4.09	10.60	0.00	0.31	640.27	569.73
	Charges for the year	0.00	6.82	41.49	1.85	0.00	0.34	1.15	0.16	1.18	2.20	0.00	0.02	55.21	75.88
	Disposals	0.00	0.00	1.71	0.01	0.00	0.00	0.07	0.00	0.01	0.49	0.00	0.00	2.29	5.34
	Adjusted from retained earnings (Refer Note No. - '4')	0.00	5.64	0.78	0.05	0.00	0.09	0.29	0.22	0.08	0.04	0.00	0.06	7.25	0.00
	As at 31-03-2015	0.00	46.45	610.34	8.23	0.00	6.27	8.84	2.23	5.34	12.35	0.00	0.39	700.44	640.27
	Net Block														
	As at 31-03-2014	86.45	130.40	849.53	5.04	0.00	1.67	2.10	0.55	4.18	5.94	0.01	0.15	1086.02	
	As at 31-03-2015	87.22	125.08	1024.81	3.60	0.00	1.28	1.39	0.30	3.17	6.91	0.01	0.16	1253.93	1086.02

10. a. In accordance with the Companies Act, 2013, the company has revised the useful life of its fixed assets to comply useful life as mentioned under Schedule II of the Companies Act, 2013. Based on the transitional provision given in Schedule II to the Companies Act, 2013, the carrying amount of assets (net of residual value) whose useful life has already exhausted as per revised useful life amounting to ₹ 5.08 Crores (net of deferred tax of ₹ 2.17 Crores) has been adjusted with the opening balance of Retained Earnings. Had there been no change in the useful life of the fixed assets, the charge to the Statement of Profit and Loss would have been higher by ₹ 27.80 Crores.

The method of providing depreciation on fixed assets, other than plant and building, acquired after 31st March 2014 has also been changed during the year from written down method to straight line method over the useful life prescribed under Schedule II to the Companies Act, 2013. Had there been no change in the method of depreciation, the charge to the Statement of Profit and Loss would have been higher by ₹ 0.01 Crores.

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

11 NON-CURRENT INVESTMENTS

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
Trade Investments :-				
Ramganga Sanyukta Sahkari Kheti Samiti Limited (Unquoted)				
01 (01) Equity share of ₹ 100/- each fully paid-up		#		#
Other Investments :-				
In Other Companies :				
Investment in Equity shares (fully paid-up unless otherwise stated)				
VLS Finance Limited (Quoted)				
263142 (263142) Equity shares of ₹ 10/- each	0.44		0.44	
South Asian Enterprises Limited (Quoted) (**)				
250000 (250000) Equity shares of ₹ 10/- each				
(At cost less provision for diminution in value ₹ 0.25 crores (P.Y. ₹ 0.25 crores))	#	0.44	#	0.44
Investment in Mutual fund				
Baroda Pioneer PSU Bond Fund - Monthly Dividend Plan (Quoted)				
334356 (294056) Units of ₹ 10/- each		0.34		0.31
Neuberger Berman Investment Funds PLC		0.00		1.22
Total		0.78		1.97
Disclosure of non-current investments				
Aggregate amount of quoted investments		0.78		1.97
Aggregate amount of unquoted investments		0.00		0.00
Total investments net of provision for diminution		0.78		1.97
Aggregate provision for diminution in value of investments (**)		0.25		0.25
Aggregate market value of quoted investments		1.25		1.86

12 DEFERRED TAX ASSET/(LIABILITY) (NET)

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
Deferred Tax Asset :				
i) On account of timing difference of expenses which are allowable under Income Tax Laws in subsequent years		12.77		-
ii) On account of carried forward losses and unabsorbed depreciation		148.82		-
		161.59		-
Deferred Tax Liability :				
i) On account of differences in written down value of fixed assets		116.49		-
Net Deferred Tax Asset/ (Liability)		45.10		-

12. a. The Central Government has initiated various steps to support the sugar industry like mandatory mixing of ethanol, increase in the price of ethanol, increase in import duty on sugar, cash subsidy for export of raw sugar. The State Government have also announced grants during the year linked with the price of sugar and by-products. The company has also initiated various steps including on cane development, enhancing plant efficiencies, cost reduction, increase in power and ethanol capacity etc. The company is confident that the financials of sugar segment will improve significantly in the coming years and the profitability of power and chemical segment will further improve due to increase in capacity utilisation and on account of increase in the power tariff and ethanol price. The company is certain that there would be sufficient taxable income in future and hence it has recognised net deferred tax assets of ₹ 45.10 Crores (including the amount of net deferred tax assets for the year of ₹ 27.94 Crores) during the year.

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

13 LONG AND SHORT TERM LOANS AND ADVANCES

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
(Unsecured considered good unless otherwise stated)				
Capital advances	2.12	0.00	1.72	0.00
Security deposits:-				
- to realted parties (Refer Note No. - '31' for details)	2.19	0.00	2.19	0.00
- to others	1.29	0.31	0.97	0.94
Other loans and advances :				
Advances to employees	0.00	0.53	0.00	0.40
Advances to suppliers/contractors/service providers	0.00	13.33	0.00	9.40
Loans	0.00	0.56	0.00	1.36
Balances with excise authorities	0.00	18.61	0.00	18.68
Income tax and wealth tax payments	0.00	1.27	0.00	1.07
MAT credit entitlement	7.17	0.00	8.71	0.00
Payments of taxes under protest/appeal	0.00	1.83	0.00	1.45
Prepaid expenses	0.00	3.07	0.00	1.94
Total	12.77	39.51	13.59	35.24
Details of Loan:				
Ujjwal Microfinance Finance Ltd.	0.00	0.56	0.00	0.00
Dhampur Invertos Pvt. Ltd.	0.00	0.00	0.00	0.01
Kashipur Sugar Mills Ltd.	0.00	0.00	0.00	0.11
Dhampur Retail Ventures Pvt. Ltd.	0.00	0.00	0.00	1.24

14 OTHER NON-CURRENT AND CURRENT ASSETS

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
	Non-current	Current	Non-current	Current
(Unsecured considered good unless otherwise stated)				
Others :				
Inventory - Loose tools and equipments	0.21	0.00	0.23	0.00
Insurance claim receivable	0.00	11.14	0.00	0.00
Subsidy receivable from government/government authority	0.00	150.87	0.00	26.93
Interest receivable	0.00	0.54	0.00	0.59
Others	0.00	3.21	0.00	0.00
Total	0.21	165.76	0.23	27.52

15 INVENTORIES

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
(Refer Note No. - '2' for Mode of Valuation)				
Raw materials		53.87		6.58
Goods-in-process		30.73		35.64
Standing cane and other crops		0.28		0.33
Finished goods (including trial run stock of ₹ NIL (₹ 0.29 Crore)		1126.12		1140.64
Traded goods		5.02		0.79
Stores, Spare parts, Gunny/PP. bags, Chemicals etc.		36.21		40.35
Renewable Energy Certificate		0.03		0.01
Total		1252.26		1224.34

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

16 TRADE RECEIVABLES

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
(Unsecured considered good unless otherwise stated)				
Outstanding for a period exceeding six months from the date they are due for payment :				
- Considered good	0.67		0.53	
- Considered doubtful	0.02		0.00	
- Provision for doubtful	(0.02)	0.67	0.00	0.53
Other receivables		222.29		118.73
Total		222.96		119.26

17 CASH AND CASH EQUIVALENTS

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
Cash and cash equivalents				
Balances with banks :				
On Current accounts	7.40		8.67	
On unpaid dividend account	0.26	7.66	0.34	9.01
Cash on hand		2.05		3.06
Other bank balances :				
Deposits pledged against margin money/guarantee	2.27		3.18	
Deposits with original maturity more than 3 months but upto 12 months	3.57		3.25	
Deposits earmarked for Molasses Storage Fund	1.18	7.02	1.03	7.46
Total		16.73		19.53

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

18 REVENUE FROM OPERATIONS/PURCHASES OF STOCK-IN-TRADE/INVENTORIES

(₹ in crores)

Particulars	Opening stock	Purchases	Sales	Closing stock
Revenue from operations				
Sale of Products				
Finished goods				
Sugar	1020.88	-	1224.81	971.73
Previous year	(1080.19)	-	(1282.27)	(1020.88)
Molasses	64.61	-	9.83	91.37
Previous year	(66.76)	-	(7.93)	(64.61)
Chemicals	26.20	-	305.38	26.14
Previous year	(31.87)	-	(423.59)	(26.20)
Farm produce	0.10	-	1.04	0.06
Previous year	(0.05)	-	(1.24)	(0.10)
Power	0.00	-	163.14	0.00
Previous year	0.00	-	(129.97)	0.00
Others	28.56	-	13.82	36.85
Previous year	(38.96)	-	(6.64)	(28.56)
Sub-total finished goods	1140.35		1718.02	1126.15
Previous year	(1217.83)		(1851.64)	(1140.35)
Traded goods				
Coal	0.00	36.93	37.70	0.00
Previous year	0.00	0.00	0.00	0.00
P. P. Bags		10.54	10.58	
Previous year		(4.93)	(5.01)	
Soyabean Oil		36.24	36.84	
Previous year		0.00	0.00	
Other purchases	0.79	20.51	18.73	5.02
Previous year	(0.39)	(17.40)	(20.48)	(0.79)
Sub-total traded goods	0.79	104.22	103.85	5.02
Previous year	(0.39)	(22.33)	(25.49)	(0.79)
Stock-in-process :				
Sugar (Qtls.)	26.82			16.46
Previous year	(22.10)			(26.82)
Molasses (Qtls.)	2.01			1.93
Previous year	(1.36)			(2.01)
Chemicals (Qtls.)	6.81			12.34
Previous year	(6.21)			(6.81)
Standing crops	0.33			0.28
Previous year	(0.22)			(0.33)
Sub-total Stock-in-process	35.97			31.01
Previous year	(29.89)			(35.97)
Total (Gross) (A)	1177.11	104.22	1821.87	1162.18
Previous year	(1248.11)	(22.33)	(1877.13)	(1177.11)

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

18 REVENUE FROM OPERATIONS/PURCHASES OF STOCK-IN-TRADE/INVENTORIES (contd...)

Other operating revenue		(₹ in crores)	
Particulars	Year ended 31.03.2015	Year ended 31.03.2014	
Miscellaneous income	3.52	1.20	
Refund of administrative charges on Molasses	5.78	0.00	
Scrap sale	1.85	2.25	
Balances written back	2.40	0.61	
Insurance claim received	10.22	0.07	
Purchase Tax Remission	0.00	6.54	
Provision no longer required written back	4.38	0.12	
Duty Draw Back / Sale of export licence (OGL)	6.04	9.86	
Other operating revenue (B)	34.19	20.65	
Total Revenue from operations (Gross) (A+B)	1856.06	1897.78	

19 OTHER INCOME

		(₹ in crores)	
Particulars	Year ended 31.03.2015	Year ended 31.03.2014	
Rent	1.13	1.30	
Profit on sale of assets	0.16	0.04	
Interest income	1.39	4.29	
Excess provision written back	0.00	0.10	
Foreign exchange differences (net)	4.67	0.41	
Profit/(loss) on sale of Investments	0.08	(0.25)	
Dividend income	0.03	0.08	
Total	7.46	5.97	

20 COST OF RAW MATERIALS CONSUMED

		(₹ in crores)	
Particulars	Year ended 31.03.2015	Year ended 31.03.2014	
Sugar cane	1161.45	1161.46	
Molasses consumed	32.44	85.11	
Bagasse / coal / rice husk & other fuel consumed	2.48	19.14	
Chemicals and others	77.69	77.99	
Total	1274.06	1343.70	

21 (INCREASE)/DECREASE IN INVENTORIES

		(₹ in crores)	
Particulars	Year ended 31.03.2015	Year ended 31.03.2014	
Inventories at the end of the year			
Finished goods	1126.15	1140.35	
Stock-in-process	31.01	35.97	
Traded goods	5.02	0.79	
	1162.18	1177.11	
Inventories at the beginning of the year			
Finished goods	1140.35	1217.83	
Stock-in-process	35.97	29.89	
Traded goods	0.79	0.39	
	1177.11	1248.11	
Net excise duty on account of (Increase)/decrease in inventories	5.00	(1.37)	
(Increase)/Decrease in inventories	19.93	69.63	

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

22 EMPLOYEES BENEFITS EXPENSE

(₹ in crores)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Salaries, wages and bonus (including contract labour)	64.83	62.16
Contribution to provident and other funds	5.67	5.19
Workmen and staff welfare expenses	2.30	1.63
Gratuity	2.63	3.52
Voluntary retirement compensation	0.76	0.84
Total	76.19	73.34

23 OTHER EXPENSE

(₹ in crores)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Consumption of stores, spares and other manufacturing expense	30.42	29.90
Packing material expense	26.75	25.09
Expenditure on crops	0.48	0.53
Power and fuel	3.75	5.54
Repairs and maintenance :		
Plant and machinery	32.42	30.97
Buildings	3.50	2.86
Others	2.70	1.88
Rent	6.03	6.00
Rates and taxes	2.16	4.98
Charity and donation	0.23	0.16
Insurance	1.83	2.17
Molasses fund	0.10	0.13
Selling expenses :		
Commission to selling agents	8.86	9.61
Other selling expense	16.69	25.55
Payment to auditors :		
Audit fee	0.25	0.18
Tax audit fee	0.05	0.05
Income Tax Matters & Other Certification Fees	0.06	0.05
Reimbursement of expenses	0.01	0.37
Miscellaneous expenses	27.69	27.73
CSR Expenses on education	0.05	0.00
Cane development expense	7.27	9.15
Expenses relating to earlier year	0.31	0.39
Balances written-off	0.17	0.92
Provision for doubtful debts	0.02	0.00
Directors sitting fee	0.11	0.13
Loss on sale of fixed assets	0.66	1.47
Total	172.57	185.62

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

24 FINANCE COSTS

(₹ in crores)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Interest	152.92	147.46
Documentaion and other bank charges	4.18	6.02
Foreign exchange difference	4.55	5.05
	161.65	158.53
Less : Interest & Doumentation charges capitalized during the period	(6.98)	(16.32)
Less : Interest claimed under UPSIPP 2013	(5.01)	0.00
Total	149.66	142.21

25 DETAILS OF PRE-OPERATIVE AND TRIAL RUN EXPENSES INCLUDED IN CAPITAL WORK IN PROGRESS:

(₹ in crores)

Particulars	2014-2015	2013-2014
Opening Balance	17.77	1.30
a) Raw Material Consumed	3.58	7.57
b) Consumption of Stores & other Manufacturing Expenses	0.06	0.16
c) Power & Fuel	0.16	1.34
d) Payments to and Provision for Employees	0.09	0.71
e) Administrative and Other Expenses	0.18	1.06
f) Interest Finance and Loan Raising Expenses	6.98	16.32
Total	28.82	28.46
Less:		
g) Borrowing Cost Capitalised during the year	4.96	2.03
h) Pre-operative expenses capitalised during the year	18.34	-
i) Stock of Finished Goods	-	0.29
j) Sale of Power	4.40	8.37
Balance Pre-Operative Expenses Pending for Allocation	1.12	17.77

- 26 a) During the year the Government of Uttar Pradesh has disbursed cash subsidy of ₹ 6.00 per quintal of cane for Sugar Season 2013-14 aggregating to ₹ 24.57 Crores. The same has been reduced from the cost of raw material consumed during the year.
- b) The Government of Uttar Pradesh has also announced Subsidy of ₹ 40.00 per quintal of cane for the Sugar Industry for the Sugar Season 2014-15 linked to the average selling price of sugar and its by products during the period 1st Oct. 2014 to 31st May 2015 as per press release dtd.12 Nov. 2014. Under the scheme, the Government has notified subsidy of ₹ 20.00 per quintal of sugar cane by way of cash subsidy of ₹ 8.60 per quintal of sugar cane and balance ₹ 11.40 per quintal of sugar cane by way of remission of purchase tax and entry tax and reimbursement of sugar cane society commission. The remaining subsidy of ₹ 20.00 will be notified based on the recommendation of selected committee. The average selling price of Sugar and the by-products have been significantly lower than the thresholds specified in the scheme considering the actual and future realisation. In view of the above, the company has estimated and recognised entire subsidy (including additional subsidy of ₹ 20.00 per quintal, which is yet to be notified by the State Government) amounting to ₹ 122.61 Crores during the year. The company is confident of realizing the subsidy in view of the past and current price of sugar and the by-products.
- c) The accounts have been prepared without accounting for any incentive entitlements under U.P. Sugar Incentive Promotion Policy, 2004 as the scheme has been subsequently withdrawn by the State Government. The Company has filed writ petition before Hon'ble Allahabad High Court (Lucknow Bench) for enforcement of the scheme and settlement of incentive claims. As per the erstwhile incentive policy, the company is eligible for capital subsidy of ₹ 89.89 crores i.e. @10% of the investments made (already vetted ₹ 50.80 crores) and revenue subsidy for reimbursement of taxes and other charges aggregating to ₹ 57.80 crores upto 31st March, 2015 (including ₹ 1.73 crores for the current year).
- 27 In the opinion of the Board, current assets and loans and advances have realisable value in the ordinary course of business at least equal to the value at which they are stated in the balance sheet.

