

# Innovate. Transform. Grow.

Poised for the next



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Reference to further reading online



Scan the QR to know more about us



You can also find this report online  
<https://www.sukhjitgroup.com/annual-report>



# Innovate. Transform. Grow.

## Poised for the next

At The Sukhjit Starch and Chemicals Limited, our journey is one of passion, innovation and a heartfelt commitment to enhance everyday life through the wonders of science and technology. With over seven decades under our belt, we have built a legacy of continuous improvement and adaptability, ensuring we remain at the forefront of an ever-evolving market.

This year, we are excited to share how we drive meaningful change through groundbreaking innovations, transformative processes and sustainable growth strategies.

Innovation is in our DNA. As we look to the future, we are eager to redefine industry standards with our cutting-edge research and development. Our state-of-the-art labs and partnerships with leading academic institutions empower us to create novel products that cater to our customers' dynamic needs. By leveraging advanced

technologies and exploring new applications for starch and its derivatives, we are crafting solutions that enhance industrial processes and contribute to a more sustainable world.

Transformation is our key to growth. For us, growth is not just about expanding our market presence—it is about transforming how we operate. Our commitment to sustainability drives us to adopt eco-friendly practices reduce our carbon footprint and embrace circular economy principles. By digitalization and automation, we

are streamlining operations, enhancing efficiency, and delivering unmatched value to our stakeholders. As we look ahead, Sukhjit Starch and Chemicals Limited is ready to lead with resilience and agility, poised to seize tomorrow's opportunities while staying true to our core values of integrity, innovation and excellence.



# Dive into Our World

Established in 1943, The Sukhjit Starch and Chemicals Limited (Sukhjit) is one of India's oldest and largest producers of starch. Backed by our best-in-class manufacturing facilities and innovative products, we stand as a cornerstone of the Indian starch industry.

With a presence across four strategically located facilities in Phagwara, Nizamabad, Malda and Gurplah, we have solidified our position as one of the leading manufacturers of maize starch and its derivatives. Our dedication to quality and constant improvement has driven our growth, making us a reliable partner for businesses across various sectors.

Our commitment to innovation transcends conventional boundaries, reflected in our diverse portfolio of starch-based products. From modified starches, dextrins, liquid glucose and maltodextrin to mono-hydrate dextrose, anhydrous dextrose and sorbitol solution, we offer tailored solutions to meet the specific needs of our valued B2B clients.

Our state-of-the-art facilities and robust R&D processes guarantee consistent quality and efficient production. We believe in building strong relationships with our customers and our dedicated team of experts is always available to provide technical support and ensure their evolving needs are met. This dedication to excellence has positioned Sukhjit as a one-stop shop for B2B clients seeking reliable starch-based solutions.



## Value Principles



## Key Highlights

**₹1,379 Crores**

Total Revenue

**₹56 Crores**

PAT

**₹134 Crores**

EBITDA

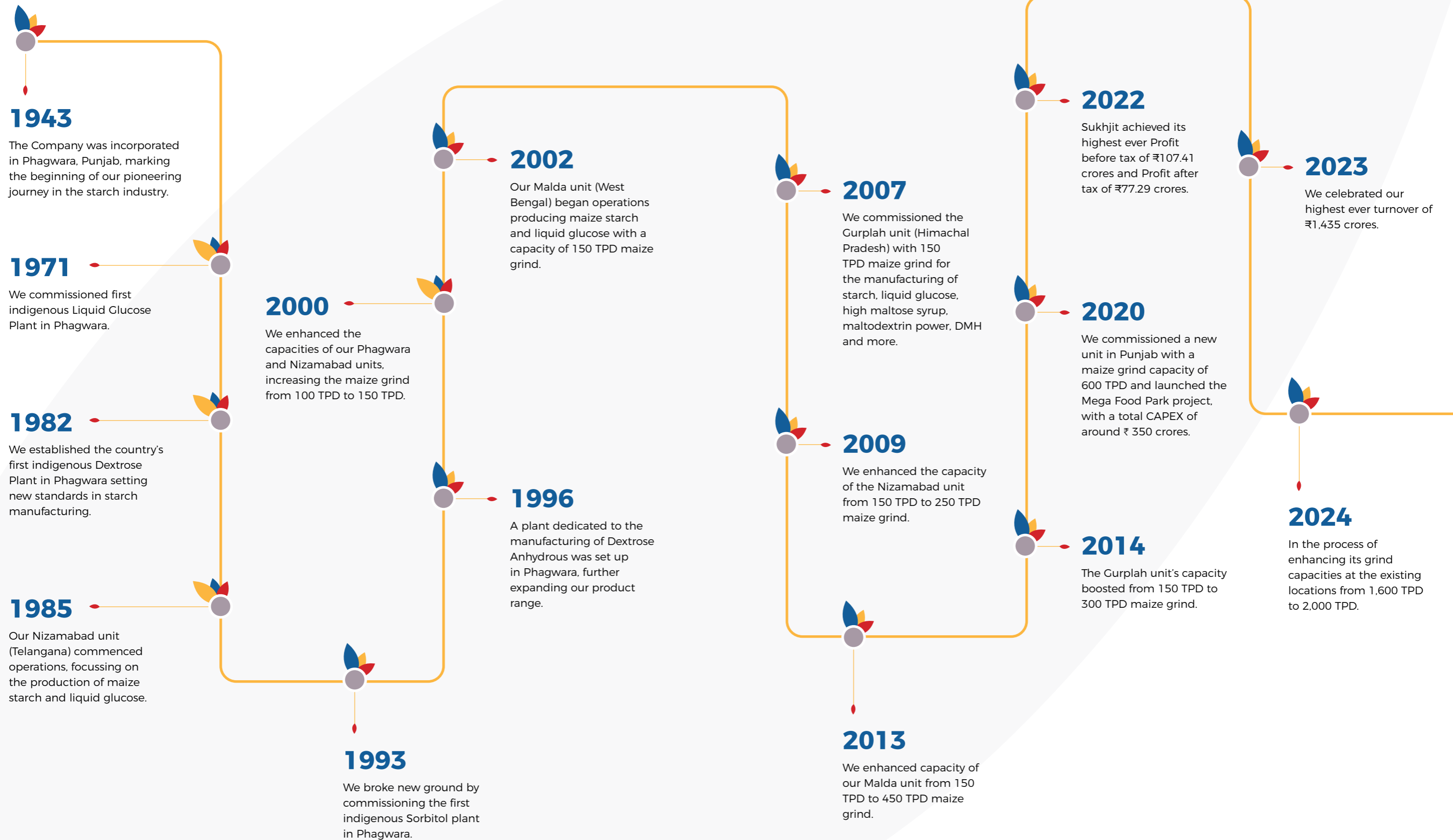
**1,250+**

Workforce

**1,600**

Tonnes per day Maize grind capacity

# Our Journey Through The Years





# Managing Director's Message



**K. K. Sardana**  
Managing Director



At Sukhjit, we prioritise our employees' well-being by offering continuous learning and career growth opportunities. Our positive work environment fosters professional development, work-life balance, and recognition for exceptional performance.



## Dear shareholder,

As the business landscape undergoes constant transformation, shaped by evolving consumer preferences and shifting industry dynamics, we, at Sukhjit Starch and Chemicals, acknowledge these realities and leverage them to our advantage. We view challenges as opportunities to cultivate innovation and growth. Our focus on continuous improvement and adaptability, a hallmark of our seven-decade legacy, ensures that we remain at the forefront of the ever-evolving marketplace.

While the last fiscal year presented its share of difficulties, with continued pressure on the prices of some high-value finished goods due to lower demand in certain sectors, we demonstrated remarkable adaptability and resilience in a rapidly changing environment. Despite pressures, we achieved higher sales volumes compared to the previous year.

During the fiscal, our net sales stood at ₹ 1,370.86 crores, EBITDA at ₹ 134 crores, and PAT at ₹ 55.62 crores. I am also happy to share that our long-term debt has reduced to about ₹ 83 crores with a very low debt to equity ratio of 0.16 and the amount mainly include unsecured fixed deposits.

At Sukhjit, a cornerstone of our strategy has been the diversification of our product mix. We have been working towards continuously providing superior solutions that meet the specific requirements of different market segments. This approach has strengthened our customer relationships.

Our commitment to enhancing our product portfolio and advancing our

operating margins remained steadfast. During the fiscal, we prioritised higher starch utilisation, striving for optimal performance, maximising operational efficiency, and boosting productivity across our operations.

At Sukhjit, we prioritise our employees' well-being by offering continuous learning and career growth opportunities. Our positive work environment fosters professional development, work-life balance, and recognition for exceptional performance.

Besides, we care for the communities we operate in. Our CSR approach focuses on empowering communities and promoting sustainable development. We invest in modernising educational facilities, providing scholarships, and managing educational institutions, particularly for underprivileged girl students from rural areas. We also collaborate with healthcare organisations to provide affordable medical services.

In conclusion, while the past year presented challenges, we are optimistic about the future due to a projected rise in demand, particularly within the booming FMCG sector, which aligns perfectly with our high-value product portfolio. Additionally, the growing health consciousness creates a tremendous opportunity for us, as our products are directly incorporated into many of these sought-after food items. By embracing innovation and prioritising sustainability, we will continue to thrive in the ever-changing marketplace.

Our strategic initiatives are on track, with a notable increase in capacity expansion to meet this rising demand

and strengthen our market position. We are also exploring strategic expansion through both Greenfield projects and potential acquisitions, contingent upon market dynamics and internal assessments, ensuring informed and measured investment decisions. We are also prudent in our market entries, planning to diversify into new product segments once we ascertain the demand visibility for these offerings.

With a resilient foundation, a forward-looking strategy, and a focus on continuous improvement, we are poised to harness emerging opportunities and deliver superior results in the years to come.

I would like to extend my deepest gratitude to our esteemed shareholders for their support and trust.

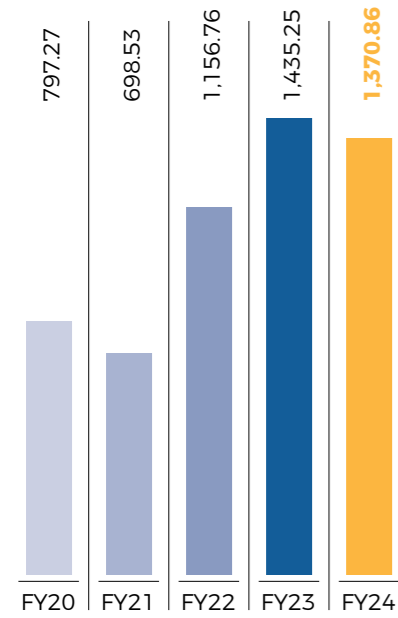
Regards,

**K. K. SARDANA**  
Managing Director

# Financial Highlights

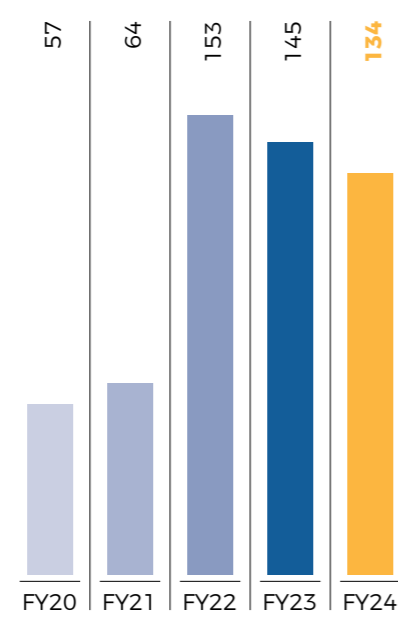
## Revenue from operations

₹ in crores



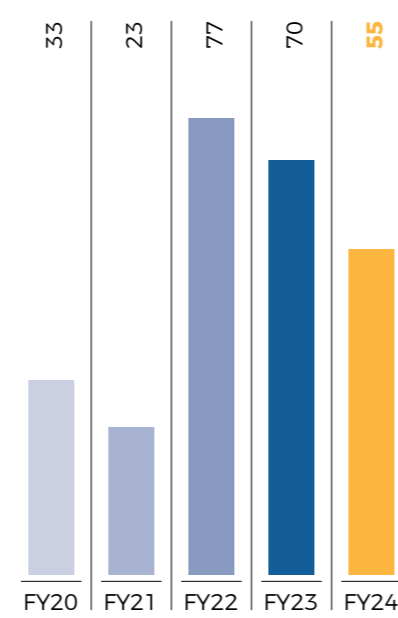
## EBITDA

₹ in crores



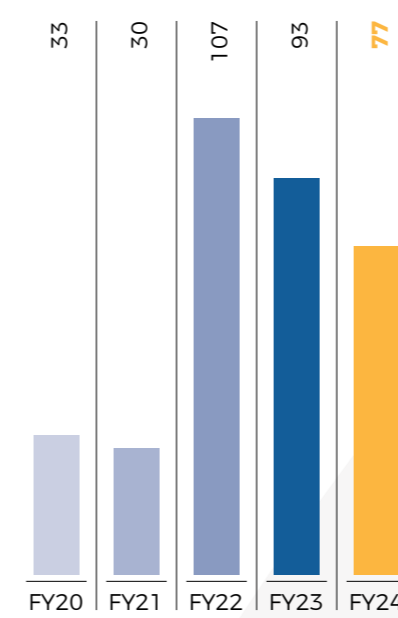
## PAT

₹ in crores



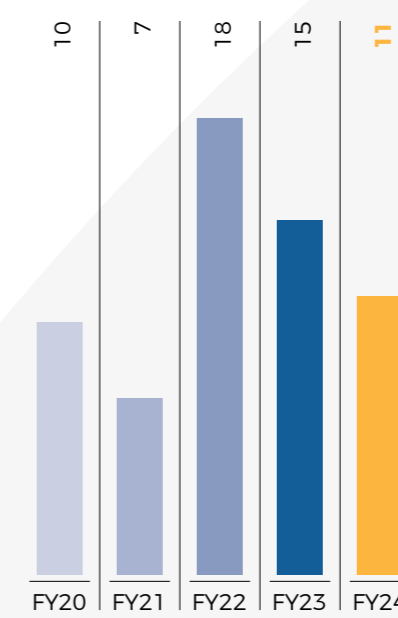
## PBT

₹ in crores



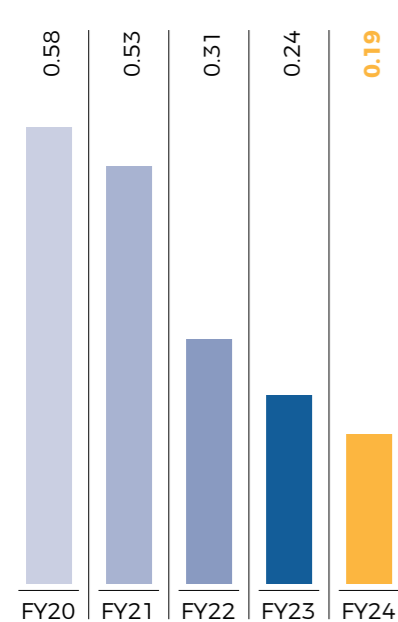
## Return on Equity (ROE)