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

28 EMPLOYEES BENEFITS :

The required disclosures of employees benefits as per Accounting Standard -15 are given hereunder :-

(i) In respect of Short Term Employee Benefits :

The Company has at present only the scheme of cumulative benefit of leave encashment payable at the end of each calender year and the same have been provided for on accrual basis.

(ii) In respect of defined Benefit Scheme (Based on actuarial valuation) of Gratuity :

(₹ in crores)

Particulars	2014-2015	2013-2014
A) Change in Obligation over the year ended 31.03.2015		
Present value of defined obligation as on 01.04.2014	21.58	19.76
Current Service Cost	1.23	1.21
Interest Cost	1.81	1.58
Actuarial Gains/Losses	(1.30)	(0.26)
Benefits Paid	(0.87)	(0.71)
Present value of defined obligation as on 31.03.2015	22.45	21.58
B) Expenses recognised during the year ended 31.03.2015		
Current Service Cost	1.23	1.21
Interest Cost	1.81	1.58
Actuarial Gains/Losses	(1.30)	(0.26)
Current Service Cost & Actuarial losses in respect of seprated employees	0.89	0.99
Total	2.63	3.52
C) Principal Actuarial Assumptions :		
Mortality Table	IALM (2006-08)	IALM (2006-08)
Discount Rate (per Annum)	8.00%	(8.50%)
Rate of Escalation in Salary (per Annum)	5.50%	(6.00%)

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors

(iii) Defined Contribution Plan :

Provision for contribution to defined contribution plan recognised as expense during the period are as under :

(₹ in crores)

Particulars	2014-2015	2013-2014
Employer's Contribution to Provident Fund :	2.94	2.84
Employer's Contribution to Pension Fund :	2.73	2.35

29 SEGMENT REPORTING:

Particulars	Sugar	Chemicals	Co-gen	Others	Total
1. Segment Revenue (Including Excise Duty)					
a) External Sales	1,350.85	321.84	163.27	20.10	1,856.06
Previous year	(1,313.25)	(433.46)	(128.89)	(22.18)	(1,897.78)
b) Inter Segment Sales	273.94	4.84	217.14	125.46	621.38
Previous year	(292.63)	(4.86)	(216.93)	(39.76)	(554.18)
c) Total Revenue	1,624.79	326.68	380.41	145.56	2,477.44
Previous year	(1,605.88)	(438.32)	(345.82)	(61.94)	(2,451.96)

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

29 SEGMENT REPORTING: (contd...)

(₹ in crores)

Particulars	Sugar	Chemicals	Co-gen	Others	Total
2. Segment Results					
(Profit+)/Loss(-) before tax and interest from each segment	(90.91)	47.02	160.34	(5.79)	110.66
Previous year	(-79.42)	(51.71)	(106.85)	(-4.47)	(74.67)
Less : Finance costs					149.66
Previous year					(142.21)
Less/ Add :Other Unallocable Expense/Income					
Net off Unallocable Income/Expenses					15.16
Previous year					(16.40)
Net Profit(+)/Loss(-) Before Tax					(54.16)
Previous year					(-83.94)
Less: Tax expense (Net)					41.33
Previous year					(5.59)
Net Profit after Tax (Before Adjustment of Mnority Interest)					(12.83)
Previous year					(-78.35)
Share of Profit/Loss to Minority					-
Previous year					-
Net Profit after Tax (after adjustment of Minority Interest)					(12.83)
Previous year					(-78.35)
3. Other Information					
a) Segment Assets	2,016.81	305.57	679.77	16.41	3,018.56
Previous year	(1,856.33)	(271.30)	(575.70)	(23.50)	(2,726.83)
Unallocable Corporate Assets					9.19
Previous year					(11.59)
Total Assets					3,027.75
Previous year					(2,738.42)
b) Segment Liabilities	952.48	21.03	4.57	4.97	983.05
Previous year	(1,086.19)	(20.18)	(10.20)	(12.55)	(1,129.12)
Unallocable Corporate Liabilities					1,620.99
Previous year					(1,165.55)
Total Liabilities					2,604.04
Previous year					(2,294.67)
c) Capital Expenditure	15.72	2.75	19.24	3.74	41.45
Previous year	(70.98)	(39.86)	(133.91)	(1.52)	(246.27)
d) Depreciation	39.11	8.79	13.76	0.82	62.48
Previous year	(38.67)	(6.82)	(30.10)	(0.29)	(75.88)
e) Non Cash Expenditure other than Depreciation	0.84	0.02	0.09	-	0.95
Previous year	(2.40)	-	-	-	(2.40)

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

30 EARNINGS PER SHARE (EPS) :

(₹ in crores)

Particulars	Year ended 31.03.2015		Year ended 31.03.2014	
i) Net Profit/ Loss(-) after Extra Ordinary Items & Provision for Taxes				
(Used as numerator for calculating EPS)	₹ in crores	(14.54)	₹ in crores	(80.33)
ii) Weighted average No.of Equity Shares outstanding during the period:				
(Used as denominator for calculating E.P.S.)				
- for Basic EPS	No.	57223154	No.	57214935
- for Diluted EPS	No.	58723154	No.	60214935
iii) Earning per Share before and after Extra Ordinary Items				
- Basic	₹	(2.54)	₹	(14.04)
- Diluted	₹	(2.48)	₹	(13.34)
(Equity Share of Face value of ₹10 each)				

31 RELATED PARTY DISCLOSURES:

A. List of Related Parties with whom transactions have taken place and relationships:

i) Enterprises which have significant influence and also owned or significantly influenced by Key Management Personnel

- 1 Goel investments Limited
- 2 Ujjwal Rural Services Limited
- 3 Saraswati Properties Limited
- 4 Ujjwal Infracon Limited

ii) Enterprises owned or significantly influenced by Key Management Personnel or their relatives

- 1 Sonitron Limited
- 2 Shudh Edible Products Limited
- 3 India Green Fuel Private Limited

iii) Key Management Personnel and their relatives

- 1 Mr.Vijay Kumar Goel, Executive Director
Mrs Deepa Goel (Wife)
- 2 Mr. Ashok Kumar Goel, Vice Chairman
Mrs Vinita Goel (Wife)
- 3 Mr. Gaurav Goel, Managing Director
Mrs Priyanjali Goel (Wife)
- 4 Mr. Gautam Goel, Managing Director
Mrs Bindu Vashist Goel (Wife)
- 5 Mr. Arhant Jain, Executive President (Finance) & Company secretary
Mrs. Brij Bala Jain (Mother), Mr. Arvind Jain (Brother), Mrs. Anita Jain (Wife), Mr. Anubhav Jain (Son), Mr. Ashish Jain (Son),
Mrs. Ankita Jain (Daughter in law), Mrs. Shruti Jain (Daughter in law),
Arhant Jain (HUF), Anubhav Jain (HUF), Ashish Jain (HUF), Arvind Jain (HUF).
- 6 Mr. Sandeep Sharma, Executive President
Mrs. Poonam Sharma (Wife), Mr. Rahul Sharma (Son), Ms. Sona Sharma (Daughter)
Sandeep Sharma (HUF)
- 7 Mr. Priya Brat, Director
Mrs. Shakuntala Brat (Wife), Ms. Anu Mahendru (Daughter)
- 8 V. K. Goel, H.U.F
- 9 A.K. Goel, H.U.F.
- 10 Gaurav Goel, H.U.F
- 11 Gautam Goel, H.U.F

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

31 RELATED PARTY DISCLOSURES: (contd...)

B. Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as on 31st March, 2015

(₹ in crores)

Sl. No.	Particulars	2014-2015	2013-2014
Transactions during year ended 31.03.2015			
1	Loans/advances given	2.02	0.00
	Goel Investment Limited	-	-
	India Greenfuel Private Limited	0.39	-
	Saraswati Properties Limited	0.07	-
	Shudh Edible Products Limited	0.86	-
	Sonitron Limited	0.71	-
	Ujjwal Infracon Limited	#	-
	Ujjwal Rural Services Limited	#	-
2	Receipts towards Loan /Advances given	2.02	-
	Goel Investment Limited	-	-
	India Greenfuel Private Limited	0.39	-
	Saraswati Properties Limited	0.07	-
	Shudh Edible Products Limited	0.86	-
	Sonitron Limited	0.71	-
	Ujjwal Infracon Limited	#	-
	Ujjwal Rural Services Limited	#	-
3	Loans taken	5.04	5.57
	Goel Investment Limited	0.84	1.72
	India Greenfuel Private Limited	0.06	0.13
	Saraswati Properties Limited	2.87	1.36
	Shudh Edible Products Limited	1.23	1.58
	Sonitron Limited	-	-
	Ujjwal Infracon Limited	-	0.14
	Ujjwal Rural Services Limited	0.04	0.64
4	Loans repaid	4.32	6.23
	Goel Investment Limited	0.47	1.95
	India Greenfuel Private Limited	0.03	0.13
	Saraswati Properties Limited	2.63	1.44
	Shudh Edible Products Limited	1.19	1.95
	Sonitron Limited	-	0.06
	Ujjwal Infracon Limited	-	0.14
	Ujjwal Rural Services Limited	-	0.56
5	Unsecured Deposits Taken (Fixed Deposit)	3.42	4.67
	Mr. Vijay Kumar Goel	-	-
	Mrs. Deepa Goel	0.22	0.13
	Mr. Ashok Kumar Goel	0.88	-
	Mrs Vinita Goel	1.11	0.36
	Mr. Gaurav Goel	-	-
	Mrs Priyanjali Goel	0.54	0.47
	Mr. Gautam Goel	-	-
	Mrs Bindu Vashist Goel	0.07	0.26

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

31 RELATED PARTY DISCLOSURES: (contd...)

B. Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as on 31st March, 2015

(₹ in crores)

Sl. No.	Particulars	2014-2015	2013-2014
Transactions during year ended 31.03.2015			
5	Unsecured Deposits Taken (Fixed Deposit)		
	Mr. Arhant Jain	-	0.07
	Mrs. Brij Bala Jain	-	0.40
	Mr. Arvind Jain	-	-
	Mrs. Anita Jain	-	0.24
	Mr. Anubhav Jain	-	0.21
	Mr. Ashish Jain	-	0.88
	Mrs. Ankita Jain	-	-
	Mrs. Shruti Jain	-	-
	Arhant Jain (HUF)	-	0.33
	Ashish Jain (HUF)	-	0.07
	Anubhav Jain (HUF)	-	0.05
	Arvind Jain (HUF)	-	0.18
	Mr. Sandeep Sharma	-	-
	Mrs. Poonam Sharma	-	0.02
	Mr. Rahul Sharma	-	-
	Ms. Sona Sharma	0.03	0.02
	Sandeep Sharma (HUF)	0.04	0.04
	Mr. Priya Brat	-	-
	Mrs. Shakuntala Brat	-	-
	Ms. Anu Mahendru	-	-
	V.K. Goel (HUF)	0.12	0.21
	A.K. Goel (HUF)	0.14	0.24
	Gaurav Goel (HUF)	0.14	0.25
	Gautam Goel (HUF)	0.14	0.24
6	Unsecured Deposits Matured (Fixed Deposit)	2.58	2.93
	Mr. Vijay Kumar Goel	-	-
	Mrs. Deepa Goel	0.21	0.11
	Mr. Ashok Kumar Goel	0.66	-
	Mrs. Vinita Goel	0.42	0.29
	Mr. Gaurav Goel	-	-
	Mrs. Priyanjali Goel	0.54	0.21
	Mr. Gautam Goel	-	-
	Mrs. Bindu Vashist Goel	0.06	0.21
	Mr. Arhant Jain	-	-
	Mrs. Brij Bala Jain	-	0.36
	Mr. Arvind Jain	-	-
	Mrs. Anita Jain	-	0.21
	Mr. Anubhav Jain	-	0.24
	Mr. Ashish Jain	-	-
	Mrs. Ankita Jain	-	-
	Mrs. Shruti Jain	-	-

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

31 RELATED PARTY DISCLOSURES: (contd...)

B. Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as on 31st March, 2015

		(₹ in crores)	
Sl. No.	Particulars	2014-2015	2013-2014
Transactions during year ended 31.03.2015			
6	Unsecured Deposits Matured (Fixed Deposit)		
	Arhant Jain (HUF)	-	0.29
	Ashish Jain (HUF)	-	0.05
	Anubhav Jain (HUF)	-	0.03
	Arvind Jain (HUF)	-	0.14
	Mr. Sandeep Sharma	-	-
	Mrs. Poonam Sharma	0.11	-
	Mr. Rahul Sharma	0.01	-
	Ms. Sona Sharma	0.02	0.01
	Sandeep Sharma (HUF)	0.04	0.02
	Mr. Priya Brat	-	-
	Mrs. Shakuntala Brat	-	-
	Ms. Anu Mahendru	-	-
	V.K. Goel (HUF)	0.12	0.17
	A.K. Goel (HUF)	0.14	0.20
	Gaurav Goel (HUF)	0.13	0.20
	Gautam Goel (HUF)	0.13	0.20
7	Subscription of Equity Shares	3.71	-
	M/s Saraswati Properties Ltd.	3.71	-
8	Subscription of Equity Share warrants	1.24	1.24
	Mr. Gaurav Goel	-	0.62
	Mr. Gautam Goel	-	0.62
	M/s Saraswati Properties Ltd.	1.24	-
9	Rent paid	3.58	3.58
	Goel Investment Limited	0.12	0.12
	Saraswati Properties Limited	1.48	1.48
	Shudh Edible Products Limited	1.98	1.98
10	Remuneration paid	2.23	2.23
	Mr. Vijay Goel	0.48	0.48
	Mr. Ashok Kumar Goel	0.48	0.48
	Mr. Gaurav Goel	0.48	0.48
	Mr. Gautam Goel	0.48	0.48
	Mr. Arhant Jain	0.10	0.10
	Mr. Sandeep Sharma	0.14	0.14
	Mr. Arvind Jain	0.07	0.07
11	Interest expense	0.81	0.87
	Mr. Vijay Kumar Goel	-	0.02
	Mrs. Deepa Goel	0.02	0.04
	Mr. Ashok Kumar Goel	0.05	0.13
	Mrs Vinita Goel	0.08	0.10
	Mr. Gaurav Goel	-	-
	Mrs Priyanjali Goel	0.05	0.04