in %



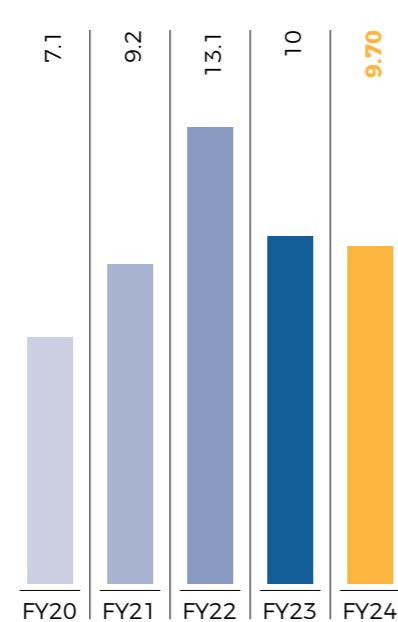
## Net Debt to Equity Ratio

in times



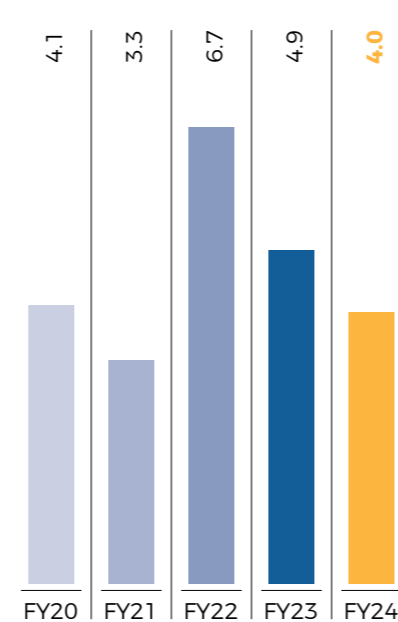
## EBITDA Margin

in %



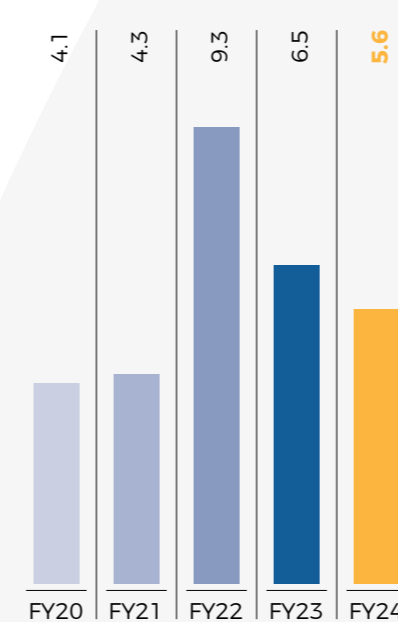
## PAT Margin

in %



## PBT Margin

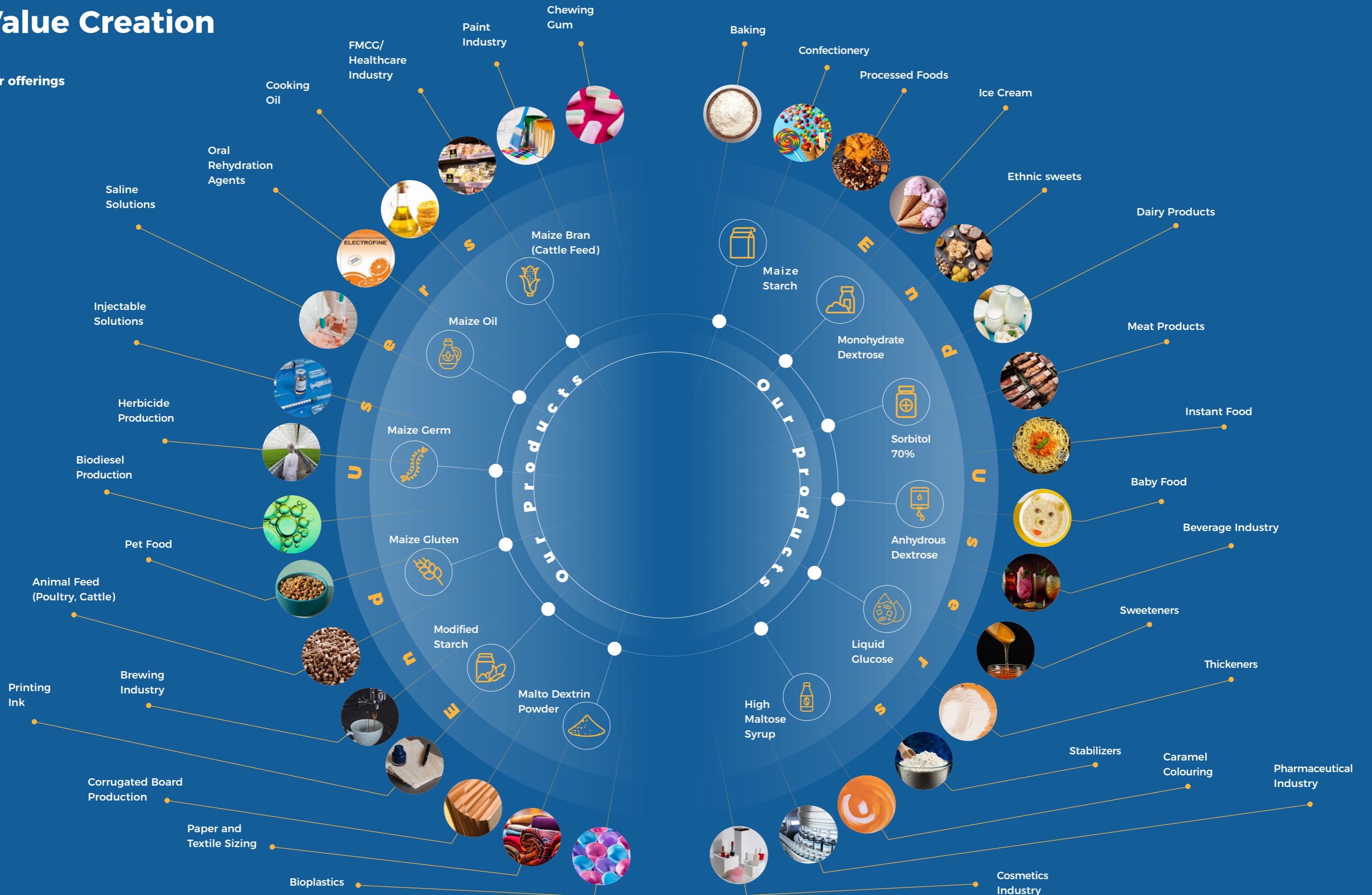
in %





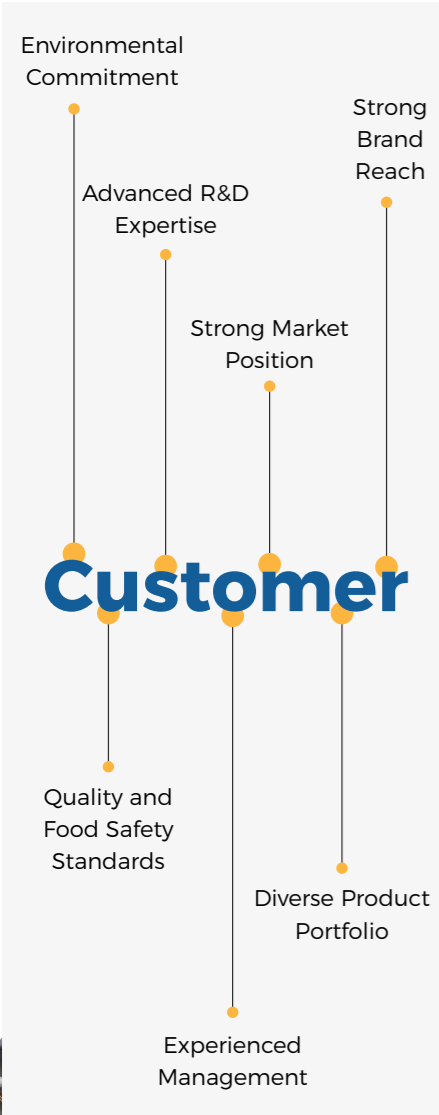
# Value Creation

## Our offerings



## Our Growth Framework

To ensure long-term success, we leverage a comprehensive framework that emphasizes operational excellence, product innovation and strong customer relationships.



## Environmental Commitment

### Reduced carbon footprint

We have invested in converting biodegradable waste to energy, significantly lowering our environmental impact.

### Experienced Management

Our deep industry knowledge and experience guide our decision-making.

### Quality and Food Safety Standards

Strict quality control ensures consistent product quality and fosters customer trust.

### Strong Brand Reach

Delivering solutions to a wide range of industries to meet their specific needs.

## Advanced R&D Expertise

### Develop new formulations

Expertise in R&D allows us to create innovative starch-based products.

### Enhanced functionalities

Our research focuses on improving product performance for various applications.

### Strong Market Position

1,600 TPD maize grinding capacity & good domestic market share (based on installed capacity).

### Diverse product portfolio

Wide range of products caters to specific requirements across industries.

## Value we created for our Stakeholders



### Shareholders

#### Long-Term Value Creation

We focus on financial strength and timely debt repayments, while reinvesting profits strategically to fuel future growth. This commitment is reflected in KPIs such as Return on Equity (ROE) and Debt-to-Equity Ratio.

#### Attractive Dividends

We strive to deliver a consistent and competitive dividend payout based on our financial performance, measured by Dividend Yield.



### Customers

#### Innovation and Quality

We invest in R&D to develop high-quality, innovative products that meet the evolving needs of our customers.

#### Speed to Market

We maintain efficient operations to ensure timely product delivery, allowing our customers to quickly respond to market trends.



### Employees

#### Inclusive Workplace

We are dedicated to fostering a diverse and inclusive work environment, strictly enforcing policies against discrimination.

#### Sustainable Employment & Well-being

We provide secure employment opportunities with competitive compensation and a strong focus on employee health and safety.



### Suppliers

#### Local Sourcing & Support

We create opportunities for local and small businesses by providing training and support to enhance their productivity.

#### Long-Term Partnerships

We build strong, mutually beneficial relationships with suppliers, fostering a stable and reliable supply chain.



### Government

#### Economic Contribution

We contribute to the national economy through job creation, tax payments and overall industry growth.



### Communities

#### Empowering Communities

We actively engage with local communities to improve livelihoods, health and education.

#### Environmental Responsibility

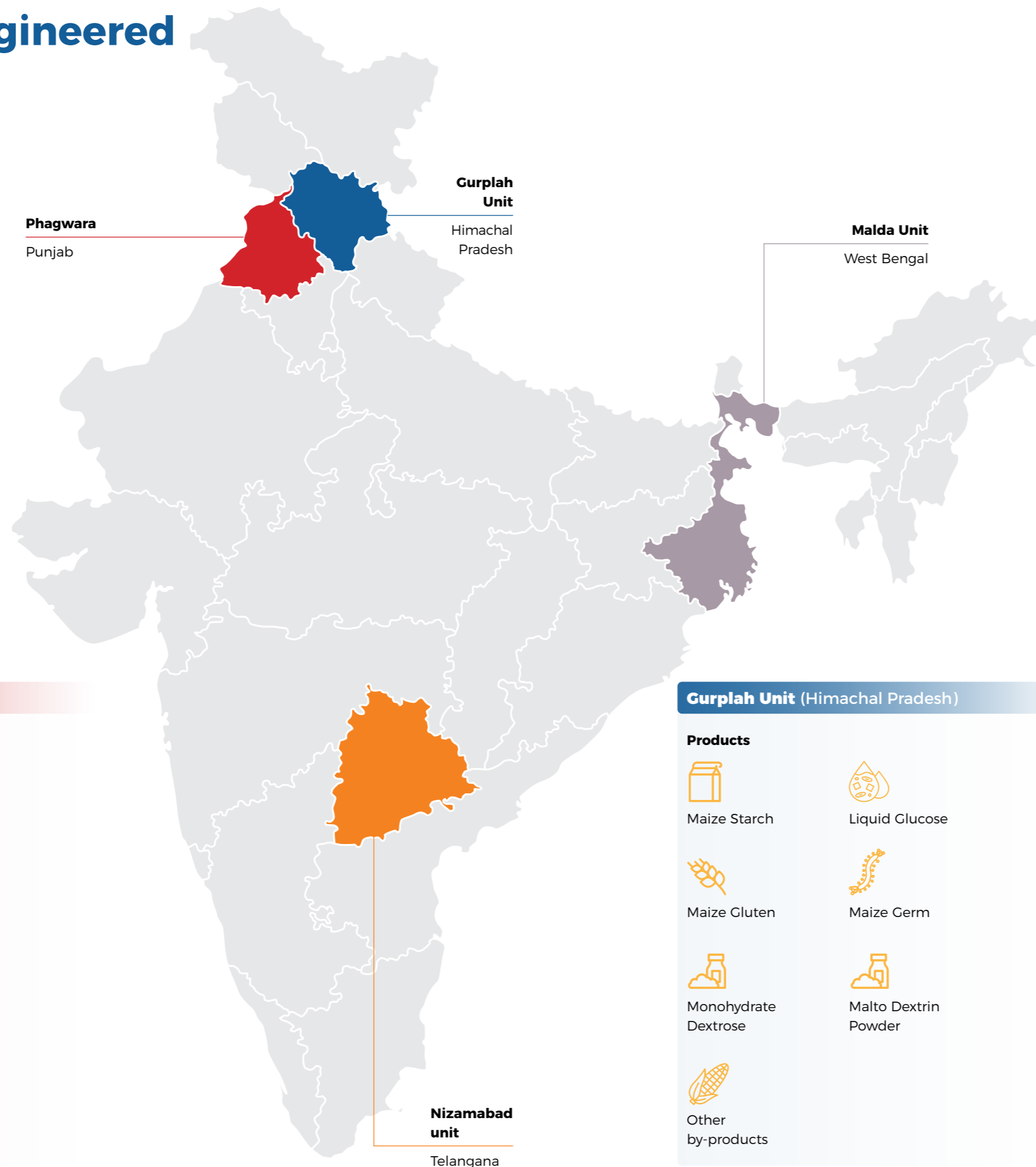
We minimize our environmental impact and monitor social impact of our operations.





# Excellence Engineered

Our commitment to excellence extends across our nationwide network of manufacturing facilities. With a focus on continuous improvement, we have consistently achieved industry benchmarks for quality, guaranteeing consistent product excellence throughout our entire operation.



**Phagwara (Punjab)**

**Products**

- Maize Starch
- Maize Gluten
- Sorbitol
- Maize oil
- Anhydrous Dextrose
- Monohydrate Dextrose
- Other by-products

**Gurplah Unit (Himachal Pradesh)**

**Products**

- Maize Starch
- Liquid Glucose
- Maize Gluten
- Maize Germ
- Monohydrate Dextrose
- Malto Dextrin Powder
- Other by-products

**Malda Unit (West Bengal)**

**Products**

- Maize Starch
- Liquid Glucose
- Maize Gluten
- Maize Germ
- Monohydrate Dextrose
- Other by-products

**Nizamabad unit (Telangana)**

**Products**

- Maize Starch
- Liquid Glucose
- Maize Gluten
- Maize oil
- Cattle Feed
- Other by-products

# Future-Driven R&D

At Sukhjit, we understand that innovation is key to staying relevant and exceeding customer expectations. This understanding has led us to established a robust Research and Development (R&D) function, serving as the engine of our growth. Our central R&D hub in Phagwara functions as a core resource for all our units, encouraging teamwork and shared knowledge throughout the organization.

Our commitment to collaboration directly translates into tangible benefits for our customers. We constantly strive to develop innovative products and solutions that address their evolving needs, ultimately helping them succeed in the ever-changing marketplace.

## Our R&D Approach



## Research Breakthroughs



### Sustainable Agriculture

We co-developed high-yielding maize varieties in collaboration with government agencies and farmers, boosting agricultural productivity and promoting a shift away from water-intensive crops.



### Eco-conscious Solutions

We developed low-cost, eco-friendly solutions for the paper industry, significantly minimising environmental impact throughout the production process.