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

31 RELATED PARTY DISCLOSURES: (contd...)

B. Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as on 31st March, 2015

		(₹ in crores)	
Sl. No.	Particulars	2014-2015	2013-2014
Transactions during year ended 31.03.2015			
11	Interest expense		
	Mr. Gautam Goel	-	-
	Mrs. Bindu Goel	0.04	0.04
	Mr. Arhant Jain	0.01	0.01
	Mrs. Brij Bala Jain	0.05	0.05
	Mr. Arvind Jain	-	-
	Mrs. Anita Jain	0.03	0.03
	Mr. Anubhav Jain	0.02	0.03
	Mr. Ashish Jain	0.12	0.09
	Mrs. Ankita Jain	0.03	-
	Mrs. Shruti Jain	0.10	-
	Arhant Jain (HUF)	-	0.04
	Ashish Jain (HUF)	0.01	#
	Anubhav Jain (HUF)	0.01	-
	Arvind Jain (HUF)	0.02	0.02
	Mr. Sandeep Sharma	#	#
	Mrs. Poonam Sharma	0.01	#
	Mr. Rahul Sharma	#	#
	Ms. Sona Sharma	#	-
	Sandeep Sharma (HUF)	#	0.01
	Mr. Priya Brat	-	#
	Mrs. Shakuntala Brat	#	-
	Ms. Anu Mahendru	-	-
	V.K. Goel (HUF)	0.03	0.04
	A.K. Goel (HUF)	0.04	0.05
	Gaurav Goel (HUF)	0.04	0.06
	Gautam Goel (HUF)	0.04	0.07
Amount due to/ from Related Parties:			
1	Deposits from Related Parties	9.28	7.53
	Mr. Vijay Kumar Goel	-	-
	Mrs. Deepa Goel	0.32	0.28
	Mr. Ashok Kumar Goel	1.10	0.88
	Mrs Vinita Goel	1.49	0.75
	Mr. Gaurav Goel	-	-
	Mrs Priyanjali Goel	0.64	0.56
	Mr. Gautam Goel	-	-
	Mrs Bindu Vashist Goel	0.33	0.31
	Mr. Arhant Jain	0.07	0.07
	Mrs. Brij Bala Jain	0.65	0.40
	Mr. Arvind Jain	-	-
	Mrs. Anita Jain	0.24	0.24
	Mr. Anubhav Jain	0.35	0.93

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

31 RELATED PARTY DISCLOSURES: (contd...)

B. Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as on 31st March, 2015

(₹ in crores)

Sl. No.	Particulars	2014-2015	2013-2014
Amount due to/ from Related Parties:			
1	Deposits from Related Parties		
	Mr. Ashish Jain	0.87	0.88
	Mrs. Ankita Jain	0.23	-
	Mrs. Shruti Jain	0.75	-
	Arhant Jain (HUF)	0.33	0.33
	Ashish Jain (HUF)	0.07	0.06
	Anubhav Jain (HUF)	0.05	0.05
	Arvind Jain (HUF)	0.18	0.19
	Mr. Sandeep Sharma	0.00	-
	Mrs. Poonam Sharma	0.03	0.10
	Mr. Rahul Sharma	0.00	0.01
	Ms. Sona Sharma	0.03	0.02
	Sandeep Sharma (HUF)	0.04	0.03
	Mr. Priya Brat	-	0.09
	Mrs. Shakuntala Brat	0.03	-
	Ms. Anu Mahendru	-	-
	V.K. Goel (HUF)	0.33	0.30
	A.K. Goel (HUF)	0.38	0.35
	Gaurav Goel (HUF)	0.38	0.35
	Gautam Goel (HUF)	0.38	0.35
2	Unsecured Loans and Advances from related parties	1.13	0.46
	Goel Investment Limited	0.38	0.01
	Mr. Ashok Kumar Goel	0.01	0.21
	Mr. Gaurav Goel	0.13	0.05
	Mr. Gautam Goel	0.14	0.02
	Mr. Vijay Kumar Goel	0.01	0.06
	India Green Fuel Private Limited	0.03	-
	Saraswati Properties Limited	0.27	0.03
	Shudh Edible Products Limited	0.04	#
	Sonitron Limited	-	-
	Ujjwal Infracon Limited	-	-
	Ujjwal Rural Services Limited	0.12	0.08
3	Security Deposits	2.19	2.19
	Goel Investment Limited	0.50	0.50
	Saraswati Properties Limited	0.65	0.65
	Shudh Edible Products Limited	0.99	0.99
	Ujjwal Rural Services Limited	0.05	0.05

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

32 Following are the relevant disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006::

- Sundry creditors include a sum aggregating ₹ 2.83 crores (₹ 3.83 crores) due to micro and small enterprises is on account of principal only.
- The amount of interest paid by the company in terms of Section 16, alongwith the amount of payments made to the micro and small enterprise beyond the appointed date during the period - ₹ Nil.
- The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the period but without adding the interest specified under this Act. - ₹ Nil.
- The amount of interest accrued and remaining unpaid - ₹ Nil.
- The amount of further interest remaining due and payable even in succeeding years - ₹ Nil.

The above mentioned outstandings are in normal course of business and the information regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

33 DERIVATIVE INSTRUMENTS

- The company has entered into following Forward Contract :
 - The Company used foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

Outstanding forward exchange contracts entered into by the company :

As at	No. of Contracts	US Dollar Equivalent (Million)	INR Equivalent (₹ in crores)
31.03.2015	11	4.06	25.39
31.03.2014	0	0.00	0.00

(Forward exchange contract outstanding as on 31st March, 2015 include forward sale of US Dollar against export receipts)

- The period end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below :

Particulars	As at 31.03.2015		As at 31.03.2014	
	US Dollar Equivalent (Million)	INR Equivalent (₹ in crores)	US Dollar Equivalent (Million)	INR Equivalent (₹ in crores)
a) Amounts payable in foreign currency on account of the following :				
Stock-in-trade/Raw materials	11.68	73.11	0.00	0.00
Loans Payable	15.98	100.01	8.83	52.88
b) Amounts receivable in foreign currency on account of the following :				
Export receivable	1.54	9.65	1.20	7.19

34. ADDITIONAL INFORMATION

(₹ in crores)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
A. Imports calculated on CIF basis in respect of:		
1. Stores and spare parts	0.28	0.85
2. Stock-in trade	73.77	1.66
3. Capital goods	3.19	23.95
B. Expenditure in foreign currency during the period :		
1. For foreign travel	2.06	2.08
2. Interest	3.86	0.48
3. Others	4.69	4.14

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

34. ADDITIONAL INFORMATIONS (contd...)

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
	Amount	%age	Amount	%age
C Consumption of :				
1. Stores, spare parts etc.				
i) Value of imported goods	0.29	0.34	2.40	2.68
ii) Value of indigenous stores and spare parts	85.93	99.66	87.17	97.32
	86.22	100.00	89.57	100.00
2. Raw materials				
i) Value of imported goods	58.95	4.42	75.33	5.96
ii) Value of indigenous goods	1274.06	95.58	1188.16	94.04
D Earnings in Foreign Exchanges				
i) Export of Goods	180.54		177.84	
ii) Others	0.10		0.00	

35 Details of loans and advances given; investment made; guarantee given and security provided as required to be disclosed as per provision of section 186(4) of Companies Act, 2013 have been disclosed under the respective heads.

36. ADDITIONAL INFORMATION ON NET ASSETS AND SHARE OF PROFITS OF THE COMPANY AND ITS SUBSIDIARIES AS CONSIDERED IN CONSOLIDATED FINANCIAL STATEMENTS:

Name of the Entity	Net assets		Share in profit or (loss)	
	As a % of Consolidated net assets	₹ (In Crores)	As a % of Consolidated net assets	₹ (In Crores)
Parent Company	98.77%	418.50	80.75%	(10.36)
Foreign Subsidiaries				
1. Dhampur International Pte. Ltd. (wholly owned subsidiary)	1.23%	5.21	18.86%	(2.42)
2. Dhampur Global Pte. Ltd. (fellow subsidiary)	#	#	0.39%	(0.05)

37 Previous year figures in bracket have been regrouped wherever considered necessary.

38 CONTINGENT LIABILITIES AND COMMITMENTS : NOT PROVIDED FOR IN RESPECT OF

I. Contingent Liabilities

Claims/disputed liabilities not acknowledged as debt :

	As at 31.03.2015	As at 31.03.2014
A. In respect of some pending cases of employees under labour laws	Amount not ascertainable	Amount not ascertainable

B) Details of disputed liabilities/demands

Sl. No.	Particulars	Period to which amount relates	Forum where matter is pending	31.03.2015 ₹ in crores	31.03.2014 ₹ in crores
1	Additional U.P.Trade Tax, Central Sale Tax and Entry Tax Liability	1997-98 to 2004-05	High Court	4.97	5.02
		1990-91 to 2010-11	Joint Commissioner appeal	18.81	14.39
		1996-97, 1999-2000, 2000-01	Trade Tax Tribunal	8.21	1.40
	Sub-total			31.99	20.81
2	Cenvat Credit on Inputs, Capital items and Services	1994-95, 1995-96, 2001-02 to 2008-09	Commissioner (A) & CESTAT	37.99	29.61
		1995-96, 1996-97, 1998-99 to 2003-04	High Court	0.11	0.49
	Sub-total			38.10	30.10

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

38 CONTINGENT LIABILITIES AND COMMITMENTS : NOT PROVIDED FOR IN RESPECT OF (contd...)

B) Details of disputed liabilities/demands

Sl. No.	Particulars	Period to which amount relates	Forum where matter is pending	31.03.2015 ₹ in crores	31.03.2014 ₹ in crores
3	Income Tax Act : Demand under TDS Return	2008-09 to 2014-15		0.32	1.06
				0.32	1.06
4	Excise duty on Molasses, Scrap and Pressmud	1997-98, 2000-01 to 2002-03, 2007-08	Commissioner (A) & CESTAT	0.17	0.17
	Sub-total			0.17	0.17
5	Purchase Tax Penalty	1998-1999	High Court	0.41	0.37
	Sub-total			0.41	0.37
6	Stamp duty demand under Uttar Pradesh Stamp Act	1992-1993	Registrar of Stamp Duty	0.25	0.25
		2003-04	Registrar of Stamp Duty	0.26	0.26
	Sub-total			0.51	0.51
	Grand Total			71.50	53.02

* The company has been advised that the demand is likely either to be deleted or substantially reduced and accordingly no provision is considered necessary.

- C Excise Department has served show cause notices on the company for levy of duty of ₹61.09 crores on sale of Rectified Spirit; of ₹8.33 crores on sale of Electricity and of ₹58.44 crores for reversal of CENVAT credit taken by the company on certain capital goods and inputs.

The company is legally advised that no duty is leviable on these cases and accordingly no provision is considered necessary.

II Commitments

- A Uncalled liability on investments in partly paid-up shares - Nil (Nil)
- B Estimated amount of contracts remaining to be executed on capital account and not provided for ₹6.45 crores (₹0.22 crores).
- C Corporate Guarantee given by the Company - ₹ 325 crore (₹ 175 crore).

- III Arrears of cumulative Preference share dividend including Corporate dividend tax is amounting to ₹ 1.71 Crores for the year.

As per our report of even date

For and on behalf of the Board of Directors

For S. Vaish & Co.

For Mittal Gupta & Co.

(S. P. Agrawal)
Partner
Chartered Accountants
Place : Kanpur
Dated : 27th May, 2015

(B. L. Gupta)
Partner
Chartered Accountants

Gaurav Goel
Managing Director

Arhant Jain
Executive President (Finance)
& Secretary

Gautam Goel
Managing Director

V. K. Goel
Chairman
A. K. Goel
Vice Chairman

A. K. Gupta
Director
M. P. Mehrotra
Director

STANDALONE SECTION

Independent Auditors Report

To

The Members of

Dhampur Sugar Mills Ltd.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Dhampur Sugar Mills Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information for the year then ended, in which are incorporated the Reports for the year ended on that date audited by the branch auditors of the Company's Meerganj Unit.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that

are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and the standalone financial statements give the information required by the Act in the manner so required and give a true fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015 and its Loss and its Cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the Note No. – "26 (b)" of the annexed financial statements which explains the reasons for recognition of subsidy announced by the Government of Uttar Pradesh.

Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements of Meerganj Unit included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ 274.19 Crores as at 31st March, 2015 and total revenues of ₹ 114.84 Crores for the year ended on that date, as considered in the standalone financial statements. The financial statements of Meerganj Unit have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 reports on the accounts of the Meerganj Unit of the Company audited under Section 143 (8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
- (d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (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 on its financial position in its financial statements. (Refer Note No. - "38")

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any 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.

For S. Vaish & Co.,
Chartered Accountants
FRN 00001C

For Mittal Gupta & Co.,
Chartered Accountants
FRN 01874C

(S.P. Agrawal)
Partner
Membership No. 07269

(B. L. Gupta)
Partner
Membership No. 073794

Place : Kanpur
Dated : 27th May, 2015

Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2015, we report that:

- | | |
|--|--|
| <p>i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.</p> <p>(b) The Company has a phased programme of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. The management has verified major fixed assets during the year and as explained there is no any material discrepancy on such verification.</p> <p>ii) (a) The inventories have been physically verified during the period by the management. In our opinion, the frequency of verification of inventory is reasonable.</p> <p>(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.</p> <p>(c) The Company has maintained proper records of inventories. As explained to us, no material discrepancies were noticed on physical verification of inventories as compared to book records.</p> <p>iii) (a) The Company had granted unsecured loans to Six companies covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act").</p> <p>(b) In the case of the loans granted to companies listed in the register maintained under section 189 of the Act, the borrowers are regular in the payment of the interest, as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount.</p> <p>(c) There are no overdue amount of more than rupees one lakh in respect of the loans granted to company listed in the register maintained under section 189 of the Act.</p> <p>iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of inventory and sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.</p> <p>v) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules framed there under. As informed to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal in this connection.</p> <p>vi) The company has made and maintained cost records pursuant to section 148 (1) of the Companies Act, 2013.</p> <p>vii) (a) As explained to us, the statutory dues payable by the Company comprises mainly of Provident Fund, Investor Education Protection Fund, Employees' State</p> | <p>Insurance, Income-tax, Sales-tax (VAT), Wealth-tax, Service-tax, Custom Duty, Excise Duty, Cess, Entry tax, Purchase tax and other material statutory dues applicable to it. According to the records of the Company and information and explanations given to us, the Company has been generally regularly depositing the aforesaid undisputed statutory dues with the appropriate authorities. There are no undisputed statutory dues as referred to above as at 31st March, 2015 outstanding for a period of more than six months from the date they become payable.</p> <p>(b) According to the information and explanations given to us, the particulars of Income tax, Service-tax, Sales-tax (VAT), Custom Duty, Excise Duty, Entry tax, Stamp duty and other statutory material dues, which have not been deposited on account of any dispute, are as referred to in the details of Contingent Liabilities in Note No. "38".</p> <p>(c) According to the information and explanations given to us the amounts which are required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.</p> <p>viii) The accumulated losses of the company at the end of the financial year are less than 50% of its net worth. The Company has not incurred cash losses during the financial year but has incurred cash losses in the immediately preceding financial year.</p> <p>ix) In our opinion and according to the information and explanations given to us, there is no default in repayment of dues to any Financial Institution and Bank during the period under report, as per the terms of the respective loans.</p> <p>x) In our opinion, the terms and conditions of guarantees given the company for loans taken by others from banks are not prima facie prejudicial to the interest of the Company.</p> <p>xi) The term loans obtained by the Company have been applied for the purposes for which they were obtained.</p> <p>xii) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company was noticed or reported during the course of our audit.</p> |
|--|--|

For S. Vaish & Co.,
Chartered Accountants
FRN 00001C

(S.P. Agrawal)
Partner
Membership No. 07269

For Mittal Gupta & Co.,
Chartered Accountants
FRN 01874C

(B. L. Gupta)
Partner
Membership No. 073794

Place : Kanpur
Dated : 27th May, 2015

BALANCE SHEET as at 31st March, 2015

(₹ in crores)

Particulars	Note No.	As at 31.03.2015		As at 31.03.2014	
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	3	75.96		80.41	
Reserves and surplus	4	352.10		363.99	
Money received against Equity share warrants	3B	1.24	429.30	2.48	446.88
Non-current liabilities					
Long-term borrowings	5	571.24		544.74	
Other long-term liabilities	8.	3.49		5.15	
Long-term provisions	6	20.65	595.38	19.95	569.84
Current liabilities					
Short-term borrowings	7	894.17		665.40	
Trade payables	8	674.90		700.98	
Other current liabilities	8	428.30		336.83	
Short-term provisions	9	10.01	2007.38	10.42	1713.63
Total			3032.06		2730.35
ASSETS					
Non-current assets					
Fixed assets					
Tangible assets	10	1251.74		1085.95	
Capital work-in-progress		17.74		207.03	
Non-current investments	11	11.58		11.55	
Deferred tax Assest (Net)	12	45.10		0.00	
Long-term loans and advances	13	12.77		13.59	
Other non-current assets	14	0.21	1339.14	0.23	1318.35
Current assets					
Inventories	15	1252.26		1224.34	
Trade receivables	16	221.69		110.25	
Cash and cash equivalents	17	13.96		14.93	
Short-term loans and advances	13	39.35		34.96	
Other current assets	14	165.66	1692.92	27.52	1412.00
Total			3032.06		2730.35
Significant Accounting Policies					
Notes on Financial Statements	1 to 38				

This is the Balance Sheet referred to in our report of even date

For and on behalf of the Board of Directors

For S. Vaish & Co.,

For Mittal Gupta & Co.,

(S.P. Agrawal)
Partner
Chartered Accountants

(B. L. Gupta)
Partner
Chartered Accountants

Arhant Jain
Executive President (Finance)
& Secretary

V.K. Goel
Chairman

A.K. Goel
Vice Chairman

Gaurav Goel
Managing Director

Gautam Goel
Managing Director

A.K. Gupta
Director

M.P. Mehrotra
Director

Place : Kanpur
Dated : 27th May, 2015

PROFIT AND LOSS STATEMENT for the year ended 31st March, 2015

(₹ in crores)

Particulars	Note No.	Year ended 31.03.2015		Year ended 31.03.2014	
Income					
Revenue from operations	18	1854.77		1897.05	
Less : Excise duty and other taxes		65.82	1788.95	74.98	1822.07
Other income	19		6.10		6.59
Total revenue			1795.05		1828.66
Expenses					
Cost of Raw materials consumed	20		1274.06		1343.70
Purchases of Stock-in-Trade	18		103.78		22.33
(Increase)/Decrease in inventories of finished goods, Work-in-progress and traded goods	21		19.93		69.63
Employee benefits expense	22		74.33		72.70
Finance costs	24		149.66		142.21
Depreciation and amortization expense			55.15		75.88
Other expenses	23		169.83		183.17
Total Expenses			1846.74		1909.62
Profit before exceptional and extraordinary items and tax			(51.69)		(80.96)
Exceptional items			0.00		0.00
Profit before extraordinary items and tax			(51.69)		(80.96)
Extraordinary items			0.00		0.00
Profit/(loss) before tax			(51.69)		(80.96)
Tax expense:					
Current tax/ Income tax adjustments			(1.60)		(0.32)
Less: MAT credit entitlement			-		0.32
Deferred tax assets/(liability) (Net)			42.93		5.59
Profit/(loss)			(10.36)		(75.37)
Earning per equity share (nominal value of share ₹ 10/- each)					
Basic (₹ per share)			(2.11)		(13.52)
Diluted (₹ per share)			(2.06)		(12.85)
Significant Accounting Policies					
Notes on Financial Statements	1 to 38				

This is the Profit and Loss Statement referred to in our report of even date

For and on behalf of the Board of Directors

For S. Vaish & Co.,

For Mittal Gupta & Co.,

(S.P. Agrawal)
Partner
Chartered Accountants

(B. L. Gupta)
Partner
Chartered Accountants

Arhant Jain
Executive President (Finance)
& Secretary

V.K. Goel
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A.K. Goel
Vice Chairman

Gaurav Goel
Managing Director

Gautam Goel
Managing Director

A.K. Gupta
Director

M.P. Mehrotra
Director

Place : Kanpur
Dated : 27th May, 2015

CASH FLOW STATEMENT for the year ended 31st March, 2015

(₹ in crores)

Particulars	Year ended 31.03.2015		Year ended 31.03.2014	
A. Cash Flow From Operating Activities:				
Net Profit/(Loss) before tax and exceptional items		(51.69)		(80.96)
Adjustment for:				
Depreciation	55.15		75.88	
Profit / Loss on sale of fixed assets (net)	0.50		1.43	
Finance costs	149.66		142.21	
Interest and other investment income	(1.41)		(4.75)	
Molasses storage fund	0.10		0.13	
Provision for doubtful debts & balance written off	0.19	204.19	0.92	215.82
Operating profit before working capital changes		152.50		134.86
Adjustments for:				
Trade and other receivables	(254.29)		33.77	
Inventories	(27.88)		86.94	
Trade and other payables	51.57	(230.60)	231.38	352.09
Cash generated from operation		(78.10)		486.95
Taxes refund/(paid)		(0.26)		(1.05)
Net cash from operating activities (A)		(78.36)		485.90
B. Cash flow from investing activities :				
Purchases of fixed assets		(46.76)		(250.52)
Loans (net)		0.00		0.08
Purchases / Sale of investments (Net)		(0.50)		0.54
Interest and other investment income		1.46		4.36
Net cash used in investing activities (B)		(45.80)		(245.54)
C. Cash flow from financing activities :				
Redemption of preference shares		(5.95)		(2.94)
Money Received against share warrant / Equity Share Capital		3.71		2.48
Proceeds from borrowings (net)		272.43		(103.30)
Change in deposit pledged against margin money/guarantee with bank		0.91		(1.17)
Dividend including dividend distribution tax		(0.38)		(10.34)
Finance costs paid		(147.01)		(124.20))
Net cash used in financing activities (C)		123.71		(239.47)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(0.45)		0.89
Opening Balance of Cash and Cash Equivalents		7.13		6.24
Closing Balance of Cash and Cash Equivalents		6.68		7.13

Reconciliation of Cash & Cash Equivalents:

Particulars	As at 31.03.2015	As at 31.03.2014
Closing Balance of Cash & Cash Equivalents as per Cash Flow Statement	6.68	7.13
Add: Balance in Unpaid Dividend account	0.26	0.34
Add: Deposit pledged against margin money/guarantee	2.27	3.18
Add: Deposit with original maturity more than 3 months but upto 12 months	3.57	3.25
Add: Deposits earmarked for Molasses Storage Fund	1.18	1.03
Closing Balance of Cash & Cash Equivalents as per Note No - 17	13.96	14.93

This is the Cash Flow Statement referred to in our report of even date **For and on behalf of the Board of Directors**

For S. Vaish & Co.,

For Mittal Gupta & Co.,

(S.P. Agrawal)
Partner
Chartered Accountants

(B. L. Gupta)
Partner
Chartered Accountants

Arhant Jain
Executive President (Finance)
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V.K. Goel
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Gaurav Goel
Managing Director

Gautam Goel
Managing Director

A.K. Gupta
Director

M.P. Mehrotra
Director

Place : Kanpur
Dated : 27th May, 2015

Notes on Financial Statements for the year ended 31st March, 2015

Dhampur Sugar Mills Limited

1 Corporate Information

Dhampur Sugar Mills Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1913.

Its shares are listed on two stock exchanges in India namely, National Stock Exchange of India and Bombay Stock Exchange of India.

The company is engaged in the manufacturing and selling of sugar, chemicals and co-generation of power.

2 Significant Accounting Policies

A Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention on mercantile system of accounting unless otherwise specifically stated.

B Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period.

Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

C Fixed Assets

Fixed assets are stated at cost, net of recoverable taxes and includes amount added on revaluation, less accumulated depreciation, and impairment loss, if any. All costs, including financing costs attributable to construction or acquisition of fixed assets till commencement of commercial production, and adjustments arising from exchange rate variations attributable to the fixed assets are capitalised.

D Depreciation and Amortisation

- Depreciation on fixed assets is provided for over the useful life of assets specified in the Schedule-II of Companies Act, 2013.
- Depreciation on Plants and buildings acquired upto 31st March, 1989 and other assets acquired upto 31st March, 2014 is provided on written down value method.
- Depreciation on Plants and buildings acquired after 31st March, 1989 and other fixed assets acquired after 31st March, 2014 is provided on straight line method.

E Foreign Exchange Transactions

- Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- Non monetary foreign currency items are carried at cost.
- Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

F Inventories

- Raw material, process chemicals, stores and spares, packing material and traded goods are carried at weighted average cost.
- Finished Goods except molasses are carried at lower of cost and net realisable value.
- Stock of finished farm products, molasses and bagasse are carried at estimated selling price.
- Standing cane and other crops are carried at cost.
- Goods in process are carried at lower of cost and net realisable value.
- Loose tools and instruments are carried at depreciated value.
- Renewable Energy Certificate are carried at lower of cost and net realisable value.

G Excise Duty

Excise duty in respect of finished goods held in stock at the end of the period except in respect of those products which are being used for captive consumption, is provided for and is included in the value of closing stock.

H Employees Benefits

- Defined contribution plan
Company's contributions paid/payable during the year to provident fund and pension fund are recognised in the profit and loss account.
- Defined Benefit Plan
Company's liabilities towards gratuity are determined using the projected unit credit method which considers each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gain and losses are recognised immediately in the profit and loss account as income or expenses. Obligation measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date or Government bonds where the currency and terms of the Government are consistent with the currency and estimated terms of the defined benefit obligation.

Notes on Financial Statements for the year ended 31st March, 2015

- c) Short term benefits (namely leave encashment) are provided for on accrual basis.
- d) Employee seperation cost
Compensation to employee who have opted for retirement under the "Voluntary Retirement Scheme" of the company is charged to the profit and loss account in the year of retirement.

I Leases

- (a) Lease rentals in respect of operating lease, if any, are expensed with reference to lease term, except for rentals pertaining to the period upto the date of commissioning of the assets which are capitalised.
- (b) Income in respect of assets given on operating lease if any, is recognised on accrual basis with reference to lease terms.

J Investments:

- a) Current investments are carried at lower of cost and net realisable value.
- b) Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

K Revenue Recognition:

Revenue is recognised only when it can be reliably measured and is reasonable to expect ultimate collection. Revenue from sale of goods is recognised on transfer of significant risks and rewards of ownership to the customers. Revenue includes excise duty and is net of sales tax, value added tax and applicable discounts and allowances. Dividend income is recognised when right to receive is established. Interest income is recognised when no significant uncertainty as to measurability or collectability exists. Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

L Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets till commencement of commercial production and/or put to use. All other borrowing costs are expensed in the period they occur.

M Provision for Current and Deferred Tax:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961. Deferred tax resulting from timing differences between taxable income and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax assets is recognised and carried forward only to the extent that there is virtual certainty that the assets will be realised in future.

N Impairment of Assets:

The carrying amount of assets are reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment is charged to the profit and loss account in the year in which an asset is identified as impaired. Impairment losses recognised in prior accounting periods are reversed if there is any change in the estimate of the recoverable amount.

O Government Grants:

Government grants are recognised where there is reasonable assurance that the conditions attached to them will be complied and the grants will be received. Government grants are accounted for as under:

- (i) Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds.
- (ii) Government grants related to specific depreciable fixed assets are adjusted with the value of assets. Government grants related to specific non depreciable fixed assets are credited to capital reserve.
- (iii) Government grants that are receivable as compensation for expenses or losses incurred or for the purpose of giving immediate financial support are either deducted from the expenditure in case these relate to specific expenditure and in other cases are treated as other income. These grants if available to the sugar industry in general are treated as ordinary items and if available only to the company are treated as an extraordinary item and disclosed accordingly.

P Provisions, Contingent Liabilities and Assets:

Provisions are recognised in respect of obligations where, based on the evidence available, their existence at the balance sheet date is considered probable.

Contingent liabilities are shown by way of notes to the accounts in respect of obligations where, based on the evidence available their existence at the balance sheet date is considered not probable.

Contingent assets are not recognised in the financial statements.