### Preserving Pharmaceutical Efficacy

We created specialised moisture-resistant solutions for pharmaceutical products, guaranteeing their stability and effectiveness.

## Unmatched Quality

At Sukhjit, we understand that quality is more than just a benchmark; it is the foundation for trust and confidence in our products.

### Rigorous Quality Control

We maintain a robust quality management system across all our operations. This involves stringent control procedures and a dedicated team of professionals who meticulously test our products at every stage of production.

## Exceeding Industry Standards

We do not settle for merely meeting industry standards. We go the extra mile to ensure our products consistently exceed them. Our rigorous approach guarantees the safety, reliability and performance of our starches, allowing our customers to focus on creating their own high-quality products with confidence.

### International Recognition

Our tireless commitment to quality is reflected in our adherence to international quality standards. This

dedication not only positions us as one amongst top in the Indian starch industry but also empowers us to compete effectively on a global scale.

**FSSAI**

Approval for our all plants

**FSSC 22000**

Food safety system certification (SGS)





# The Heart of Sukhjit - Our People

We value our employees by prioritizing their well-being, offering continuous learning opportunities, and providing a platform for career growth. Our commitment to creating a positive work environment is reflected in our policies and practices, which are designed to support professional development, encourage work-life balance and recognize and reward exceptional performance. At Sukhjit, we understand that when our employees thrive, our company thrives and we are dedicated to nurturing their potential and celebrating their achievements.

## Learning and Development

Investing in our people is an investment in our future. We recognise that continuous learning is essential for individual and company growth.



## Skill Development & Growth Opportunities

We offer a comprehensive range of training programs, developed internally and through external partnerships, to equip our employees with the skills and knowledge needed to excel in their roles.

By providing opportunities for skill development across various functions, we encourage our employees to grow and advance within the Company, ensuring they reach their full potential.

## Company

regularly organises various key training and development programs for different departments

## Knowledge Sharing & Collaboration

We foster a culture of knowledge sharing and collaboration through initiatives like mentorship programs and interdepartmental workshops.

## Company

ensures successful collaboration across different departments in different locations for overall development of its workforce



## Employee Engagement

We understand that happy and engaged employees are the backbone of our success. We go beyond traditional benefits to create a work environment that promotes well-being and a sense of belonging.

## Competitive Benefits & Recognition:

We offer a comprehensive benefits package that includes competitive compensation, health insurance (including schemes for emergency medical needs) and recognition programs (like awards or bonuses) to appreciate employee contributions. Benefits include:

- ▶ Healthcare plans
- ▶ Education allowance/subsidy for children's education)
- ▶ Uniform allowance
- ▶ Benefit of superannuation scheme for selected employees/ key personnel
- ▶ Free/subsidised canteen/mess facilities
- ▶ Soft loans
- ▶ Medical expenses reimbursement etc.

## Work-Life Balance

We promote a healthy work-life balance with flexible work arrangements and wellness programs.

## Company

also organises various wellness camps / programs that help towards improving the work life of different employees at Sukhjit

## Diversity & Inclusion

We embrace a diverse and inclusive workplace that celebrates different backgrounds and perspectives.

## Equal Opportunity Policy

We are committed to equal opportunity employment and currently have 8 physically disabled staff members who receive the same benefits and opportunities as all other employees. At Sukhjit, every individual is valued and given a chance to thrive.

## Education & Family Support

We demonstrate our commitment to employees and the community by managing a network of educational institutions providing quality education to approximately 4,000 students. This network includes:

- ▶ Five senior secondary schools.
- ▶ A post-graduation college focused on women's education.
- ▶ B.Ed. college for aspiring educators.
- ▶ Two additional schools specifically for women.

These educational institutions offer opportunities for employees' children to receive a high-quality education, potentially reducing childcare costs and promoting family well-being.

## Grievance Redressal Process

We maintain an open and accessible grievance redressal process, allowing employees to raise concerns directly with HR or their managers. Regular meetings and a dedicated workers' committee ensure timely and effective resolution of any issues.



# Our Commitment to Conservation

At Sukhjit, we take our environmental responsibility seriously and actively implement measures to minimise our impact through environmentally friendly operations.

## Emission Reduction

We strive to minimise our environmental impact through innovative waste-to-energy solutions and a commitment to resource recovery. We continuously monitor and strive to reduce our energy consumption, leading to a measurable decrease in greenhouse gas emissions.

- ▶ We utilise advanced effluent treatment technology that converts biomass into biogas, a renewable energy source. This biogas replaces fossil fuels like furnace oil and coal, significantly reducing our carbon footprint.

- ▶ We operate a one-of-a-kind Steam Methane Reforming (SMR) plant at our Phagwara facility. This plant generates hydrogen from methane or biogas derived from our water treatment process.



## Water Conservation:

At Sukhjit, we prioritise water stewardship through proactive measures aimed at conservation and sustainability.

### Reuse Strategies

We implement innovative reuse strategies and collaborate with farmers to promote sustainable agriculture. Our initiatives include:

- ▶ We treat wastewater and repurpose it in our manufacturing processes and for irrigation, minimising our reliance on freshwater resources.
- ▶ Two of our production units have implemented a zero liquid discharge mechanism, ensuring minimal environmental impact from wastewater.

- ▶ Treated water is provided free of cost to nearby farmers for irrigation whenever demand exists.
- ▶ We partner with farmers in Punjab to encourage corn cultivation, a less water-intensive crop compared to paddy, promoting water conservation, and supporting agricultural income.
- ▶ We contribute to village pond cleaning initiatives and educate local communities about rainwater harvesting practices.



# Social – Making a Difference Together

At Sukhjit, we extend our commitment beyond business to actively invest in social initiatives that empower communities and promote sustainable development.

## CSR Approach

Sukhjit's Corporate Social Responsibility (CSR) approach focuses on empowering communities and promoting sustainable development in the areas where we operate. Here are the key pillars of our strategy:



## Empowering Through Education

**At Sukhjit, we believe in the transformative power of education. Here is how we are making a difference**

We invest in modernising educational facilities including libraries, science labs and computer labs, in colleges and schools particularly focusing on institutions serving underprivileged students.

### Supporting Girls' Education

We prioritise inclusive growth by providing scholarships and concessions to underprivileged girls, assuring their access to quality education and equal opportunities for success.

### Building the Future:

We manage a network of educational institutions, including a post-graduate college for women, a B.Ed. college and several higher secondary schools. These institutions cater to students from rural and economically challenged backgrounds.

## Improving Health and Well-being

### Strategic Partnerships

We collaborate with healthcare organisations to provide affordable medical services to communities near our plants. This includes blood donation camps, dental care programs, eye care initiatives and cancer awareness campaigns.

### Supporting Vulnerable Groups

We extend support to organizations caring for orphans, people with disabilities and the visually impaired.

### Community Outreach

We organize various community outreach initiatives such as free ration distribution and winter relief programs, to assist underprivileged widows and old helpless people of the society. These efforts reflect our commitment to serving and uplifting those in need within our communities.

**9,200+**

Trees planted

**3,600+**

Patients treated through medical camps including Dental, Blood Donation & Eye Operations / Checkup etc.

**₹90.27 lacs**

Spent on Education



# Ethical Leadership

At The Sukhjit, we believe that ethical conduct and transparent practices are fundamental to building trust with all our stakeholders. This commitment is embodied in our robust corporate governance framework.

## Ensuring Transparency

Open communication and adherence to clear standards are essential pillars of our governance approach. Our Board of Directors, comprising experts from diverse fields, provides strategic guidance on critical matters. Regular meetings and structured committees ensure effective oversight of company operations. We are committed to fulfilling all statutory obligations promptly, demonstrating our dedication to responsible business practices.

## Board of Directors & Corporate Information

### Board of Directors

#### Smt. Manjoo Sardana

Non-Executive Chairperson

#### Sh. K.K Sardana

Managing Director

#### Sh. M.G Sharma

Executive Director (Fin.) & CFO

#### Smt. Shalini Umesh Chablani

Non-Executive Director

### Board Committees



### Board Committees



#### Sh. Tarsem Singh Lally

Independent Director

#### Sh. Ranbir Singh Seehra

Independent Director

### Board Committees



### Board Committees



#### Sh. Vikas Uppal

Independent Director

#### Sh. Suresh Arora

Independent Director

### Board Committees



### Board Committees



### Board Committees

- Audit Committee
- Risk Management Committee
- Nomination and Remuneration Committee
- Stakeholder Relationship Committee
- Corporate Social Responsibility Committee
- Share Transfer Committee

Ⓒ Chairperson

Ⓜ Members

## Bankers

Punjab National Bank  
G.T. Road, Phagwara-144 401.

## Auditors

M/s Y. K. Sud & Co.  
Chartered Accountants  
Ambika Towers, 4<sup>th</sup> Floor,  
Police Line Rd., Jalandhar-144 001

## Registered Office

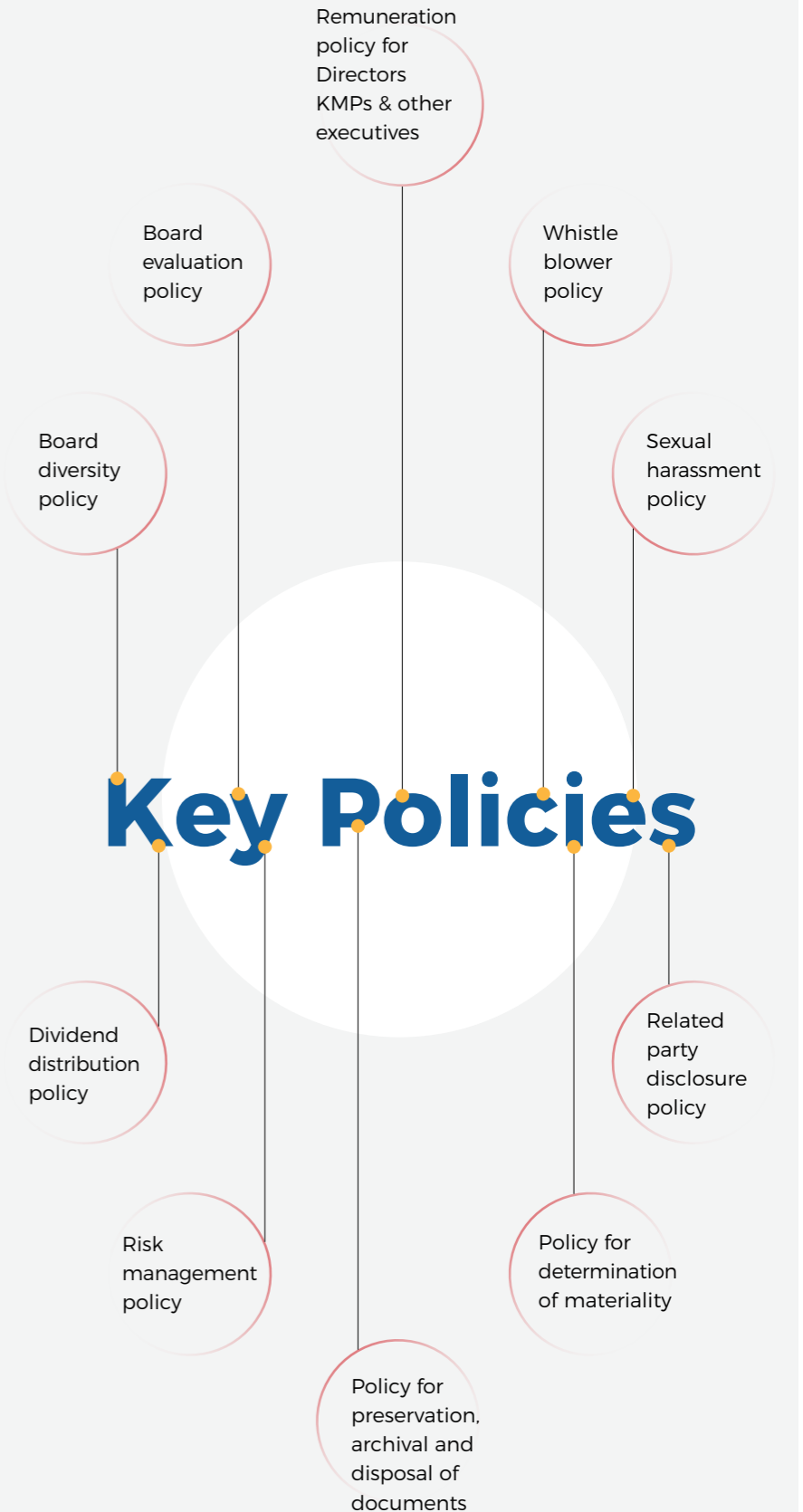
Sarai Road, Phagwara  
Distt. Kapurthala, Punjab-144 401  
CIN: L15321 PB1944 PLC001925

## Registrar & Share Transfer Agents

M/s. Skyline Financial Services (Pvt.) Ltd. D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110 020

Tel.: 011-26812682, 83

Fax: 011-26812684







### The Sukhjit Starch and Chemicals Limited

(CIN: L15321PB1944PLC001925)

**Registered Office:** Sarai Road, Phagwara, Punjab, 144401

**Email:** [sukhjit@sukhjitgroup.com](mailto:sukhjit@sukhjitgroup.com)

**Phone:** 01824-468800 / 260314 / 260216

**Fax:** 01824-261669

## NOTICE

**NOTICE** is hereby given that the 80<sup>th</sup> Annual General Meeting of the Members of The Sukhjit Starch & Chemicals Ltd. will be held on Friday, the 16<sup>th</sup> day of August, 2024 at 10.00 A.M. at the Registered Office of the Company at Phagwara to transact the following business :-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report, Auditors' Report and Audited Financial Statements for the year ended 31.03.2024.
2. To appoint Director in place of Smt. Manjoo Sardana (DIN: 08533106) who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS

3. To consider and if thought fit to pass with or without modification(s) the following resolution as a special resolution:

**"RESOLVED THAT** pursuant to the provisions of section 149, 150, 152, 161 & other applicable provisions (if any) of the Companies Act, 2013 and rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) read with the Schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the consent of the members be & is hereby granted to the re-appointment of Sh. Vikas Uppal (DIN No. 00796828), as a Non Executive Independent Director of the Company for a further period of 5 years i.e. w.e.f. 21<sup>st</sup> January, 2025 to hold office upto 20<sup>th</sup> January, 2030."

4. To consider and if thought fit to pass with or without modification(s) the following resolution as a special resolution :

**"RESOLVED THAT** pursuant to the provisions of section 149, 150, 152, 161 & other applicable provisions (if any) of the Companies Act, 2013 and rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force)

read with the Schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the consent of the members be & is hereby granted to the appointment of Sh. Suresh Arora (DIN: 10641466), as a Non Executive Independent Director of the Company w.e.f. 29<sup>th</sup> May, 2024 to hold office for a period of 5 years i.e upto 28<sup>th</sup> May, 2029."

5. To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Regulation 31A and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws and subject to necessary approvals from the Stock Exchanges where the equity shares of the Company are listed namely, BSE Limited and NSE Limited (collectively "Stock Exchanges") or any other regulatory/ statutory authority as may be required, the consent of the Members of the Company be and is hereby accorded to the reclassification of Ms. Nandini Oberoi (holding 53812 shares i.e. 0.34% shareholding in the Company) from the 'Promoter Group' category to the 'Public' category shareholder(s).

**RESOLVED FURTHER THAT** upon receipt of the necessary approval(s) from the Stock Exchange(s) for reclassification of the above persons, the Company shall affect such reclassification in the statement of shareholding pattern under Regulation 31 of the SEBI Listing Regulations or any other statement & do all other acts / deeds as may be required, from the immediate succeeding quarter.