Notes on Financial Statements for the year ended 31st March, 2015

3.A SHARE CAPITAL

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
Authorized				
11,38,26,000 equity shares of ₹ 10/- each		113.83		113.83
69,17,400 preference shares of ₹ 100/- each		69.17		69.17
Issued , subscribed and paid-up				
Equity shares				
5,87,14,935 (5,72,14,935) equity shares of ₹ 10/- each fully paid-up	58.71		57.21	
3,25,496 equity shares forfeited	0.07		0.07	
Less : Calls in arrears	#	57.78	#	53.28
Preference shares				
4,13,940 6% Cumulative redeemable preference shares of ₹ 100/- each fully paid-up {Amount pending for redemption - ₹ 33.33 (₹ 66.67) per share}		1.38		2.76
4,69,013 1% Cumulative redeemable preference shares of ₹ 100/- each fully paid-up {Amount pending for redemption - ₹ 16.67 (₹ 50.00) per share}		0.78		2.35
18,01,817 8% Cumulative Redeemable preference shares of ₹ 100/- each fully paid-up {Amount pending for redemption ₹83.35 (₹ 100.00) each fully paid-up}		15.02		18.02
TOTAL		75.96		80.41

3.a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period is set out below :

Particulars	Year ended 31.03.2015		Year ended 31.03.2014	
	No.	(₹ Crores)	No.	(₹ Crores)
Authorized shares				
Equity shares				
At the beginning of the period	113826000	113.83	113826000	113.83
Outstanding at the end of the period	113826000	113.83	11382600	113.83
Preference shares				
At the beginning of the period	6917400	69.17	6917400	69.17
Outstanding at the end of the period	6917400	69.17	6917400	69.17
Issued , subscribed and paid-up shares				
Equity shares				
At the beginning of the period	57214935	57.21	53905975	53.91
Issued during the period	1500000	1.50	3308960	3.30
Outstanding at the end of the period	58714935	58.71	57214935	57.21
Preference shares				
At the beginning of the period	2684770	23.13	882953	8.05
Issued during the period	0	0.00	1801817	18.02
Redeemed during the period	0	5.95	0	2.94
Outstanding at the end of the period	2684770	17.18	2684770	23.13

Notes on Financial Statements for the year ended 31st March, 2015

3.b. Details of shareholders holding more than 5% shares :

Particulars	As at 31.03.2015		As at 31.03.2014	
	No.	% holding	No.	% holding
Equity shares of ₹ 10 each fully paid-up				
Goel Investments Ltd.	11255515	19.17	11255515	19.67
Sonitron Ltd.	4940716	8.41	4940716	8.64
Shudh Edible Products Ltd.	4549680	7.75	4549680	7.95
Mr. Gautam Goel	3492339	5.95	3792339	6.10
Mr. Gaurav Goel	3461379	5.90	3461379	6.05
Saraswati Properties Limited	3416758	5.82	1916758	3.35
6% Cumulative Redeemable Preference shares of ₹ 100 each fully paid-up				
IFCI Ltd.	413940	100.00	413940	100.00
1% Cumulative Redeemable Preference shares of ₹ 100 each fully paid-up				
IFCI Ltd.	469013	100.00	469013	100.00
8% Cumulative Redeemable Preference shares of ₹ 100 each fully paid-up				
JK Tyre & Indurties Limited	1801817	100.00	1801817	100.00

3.c. Calls unpaid of equity shares

Particulars	As at 31.03.2015		As at 31.03.2014	
	No.	Amt. (in ₹)	No.	Amt. (in ₹)
i) Calls unpaid by directors and officers	Nil	Nil	Nil	Nil
ii) Calls unpaid by others	2185	10705	2185	10705

3.d. Terms/right attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The company declares and pays dividend in Indian rupees. The dividend if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the shareholders of equity shares are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

3.e. 33,08,960 Equity shares of ₹ 10 each and 18,01,817 8% Cumulative Redeemable Preference shares of ₹ 100 each were allotted during the year 2013-14 to the shareholders of J K Sugar Ltd pursuant to the scheme of amalgamation without payment being received in cash.

3.f. Right attached to Preference shares

- The Preference shares will constitute direct, unconditional, un-subordinated and unsecured obligations of the company and will at all times rank pari passu and without any preference among them.
- No premature redemption option to the company, nor to the shareholders of Cumulative Redeemable Preference shares and no option to the shareholders to seek redemption in case of non-payment of dividend.

3.g. Terms of redemption of Preference shares

- 4,13,940 - 6% Cumulative Redeemable Preference Shares of ₹ 100 each are redeemable in 3 equal yearly installments commencing from December, 2013.
- 4,69,013 - 1% Cumulative Redeemable Preference Shares of ₹ 100 each are redeemable in 12 equal quarterly installments commencing from December, 2012.
- 18,01,817 - 8% Cumulative Redeemable Preference Shares of ₹ 100 each are redeemable in 3 equal yearly installments commencing from April 01, 2014.

Notes on Financial Statements for the year ended 31st March, 2015

3.h. The Board of directors recommended the following dividend :

Particulars	As at 31.03.2015	As at 31.03.2014
Proposed dividend per equity share of ₹ 10/- each	₹ NIL	₹ NIL
Proposed dividend per 6% Cumulative Redeemable Preference Share of ₹ 100/- each	₹ NIL	₹ 5.51
Proposed dividend per 1% Cumulative Redeemable Preference Share of ₹ 100/- each	₹ NIL	₹ 0.71
Proposed dividend per 8% Cumulative Redeemable Preference Share of ₹ 100/- each	₹ NIL	₹ NIL

3.B. Money received against Equity share warrants

(₹ in crores)

Particulars	As at 31.03.2015	As at 31.03.2014
Money recieved against Equity share warrants		
15,00,000 (30,00,000) Equity share warrants of ₹ 8.25 per warrant	1.24	2.48
TOTAL	1.24	2.48

3.B.a. Terms of share warrants issue:

1. The holder(s) of each warrant shall have an option to apply for and be allotted One equity share of ₹ 10 each at premium of ₹ 23 per share i.e. ₹ 33 per share at any time within 18 months from the date of allotment of warrant. i.e. 26th March 2014.
2. Application money of ₹ 8.25 per warrant shall be adjusted against the price payable subsequently for acquiring by exercising the option. Application money of ₹ 8.25 per warrant shall be forfeited if the option to acquire shares is not exercised.
3. The Equity shares issued and allotted upon exercise of option will be fully paid and will rank pari-passu with the existing equity shares.
4. During the current financial year option has been exercised for 15,00,000 equity share warrants.

Notes on Financial Statements for the year ended 31st March, 2015

4 RESERVES AND SURPLUS

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
Capital reserve				
Balance as per last account		10.64		10.64
Securities premium reserve				
Balance as per last account	319.96		319.96	
Add: received during the year	3.45	323.41	0.00	319.96
Reserve for construction of Molasses Storage Tank				
Balance as per last account	1.57		1.44	
Add: Provided during the period	0.10		0.13	
Less: Transferred to General Reserve	(0.61)	1.06	0.00	1.57
Capital redemption reserve				
Balance as per last account	0.00		0.00	
Add: transferred from general reserve	3.72	3.72	0.00	0.00
Revaluation Reserve				
Balance as per last account	35.69		0.00	
Add: During the year	0.00	35.69	35.69	35.69
General reserve				
Balance as per last account	54.43		52.03	
Add : Transferred from Resrve for Construction of Molasses Storage Tank	0.61		0.00	
Add: Transferred from Debenture Redemption Reserve	0.00		2.40	
Less: adjustment relating to fixed assets (Refer Note No. - '10')	5.08			
Less: Transferred to Capital Redemption Reserve	3.72	46.24	0.00	54.43
Proift & loss account				
Balance as per last account	(58.30)		17.37	
Profit/(loss) for the year	(10.36)		(75.37)	
Less : Appropriations				
Dividend on preference shares	0.00		0.26	
Tax on dividend	0.00		0.04	
Net deficit		(68.66)		(58.30)
TOTAL		352.10		363.99

Notes on Financial Statements for the year ended 31st March, 2015

5 LONG-TERM BORROWINGS

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
	Non-Current	Current	Non-Current	Current
Term loans				
Secured				
Rupee term loans from banks	340.88	76.92	334.81	83.55
Rupee term loans from banks SEFASU	103.45	6.08	109.53	0.00
Foreign currency term loan from bank	44.80	24.05	0.00	0.00
Zero coupon rupee term loans from banks	0.00	2.06	2.06	4.12
Rupee term loans from sugar development fund	44.07	25.83	68.66	32.60
	533.20	134.94	515.06	120.27
Unsecured				
Deposits - from directors & their relatives	2.68	5.80	0.00	2.03
- from public	4.20	2.52	2.30	2.55
Buyers' credit from bank	31.16	0.00	27.02	0.00
Deferred payment liabilities	0.00	0.00	0.36	0.35
	38.04	8.32	29.68	4.93
Total	571.24	143.26	544.74	125.20

5.a. Nature of security

Rupee term loan from bank under the Government sponsored subvention Scheme for Extending Financial Assistance to Sugar Undertakings (SEFASU), 2014 of ₹ 109.53 crores are secured by third parri passu charge on block/fixed assets of the company and personal guarantee of promoters directors.

Rupee term loans from Sugar Development Fund are secured by exclusive second charge on all movable and immovable assets excluding current assets of the company.

All other term loans from financial institutions and banks are secured by first parri passu charge on all movable and immovable assets except book debts, stock-in-trade, raw materials, spare parts and other current assets.

All the term loans are guaranteed by promoter directors.

During the year Rupee Term Loan of ₹ 64.30 Crores from bank has been converted into Foreign Currency Term Loan (FCTL) of USD 11 Million for a period of 12 months. FCTL carry interest rate @ 6.547% p.a. After 12 months FCTL equivalent to ₹ 64.30 Crores will be reconverted into Rupee Term Loan and will be repaid according to original term of sanction of Rupee Term Loan. Accordingly Current Maturity of FCTL has been worked out on the basis of original term and condition of Rupee Term Loan and shown as current liability and in the details of "Maturity Profile" of Term Loans.

Notes on Financial Statements for the year ended 31st March, 2015

5.b. Maturity profile and Rate of interest of long term borrowings are as set out below :

(₹ in crores)

Particulars	ROI (%) as on 31.03.2015	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
Secured						
Term Loans from banks	13.25	5.00	4.86	0.00	0.00	9.86
	13.00	55.88	63.67	47.46	54.80	221.81
	12.75	18.27	10.75	6.00	0.00	35.02
	12.00	32.20	32.20	32.20	22.40	119.00
	100% Intt.					
	Subvention	36.51	36.51	30.43	-	103.45
Sub-total		147.86	147.98	116.09	77.20	489.13
Rupee term loans from sugar development fund	7.00	2.78	2.78	2.05	0.67	8.29
	4.00	22.49	12.45	0.70	0.14	35.78
Sub-total		25.27	15.23	2.76	0.81	44.07
Total secured		173.13	163.22	118.84	78.01	533.20
Unsecured Deposits	11 to 12	6.88	-	-	-	6.88
Buyers Credit from Bank	1.50	28.00	2.24	0.92	-	31.16
Grand-total		208.01	165.46	119.76	78.01	571.24

6 LONG-TERM PROVISIONS

(₹ in crores)

Particulars	As at 31.03.2015	As at 31.03.2014
Provision for employee benefits :		
Provision for gratuity	20.65	19.95
Total	20.65	19.95

7 SHORT-TERM BORROWINGS

(₹ in crores)

Particulars	As at 31.03.2015	As at 31.03.2014
Secured		
Cash credit from banks	858.58	563.47
Rupee loans from banks	30.00	79.76
	888.58	643.23
Unsecured		
Deposits - from related parties	0.80	5.29
- from public	3.64	16.41
Loans and advances - from directors	0.29	0.35
- from other companies (includes ₹ 0.71 Crore (₹ 0.12 Crore) from related parties)	0.86	0.12
	5.59	22.17
Total	894.17	665.40

Notes on Financial Statements for the year ended 31st March, 2015

7.a. Nature of security

All Cash credit limits from banks other than District Co-operative Banks, ₹ 643.08 Crores are secured by pledge of stocks of sugar and hypothecation of consumable stores and spare parts, chemicals, molasses etc. and by parri passu third charge over the fixed assets of the company and personal guarantee of promoter directors.

Cash Credit accounts from District Co-operative Banks, ₹ 215.50 Crores are secured by pledge of stocks of sugar and by parri passu third charge over the fixed assets of the company and personal guarantee of promoter directors.

Rupee loans from banks of ₹ 30 Crores by subservient charge on Fixed assets & Current Assets of the company

8 TRADE PAYABLES AND OTHER LIABILITIES

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
	Non-Current	Current	Non-Current	Current
Trade payables (Refer Note No. - '33' of dues to micro and small enterprises)	0.00	674.90	0.00	700.98
Other liabilities				
Current maturities of long term borrowings (Refer Note No. - '5')	0.00	143.26	0.00	125.20
Interest accrued but not due on borrowings	3.49	4.29	5.15	5.80
Interest accrued and due on borrowings	0.00	3.79	0.00	4.95
Unpaid dividend	0.00	0.26	0.00	0.34
Unpaid matured deposits and interest accrued thereon	0.00	0.31	0.00	1.21
Advance from customers	0.00	1.17	0.00	2.73
Other Liabilities	0.00	229.55	0.00	155.77
Others :				
Security deposits	0.00	4.11	0.00	3.62
Statutory dues payable	0.00	41.56	0.00	37.21
Sub Total	3.49	428.30	5.15	336.83
Total	3.49	1103.20	5.15	1037.81

9 SHORT-TERM PROVISIONS

(₹ in crores)

Particulars	As at 31.03.2015	As at 31.03.2014
Provision for employee benefits :		
Provision for employees	10.01	10.12
Other provisions :		
Provision for dividend (including dividend distribution tax)	0.00	0.30
Total	10.01	10.42

Notes on Financial Statements for the year ended 31st March, 2015

10 TANGIBLE ASSETS

(₹ in crores)

Particulars	Land	Building	Plant & Equipments	Furniture & Fixtures	Railway sidings	Weigh-bridge	Computers	Office Equipments	Electrical Appliances	Vehicles	Live Stock	Farm Asset & Equipment	Total (2014-2015)	Total (2013-2014)
Cost														
As on 01-04-2014	86.45	164.39	1419.31	11.32	0.00	7.51	9.57	2.39	8.27	16.54	0.01	0.46	1726.22	1642.74
Additions	0.77	7.09	212.93	0.40	0.00	0.04	0.72	0.07	0.26	1.23	0.00	0.09	223.60	89.55
Disposals	0.00	0.00	1.99	0.01	0.00	0.00	0.08	0.00	0.02	0.57	0.00	0.00	2.67	10.86
Other adjustments :														
- Exchange differences	0.00	0.00	(0.01)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.01)	2.76
- Borrowing costs	0.00	0.05	4.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.96	2.03
As at 31-03-2015	87.22	171.53	1635.15	11.71	0.00	7.55	10.21	2.46	8.51	17.20	0.01	0.55	1952.10	1726.22
Depreciation														
As on 01-04-2014	0.00	33.99	569.78	6.34	0.00	5.84	7.47	1.85	4.09	10.60	0.00	0.31	640.27	569.73
Charges for the year	0.00	6.82	41.49	1.84	0.00	0.34	1.14	0.15	1.18	2.15	0.00	0.02	55.13	75.88
Disposals	0.00	0.00	1.71	0.01	0.00	0.00	0.07	0.00	0.01	0.49	0.00	0.00	2.29	5.34
Adjusted from retained earnings														
(Refer Note No.- '4')	0.00	5.64	0.78	0.05	0.00	0.09	0.29	0.22	0.08	0.04	0.00	0.06	7.25	0.00
As at 31-03-2015	0.00	46.45	610.34	8.22	0.00	6.27	8.83	2.22	5.34	12.30	0.00	0.39	700.36	640.27
Net Block														
As at 31-03-2014	86.45	130.40	849.53	4.98	0.00	1.67	2.10	0.54	4.18	5.94	0.01	0.15	1085.95	-
As at 31-03-2015	87.22	125.08	1024.81	3.49	0.00	1.28	1.38	0.24	3.17	4.90	0.01	0.16	1251.74	1085.95

"10. a. In accordance with the Companies Act, 2013, the company has revised the useful life of its fixed assets to comply useful life as mentioned under Schedule II of the Companies Act, 2013. Based on the transitional provision given in Schedule II to the Companies Act, 2013, the carrying amount of assets (net of residual value) whose useful life has already exhausted as per revised useful life amounting to ₹ 5.08 Crores (net of deferred tax of ₹ 2.17 Crores) has been adjusted with the opening balance of Retained Earnings. Had there been no change in the useful life of the fixed assets, the charge to the Statement of Profit and Loss would have been higher by ₹ 27.80 Crores. The method of providing depreciation on fixed assets, other than plant and building, acquired after 31st March 2014 has also been changed during the year from written down method to straight line method over the useful life prescribed under Schedule II to the Companies Act, 2013. Had there been no change in the method of depreciation, the charge to the Statement of Profit and Loss would have been higher by ₹ 0.01 Crores."