**RESOLVED FURTHER THAT** Sh. K.K. Sardana, Managing Director or Sh. M.G. Sharma, Executive Director (Finance) & CFO or Sh. Aman Setia, Vice President (Finance) & Company Secretary, be and are hereby severally authorized to sign / submit / withdraw all such documents as may be required to

be submitted to the Stock Exchanges, SEBI or any other statutory / regulatory authority in relation to the said reclassification and / or to do all such acts / deeds as may be considered necessary or expedient to give effect to this resolution.”

6. To ratify the remuneration of Cost Auditors for the financial year ended March 31, 2025, by passing with or without modification(s) the following resolution as an ordinary resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification or re-enactment thereof, for

the time being in force, the remuneration fixed by the Board of Directors payable to the Cost Auditors for conducting the audit of cost records of the Company for the financial year ending March 31, 2025, be and is hereby ratified.”

**By Order of the Board**

Place: Phagwara  
Dated: 09.07.2024

Sd/-  
**AMAN SETIA**  
Vice President (Finance)  
& Company Secretary



# EXPLANATORY STATEMENT(S) OF ITEM NO. 3 TO 6

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

## ITEM NO. 3

Sh. Vikas Uppal was appointed as an Independent Director of the Company w.e.f. 21.01.2020 for a period of 5 years, with the necessary approval of the shareholders in the General Meeting held on 13.08.2020. His existing tenure expires on 20.01.2025 & the Board of Directors has considered his re-appointment for further period of 5 years subject to the approval of the members of the Company. The Board feels that his long business experience & leadership skill sets will continue to guide the Company and strengthen the composition of the Board and therefore recommends his re-appointment w.e.f. 21.01.2025 to 20.01.2030.

Sh. Vikas Uppal is having vast experience of over three decades in manufacturing, administration, management and commercial fields. He is Chairman of M/s Opal Engines Pvt. Ltd. and Director of M/s Sukhjit Mega Food Park & Infra Ltd.

His re-appointment as the Non-Executive Independent Director of the Company requires the approval of the members of the Company by way of special resolution.

The Company has received his consent to act as a Director of the Company u/s 152(5), Notice of Interest u/s 184 (1) and the requisite declarations that he is not disqualified for being appointed / re-appointed as Independent Director of the Company in terms of Section 164 of the Companies Act, 2013 read with rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is not related to any of the Directors of the Company under the provisions of the section 2(77) of the Companies Act, 2013. His re-appointment will be made for a further period of 5 years i.e. from 21<sup>st</sup> January, 2025 to 20<sup>th</sup> January, 2030 and he shall not be liable to retire by rotation as per the applicable provisions of the act.

In opinion of the Board and as per the recommendations of Nomination and Remuneration Committee, the Independent Director proposed to be appointed / re-appointed fulfills all the conditions specified in the Companies Act, 2013 and the rules made thereunder and is independent of the Management / Board of Directors / Promoters.

The terms and conditions of appointment / re-appointment of the independent director are available for inspection by members at the registered office of the Company and are also available on the website of the Company.

He will be paid sitting fee, reimbursement of travelling expenses incurred for attending the Board Meetings on actual basis and commission on profits, as payable to other Independent Directors of the Company, as per the rules of the Company and in consonance with the provisions of the

Companies Act, 2013 read with rules made thereunder as amended from time to time.

Save and except Sh. Vikas Uppal and his relatives to the extent of their shareholding interest, i.e. 2500 shares in the company with regard to his appointment / re-appointment, none of the other Directors / Key Managerial Personnel and their relatives are in any way, financially or otherwise, concerned or interested, in the above resolution.

## ITEM NO. 4

The Board of Directors, in its meeting held on 29.05.2024, has co-opted Sh. Suresh Arora, I.P.S. (retired), as an Additional Non-Executive Independent Director of the Company to hold office for a period of five years from 29.05.2024 to 28.05.2029, subject to the approval of the shareholders of the Company by way of special resolution in the Annual General Meeting.

Sh. Suresh Arora is a retired I.P.S. officer and is Post Graduate in law. He is also an associate member of The Institute of Company Secretaries of India (ICSI).

He has been the Chief Information Commissioner, Punjab from 2019 to 2023 after serving as the Director General of Police, Punjab for a period of over three years from 25.10.2015 to 07.02.2019. Prior to this he worked on various key positions in the State of Punjab like:

- Chief Director, Vigilance Bureau, Punjab
- Additional Director General of Police, Intelligence, Punjab
- Inspector general, Litigation & Administration

Presently he has been empanelled as an Arbitrator by Hon'ble High Court of Punjab & Haryana for a period of 3 years.

He has meticulous service record to his credit and has been decorated / awarded with various prestigious / gallantry awards like President Police Medal, Police Medal for Gallantry, Prakaram Medal, Special Duty Police Medal etc., for distinguished & creditable services to the Government.

The Board, therefore, considers his appointment in the best interest of the Company as he brings rich administrative, managerial & commercial experience with him, which will further strengthen the composition of the Board of Directors & induce more effectiveness, better efficiency, accountability & transparency in the working of the Board.

The Company has received his consent to act as a Director of the Company u/s 152(5), Notice of Interest u/s 184 (1) and the requisite declarations that he is not disqualified for being appointed as Independent Director of the Company in terms of Section 164 of the Companies Act, 2013 read

with rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is not related to any of the Directors of the Company under the provisions of the section 2(77) of the Companies Act, 2013.

His appointment will be made for a term of five years and he shall not be liable to retire by rotation as per the applicable provisions of the act.

In opinion of the Board and as per the recommendations of Nomination and Remuneration Committee, the Independent Director proposed to be appointed fulfills all the conditions specified in the Companies Act, 2013 and the rules made thereunder and is independent of the Management / Board of Directors / Promoters.

The terms and conditions of appointment of the independent director are available for inspection by members at the registered office of the Company and are also available on the website of the Company.

He will be paid sitting fee, reimbursement of travelling expenses incurred for attending the Board Meetings on actual basis and commission on profits, as payable to other Independent Directors of the Company, as per the rules of the Company and in consonance with the provisions of the Companies Act, 2013 read with rules made thereunder as amended from time to time.

Save and except Sh. Suresh Arora and his relatives to the extent of their shareholding interest, if any, in the company with regard to his appointment, none of the other Directors / Key Managerial Personnel and their relatives are in any way, financially or otherwise, concerned or interested, in the above resolution.

## ITEM NO. 5

The Company has received request letter from Ms. Nandini Oberoi on June 28, 2024 belonging to the Promoter Group of the Company for reclassification from the 'Promoter Group' category to 'Public' category shareholder in accordance with Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI Listing Regulations').

Ms. Nandini Oberoi was included in the 'Promoter Group' merely because her Maternal Uncle's name appeared in the list of Promoters & he had desired her name to be included in the list of Promoter Group. Ms. Nandini Oberoi is financially independent and takes independent investment decisions, without consulting other Members of the Promoter/Promoter Group. She is in no way controlling or participating in any of the business activities carried out by the Company.

Ms. Nandini Oberoi had in her above said request letter informed the Company that she was not involved in the operations of the Company in any manner whatsoever, nor she exercised any control over the Company, directly or indirectly, nor she has any influence over the Board of

Directors or hold any Key Managerial Personnel position in the Company.

Ms. Nandini Oberoi, in her request letter, has also separately confirmed that she:

- a) does not hold more than 10% of the voting rights in the Company;
- b) does not exercise control over the affairs of the Company directly or indirectly;
- c) does not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- d) is not on the Board of Directors of the Company and is not represented on the Board (including not having a nominee director) of the Company;
- e) is not acting as Key Managerial Personnel in the Company;
- f) is not 'wilful defaulter' as per the Reserve Bank of India Guidelines; and
- g) is not fugitive economic offender.

In view of the above and the confirmations received from her, the Board of Directors of the Company, in its meeting held on July 09, 2024, considered her request and in compliance with Regulation 31A of the SEBI Listing Regulations, approved her reclassification, inter-alia, subject to approval of shareholders in the ensuing Annual General Meeting & by the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited and NSE Limited (collectively "Stock Exchanges"), and/or such other approval, if any required in this regard.

As required under Regulation 31A(8) of the SEBI Listing Regulations, the Company had intimated the Stock Exchanges on June 29, 2024 regarding receipt of reclassification request from Ms. Nandini Oberoi.

Ms. Nandini Oberoi holds 53812 shares i.e. 0.34% shareholding in the Company which together with the shareholding of the persons related to her in 'Promoter & Promoter Group' constitutes 1.21% of the paid up capital of the Company. Since the Board has already approved the reclassification and Ms. Nandini Oberoi (together with her relatives) holds more than 1% shareholding in the capital of the Company, the provisions of Reg 31A(3)(a)(iii) of the SEBI Listing Regulations, inter alia, requires approval of the Members of the Company. Therefore, the said request is being placed before the Members of the Company for approval by way of an Ordinary Resolution.

The Members may note that Company is in compliance with the requirement for minimum public shareholding as required under Regulation 38 of the SEBI Listing Regulations. The shares of the Company have never been suspended by the Stock Exchanges nor there is any outstanding dues to the SEBI, Stock Exchanges and the



Depositories as per provisions of the Regulation 31A(3)(c) of the SEBI Listing Regulations.

Ms. Nandini Oberoi and persons related to her shall not vote for the resolution. The Board of Directors of the Company recommends the Ordinary Resolution set out in Item No. 5 of the Notice for the approval by the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives, are in anyway concerned or interested in the proposed resolution as set out in Item No. 5 of the Notice.

## ITEM NO. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Khushwinder Kumar & Associates as the cost auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Director's, is required to be ratified by the members of the Company. Accordingly, ratification by the members is sought to the remuneration payable to the Cost Auditors i.e. Audit fee of ₹ 80,000/- plus applicable taxes and reimbursement of travelling / other out of pocket expenses (if any), for the financial year ending March 31, 2025 by passing an Ordinary Resolution as set out under Item No. 6 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, financially or otherwise, concerned or interested, in the above resolution.

## NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- Authorised Representatives of the corporate members intending to participate in the AGM pursuant to section 113 of the Act, are requested to send to the company an email at: [cssukhjit@gmail.com](mailto:cssukhjit@gmail.com), a certified copy of the relevant Board Resolution/ Authority Letter etc. authorizing them to attend the meeting.
- Members intending to seek any clarification on the accounts, in the meeting, are requested to inform the company at least seven days in advance from the date of the Annual General Meeting. In consonance with the MCA Circular No. 14/2020 dated April 8,

2020, General Circular No. 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 03/2022 dated May 5, 2022, 11/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023 & SEBI Circular No. SEBI/HO/FD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January 2021 and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05<sup>th</sup> January 2023, as amended, the notice of the AGM along with the Annual Report for the financial year 2023-24 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company / Depositories, unless any member has requested for a physical copy of the same. The members, who have not registered their E-mail IDs with the company are, once again, requested to kindly register / update their e-mail IDs by following the below mentioned link <https://www.sukhjitgroup.com/email-registration>

**Members may note that the said Notice and the Annual Report will also be available on the Company's website [www.sukhjitgroup.com](http://www.sukhjitgroup.com) and on the websites of the Bombay Stock Exchange (BSE) [www.bseindia.com](http://www.bseindia.com) & the National Stock Exchange (NSE) [www.nseindia.com](http://www.nseindia.com)**

- The details of the directors seeking appointment/ re-appointment as required by Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 issued by the Institute of Company Secretaries of India and notified by Central Government are annexed herewith marked as "**Annexure 1**". The Board of Directors has recommended all the proposed appointments / re-appointments of the Directors.
- As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register their E-mail Ids by sending written request to our RTA M/s Skyline Financial Services Pvt. Ltd. in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in Demat form, to enable the Company to serve them documents / all communications including Annual Reports, Notices, Circulars etc. in electronic form.
- Members may please note that SEBI vide its circular dated January 25, 2022 has mandated the listed companies to issue securities in DEMAT form only while processing service requests viz. issue of duplicate securities certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates / folios, transmission and transposition. Accordingly, Members are requested to make service requests by

submitting a duly filled and signed Form ISR-4, the format of which is available at company's website at <https://www.sukhjitgroup.com/form-isr-4> and on the website of the Skyline Financial Service Pvt. Ltd. at <https://www.skylinerta.com/>. It may be noted that any service request can be processed only after the folio is KYC compliant.

7. The SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer/ transmission/ transposition shall be processed only in DEMAT form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, members are advised to Dematerialize the shares held by them in physical form. Members can contact the company or Skyline Financial Services Pvt. Ltd, for assistance in this regard.
8. As per the provisions of section 72 of the Act and the SEBI circular, the facility for making nomination is available for members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting the Form SH-13 to the RTA in case of shares held in physical form. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the company's website. Members are requested to submit the said details to their DP in case the shares are held by them in DEMAT Form.
9. The Register of Members and the Share Transfer Books of the Company shall remain closed from 10.08.2024 to 15.08.2024 (both days inclusive).
10. The facility of remote E-voting is being provided to the members to cast their votes in regard to the above resolutions. The members, holding shares either in physical form or in demat form, as on the Cut-Off date of 09.08.2024 (end of business hours), may cast their vote by e-voting. Any person who acquires shares of the company and becomes a Member of the Company after sending of the Notice and holding shares as on the cut-off date for e-voting, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote-e-voting then he/she can use his/her existing user ID and password for casting the vote.
11. Members holding shares in physical form, are requested to notify any change in their bank accounts, addresses and E-mail IDs etc. immediately to the Registrar-cum- Share Transfer Agents of the Company and members holding shares in Demat form, should furnish the said particulars to their respective Depository Participants.
12. Members are hereby informed that, Dividends which remain unclaimed/ unencashed for over a period of 7 years, have to be transferred by the Company

to the Investor Education & Protection Fund (IEPF) constituted by the Central Government under section 125 of the Companies Act, 2013. Members can claim the transferred amount from IEPF Authority as per the procedure laid down under the Act & Rules thereunder.

13. Members, who have not en-cashed their dividend warrants for Interim Dividend / Final Dividend from F.Y. 2016-17 to 2023-24 may approach the company for revalidation of the original dividend warrants or for obtaining duplicate dividend warrants. The unpaid / unclaimed amount will be deposited in the Investors Education and Protection Fund as per the schedule given below:

Dividend for Financial Year	Date of Declaration	Due date for Deposit
2016-2017 (Final Dividend)	27.07.2017	26.07.2024
2017-2018 (Final Dividend)	08.08.2018	07.08.2025
2018-2019 (Interim Dividend)	06.02.2019	05.02.2026
2019-2020 (Final Dividend)	13.08.2020	12.08.2027
2020-2021 (Final Dividend)	06.08.2021	05.08.2028
2021-2022 (Interim Dividend)	11.02.2022	10.02.2029
2022-2023 (Interim Dividend)	05.12.2022	04.12.2029
2023-2024 (Interim Dividend)	03.01.2024	02.01.2031

14. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. Every person, who becomes the nominee under the provisions of the Act, may upon the production of such an evidence, as may be required by the Board, elect either to get himself registered as the holder of the securities or to make such transfers as the case may be, as the deceased holder could have made.
15. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to notify their PANs to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PANs to the Company / RTA.
16. The Company has appointed Mr. Parminder Pal Singh Rally, Practicing Company Secretary (Membership No. 6861), Partner of M/s P.S. Rally & Associates as 'Scrutinizer' for conducting and scrutinizing the e-voting process in a fair and transparent manner.