Notes on Financial Statements for the year ended 31st March, 2015

11 NON-CURRENT INVESTMENTS

(₹ in crores)

Particulars	As at 31.03.2015	As at 31.03.2014
Trade Investments :-		
Ramganga Sanyukta Sahkari Kheti Samiti Limited (Unquoted)		
01 (01) Equity share of ₹ 100/- each fully paid-up	#	#
In Subsidiary Companies (Unquoted) :		
Investment in Equity shares		
(fully paid-up unless otherwise stated)		
Dhampur International Pte Ltd.:-		
10000 (10000) Equity shares of S\$ 1/- each	#	#
2000000 Equity Shares of US \$ 1/- each	10.80	10.80
Other Investments :-		
In Other Companies :		
Investment in Equity shares		
(fully paid-up unless otherwise stated)		
VLS Finance Limited (Quoted)		
263142 Equity shares of ₹ 10/- each	0.44	0.44
South Asian Enterprises Limited (Quoted) (**)		
250000 Equity shares of ₹ 10/- each	#	#
(At cost less provision for diminution in value)		
₹ 0.25 crores (P.Y. ₹ 0.25 crores)		
Investment in Mutual fund		
Baroda Pioneer PSU Bond Fund - Monthly Dividend Plan (Quoted)		
334356 (294056) Units of ₹ 10/- each	0.34	0.31
TOTAL	11.58	11.55

(₹ in crores)

Disclosure of non-current investments	As at 31.03.2015	As at 31.03.2014
Aggregate amount of quoted investments	0.78	0.75
Aggregate amount of unquoted investments	10.80	10.80
Total investments net of provision for diminution	11.58	11.55
Aggregate provision for diminution in value of investments (**)	0.25	0.25
Aggregate market value of quoted investments	1.25	0.64

12 DEFERRED TAX ASSET/(LIABILITY) (NET)

(₹ in crores)

Particulars	As at 31.03.2015	As at 31.03.2014
Deferred Tax Asset :		
i) On account of timing difference of expenses which are allowable under		
Income Tax Laws in subsequent years	12.77	-
ii) On account of carried forward losses and unabsorbed depreciation	148.82	-
	161.59	-
Deferred Tax Liability :		
i) On account of differences in written down value of fixed assets	116.49	-
Net Deferred Tax Asset/ (Liability)	45.10	0.00

Notes on Financial Statements for the year ended 31st March, 2015

12.a. The Central Government has initiated various steps to support the sugar industry like mandatory mixing of ethanol, increase in the price of ethanol, increase in import duty on sugar, cash subsidy for export of raw sugar. The State Government have also announced grants during the year linked with the price of sugar and by-products. The company has also initiated various steps including on cane development, enhancing plan efficiencies, cost reduction, increase in power and ethanol capacity etc. The company is confident that the financials of sugar segment will improve significantly in the coming years and the profitability of power and chemical segment will further improve due to increase in capacity utilisation and on account of increase in the power tariff and ethanol price. The company is certain that there would be sufficient taxable income in future and hence it has recognised net deferred tax assets of ₹ 45.10 Crores (including the amount of net deferred tax assets for the year of ₹ 27.94 Crores) during the year.

13 LONG AND SHORT TERM LOANS AND ADVANCES

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
	Non-Current	Current	Non-Current	Current
(Unsecured considered good unless otherwise stated)				
Capital advances	2.12	0.00	1.72	0.00
Security deposits:-				
- to realted parties (Refer Note No. - '31' for details)	2.19	0.00	2.19	0.00
- to others	1.29	0.17	0.97	0.69
Other loans and advances :				
Advances to employees	0.00	0.53	0.00	0.40
Advances to suppliers/contractors/service providers	0.00	13.33	0.00	9.39
Loans	0.00	0.56	0.00	1.36
Balances with excise authorities	0.00	18.61	0.00	18.68
Income tax and wealth tax payments	0.00	1.27	0.00	1.07
MAT credit entitlement	7.17	0.00	8.71	0.00
Payments of taxes under protest/appeal	0.00	1.83	0.00	1.45
Prepaid expenses	0.00	3.05	0.00	1.92
Total	12.77	39.35	13.59	34.96

Details of Loan:				
Ujjwal Microfinance Finance Pvt. Ltd.	0.00	0.56	0.00	0.00
Dhampur Invertos Pvt. Ltd.	0.00	0.00	0.00	0.01
Kashipur Sugar Mills Ltd.	0.00	0.00	0.00	0.11
Dhampur Retail Ventures Pvt. Ltd.	0.00	0.00	0.00	1.24

14 OTHER NON-CURRENT AND CURRENT ASSETS

(₹ in crores)

Particulars	As at 31.03.2015		As at 31.03.2014	
	Non-Current	Current	Non-Current	Current
(Unsecured considered good unless otherwise stated)				
Others :				
Inventory - Loose tools and equipments	0.21	0.00	0.23	0.00
Insurance claim receivable	0.00	11.14	0.00	0.00
Subsidy receivable from government/government authority	0.00	150.87	0.00	26.93
Interest receivable	0.00	0.54	0.00	0.59
Others	0.00	3.11	0.00	0.00
Total	0.21	165.66	0.23	27.52

Notes on Financial Statements for the year ended 31st March, 2015

15 INVENTORIES

(₹ in crores)

Particulars	As at 31.03.2015	As at 31.03.2014
(Refer Note No. - '2' for Mode of Valuation)		
Raw materials	53.87	6.58
Goods-in-process	30.73	35.64
Standing cane and other crops	0.28	0.33
Finished goods (including trial run stock of ` NIL (` 0.29) Crore)	1126.12	1140.64
Traded goods	5.02	0.79
Stores, Spare parts, Gunny/P.P. bags, Chemicals etc.	36.21	40.35
Renewable Energy Certificate	0.03	0.01
Total	1252.26	1224.34

16 TRADE RECEIVABLES

(₹ in crores)

Particulars	As at 31.03.2015	As at 31.03.2014
(Unsecured considered good unless otherwise stated)		
Outstanding for a period exceeding six months from the date they are due for payment :		
- Considered good	0.67	1.53
- Considered doubtful	0.02	0.00
- Provision for doubtful	(0.02)	0.00
Other receivables	221.02	109.72
Total	221.69	110.25

17 CASH AND CASH EQUIVALENTS

(₹ in crores)

Particulars	As at 31.03.2015	As at 31.03.2014
Cash and cash equivalents		
Balances with banks :		
On Current accounts	4.81	4.10
On unpaid dividend account	0.26	0.34
Cash on hand	1.87	3.03
Other bank balances :		
Deposits pledged against margin money/guarantee	2.27	3.18
Deposits with original maturity more than 3 months but upto 12 months	3.57	3.25
Deposits earmarked for Molasses Storage Fund	1.18	1.03
Total	13.96	14.93

Notes on Financial Statements for the year ended 31st March, 2015

18 REVENUE FROM OPERATIONS/PURCHASES OF STOCK-IN-TRADE/INVENTORIES

(₹ in crores)

Particulars	Opening stock		Production/Purchases		Sales/Revenue from operations		Closing stock	
		Value (₹)		Value (₹)		Value (₹)		Value (₹)
Revenue from operations								
Sale of Products								
Finished goods								
Sugar (Qtls.)		1020.88		-		1224.81		971.73
Previous year		(1080.19)		-		(1282.27)		(1020.88)
Molasses (Qtls.)		64.61		-		9.83		91.37
Previous year		(66.76)		-		(7.93)		(64.61)
Chemicals (Qtls.)		26.20		-		305.38		26.14
Previous year		(31.87)		-		(423.59)		(26.20)
Farm produce (Qtls.)		0.10		-		1.04		0.06
Previous year		(0.05)		-		(1.24)		(0.10)
Power (M.W.)		-		-		163.14		-
Previous year		-		-		(129.97)		-
Others		28.56		-		13.82		36.85
Previous year		(38.96)		-		(6.64)		(28.56)
Sub-total finished goods		1140.35		0.00		1718.02		1126.15
Previous year		(1217.83)		0.00		(1851.64)		(1140.35)
Traded goods								
Coal (Qtls.)		-		36.93		37.70		-
Previous year		-		-		-		-
P.P. Bags (Nos.)		-		10.54		10.58		-
Previous year		-		(4.93)		(5.01)		-
Soyabean Oil (Qtls.)		-		36.24		36.84		-
Previous year		-		-		-		-
Other purchases		0.79		20.07		17.44		5.02
Previous year		(0.39)		(17.40)		(19.75)		(0.79)
Sub-total traded goods		0.79		103.78		102.56		5.02
Previous year		(0.39)		(22.33)		(24.76)		(0.79)
Total		1141.14		103.78		1820.58		1131.17
Previous year		(1218.22)		(22.33)		(1876.40)		(1141.14)
Stock-in-process :								
Sugar (Qtls.)		26.82						16.46
Previous year		(22.10)						(26.82)
Molasses (Qtls.)		2.01						1.93
Previous year		(1.36)						(2.01)
Chemicals (Qtls.)		6.81						12.34
Previous year		(6.21)						(6.81)
Standing crops		0.33						0.28
Previous year		(0.22)						(0.33)
Sub-total Stock-in-process		35.97						31.01
Previous year		(29.89)						(35.97)
Total (Gross) (A)		1,177.11		103.78		1,820.58		1,162.18
Previous year		(1,248.11)		(22.33)		(1,876.40)		(1,177.11)

Notes on Financial Statements for the year ended 31st March, 2015

Other operating revenue

(₹ in crores)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Miscellaneous income	3.52	1.20
Refund of administrative charges on Molasses	5.78	0.00
Scrap sale	1.85	2.25
Balances written back	2.40	0.61
Insurance claim received	10.22	0.07
Purchase Tax Remission	0.00	6.54
Provision no longer required written back	4.38	0.12
Duty Draw Back / Sale of export licence (OGL)	6.04	9.86
Other operating revenue (B)	34.19	20.65
Revenue from operations (Gross)(A+B)	1854.77	1897.05

19 OTHER INCOME

(₹ in crores)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Rent	1.13	1.30
Profit on sale of assets	0.16	0.04
Interest income	1.39	4.28
Excess provision written back	0.00	0.10
Foreign exchange differences (net)	3.40	0.40
Profit on sale of Investments	0.00	0.45
Dividend income	0.02	0.02
Total	6.10	6.59

20 COST OF RAW MATERIALS CONSUMED

(₹ in crores)

Particulars	Year ended 31.03.2015		Year ended 31.03.2014	
	(Qty) Qtls.	(₹)	(Qty) Qtls.	(₹)
Sugar cane consumed				
Sugar cane purchases		1268.87		1125.33
Expenses on purchase of sugar cane		39.51		35.85
Cane commission		7.68		25.25
Less: Subsidy on Cane Commission		(7.68)		(23.81)
Less: Subsidy on Cane purchase		(147.18)		0.00
		1161.20		1162.62
Add : Opening stock of cane		3.12		1.96
Less : Closing stock of cane		(2.87)		(3.12)
Less : Driage		0.00		0.00
Sub-total		1161.45		1161.46
Molasses consumed		32.44		85.11
Bagasse / coal / rice husk & other fuel consumed		2.48		19.14
Chemicals and others		77.69		77.99
Total		1274.06		1343.70

Notes on Financial Statements for the year ended 31st March, 2015

21 (INCREASE)/DECREASE IN INVENTORIES

(₹ in crores)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Inventories at the end of the year		
Finished goods	1126.15	1140.35
Stock-in-process	31.01	35.97
Traded goods	5.02	0.79
	1162.18	1177.11
Inventories at the beginning of the year		
Finished goods	1140.35	1217.83
Stock-in-process	35.97	29.89
Traded goods	0.79	0.39
	1177.11	1248.11
Net excise duty on account of (Increase)/decrease in inventories	5.00	(1.37)
(Increase)/Decrease in inventories	19.93	69.63

22 EMPLOYEES BENEFITS EXPENSE

(₹ in crores)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Salaries , wages and bonus (including contract labour)	62.97	61.52
Contribution to provident and other funds	5.67	5.19
Workmen and staff welfare expenses	2.30	1.63
Gratuity	2.63	3.52
Voluntary retirement compensation	0.76	0.84
Total	74.33	72.70

Notes on Financial Statements for the year ended 31st March, 2015

23 OTHER EXPENSE

(₹ in crores)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Consumption of stores, spares and other manufacturing expense	30.42	29.90
Packing material expense	26.75	25.09
Expenditure on crops	0.48	0.53
Power and fuel	3.73	5.54
Repairs and maintenance :		
Plant and machinery	32.42	30.97
Buildings	3.50	2.86
Others	2.62	1.88
Rent	5.09	5.14
Rates and taxes	2.16	4.98
Charity and donation	0.23	0.16
Insurance	1.81	2.17
Molasses fund	0.10	0.13
Selling expenses :		
Commission to selling agents	8.86	9.61
Other selling expense	16.69	25.70
Payment to auditors :		
Audit fee	0.20	0.18
Tax audit fee	0.05	0.05
Income Tax Matters & Other Certification Fees	0.06	0.05
Reimbursement of expenses	0.01	0.03
Miscellaneous expenses	26.06	26.14
CSR Expenses on education	0.05	0.00
Cane development expense	7.27	9.15
Expenses relating to earlier year	0.31	0.39
Balances written-off	0.17	0.92
Provision for doubtful debts/advances/ bad debts	0.02	0.00
Directors sitting fee	0.11	0.13
Loss on sale of Fixed assets	0.66	1.47
Total	169.83	183.17

24 FINANCE COSTS

(₹ in crores)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Interest	152.92	147.46
Documentaion and other bank charges	4.18	6.02
Foreign exchange difference	4.55	5.05
	161.65	158.53
Less : Interest & documentation charges capitalized during the period	(6.98)	(16.32)
Less : Interest claimed under UPSIPP 2013	(5.01)	0.00
Total	149.66	142.21