## Procedure for remote E-Voting for AGM

1. The e-voting period commences on Tuesday, 13.08.2024 (9:00 am) and ends on Thursday, 15.08.2024 (5:00 pm). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off date of 09.08.2024 (end of business hours), may cast their vote by e-voting. The e-voting module will be disabled by NSDL for voting upon the expiry of the above period. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently or cast the vote again.
2. The voting rights of the members shall be in proportion to their shares held in the paid-up equity share capital of the Company as on the Cut-Off Date i.e. 09.08.2024.
3. The Scrutinizer, after scrutinizing the votes cast at the AGM & through e-voting, will not later than 48 hours from the conclusion of the AGM, make a consolidated scrutinizer's report and submit the same to the Chairperson/Managing Director or a person authorized by him in writing. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the [Company-www.sukhjitgroup.com](http://www.sukhjitgroup.com) and on the website of NSDL. The results shall be simultaneously communicated to the Bombay Stock Exchange and the National Stock Exchange.
4. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed.
5. The Company has engaged the services of M/s. National Securities Depository Limited (NSDL) as the Agency to provide e-voting facility.

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER :-

**The remote e-voting period begins on Tuesday, 13.08.2024 (9:00 a.m. IST) and ends on Thursday, 15.08.2024 (5:00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, 09.08.2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 09.08.2024.**

### How do I vote electronically using NSDL e-Voting system?

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*





#### Step 1: Access to NSDL e-Voting system

##### A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<p>3. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> <div style="border: 1px solid #ccc; padding: 10px; margin: 10px 0;"> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div> </div>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33



## B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

### How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## Step 2: Cast your vote electronically on NSDL e-Voting system.

### How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. Institutional shareholders (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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [parminderrally@gmail.com](mailto:parminderrally@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the 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 the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

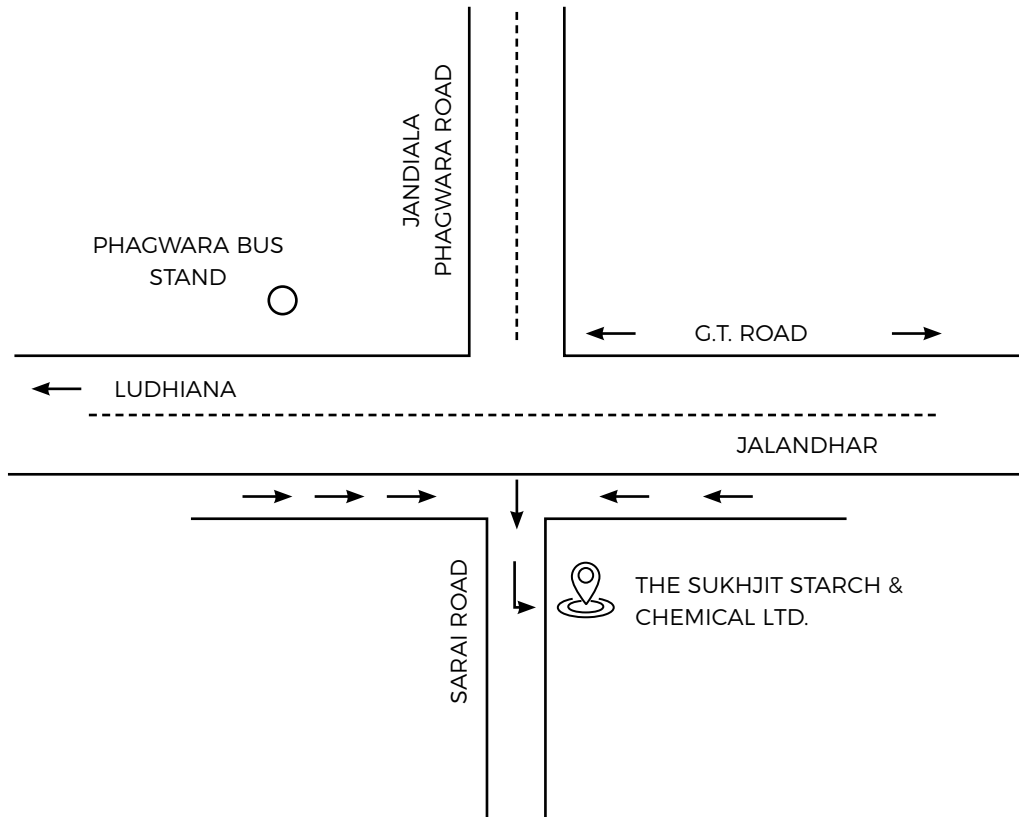
### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cssukhjrit@gmail.com](mailto:cssukhjrit@gmail.com) & [info@skylinerta.com](mailto:info@skylinerta.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cssukhjrit@gmail.com](mailto:cssukhjrit@gmail.com) & [info@skylinerta.com](mailto:info@skylinerta.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.



# Route Map to the venue of AGM



## (Annexure 1)

### DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard-2 on General Meetings]

Name of the Director	Smt. Manjoo Sardana	Sh. Vikas Uppal	Sh. Suresh Arora I.P.S (Retired)
<b>DIN</b>	08533106	00796828	10641466
<b>Date of Birth</b>	27-10-1952	29-07-1964	26-09-1958
<b>Age</b>	70 years	60 years	66 Years
<b>Date of first appointment on the Board</b>	08-08-2019	21-01-2020	29-05-2024
<b>Qualifications</b>	Graduate	B.E. (Mechanical)	Company Secretary, LLB, LLM
<b>Experience and Expertise</b>	Over 42 years of experience in various fields. She is an entrepreneur with sound business background. Further, she is involved in philanthropic activities in the fields of education and healthcare etc.	Over 35 years in the manufacturing, administration & commercial fields.	Over 40 years of extensive experience in the field of administration, management, law enforcement etc. of which over 3 years as Police Chief of the State of Punjab and 4 years as Chief Information Commissioner, Punjab. He has meticulous service record to his credit and has been decorated / awarded with various prestigious / gallantry awards for distinguished & creditable services.
<b>Number of Meetings of the Board attended during the year</b>	6 out of 6	5 out of 6	N.A.
<b>List of Directorships of other Boards</b>	-----	<ul style="list-style-type: none"> <li>Opal Engines Pvt. Ltd.</li> <li>Sukhjiti Mega Food Park &amp; Infra Ltd.</li> </ul>	N.A.
<b>List of Memberships/ Chairmanships of Committees of other Boards</b>	-----	Chairman of Nomination & Remuneration Committee & Member of Audit Committee of Sukhjiti Mega Food Park & Infra Ltd.	N.A.
<b>Shareholding in The Sukhjiti Starch &amp; Chemicals Ltd.</b>	1234272	2500	-----
<b>Relationship with other directors, manager and other Key Managerial Personnel of the Company</b>	-----	No relationship	No relationship
<b>Terms and Conditions of appointment or reappointment along with details of remuneration sought to be paid and remuneration last drawn by such person</b>	On the same basis as paid in the earlier years as per the Nomination & Remuneration Policy of the Company.  Paid ₹ 11.76 lacs as commission on profits and ₹ 0.54 lacs as sitting fee during 2023-24.	On the same basis as paid in the earlier years as per the Nomination & Remuneration Policy of the Company.  Paid ₹ 5 lacs as commission on profits and ₹ 0.45 lacs as sitting fee during 2023-24.	As per the Nomination & Remuneration Policy of the Company.  N.A.



# Directors' Report

Dear Share Holders :

Your Directors are pleased to present before you the 80<sup>th</sup> Annual Report and the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2024 :-

## 1. FINANCIAL RESULTS

	(₹ in Crores)	
	F.Y. 2023-24	F.Y. 2022-23
Sales & Other income	1379.14	1436.97
Earnings before Interest, Tax and Depreciation	134.39	144.70
-- Interest	30.50	25.33
-- Depreciation	26.77	26.63
Profit before tax	77.12	92.74
-- Current Tax	15.85	18.30
-- Deferred Tax / Taxes related to previous years	5.65	4.30
Profit After Tax	55.62	70.14
Surplus brought forward from previous year	24.51	16.88
Transfer to General Reserves	40.00	50.00
Interim Dividend	12.50	12.50
Surplus carried forward	27.63	24.52

## 2. PERFORMANCE

- The annual turnover of the Company has declined by about 4.5% to ₹ 1370.86 Crores during the current financial year against ₹ 1435.25 Crores in the previous year.
- The EBITDA (Earnings before Interest, Tax and Depreciation) stood at ₹ 134.39 Crores (9.80%) v/s ₹ 144.70 crores (10.08%) during the previous year.
- After a charge of interest of ₹ 30.50 Crores (₹ 25.33 Crores), depreciation of ₹ 26.77 Crores (₹ 26.63 Crores) and tax of ₹ 21.95 Crores (₹ 22.60 Crores), the Net Profit after tax came at ₹ 55.62 Crores (₹ 70.14 Crores) for the year.

The volume of our production & sales was higher as compared to the last year. However, the sales of our high value products were affected due to continuous pricing pressure and weak demand from FMCG / Pharma sector – major users of our key products. In consequence to the lower sales of high value products & lower offtake thereof, our EBITDA and profit margins were adversely affected during the year.

FMCG sector has currently reported uptick in demand due to positive rural reponse and we expect that our high value products will re-take the charge of our sales & profits during the running year.

## 3. DIVIDEND AND DIVIDEND DISTRIBUTION POLICY

The Company had declared and paid an interim dividend of ₹ 8/- per Equity Share of face value ₹ 10/- each (i.e. 80%) in the month of January, 2024. The Board has considered the said interim dividend of ₹ 8 per equity share as the final dividend for the financial year 2023-24 (₹ 8/- per equity share during FY 2022-23) in order to conserve resources for future expansions in the operations of the Company.

The dividend recommended is in accordance with the Company's Dividend Distribution Policy. The Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') is available on the Company's website on <https://www.sukhjitgroup.com/dividend-distribution-policy>.

## 4. TRANSFER TO RESERVES

After payment of the interim dividend of ₹ 12.50 Crores in January, 2024, the Company has been left with a surplus ₹ 67.87 Crores out of which ₹40 Crores have been transferred to the general reserves (PY ₹ 50 Crores) and ₹ 27.87 Crores have been carried forward in the Retained Earnings Account.

## 5. SHARE CAPITAL

The paid up share capital of the Company stood at ₹ 15.62 crores as on 31.03.2024. There was no issue of fresh shares by way of public issue, bonus issue, right or preferential issue during the financial year 2023-24.

## 6. CAPEX & WORKING CAPITAL POSITION

The total Net Block (including capital work-in progress) of the Company appeared at ₹ 524.61 Crores as on 31.03.2024 against ₹ 512.53 Crores as on 31.03.2023 after providing depreciation of ₹ 26.77 Crores during the year (₹ 26.63 Crores).

The Company has made a Capital expenditure (on addition of fixed assets) of ₹ 39.50 Crores during the year on account of balancing / upgrading / expansion of its existing manufacturing facilities.

The Board of Directors has approved Capital expenditure of ₹ 32 Crores for the financial year 2024-25, which will be used for upgrading / modernizing some key equipment of the units to improve the operations and scale up efficiencies at the existing locations. The proposed Cap-ex will be met out of the internal accruals of the company.

The Current Assets of the Company appeared at ₹ 462.72 Crores on 31.03.2024 as compared to ₹ 392.30 Crores on 31.03.2023 including Inventories at ₹ 217.76 Crores against ₹ 167.67 Crores in the previous year due to higher holding of the basic raw material, which is seasonally available. Prices of basic raw material remained higher for most part of the year.

The company has long term Bank Borrowings of about 3.75 Crores (payable in a period of one year after the end of the running financial year), net of the current maturity of the term loans of ₹ 26.27 Crores payable till 31.03.2025.

The internal accruals of the company will be enough to take care of this repayment & strengthen the working capital of the company. However, company has liquid investments of ₹ 82.81 Crores against ₹ 77.52 Crores last year as an additional cushion to the liquidity of the company.

The management believes that the Company has sufficient liquid resources at hand to meet up any additional working capital requirements / other business exigencies.

## 7. MANAGEMENT DISCUSSION AND ANALYSIS

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis report is annexed herewith marked as 'Annexure A' and forms a part of this report.

## 8. CORPORATE GOVERNANCE

Your company is fully committed to the philosophy of transparency and believes in conducting its business scrupulously with due compliance of all the applicable laws, rules and regulations. In pursuance to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended to date, the report on the Corporate Governance is annexed to this report marked as 'Annexure B'.

## 9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3c) of the Companies Act, 2013, the Directors state that:

- (a) in the preparation of the Annual Accounts for the financial year ended 31<sup>st</sup> March, 2024, the applicable Indian Accounting Standards have been followed and there are no material departures;
- (b) appropriate accounting policies have been selected and applied 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 of the company for the years so ended;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Annual Accounts for the year ended 31.03.2024, have been prepared on a 'going concern' basis;
- (e) the internal financial controls have been laid down to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- (f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## 10. SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

**The Vijoy Steel & General Mills Company Ltd., Phagwara:** The Company held 96.17% of shares in the capital of The Vijoy Steel & the General Mills Co. Ltd. The Company continued providing necessary engineering support to the manufacturing operations of the Company.



**Scott Industries Ltd., Phagwara:** It held 99.97% of shares in the capital of the Scott Industries Ltd. The Company has shut down its operations. Most of its assets have been already disposed of and efforts are on to realize the old dues from its customers and wind up the Company.

**Sukhjit Mega Food Park & Infra Ltd., Phagwara:** The Company held 100% of shares in the capital of its material subsidiary Sukhjit Mega Food Park & Infra Ltd. The Company had operationalised its project of the Mega Food Park in the state of Punjab in FY 2020-21 creating a State of Art Technology Infrastructure for setting up food processing units in the Mega Food Park. A good part of its assets have been leased out and operationalised. The Company expects to improve its revenues during the coming years.

There has been no material change in the nature of business of the Subsidiaries. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended to date, the Consolidated Financial Statements of the Company and its subsidiaries are attached and have been prepared in accordance with the relevant Indian Accounting Standard(s) as prescribed under the Companies Act, 2013.

In pursuance to the general circular issued by the Ministry of Corporate Affairs, the Balance Sheet, Profit & Loss Account and other documents of the subsidiary companies are not being annexed to the Balance Sheet of the Company. A statement containing the requisite financial details of the company's subsidiaries for the financial year ended 31<sup>st</sup> March, 2024 is annexed to the consolidated results forming part of the Annual Report.

In accordance with Section 136(1) of the Act, the audited financial statements including the consolidated financial statements and related information of the Company together with financial statements of each of the subsidiary companies, are available on the Company's website at <https://www.sukhjitgroup.com>. The annual accounts of these subsidiaries and the related detailed information will be made available on demand, to any shareholder of the Company who may be interested in seeking such information. Copies of the above documents are also available for inspection by any shareholder of the Company at the registered office of the Company during business hours.

## 11. PARTICULARS OF REMUNERATION TO DIRECTORS AND DISCLOSURES

In terms of the provisions of section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the particulars

of Directors / KMPs / Employees are set out in the 'Annexure C' to the Directors' Report.