Notes on Financial Statements for the year ended 31st March, 2015

25 DETAILS OF PRE-OPERATIVE AND TRIAL RUN EXPENSES INCLUDED IN CAPITAL WORK IN PROGRESS: (₹ in crores)

Particulars	2014-2015	2013-2014
Opening Balance	17.77	1.30
(a) Raw Material Consumed	3.58	7.57
(b) Consumption of Stores & other Manufacturing Expenses	0.06	0.16
(c) Power & Fuel	0.16	1.34
(d) Payments to and Provision for Employees	0.09	0.71
(e) Administrative and Other Expenses	0.18	1.06
(f) Interest Finance and Loan Raising Expenses	6.98	16.32
Total	28.82	28.46
Less:		
(g) Borrowing Cost Capitalised during the year	4.96	2.03
(h) Pre-operative expenses capitalised during the year	18.34	-
(i) Stock of Finished Goods	-	0.29
(j) Sale of Power	4.40	8.37
Balance Pre-Operative Expenses Pending for Allocation	1.12	17.77

- 26 a) During the year the Government of Uttar Pradesh has disbursed cash subsidy of ₹ 6.00 per quintal of cane for Sugar Season 2013-14 aggregating to ₹ 24.57 Crores. The same has been reduced from the cost of raw material consumed during the year.
- b) The Government of Uttar Pradesh has also announced Subsidy of ₹ 40.00 per quintal of cane for the Sugar Industry for the Sugar Season 2014-15 linked to the average selling price of sugar and its by products during the period 1st Oct. 2014 to 31st May 2015 as per press release dtd. 12 Nov. 2014. Under the scheme, the Government has notified subsidy of ₹ 20.00 per quintal of sugar cane by way of cash subsidy of ₹ 8.60 per quintal of sugar cane and balance ₹ 11.40 per quintal of sugar cane by way of remission of purchase tax and entry tax and reimbursement of sugar cane society commission. The remaining subsidy of ₹ 20.00 will be notified based on the recommendation of selected committee. The average selling price of Sugar and the by-products have been significantly lower than the thresholds specified in the scheme considering the actual and future realisation. In view of the above, the company has estimated and recognised entire subsidy (including additional subsidy of ₹ 20.00 per quintal, which is yet to be notified by the State Government) amounting to ₹ 122.61 Crores during the year. The company is confident of realizing the subsidy in view of the past and current price of sugar and the by-products.
- c) The accounts have been prepared without accounting for any incentive entitlements under U.P. Sugar Incentive Promotion Policy, 2004 as the scheme has been subsequently withdrawn by the State Government. The Company has filed writ petition before Hon'ble Allahabad High Court (Lucknow Bench) for enforcement of the scheme and settlement of incentive claims. As per the erstwhile incentive policy, the company is eligible for capital subsidy of ₹ 89.89 crores i.e. @10% of the investments made (already vetted ₹ 50.80 crores) and revenue subsidy for reimbursement of taxes and other charges aggregating to ₹ 57.80 crores upto 31st March, 2015 (including ₹ 1.73 crores for the current year).

Notes on Financial Statements for the year ended 31st March, 2015

27 In the opinion of the Board, current assets and loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

28 EMPLOYEES BENEFITS:

The required disclosures of employees benefits as per Accounting Standard -15 are given hereunder:-

(i) In respect of Short Term Employee Benefits:

The Company has at present only the scheme of cumulative benefit of leave encashment payable at the end of each calender year and the same have been provided for on accrual basis.

(ii) In respect of Defined Benefit Scheme (Based on Actuarial Valuation) of Gratuity:

(₹ in crores)

	2014/2015	2013/2014
A) Change in Obligation over the year ended 31.03.2015		
Present Value of defined obligation as on 01.04.2014	21.58	19.76
Current Service Cost	1.23	1.21
Interest Cost	1.81	1.58
Actuarial Gains/losses	(1.30)	(0.26)
Benefits Paid	(0.87)	(0.71)
Present Value of defined obligation as on 31.03.2015	22.45	21.58
B) Expenses recognised during the year ended 31.03.2015		
Current Service Cost	1.23	1.21
Interest Cost	1.81	1.58
Actuarial Gains/losses	(1.30)	(0.26)
Current Service Cost & Actuarial losses in respect of seprated employees	0.89	0.99
Total	2.63	3.52
C) Principal Actuarial Assumptions :		
Mortality Table --	IALM (2006-08)	IALM (2006-08)
Discount Rate (per Annum) --	8.00%	(8.50%)
Rate of Escalation in Salary (per Annum) --	5.50%	(6.00%)

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant facto`

(iii) Defined Contribution Plan :

Provision for contribution to defined contribution plan, recognised as expense during the period are as under :

(₹ in crores)

	2014/2015	2013/2014
Employer's Contribution to Provident Fund :	2.94	2.84
Employer's Contribution to Pension Fund :	2.73	2.35

Notes on Financial Statements for the year ended 31st March, 2015

29 SEGMENT REPORTING:

(₹ in crores)

Particulars	Sugar	Chemicals	Co-gen	Others	Total
1. Segment Revenue (including Excise Duty)					
a) External Sales	1,350.85	321.84	163.27	18.81	1,854.77
Previous Year	(1,313.25)	(433.46)	(128.89)	(21.45)	(1,897.05)
b) Inter Segment Sales	273.94	4.84	217.14	-	495.92
Previous Year	(292.63)	(4.86)	(216.93)	(0.38)	(514.80)
c) Total Revenue	1,624.79	326.68	380.41	18.81	2,350.69
Previous Year	(1,605.88)	(438.32)	(345.82)	(21.83)	(2,411.85)
2. Segment Results					
(Profit+)/Loss(-) before Tax and Interest from each segment	(90.91)	47.02	160.34	(3.38)	113.07
Previous Year	(-79.42)	(51.71)	(106.85)	(-1.53)	(77.61)
Less : Finance costs					149.66
Previous Year					(142.21)
Less/ Add :Other Unallocable Expense/Income net off Unallocable Income/Expenses					15.10
Previous Year					(16.36)
Net Profit(+)/loss(-) before Tax					(51.69)
Previous Year					(-80.96)
Less: Tax expense (Net)					41.33
Previous Year					(5.59)
Net Profit(+)/Loss(-) after Tax					(10.36)
Previous Year					(-75.37)
3. Other Information					
a) Segment Assets	2,016.81	305.57	679.77	9.92	3,012.07
Previous Year	(1,856.33)	(271.30)	(575.70)	(4.63)	(2,707.96)
Unallocable Corporate Assets					19.99
Previous Year					(22.39)
Total Assets					3,032.06
Previous Year					(2,730.35)
b) Segment Liabilities	952.48	21.03	4.57	4.44	982.52
Previous Year	(1,086.19)	(20.18)	(10.20)	(1.36)	(1,117.93)
Unallocable Corporate Liabilities					1,620.24
Previous Year					(1,165.55)
Total Liabilities					2,602.76
Previous Year					(2,283.48)
c) Capital Expenditure	15.72	2.75	19.25	1.54	39.26
Previous Year	(70.98)	(39.86)	(133.91)	(1.52)	(246.27)
d) Depreciation	39.11	8.79	13.76	0.74	62.40
Previous Year	(38.67)	(6.82)	(30.10)	(0.29)	(75.88)
e) Non Cash Expenditure other than Depreciation	0.84	0.02	0.09	-	0.95
Previous Year	(2.40)	-	-	-	(2.40)

Notes on Financial Statements for the year ended 31st March, 2015

30 EARNINGS PER SHARE (EPS) :

	Year Ended 31.03.2015		Year Ended 31.03.2014	
i) Net Profit/ Loss(-) after Extra Ordinary				
Items & Provision for Taxes	₹ in crores	(12.07)	₹ in crores	(77.35)
(Used as numerator for calculating EPS)				
ii) Weighted average No.of Equity Shares outstanding				
during the period:				
(Used as denominator for calculating EPS)				
- for Basic EPS	No.	57223154	No.	57214935
- for Diluted EPS	No.	58723154	No.	60214935
iii) Earning per Share before and after Extra Ordinary Items				
- Basic	₹	(2.11)	₹	(13.52)
- Diluted	₹	(2.06)	₹	(12.85)
(Equity Share of Face value of ₹ 10 each)				

31 RELATED PARTY DISCLOSURES:

A. List of Related Parties with whom transactions have taken place and relationships:

i) Enterprises where control exists:

Subsidiary -

- 1 Dhampur International Pte Limited
- 2 Dhampur Global Pte Limited (a subsidiary of Dhampur International Pte Limited)

ii) Enterprises which have significant influence and also owned or significantly influenced by Key Management Personnel

- 1 Goel investments Limited
- 2 Ujjwal Rural Services Limited
- 3 Saraswati Properties Limited
- 4 Ujjwal Infracon Limited

iii) Enterprises owned or significantly influenced by Key Management Personnel or their relatives

- 1 Sonitron Limited
- 2 Shudh Edible Products Limited
- 3 India Green Fuel Private Limited

iv) Key Management Personnel and their relatives

- 1 Mr.Vijay Kumar Goel, Executive Director
Mrs Deepa Goel (Wife)
- 2 Mr.Ashok Kumar Goel, Vice Chairman
Mrs Vinita Goel (Wife)
- 3 Mr.Gaurav Goel, Managing Director
Mrs Priyanjali Goel (Wife)
- 4 Mr.Gautam Goel, Managing Director
Mrs Bindu Vashist Goel (Wife)
- 5 Mr.Arhan Jain, Executive President (Finance) & Company secretary
Mrs.Brij Bala Jain (Mother), Mr.Arvind Jain (Brother), Mrs.Anita Jain (Wife), Mr.Anubhav Jain (Son), Mr.Ashish Jain (Son),
Mrs.Ankita Jain (Daughter in law), Mrs.Shruti Jain (Daughter in law),
Arhan Jain (HUF), Anubhav Jain (HUF), Ashish Jain (HUF), Arvind Jain (HUF).
- 6 Mr.Sandeep Sharma, Executive President
Mrs.Poonam Sharma (Wife), Mr.Rahul Sharma (Son), Ms.Sona Sharma (Daughter)
Sandeep Sharma (HUF)
- 7 Mr.Priya Brat, Director
Mrs.Shakuntala Brat (Wife), Ms.Anu Mahendru (Daughter)
- 8 V.K.Goel, H.U.F
- 9 A.K.Goel, H.U.F.
- 10 Gaurav Goel, H.U.F
- 11 Gautam Goel, H.U.F

Notes on Financial Statements for the year ended 31st March, 2015

31 RELATED PARTY DISCLOSURES: (contd...)

B. Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as on 31st March, 2015

(₹ in crores)

Particulars	2014-2015	2013-2014
Transactions during year ended 31.03.2015		
1 Loans/advances given	2.02	0.00
Dhampur International Pte Limited	-	-
Goel Investment Limited	0.39	-
India Greenfuel Private Limited	0.07	-
Saraswati Properties Limited	0.86	-
Shudh Edible Products Limited	0.71	-
Sonitron Limited	#	-
Ujjwal Infracon Limited	#	-
Ujjwal Rural Services Limited	-	-
2 Reciepts towards Loan /Advances given	2.02	-
Dhampur International Pte Limited	-	-
Goel Investment Limited	0.39	-
India Greenfuel Private Limited	0.07	-
Saraswati Properties Limited	0.86	-
Shudh Edible Products Limited	0.71	-
Sonitron Limited	#	-
Ujjwal Infracon Limited	#	-
Ujjwal Rural Services Limited	-	-
3 Loans taken	5.04	5.57
Goel Investment Limited	0.84	1.72
India Greenfuel Private Limited	0.06	0.13
Saraswati Properties Limited	2.87	1.36
Shudh Edible Products Limited	1.23	1.58
Sonitron Limited	-	-
Ujjwal Infracon Limited	-	0.14
Ujjwal Rural Services Limited	0.04	0.64
4 Loans repaid	4.32	6.23
Goel Investment Limited	0.47	1.95
India Greenfuel Private Limited	0.03	0.13
Saraswati Properties Limited	2.63	1.44
Shudh Edible Products Limited	1.19	1.95
Sonitron Limited	-	0.06
Ujjwal Infracon Limited	-	0.14
Ujjwal Rural Services Limited	-	0.56
5 Unsecured Deposits Taken (Fixed Deposit)	3.42	4.67
Mr. Vijay Kumar Goel	-	-
Mrs. Deepa Goel	0.22	0.13
Mr. Ashok Kumar Goel	0.88	-
Mrs Vinita Goel	1.11	0.36
Mr. Gaurav Goel	-	-
Mrs Priyanjali Goel	0.54	0.47

Notes on Financial Statements for the year ended 31st March, 2015

31 RELATED PARTY DISCLOSURES: (contd...)

(₹ in crores)

Particulars	2014-2015	2013-2014
Mr. Gautam Goel	-	-
Mrs Bindu Vashist Goel	0.07	0.26
Mr. Arhant Jain	-	0.07
Mrs. Brij Bala Jain	-	0.40
Mr. Arvind Jain	-	-
Mrs. Anita Jain	-	0.24
Mr. Anubhav Jain	-	0.21
Mr. Ashish Jain	-	0.88
Mrs. Ankita Jain	-	-
Mrs. Shruti Jain	-	-
Arhant Jain (HUF)	-	0.33
Ashish Jain (HUF)	-	0.07
Anubhav Jain (HUF)	-	0.05
Arvind Jain (HUF)	-	0.18
Mr. Sandeep Sharma	-	-
Mrs. Poonam Sharma	-	0.02
Mr. Rahul Sharma	-	-
Ms. Sona Sharma	0.03	0.02
Sandeep Sharma (HUF)	0.04	0.04
Mr. Priya Brat	-	-
Mrs. Shakuntala Brat	-	-
Ms. Anu Mahendru	-	-
V.K. Goel (HUF)	0.12	0.21
A.K. Goel (HUF)	0.14	0.24
Gaurav Goel (HUF)	0.14	0.25
Gautam Goel (HUF)	0.14	0.24
6 Unsecured Deposits Matured (Fixed Deposit)	2.58	2.93
Mr. Vijay Kumar Goel	-	-
Mrs. Deepa Goel	0.21	0.11
Mr. Ashok Kumar Goel	0.66	-
Mrs Vinita Goel	0.42	0.29
Mr. Gaurav Goel	-	-
Mrs Priyanjali Goel	0.54	0.21
Mr. Gautam Goel	-	-
Mrs Bindu Vashist Goel	0.06	0.21
Mr. Arhant Jain	-	-
Mrs. Brij Bala Jain	-	0.36
Mr. Arvind Jain	-	-
Mrs. Anita Jain	-	0.21
Mr. Anubhav Jain	-	0.24
Mr. Ashish Jain	-	-
Mrs. Ankita Jain	-	-
Mrs. Shruti Jain	-	-
Arhant Jain (HUF)	-	0.29
Ashish Jain (HUF)	-	0.05

Notes on Financial Statements for the year ended 31st March, 2015

31 RELATED PARTY DISCLOSURES: (contd...)

(₹ in crores)