## 12. DIRECTORS

- (a) Smt. Manjoo Sardana (DIN: 08533106), Non Executive Chairperson of the Company, is retiring by rotation and being eligible, offers herself for reappointment. Board recommends her re-appointment as the Non Executive Chairperson of the Company.
- (b) The existing tenure of Sh. Kuldip Krishan Sardana, Managing Director of the Company (DIN: 00398376) expired on 30.04.2024. The Board had, in the best interests of the Company, considered his re-appointment w.e.f 01.05.2024 to 30.09.2028 subject to the approval of the shareholders of the Company who has approved his re-appointment through postal Ballot in April 2024. Sh. Kuldip Krishan Sardana has diverse life long Managerial, Commercial & Administrative experience to his credit. He has actively managed and administered all management functions of the Company and the company has grown significantly under his able stewardship with new projects, expansions or diversified product portfolios. He has remained a major driving force and a key resource for the able guidance to all the senior executives of the company.
- (c) The existing tenure of Sh. Vikas Uppal, a Non Executive Independent Director of the Company (DIN : 00796828) is expiring on 20.01.2025. Sh. Vikas Uppal is having long experience of over three decades in the manufacturing, administration and management fields. The Board of Directors has recommended his re-appointment for a further period of 5 years i.e. w.e.f. 21.01.2025 upto 20.01.2030, subject to the approval of shareholder's in the ensuing Annual General Meeting.
- (d) The existing tenure of Sh. Saravjit Singh Hothi as an Independent Director of the Company is expiring on 30.05.2024 and he has expressed his inability to continue as an Independent Director due to his pre-engagements. The Board, therefore, considered his retirement and placed on record its deep appreciation for the services rendered by the retiring Independent Director Sh. Saravjit Singh Hothi as a member of the Board of Directors of the Company and Committees thereof. He regularly participated in all Board Meetings and played a commendable role in the key decisions of the Board and Committees relating to the growth of the Company or other areas concerning accountability, transparency, compliance etc.

- (e) The Board of Directors, in its meeting held on 29.05.2024, co-opted Sh. Suresh Arora, I.P.S. (Retired), as an Additional Non-Executive Independent Director of the Company to hold office for a period of five years from 29.05.2024 to 28.05.2029, subject to the approval of the shareholders of the Company by way of special resolution in the ensuing Annual General Meeting.

Sh. Suresh Arora is a retired I.P.S. officer and is Post Graduate in law. He is also an associate member of The Institute of Company Secretaries of India (ICSI).

He has been the Chief Information Commissioner, Punjab from 2019 to 2023 after serving as the Director General of Police, Punjab for a period of over three years i.e. from 25.10.2015 to 07.02.2019. Prior to this, he worked on various key positions in the State of Punjab.

He has rich administrative, managerial & commercial experience to his credit. Board, therefore, recommends his appointment as an Independent Director in the best interest of the Company as his induction would enrich the functioning of the Board of Directors.

- (f) The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence and comply with all the requirements in pursuance to sub-section (6) of Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, so as to qualify themselves to be appointed / re-appointed or to continue as Independent Directors under the provisions of the Act and rules there under.
- (g) Based on evaluation criteria laid down under the Nomination and Remuneration Policy of the Company, framed in accordance with the provisions of section 178 of the Companies Act, 2013, the Nomination & Remuneration Committee rates the performance of the individual directors and also the Board as a whole, which, inter-alia, include:

- Evaluation of leadership abilities
- Contribution to corporate objectives & growth
- Regular monitoring of performance
- Effective decision making ability
- Attendance/Participation in the deliberation of Board and Committee meetings

The Company has in place a suitable Policy for the Appointment & Remuneration of the Directors / KMPs. The Company has devised the Board's

Performance Evaluation criteria for evaluation of Board's / Committees / Directors' performance. The performance of the Committees was evaluated by the Board on the basis of the criteria such as the composition of committees and effectiveness of committee meetings etc.

The Independent Directors in their Separate Meeting reviewed the performance of Non - Independent Directors, the composition & performance of the Board of Directors as a whole, frequency of Board meetings etc. The Independent Directors also reviewed the performance & participation of the Chairperson of the Company. Such proceedings were placed on record and discussed in the Board Meeting following the meeting of the Independent Directors. The Board of Directors expressed their satisfaction over the evaluation process.

### 13. MEETINGS OF THE BOARD

Six (6) meetings of the Board of Directors were convened and held during the financial year 2023-24. The maximum intervening gap between the meetings was within the limits prescribed under the provisions of Section 173 of the Act and Listing Regulations. The further details of Board / Committee Meetings including composition and attendance are set out in the **'Annexure B'** the Corporate Governance Report, forming part of this Report.

### 14. AUDIT COMMITTEE

The powers, role and terms of reference of the Audit Committee cover the areas as contemplated under Section 177 of the Companies Act, 2013 ('the Act') and Regulation 18 of the SEBI (LODR) Regulations, 2015, as applicable, besides other matters as referred by the Board of Directors from time to time.

The primary objectives of the audit committee inter-alia include:

- to monitor and provide an effective supervision of the Management's financial reporting process,
- to ensure accurate and timely disclosures with highest levels of transparency, integrity and quality of financial reporting,
- to oversee the financial reporting process by the Management, the internal auditors and the independent auditors,
- to take all possible measures to ensure the objectivity and independence of the independent auditors.

The Committee mandatorily reviews information such as internal audit reports related to internal control weakness, management discussion & analysis and operational results, statement of significant



related party transactions and such other matters as prescribed.

During the year under reference, the Audit Committee of the Company consisted of Sh. Ranbir Singh Seehra as the Chairman, Sh. Vikas Uppal, Sh. Saravjit Singh Hothi and Sh. M. G. Sharma as its members. All recommendations made by the Audit Committee during the year were accepted by the Board.

## 15. INTERNAL FINANCIAL CONTROLS

Internal financial control systems of the company provide for proper authorization of the transactions, timely recording & reporting in the desired manner to ensure the reliability of financial reporting, timely feedback on the achievement of operational or strategic goals and compliance with all the applicable laws & regulations. The Internal & External Auditors of the Company also measure the effectiveness of internal controls through periodical checks and ensure that company has an effective internal control system duly commensurate with its size and nature of business. The management reviews the systems periodically to systematically improve business processes in regard to their effectiveness and efficiency. The Company has implemented audit trail on the books of accounts.

## 16. VIGIL MECHANISM

Pursuant to Section 177 of the Companies Act, 2013 & rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a vigil mechanism, which also incorporates a Whistle Blower Policy, for Directors and employees of the Company to report genuine concerns of unethical behavior or violation of code of conduct by way of direct access to the Chairman of the Audit Committee. There are adequate safeguards against victimization of employees / directors who express their concerns. The Whistle Blower Policy of the Company stands placed on the Company's website at the link: <https://www.sukhjitgroup.com/whistle-blower-policy>.

## 17. RISK MANAGEMENT POLICY

The company recognizes that the risk management and internal controls are the key elements for sustainable working of an organization and good corporate governance. It has formulated the Risk Management Policy which describes the manner in which the company identifies, assesses, monitors and manages risks. The details of the policy are available at company's website at <https://www.sukhjitgroup.com/risk-management-policy>.

## 18. GENERAL DISCLOSURE

- (i) All the deposits have been accepted / renewed / repaid as per the provisions of the Companies Act. The company had no unclaimed / unpaid deposits on 31.03.2024.
- (ii) Unsecured Loans as on 31.03.2024 include ₹ 0.58 Crores (P.Y. ₹ 0.55 Crores) received from directors, which have been made out of their own funds and not from the funds acquired by them by borrowing or accepting loans or deposits from others, as per the declarations received from the concerned directors.
- (iii) The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors, Committee Meetings and the General Meetings.
- (iv) No shares have been issued during the year under reference with differential rights as to dividend, voting or otherwise.
- (v) There is no significant and material order passed by any Regulator, Court, Tribunal which may impact the going concern status of the Company and Company's operations in future.
- (vi) There are no material changes or commitments affecting the financial position of the Company which occurred between the end of the financial year to the date of this report.
- (vii) There is no Corporate Insolvency Resolution Process initiated against the Company or any of its subsidiaries under the Insolvency and Bankruptcy Code, 2016.
- (viii) There is no change in the nature of company's business during the year under review.
- (ix) There was no instance of fraud during the year under reference which required the Statutory Auditors to report to the Audit Committee and / or to the Board under Section 143(12) of Act and Rules made there under.
- (x) The Board has constituted an Internal Committee for redressal of grievance(s) / complaint(s) (if any) under the provisions of the "Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013". The committee has not received any complaint during the year under reference.
- (xi) In view of the relaxation(s) granted by MCA / SEBI and as per the Green Initiative taken by MCA, the Company has been serving to its shareholders

all Notices, communications / documents including Annual Reports, Circulars etc. through electronic mode.

(xii) There has been no default in repayment of deposits or payment of interest there on during the year.

(xiii) There was no instance during the year where the recommendations of any committee were not accepted by the Board.

(xiv) There was no instance of one time settlement with any Bank or Institution.

## 19. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The report on Corporate Social Responsibility activities carried out during the financial year 2023-24 is annexed herewith marked as 'Annexure D' forms part of this report.

## 20. INSIDER TRADING PREVENTION CODE

Pursuant to the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto, the Company has adopted an Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades in securities of the Company by the Designated Persons. The Code seeks to prevent Insider Trading by the Directors and other Designated Persons who are considered to have access to the Unpublished Price Sensitive Information relating to the Company.

## 21. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has not entered into any material transaction with its Directors, Key Managerial Personnel or their Relatives which could have potential conflict with the interest of the Company. The salaries / remuneration of the directors and KMPs have been fixed after due consideration and approval by the Nomination and Remuneration Committee / Board / Shareholders as per applicable provisions of the Act. The transactions with the subsidiary companies mainly include the supply of some key infrastructural facilities and utilities by Sukhjit Mega Food Park and Infra Ltd., which is a wholly owned subsidiary of the Company. However, the transactions with subsidiary Companies are incurred after due appraisal, approval(s) at appropriate levels and omnibus approval by the Audit Committee / Board, which are in the ordinary course of business and are at an arm's length price. In terms of INDAS-24, the details of such transactions are duly presented in the Notes to Accounts forming part of the Annual Report. Policy on related party transactions of the company appears on the Company's website at the link: <https://www.sukhjitgroup.com/policy-on-dealing-with-related-party-transactions>.

## 22. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of loans given and Investments made by the Company are provided in the standalone financial statements. The Company has given / provided some Guarantees / Securities to the Govt. / other Departments in the ordinary course of business. The company has also provided Corporate guarantee(s) for ₹ 40 Crores to the Yes Bank Ltd. against the Term Loan for setting up the Mega Food Park by its wholly owned subsidiary M/s Sukhjit Mega Food Park & Infra Ltd. The outstanding balance of term loan appeared at ₹ 18 Crores due to the Yes Bank Ltd. as on 31.03.2024. There is no other Guarantee / third party Guarantee / security given / provided by the Company.

## 23. EXTRACT OF ANNUAL RETURN

Extract of the Annual Return of the Company is annexed herewith as 'Annexure E' to this report. A copy of the same has also been placed on Company's website at the link : <https://www.sukhjitgroup.com/annual-return>.

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

The necessary details are annexed herewith as 'Annexure F' to this report.

## 25. TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the company has transferred 8,000 shares to the demat account of the IEPF Authority during FY 2023-24 on which dividend has not been paid / claimed by the shareholders for 7 (seven) consecutive years or more.

## 26. AUDITORS AND AUDITORS' REPORT

### Statutory Auditors:

Pursuant to the provisions of section 139 and 142 of The Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 or any amendments or enactments thereof, M/s Y K Sud & Co., Chartered Accountants (FRN 000047N) were appointed as Statutory Auditors of the Company in the Annual General Meeting held on 12/08/2022 for a period of 5 years and their tenure expires on the conclusion of 83<sup>rd</sup> Annual General Meeting of the Company to be held in the year 2027. They have confirmed their eligibility to be appointed as Statutory Auditors of the Company. The Company has

paid a sum of ₹ 7.08 Lakhs (incl. GST) (PY ₹ 7.08 Lakhs) to M/s Y K Sud & Co., Chartered Accountants as audit fees during the Financial Year ended 31<sup>st</sup> March, 2024.

The Auditors' report for the financial year ended 31.03.2024 does not have any qualification, reservation, adverse remark or disclaimer by the statutory auditors.

#### **Cost Auditors:**

The Board of Directors recommends the re-appointment of M/s Khushwinder Kumar & Associates, Cost Accountants, as Cost Auditors of the Company for the financial year 2024 - 25, subject to the approval of the Central Government. The Cost Audit Report for the financial year ended 31<sup>st</sup> March, 2024 is due to be filed with the Ministry of Corporate affairs on or before the 30<sup>th</sup> September, 2024 and the cost audit report for the financial year ended 31/03/2023 was duly filed within the due dates.

#### **Secretarial Auditors:**

The Board has re-appointed M/s Dinesh Gupta & Co., Practicing Company Secretaries, as Secretarial Auditors for the Financial Year 2024-25.

The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2024, in relation to compliance of Section 204 of the Companies Act, 2013 and all applicable SEBI Regulations / circulars / guidelines

issued thereunder, pursuant to requirement of Regulation 24A of Listing Regulations along with the Secretarial Audit Report of the material subsidiary company is set out in '**Annexure H**' to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## **27. ACKNOWLEDGEMENT**

Your Directors hereby acknowledge the dedication, loyalty, hard work and committed services of the executives, staff & workers of the Company. They also like to place on record their appreciation for the continued co-operation and support received by the Company during the year from bankers, financial institutions, government authorities, business associates, shareholders, vendors, customers and other stakeholders and for the confidence reposed in the Company and its management and look forward to their continued support.

Yours truly,  
For and on behalf of the Board,

sd/-  
**MANJOO SARDANA**  
Chairperson

sd/-  
**K. K. SARDANA**  
Managing Director

Dated: 29<sup>th</sup> May, 2024



# Annexure ‘A’ to the Directors’ Report

## Management Discussion and Analysis

### Economic overview

#### Global economy

During FY 2023, the global economy faced significant challenges including geopolitical tensions, supply chain interruptions, and weakened global trade. These factors aggravated existing problems, but global risks and uncertainties are slowly becoming more manageable. In FY 2023 the global economy grew at 3.2% despite these challenge<sup>1</sup>.

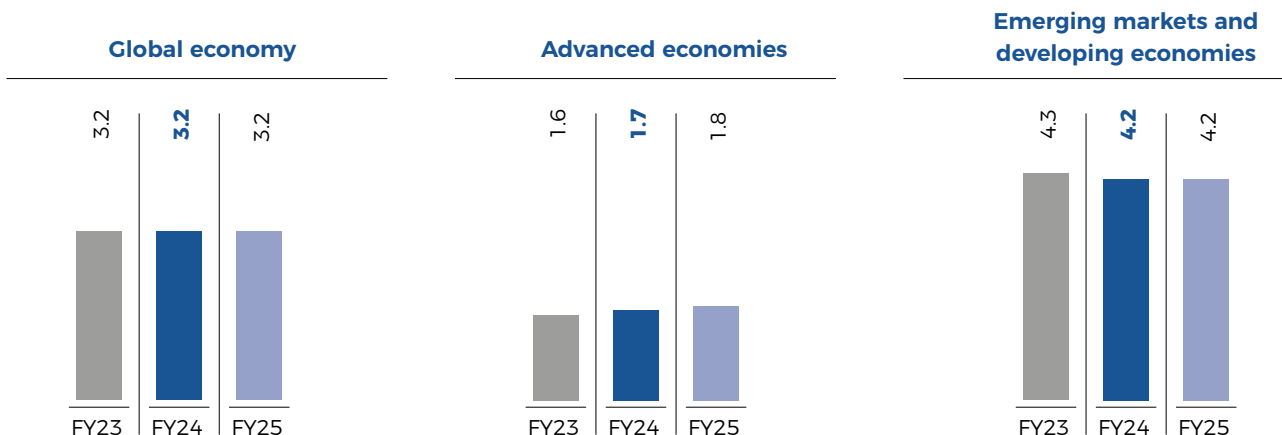
Interest rates were raised in several major economies to counter inflation which peaked in FY 2022. The Global inflation rate for FY 2023 was 6.8%. Prolonged geopolitical tensions, particularly in the Middle East have adversely

impacted supply chains and global trade. Investment declined in FY 2023 reflecting diminished enthusiasm among businesses for expansion.

#### Outlook

The global economy is expected to rebound in growth due to declining inflationary pressures. It is also expected to facilitate a more accommodating financial environment. However, countries must remain vigilant in monitoring and implementing effective monetary policies to keep inflation under control. Emerging markets and developing economies (EMDEs) are expected to grow in the coming years. Moreover, targeted and strategic structural reforms by economies are anticipated to stimulate investments and foster business expansion.

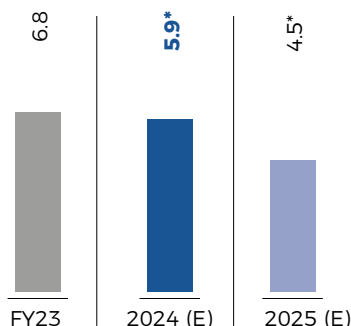
### Projected Global Real GDP Growth



\*Projected Real GDP Growth

Source: World Economic Outlook April 2024, IMF

### Projected Global inflation rate (%)



E - Estimated

Source: World Economic Outlook April 2024, IMF

### Indian economy

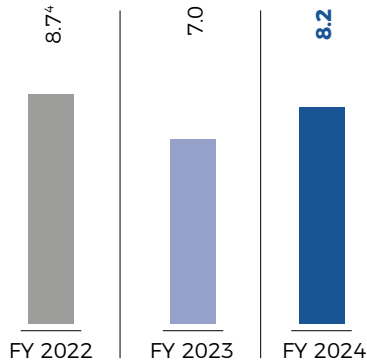
India is one of the world's fastest-growing economies, demonstrating remarkable resilience amidst a volatile global landscape. Backed by robust macroeconomic fundamentals, India has emerged as a powerhouse economy. In FY 2024, the Indian economy recorded a GDP growth of 8.2%, as per National Statistical Office (NSO). This growth has been propelled by rising income levels, leading to increased private consumption. Strong private consumption has played an important role in shielding the domestic economy from global uncertainties, geopolitical concerns, and sluggish global economic activity. Notably, the country's gross Goods and Services Tax (GST) collection reached a total of ₹ 20.18 lakh<sup>2</sup>.

<sup>1</sup><https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>

<sup>2</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=2016802>

The Reserve Bank of India (RBI), with its timely and effective monetary policy interventions, has significantly contributed to sustaining India's positive growth trajectory. Concurrently, the Government of India has fostered a conducive environment for investors, attracting substantial Foreign Direct Investment (FDI) inflows. In FY 2024 alone, India attracted FDI inflows totalling USD 17.96 billion<sup>3</sup>.

**GDP growth (in %)**



Source: PIB

**Outlook**

The prospects for India's economy are promising and upbeat. As inflation rates decline, economic activity is anticipated to bounce back, thereby fostering overall

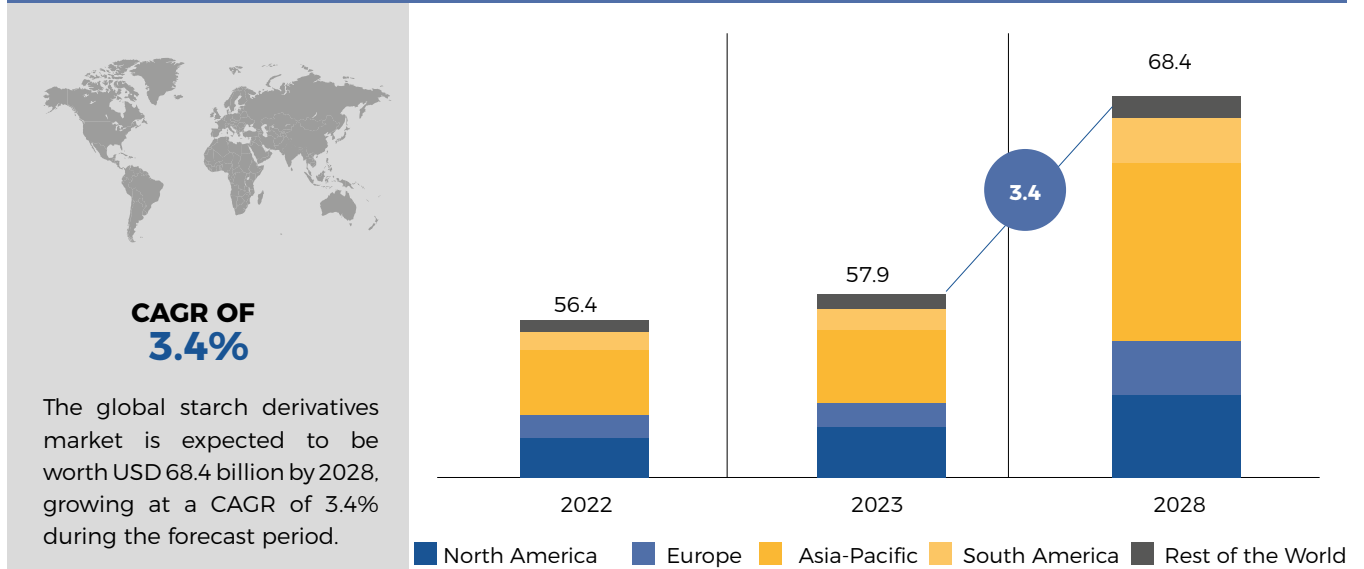
growth. The Government of India is implementing policies and programmes aimed at holistic development, to transform India into a developed economy by FY 2047. This growth trajectory creates optimism about the Indian economy. Furthermore, the normal rainfall forecast by the Indian Meteorological Department (IMD) from June to September is expected to boost the country's agricultural production.

**Industry overview**

**Global starch industry**

The global industrial starch market has demonstrated consistent growth over time, experiencing a significant increase in FY 2023 by USD 1.5 billion. The United States and China are leading manufacturers of starch worldwide. Furthermore, the growing preference for biodegradable plastics, aimed at promoting sustainability, has fuelled the demand for starch in global markets. The widespread availability and cultivation of corn on a global scale ensure a steady supply of raw materials for the starch industry. Industrial starch, derived from sources such as rice, wheat, potato, tapioca, and maize, plays a pivotal role in this market. As of FY 2023, the global industrial starch industry is valued at USD 57.9 billion, projected to grow at a Compound Annual Growth Rate (CAGR) of 3.4% from 2023 to 2028<sup>5</sup>. Notably, North American markets have significantly contributed to the expansion of the global industrial starch market.

**STARCH DERIVATIVES MARKET GLOBAL FORECAST TO 2028 (USD BN)**



Source: Markets and Markets – Starch Derivatives Market Report

<sup>3</sup><https://www.investindia.gov.in/foreign-direct-investment>

<sup>4</sup><https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1847122>

<sup>5</sup>[https://www.marketsandmarkets.com/Market-Reports/starch-derivatives-market-116279237.html#:~:text=The%20global%20starch%20derivatives%20market,period%20\(2023%2D2028\).](https://www.marketsandmarkets.com/Market-Reports/starch-derivatives-market-116279237.html#:~:text=The%20global%20starch%20derivatives%20market,period%20(2023%2D2028).)

<sup>6</sup>[https://www.marketsandmarkets.com/Market-Reports/starch-derivatives-market-116279237.html#:~:text=The%20global%20starch%20derivatives%20market,period%20\(2023%2D2028\).](https://www.marketsandmarkets.com/Market-Reports/starch-derivatives-market-116279237.html#:~:text=The%20global%20starch%20derivatives%20market,period%20(2023%2D2028).)

## Outlook

The global starch market is set to expand significantly, driven by increasing demand from the Food and Beverage industry. Technological advancements in starch processing and the development of innovative starch-based products like biodegradable plastics will further fuel market growth. The global starch industry is expected to thrive, driven by ongoing innovations that cater to evolving consumer needs and preferences.

## Indian starch industry

Starch and its derivatives find extensive applications across various sectors including chemicals, agriculture, medical, and cosmetics industries. Indian starch market has

reached a size of over 4 million tons in 2023. The market is projected to grow at a CAGR of 6.31% over 2023-2032 reaching a size of 11.1 Million tons by 2032<sup>7</sup>.

The growth of the starch industry in India is driven by several factors including increased demand in the food and beverage sector, expansion in the pharmaceutical industry and the growth of the textile industry. At present there is too low per capita consumption of starch in India viz-a-viz the neighbouring countries like China. Moreover, the market is significantly influenced by import-export dynamics. Exports play a key role in contributing to the growth of the Indian starch market, with companies leveraging international markets to drive expansion and profitability.



### Opportunity

#### 1. Diverse application

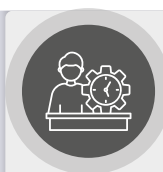
Starch has a wide range of applications across many industries, and this brings significant opportunity for the industry. Diversified application of starch will help in expansion and innovation across all sectors contributing to the long-term sustenance of the businesses.

#### 2. Abundant availability of raw material

In India, the production of maize crops in FY 2024 reached 34.6 million tonnes<sup>8</sup>. The surplus production of maize can be utilised by the starch industry, offering growth opportunities.

#### 3. Industrial application of starch

Starch-based products find sizeable applications in industries such as textiles and biodegradable packaging offering significant growth potential to the industry.



### Challenges

#### 1. Raw material price

The starch industry is considerably impacted by the volatility in the price of raw materials such as maize. These fluctuations impact business as increased output costs lead to higher pricing, thereby consequently reducing profit for the starch industry.

#### 2. Change in climate pattern

The starch industry in India faces challenges which directly affect the productivity of raw materials including maize. With visible shifts in climatic patterns, this phenomenon can undermine the true potential of the industry.

## Outlook

The Indian starch industry is on track for further expansion in the coming years. With starch finding diverse applications and India's overall economic activity on the rise, the industry is set to capitalise on this growth trajectory. With the increasing population, urbanization, and consumer spending, there is going to be a substantial growth in the end-use industries. This will further boost the demand for starch and starch derivatives. Overall, the industry is set for a sustainable growth both in the medium and long term.

## Company Overview

Sukhjit Starch and Chemicals Limited (Sukhjit) is an agro-processing Company specialising in the production of starch and its derivatives. Established in 1943 in Punjab by visionary entrepreneurs, Sukhjit is the oldest and one of the largest producers of starch in India. Sukhjit prioritises quality in its operations, starting with an initial capacity of 1800 metric tonnes per annum (TPA) of corn grind. Over the years, the Company has expanded its capacity

<sup>7</sup><https://www.researchandmarkets.com/report/india-native-starch-market#:~:text=The%20native%20starch%20market%20in,6.31%25%20during%202023%2D2032.>

<sup>8</sup><https://www.thehindubusinessline.com/economy/agri-business/india-needs-a-new-maize-revolution/article67974954.ece>



to approximately 550000 TPA of corn grind across four manufacturing locations in India. Sukhjit also maintains impeccable credit ratings, with CRISIL A1 (A One) for short-term debts and CRISIL A+/STABLE for long-term debts.

With over 75 years of technical expertise, Sukhjit specialises in producing a range of products including Native Starch, Modified Starch, Dextrins, Liquid Glucose, HMS, Malto-Dextrin, Anhydrose Dextrose, Mono-Hydrate Dextrose, Sorbitol-70% Solution and other by-products. These products find applications across diverse industries such as food and beverages, personal care, pharmaceuticals, textiles and FMCG (Fast-Moving Consumer Goods).

Key highlights of the Company for FY 2024

## Growth drivers

### 1. Cutting-edge R&D facility

The Company has strong R&D facilities to drive innovation across its process. Innovation is vital for meeting client needs effectively and serving them better. Leveraging these capabilities allows the Company to remain ahead of the curve and introduce new products, expand its market presence and attract a wider customer base, thus sustaining its competitive edge.

### 2. Large client base

Sukhjit serves an extensive customer base, thereby diversifying its revenue-earning potential. It also enables the Company to consistently improve its offerings and focus on introducing products that are aligned with evolving market demands. It facilitates customer retention and enhances brand reputation.

### 3. Diverse product portfolio

Sukhjit has diverse product portfolio comprising Maize Starch & its derivatives like Sorbitol, Dextrose Monohydrate, Dextrose Anhydrous, Malto Dextrin Powder, Liquid Glucose etc. which find usage and cater to large spectrum of Industries in areas such as food & beverages, paper & board, personal care & pharmaceuticals, textile, FMCG etc. Its other co-products like Maize Gluten, Maize Germ, Maize Oil and Maize Bran, are used as poultry feed / cattle feed. It helps the Company diversify its revenue stream and mitigate risks associated with evolving user demands.

### 4. Environmental sustainability

Sukhjit remains committed to improving its contribution towards a sustainable future by increasing investments in advanced facilities for generating energy from biodegradable waste. The initiatives undertaken by the Company towards environmental protection will help the Company to be in alignment with its sustainability goals.

### 5. Experienced workforce

The Company's management has extensive experience in the starch industry, with deep insights

into market trends, regulatory requirements and customer preferences. Additionally, the workforce is highly experienced and plays an integral role in the Company's success.

## Human resource

The Company's workforce plays a pivotal role in its success. It, therefore, strives to create a conducive working environment that promotes professional as well as personal growth. The Company also provides opportunities for training and development, rewards performance and engages in several employee welfare initiatives.

- Company accords utmost importance to the quality of human resource and believes that continuous honing of the skills of employees is vital to develop and improve the talent pool of the Company. We follow a systematic plan for training new employees in our facilities at different locations. The inter-locational transfers to employees are encouraged to better and diversify their skill sets. Employees are also sent to attend the seminars/workshops organised by other institutions from time to time to keep pace with the latest technological developments happening in the market place.
- Besides the statutory benefits available to the employees like provident fund, employees state insurance and gratuity, the Company provides education allowance/ subsidy / free text books to promote the education of the children of the employees, uniform allowance free / subsidized canteen / mess facilities and benefit of superannuation scheme for the select employees/ key personnel. The Company has a system to take care of any major medical expenditure of the employees / workers in addition to their coverage under Company's group health insurance policies or statutory coverage under the Employees State Insurance Act and so on. It has an effective system in place to take care of the emergency medical requirements of the employees like round the clock ambulance facility, necessary arrangements with the local practitioners / hospitals for emergent / immediate treatment of its employees / workers in case of non-availability of the necessary facility with hospitals covered under ESI Act.

Further, time tested systems and proper preventive measures have been put in place to ensure employee's health and safety. The employees / workers are periodically imparted training on safety measures and this aspect has been recognized by the respective State Governments by awarding **State Safety Awards** invariably to our Units. Periodic medical checkup camps are also organized to ensure good health of the employees.

The Company is also open to the direct employment of physically disabled persons with equal rights as per the Rights of Persons with Disabilities Act, 2016. The Company presently has 8 physically disabled

employees with varying degrees of disability up to 85% and all the persons are entitled to equal benefits / opportunities as are available to others.

## Research and development (R&D)

Research and Development (R&D) is integral to the Company's growth and success. It has a dedicated R&D facility at Phagwara and invested ₹ 64.85 lacs during the financial year to further upgrade its R&D capabilities.

At Sukhjit, innovation is at the heart of our operations as we continually strive to be the preferred choice for our customers. Our strong Research and Development (R&D) arm serves as a driving force behind our success, enabling us to stay ahead of the curve.