Particulars	2014-2015	2013-2014
Anubhav Jain (HUF)	-	0.03
Arvind Jain (HUF)	-	0.14
Mr. Sandeep Sharma	-	-
Mrs. Poonam Sharma	0.11	-
Mr. Rahul Sharma	0.01	-
Ms. Sona Sharma	0.02	0.01
Sandeep Sharma (HUF)	0.04	0.02
Mr. Priya Brat	-	-
Mrs. Shakuntala Brat	-	-
Ms. Anu Mahendru	-	-
V.K. Goel (HUF)	0.12	0.17
A.K. Goel (HUF)	0.14	0.20
Gaurav Goel (HUF)	0.13	0.20
Gautam Goel (HUF)	0.13	0.20
7 Sale of Goods	125.46	37.75
Dhampur International Pte Limited	125.46	37.75
8 Subscription of Equity Shares	3.71	-
M/s Saraswati Properties Ltd.	3.71	-
9 Subscription of Equity Share warrants	1.24	1.24
Mr. Gaurav Goel	-	0.62
Mr. Gautam Goel	-	0.62
M/s Saraswati Properties Ltd.	1.24	-
10 Rent paid	3.58	3.58
Goel Investment Limited	0.12	0.12
Saraswati Properties Limited	1.48	1.48
Shudh Edible Products Limited	1.98	1.98
11 Remuneration paid	2.23	2.23
Mr. Vijay Goel	0.48	0.48
Mr. Ashok Kumar Goel	0.48	0.48
Mr. Gaurav Goel	0.48	0.48
Mr. Gautam Goel	0.48	0.48
Mr. Arhant Jain	0.10	0.10
Mr. Sandeep Sharma	0.14	0.14
Mr. Arvind Jain	0.07	0.07
12 Interest expense	0.81	0.87
Mr. Vijay Kumar Goel	-	0.02
Mrs. Deepa Goel	0.02	0.04
Mr. Ashok Kumar Goel	0.05	0.13
Mrs Vinita Goel	0.08	0.10
Mr. Gaurav Goel	-	-

Notes on Financial Statements for the year ended 31st March, 2015

31 RELATED PARTY DISCLOSURES: (contd...)

(₹ in crores)

Particulars	2014-2015	2013-2014
Mrs Priyanjali Goel	0.05	0.04
Mr. Gautam Goel	-	-
Mrs. Bindu Goel	0.04	0.04
Mr. Arhant Jain	0.01	0.01
Mrs. Brij Bala Jain	0.05	0.05
Mr. Arvind Jain	-	-
Mrs. Anita Jain	0.03	0.03
Mr. Anubhav Jain	0.02	0.03
Mr. Ashish Jain	0.12	0.09
Mrs. Ankita Jain	0.03	-
Mrs. Shruti Jain	0.10	-
Arhant Jain (HUF)	-	0.04
Ashish Jain (HUF)	0.01	#
Anubhav Jain (HUF)	0.01	-
Arvind Jain (HUF)	0.02	0.02
Mr. Sandeep Sharma	#	#
Mrs. Poonam Sharma	0.01	#
Mr. Rahul Sharma	#	#
Ms. Sona Sharma	#	-
Sandeep Sharma (HUF)	#	0.01
Mr. Priya Brat	-	#
Mrs. Shakuntala Brat	#	-
Ms. Anu Mahendru	-	-
V.K. Goel (HUF)	0.03	0.04
A.K. Goel (HUF)	0.04	0.05
Gaurav Goel (HUF)	0.04	0.06
Gautam Goel (HUF)	0.04	0.07
Amount due to/ from Related Parties:		
1 Deposits from Related Parties	9.28	7.53
Mr. Vijay Kumar Goel	-	-
Mrs. Deepa Goel	0.32	0.28
Mr. Ashok Kumar Goel	1.10	0.88
Mrs Vinita Goel	1.49	0.75
Mr. Gaurav Goel	-	-
Mrs Priyanjali Goel	0.64	0.56
Mr. Gautam Goel	-	-
Mrs Bindu Vashist Goel	0.33	0.31
Mr. Arhant Jain	0.07	0.07
Mrs. Brij Bala Jain	0.65	0.40
Mr. Arvind Jain	-	-
Mrs. Anita Jain	0.24	0.24
Mr. Anubhav Jain	0.35	0.93
Mr. Ashish Jain	0.87	0.88
Mrs. Ankita Jain	0.23	-
Mrs. Shruti Jain	0.75	-

Notes on Financial Statements for the year ended 31st March, 2015

31 RELATED PARTY DISCLOSURES: (contd...)

(₹ in crores)

Particulars	2014-2015	2013-2014
Arhant Jain (HUF)	0.33	0.33
Ashish Jain (HUF)	0.07	0.06
Anubhav Jain (HUF)	0.05	0.05
Arvind Jain (HUF)	0.18	0.19
Mr. Sandeep Sharma	0.00	-
Mrs. Poonam Sharma	0.03	0.10
Mr. Rahul Sharma	0.00	0.01
Ms. Sona Sharma	0.03	0.02
Sandeep Sharma (HUF)	0.04	0.03
Mr. Priya Brat	-	0.09
Mrs. Shakuntala Brat	0.03	-
Ms. Anu Mahendru	-	-
V.K. Goel (HUF)	0.33	0.30
A.K. Goel (HUF)	0.38	0.35
Gaurav Goel (HUF)	0.38	0.35
Gautam Goel (HUF)	0.38	0.35
2 Unsecured Loans and Advances from related parties	1.13	0.46
Goel Investment Limited	0.38	0.01
Mr. Ashok Kumar Goel	0.01	0.21
Mr. Gaurav Goel	0.13	0.05
Mr. Gautam Goel	0.14	0.02
Mr. Vijay Kumar Goel	0.01	0.06
India Green Fuel Private Limited	0.03	-
Saraswati Properties Limited	0.27	0.03
Shudh Edible Products Limited	0.04	#
Sonitron Limited	-	-
Ujjwal Infracon Limited	-	-
Ujjwal Rural Services Limited	0.12	0.08
3 Investments	10.80	10.80
Dhampur International Pte Limited	10.80	10.80
4 Receivables	8.31	3.69
Dhampur International Pte Limited	8.31	3.69
5 Security Deposits	2.19	2.19
Goel Investment Limited	0.50	0.50
Saraswati Properties Limited	0.65	0.65
Shudh Edible Products Limited	0.99	0.99
Ujjwal Rural Services Limited	0.05	0.05

Notes on Financial Statements for the year ended 31st March, 2015

32 Disclosures as required by the Amendment to Clause 32 of the Listing Agreement:

Loans and Advances given to Subsidiary and others:

Name of Company	Type	Balance as on 31.03.2015	Maximum balance during the period	Investment in the Shares of the Company
		(₹ in crores)		No. of Shares
Dhampur International Pte Ltd.	Subsidiary	0.00	0.00	10000 Equity Shares of S \$ 1/- each & 2 million Equity Shares of US \$ 1/- each
Dhampur Global Pte Ltd.	Fellow Subsidiary	0.00	0.00	10000 Equity Shares of US \$ 1/- each held by Dhampur International Pte Limited

33 Following are the relevant disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006:

- Sundry creditors include a sum aggregating ₹ 2.83 crores (₹ 3.83 crores) due to micro and small enterprises is on account of principal only.
- The amount of interest paid by the company in terms of Section 16, along with the amount of payments made to the micro and small enterprise beyond the appointed date during the period - ₹ Nil.
- The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the period but without adding the interest specified under this Act. - ₹ Nil.
- The amount of interest accrued and remaining unpaid - ₹ Nil.
- The amount of further interest remaining due and payable even in succeeding years - ₹ Nil.

The above mentioned outstandings are in normal course of business and the information regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

34 DERIVATIVE INSTRUMENTS

i) The company has entered into following Forward Contract:

- The Company used foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

Outstanding forward exchange contracts entered into by the company:

As at	No. of Contracts	US Dollar Equivalent (Million)	INR Equivalent (₹ in crores)
31.03.2015	11	4.06	25.39
31.03.2014	0	0.00	0.00

ii) The period end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	As at 31.03.2015		As at 31.03.2014	
	US Dollar Equivalent (Million)	INR Equivalent (₹ in crores)	US Dollar Equivalent (Million)	INR Equivalent (₹ in crores)
a) Amounts payable in foreign currency on account of the following:				
Stock-in-trade/Raw materials	11.68	73.11	0.00	0.00
Loans Payable	15.98	100.01	8.83	52.88
b) Amounts receivable in foreign currency on account of the following:				
Export receivable	1.54	9.65	1.20	7.19

Notes on Financial Statements for the year ended 31st March, 2015

35 ADDITIONAL INFORMATIONS

(₹ in crores)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
A Imports calculated on CIF basis in respect of:		
1. Stores and spare parts	0.28	0.85
2. Stock-in trade	73.33	1.66
3. Capital goods	3.19	23.95
B Expenditure in foreign currency during the period :		
1. For foreign travel	1.41	2.01
2. Interest	3.86	0.48
3. Others	0.45	1.12

C Consumption of :	Year ended 31.03.2015		Year ended 31.03.2014	
	Amount (₹ in crores)	%age	Amount (₹ in crores)	%age
1. Stores, spare parts etc.				
i) Value of imported goods	0.29	0.34	2.40	2.68
ii) Value of indigenous stores and spare parts	85.93	99.66	87.17	97.32
	86.22	100.00	89.57	100.00
2. Raw materials				
i) Value of imported goods	58.95	4.42	75.33	5.96
ii) Value of indigenous goods	1274.06	95.58	1188.16	94.04
	1333.00	100.00	1263.48	100.00
D Earnings in Foreign Exchanges				
i) Export of Goods	179.24		177.11	

36 Details of loans and advances given; investment made; guarantee given and security provided as required to be disclosed as per provision of section 186(4) of Companies Act, 2013 have been disclosed under the respective heads.

37 Previous year figures in bracket have been regrouped wherever considered necessary.

38 CONTINGENT LIABILITIES AND COMMITMENTS : NOT PROVIDED FOR IN RESPECT OF :

	As at 31.03.2015	As at 31.03.2014
I Contingent Liabilities		
Claims/disputed liabilities not acknowledged as debt :		
(A) In respect of some pending cases of employees under labour laws	Amount not ascertainable	Amount not ascertainable

Notes on Financial Statements for the year ended 31st March, 2015

B) Details of disputed liabilities/demand*

Sl. No.	Particular	Period to which amount relates	Forum where pending	31.03.2015 ₹ crores	31.03.2014 ₹ crores
1	Additional U.P.Trade Tax, Central Sale Tax and Entry Tax Liability	1997-98 to 2004-05 1990-91 to 2010-11 1996-97, 1999-2000, 2000-01	High Court Joint Commissioner Appeal Trade Tax Tribunal	4.97 18.81 8.21	5.02 14.39 1.40
	Sub-total			31.99	20.81
2.	Cenvat Credit on Inputs, Capital items and Services	1994-95, 1995-96, 2001-02 to 2008-09 1995-96, 1996-97, 1998-99 to 2003-04	Commissioner (A) & CESTAT High Court	37.99 0.11	29.61 0.49
	Sub-total			38.10	30.10
3.	Income Tax Act.: Demand under TDS Return	2008-09 to 2014-15		0.32	1.06
	Sub-total			0.32	1.06
4.	Excise duty on Molasses, Scrap and Pressmud	1997-98, 2000-01 to 2002-03 2007-08	Commissioner (A) & CESTAT	0.17	0.17
	Sub Total			0.17	0.17
5.	Purchase Tax Penalty	1998-1999	High Court	0.41	0.41
	Sub Total			0.41	0.41
6.	Stamp duty demand under Uttar Pradesh Stamp Act.	1992-1993 2003-2004	Registrar of Stamp Duty Registrar of Stamp Duty	0.25 0.26	0.25 0.26
	Sub Total			0.51	0.51
	Grand Total			71.50	53.02

* The company has been advised that the demand is likely either to be deleted or substantially reduced and accordingly no provision is considered necessary.

C Excise Department has served show cause notices on the company for levy of duty of ₹ 61.09 crores on sale of Rectified Spirit; of ₹ 8.33 crores on sale of Electricity and of ₹ 58.44 crores for reversal of CENVAT credit taken by the company on certain capital goods and inputs. The company is legally advised that no duty is leviable on these cases and accordingly no provision is considered necessary.

II Commitments

A Uncalled liability on investments in partly paid-up shares - Nil (Nil).

B Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 6.45 crores (₹ 00.22 crores).

C Corporate guarantee given by the company - ₹ 325 Crores (₹ 175 Crores).

III Arrears of cumulative Preference share dividend including Corporate dividend tax is amounting to ₹ 1.71 Crores for the year.

As per our report of even date

For and on behalf of the Board of Directors

For S. Vaish & Co.,

For Mittal Gupta & Co.,

(S.P. Agrawal)
Partner

(B. L. Gupta)
Partner

Chartered Accountants

Chartered Accountants

Arhant Jain
Executive President (Finance)
& Secretary

V.K. Goel
Chairman

A.K. Goel
Vice Chairman

Gaurav Goel
Managing Director

Gautam Goel
Managing Director

A.K. Gupta
Director

M.P. Mehrotra
Director

Place : Kanpur

Dated : 27th May, 2015

CORPORATE INFORMATION

Board of Directors

Shri V. K. Goel, *Chairman*

Shri A. K. Goel, *Vice Chairman*

Shri Gaurav Goel, *Managing Director*

Shri Gautam Goel, *Managing Director*

Shri Sandeep Kumar, *Whole time Director*

Shri A. K. Gupta, *Independent Director*

Shri M. P. Mehrotra, *Independent Director*

Shri Priya Brat, *Independent Director*

Shri Harish Saluja, *Independent Director*

Shri Rahul Bedi, *Independent Director*

Smt. Nandita Chaturvedi,
Independent Director

Shri S. K. Wadhwa, *Nominee Director*,
– Punjab National Bank

Executive President Finance & Company Secretary

Shri Arhant Jain

Auditors

Statutory Auditors

S. Vaish & Company

Chartered Accountants, Kanpur

Mittal Gupta & Company

Chartered Accountants, Kanpur

Branch Auditors

M/s S. S. Kothari Mehta & Company,
Chartered Accountants, New Delhi

Internal Auditors

M/s D. C. Chhajed & Associates,
Chartered Accountants, New Delhi

Cost Auditors

Shri S. R. Kapur, *Cost Auditors*,
Khatauli (Muzaffarnagar)

Secretarial Auditors

GSK & Associates, *Company Secretaries*,
Kanpur

Bankers

Punjab National Bank

Bank of Baroda

Central Bank of India

ICICI Bank Limited

IFCI Limited

Prathma Bank

UP Co-operative & District Co-operative Banks

Registrar and Share Transfer Agent

M/s Alankit Assignments Limited

'Alankit House' 2E/21 Jhandewalan Extension,
New Delhi – 110055

Registered office

Dhampur Sugar Mills Limited

Dhampur (N.R.), District Bijnor – 246761 (UP)

Corporate office

241, Okhla Industrial Estate, Phase – III,

New Delhi – 110020

Branch Office

1/125, Vijay Khand, Gomti Nagar,

Lucknow – 226010

Works

Dhampur, District Bijnor (UP)

Asmoli, District Sambhal (UP)

Mansurpur, District Muzaffarnagar (UP)

Rajpura, District Sambhal (UP)

Meerganj, District Bareilly (UP)



Dhampur Sugar Mills Limited

241, Okhla Industrial Estate, Phase – III,
New Delhi – 110 020, India

Tel: +91-11-3065 9400. Fax: +91-11-26935697

Email: investordesk@dhampur.com

www.dhampur.com