Our R&D hub, located in Phagwara, acts as a central resource centre for all our units enhancing collaboration and synergy across our organisation. Through our ideas and technologies, we are committed to delivering exceptional products and solutions that meet the evolving needs of our valued customers.

We involve farmer community and educate them on improved agricultural and agronomic practices to promote good quality maize at economic cost. Good quality seeds are also made available to the farmers for maize and other related crops to introduce companion cropping for improving their return.

## Corporate social responsibility (CSR)

The Company is committed to making a positive impact on society and the environment through meaningful initiatives.

### Promoting education

Sukhjit has supported the establishment of various educational institutions for students from economically backward sections in rural areas.

### Health camps

Sukhjit has collaborated with healthcare providers and other organisations to promote the health and well-being of underprivileged, widows & old helpless people of the society. It also organises regular health care dental check-up camps, eye care / operation camps.

## Financial Performance

Particulars	FY 2024	FY 2023
Revenue from operations (in ₹ crore)	1370.86	1435.25
Other income (in ₹ crore)	8.28	1.72
Total income (in ₹ crore)	1379.14	1436.97
Profit before tax (PBT) (in ₹ crore)	77.12	92.74
Profit after tax (PAT) (in ₹ crore)	55.62	70.14
Basic Earnings Per Share (EPS) (In ₹)	35.60	44.90
Diluted Earnings Per Share (EPS) (In ₹)	35.60	44.90

## Key Financial Ratios

Particulars	FY 2024	FY 2023	Variance
1 Debtors Turnover Ratio	16.91	19.17	(11.79)
2 Inventory Turnover Ratio	28.70	52.23	(45.05)
3 Interest Coverage Ratio	3.70	4.82	(23.24)
4 Current Ratio	1.48	1.47	0.68
5 Debt Equity Ratio	0.19	0.24	(20.83)
6 Operating Profit Margin Ratio	7.85	8.23	(4.62)
7 Net Profit Margin Ratio	4.06	4.89	(16.97)
8 Return on Net Worth	10.99	15.43	(28.78)

### Notes on Variation

- Sr. 1 Due to lower sales  
 Sr. 2 Due to lower sales & higher inventory  
 Sr. 3, 8 Due to lower profits  
 Sr. 5 Due to increase in Net Worth & decrease in Long Term Debt  
 Sr. 6 & 7 Due to lower margin on sales

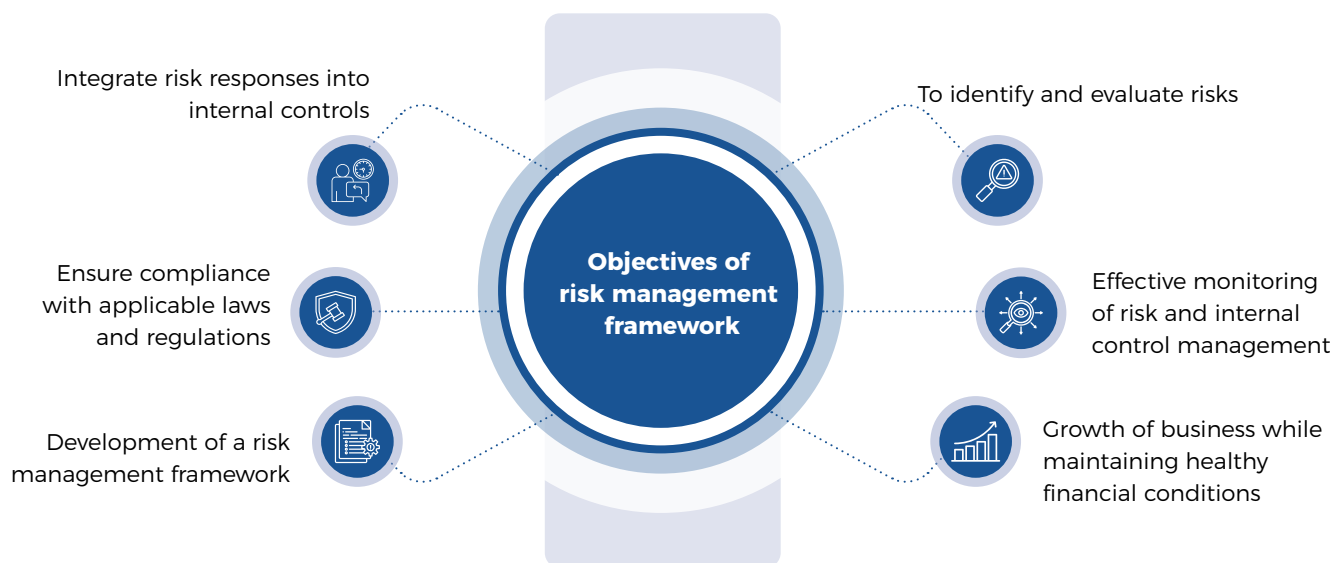
## Outlook

After a slight dip of about 4% in sales last year, we expect good turnaround this year with increased topline by 12 to 15% on the back of increased production from the part commissioning of ongoing expansion plans and improved demand from FMCG Sector as Indian FMCG market (\$121.8 billion) is expected to grow at a CAGR of 27.9% to reach \$615 billion by 2027 (IBEF Retail Report 2024).

The Margins are also expected to recover due to moderation in the sale prices of most of our products and availability of maize (our basic raw material) at reasonable cost with better crop prospects on the back of good monsoon forecast by the IMD.

## Risk management

Sukhjit's risk management framework helps us overcome challenges and threats effectively. The Company's approach to risk management emphasises strong corporate governance, proactive risk recognition and solid internal controls to ensure sustainable growth and financial stability.



Risk name	Risk description	Risk mitigation
<b>Climate Risk due to droughts, floods etc.</b>	Basic raw material of the company is an agricultural produce and its production availability and price largely depend on natural vagaries. Hence, a correct strategy or its right implementation is essential for continuous and efficient running of the business. Timing of purchase is also crucial to control the cost of purchase and holding period also plays a vital role to ensure continuous running of plants throughout the year.	The Company has been adopting sustainable practices for raw material procurement. While the strategic locations of the Company's manufacturing units help to mitigate the risk to a larger extent, the holding period also comes down for the units having access to three crops in a year i.e. spring, kharif & Rabbi crops or two crops which are. Kharif & Rabbi.
<b>Water management risks</b>	Water being a finite resource may pose a risk to the operation of the business.	The Company is making regular efforts to recycle, reuse the treated water achieving substantial reduction in withdrawal of ground water to save and protect as well as conserve the precious water resources. In addition to the rain water harvesting the company is supplying treated water for irrigation purpose to the surrounding areas through SPV i.e. 100% subsidiary company and also adopting villages to clean and create ponds for better water storage. Zero Liquid Discharge (ZLD) facilities at some locations also help us reduce our dependence on ground water resources.
<b>Environmental risk</b>	Environmental factors can impact the Company's operations & supply chain	The Company is conscious of the environmental implications of its operations. Implementation of sustainable practices like water conservation, renewable energy adoption, replacement of fossil fuels with biomass, reduction in carbon foot print, waste management and tree plantation etc. helps to address the risk.



Risk name	Risk description	Risk mitigation
<b>Employee health and safety risk</b>	Employee health and safety includes risks associated with illness, disease and accidents at the workplace. This may lead to decreased productivity as it is of paramount importance to the Company	Time tested systems and proper preventive measures have been put in place to ensure employee health and safety. The employees / workers are periodically imparted training on safety measures and this aspect has been recognized by the respective State Governments by awarding state safety awards on a continuous basis.
<b>Regulatory compliance risks</b>	Non- Compliance with any law or regulation may have financial implications and reputational damage.	The Company is meticulous in complying with all the applicable laws, statutes, regulations. The company enjoys enviable creditability with various regulatory authorities.
<b>CSR risks</b>	Need based assessment done prior to the selection of projects of the organizations for funding to cause upliftment of the poor and needy in the best interest of the society at large. More emphasis has been given on girl education, especially from the rural areas.	The Company has continuously endeavored to remain proactive on this front.
<b>Energy management risks</b>	To conserve energy and reduce carbon foot prints.	The Company has taken extensive measures to conserve energy and is also utilizing alternate sources of energy like generation of bio gas and in turn generating hydrogen from the process effluents / bio gas. Further, the company uses substantial quantity of biomass to reduce its dependence on the fossil fuels.

### Internal control systems and adequacy

The company maintains robust internal control current procedures to ensure accurate and timely documentation and reporting of all transactions, as well as protection of assets from unauthorized use or other risks. These internal control systems are further strengthened by an internal audit team overseen directly by the Head of Internal Audit. Management regularly reviews the findings of internal audits and takes appropriate action to address any identified gaps. Additionally, the Audit Committee of the Board meets regularly to discuss important issues (if any) highlighted by both the Internal Auditors and the Statutory Auditors.

### Cautionary statement

The Management Discussion and Analysis Report contains forward-looking statements based on data available to the Company, assumptions about economic circumstances, current government policies, and so on. Despite management's ongoing monitoring of market conditions and other factors, the company cannot guarantee the accuracy of its assumptions or future performance. As a result, actual results, performance, or accomplishments may vary significantly from those anticipated in any such forward-looking statement. The Company accepts no responsibility to publicly change, modify, or revise any forward-looking statement based on any later development, information, or event.



# Annexure 'B' to the Directors' Report

## Corporate Governance Report

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

### 1. BRIEF STATEMENT ON COMPANY'S PHILOSOPHY:

The Company believes in adopting the 'best practices' in the area of Corporate Governance, which provide and endeavor to protect the interest of all concerned, by ensuring that the enterprise adheres to ethical standards, various governing laws and accepted best business practices. The Company emphasizes on the need for full transparency and accountability in all its transactions, in all fairness to the interests of its stakeholders. The company has always remained prompt and regular in discharging its statutory obligations and regulatory requirements for which it is having strong systems and processes in place.

### 2. BOARD OF DIRECTORS:

An effective Board is a pre-requisite for strong and effective corporate governance. The Board of Directors of the company is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of its stakeholders. The members of the Board meet regularly to discuss key operations of the Company, decide timely actions and direct

the executive management accordingly. The Board comprises directors from diverse backgrounds with rich experience in business / industry / management / administration / finance enabling the Board to appropriately guide and direct the Company to perform effectively and efficiently. The key senior management persons are also invited to the Board meetings from time to time with their presentations on the working of the Units of the Company or its subsidiaries, to keep the members of the Board fully updated / appraised with the latest developments in the business of the Company & add valuable inputs to their decision making process. The Board has an appropriate composition of executive, non-executive and independent directors to maintain independence and full transparency in the working of the Board of Directors. The Board has constituted various committees of Directors and the meetings of the Board and Committees thereof have been held as frequently as required for proper and effective control over the affairs of the company.

It is confirmed that in the opinion of the Board, the Independent Directors are independent of the management and fulfill the conditions specified in the SEBI (LODR) Regulations, 2015.

The Composition of the Board and category of Directors as on March 31, 2024 are given hereunder:

Category	Name of Directors	No. of Shares held
Non-Executive Promoter Directors	Smt. Manjoo Sardana-Chairperson	1234272
	Smt. Shalini Umesh Chablani	97314
Promoter / Executive Directors	Shri K.K. Sardana - Managing Director	900053
	Shri M.G. Sharma - Executive Director (Fin) & CFO	5320
Independent Directors	Shri Tarsem Singh Lally	Nil
	Shri Ranbir Singh Seehra	3000
	Shri Saravjit Singh Hothi (*)	Nil
	Shri Vikas Uppal	2500

(\*) Shri Saravjit Singh Hothi is completing his term as an Independent Director of the Company on 30.05.2024 & retiring accordingly. The Board has, therefore, appointed Shri Suresh Arora as a Non Executive Independent Director of the Company subject to the approval of the shareholders at the ensuing AGM. He will be an additional Director till his appointment is approved in the AGM.

As on 31<sup>st</sup> March, 2024, none of the Directors of the Company were related to each other, as per the provisions of The Companies Act, 2013.

During the Financial Year 2023-24, Six (6) Board meetings were held on 27.05.2023, 11.08.2023, 01.11.2023, 03.01.2024, 30.01.2024 & 18.03.2024.

#### Familiarisation Programme for Independent Directors:-

The Independent Directors are provided with necessary documents, reports and other relevant information to enable them to familiarise with the Company's

procedures and practices. The Independent Directors are provided with unit wise information, to enable them to have full understanding of manufacturing operations & business of the Company and the industry in which it operates. Periodic presentations are made at the Board Meetings on the performance updates of the Company, business strategy and attendant risks with probable steps to mitigate them. Details of the familiarization programme for the Independent Directors are available on the website of the Company - <https://www.sukhjitgroup.com/familiarisation-programme-for-independent-directors>

The composition of the Board of Directors and their attendance at the meetings during the year with the number of Directorships / Committee positions held by them as on 31<sup>st</sup> March, 2024 are as under:

Category	Name of Directors	Number of Board Meetings Attended	No. of the Directorships held in other Indian public limited Companies	No. of the Committee Positions held in other Indian Public Limited Companies		Whether attended last AGM
				Chairman	Member	
Smt. Manjoo Sardana	Non - Executive Chairperson	6	--	--	--	Y
Shri K.K. Sardana	Managing Director	6	2	--	2	Y
Shri M. G. Sharma	Executive Director (Fin) & CFO	6	--	--	--	Y
Shri Tarsem Singh Lally	Independent Director	6	2	1	--	N
Shri Ranbir Singh Seehra	Independent Director	5	5	--	4	N
Shri Saravjit Singh Hothi	Independent Director	6	1	2	--	N
Shri Vikas Uppal	Independent Director	5	1	1	1	Y
Smt. Shalini Umesh Chablani	Non-Executive Director	6	1	--	1	N

Details of name of other listed entities where Directors of the Company are Directors and the category of Directorship as on 31<sup>st</sup> March, 2024 are as under:

Name of Director	Name of other listed entities in which the concerned Director	Category of Directorship
Shri Ranbir Singh Seehra (DIN: 01572708)	GNA AXLES LIMITED	Managing Director & CEO
Shri Saravjit Singh Hothi (DIN: 09182046)	GNA AXLES LIMITED	Non-Executive Independent Director

As required under the provisions of Schedule V(C)(2)(h) of the SEBI (LODR) Regulations, 2015, the Board of Directors has identified the core skills / expertise / competencies in the context of its business(es) for efficient functioning and those actually available with the Board members :-

- Planning & Strategic Management
- Financial Management
- Business Leadership
- Project Management
- Corporate Governance & Compliance
- Marketing & Sales
- Administration & Human Resource Management
- Technology and Innovations
- Risk Management

The specific area of focus or expertise of individual board members have been highlighted hereunder:

Name of Director	Planning & Strategic Management	Financial Management	Business Leadership	Project Management	Corporate Governance & Compliance	Marketing & Sales	Administration & Human Resource Management	Technology and Innovations	Risk Management
Smt. Manjoo Sardana	✓	✓	✓		✓	✓			
Sh. K.K. Sardana	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sh. M.G. Sharma	✓	✓	✓	✓	✓	✓	✓		✓
Sh. Tarsem Singh Lally	✓	✓	✓	✓		✓	✓	✓	✓
Sh. Ranbir Singh Seehra	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sh. Saravjit Singh Hothi	✓		✓	✓	✓		✓		✓
Sh. Vikas Uppal	✓	✓	✓	✓		✓	✓	✓	✓
Smt. Shalini Umesh Chablani		✓	✓			✓	✓		

**Note:** Directors may possess varied combination of skills / expertise in different proportions within the described set of parameters listed herein above.



### 3. COMMITTEES OF THE BOARD

The Board of Directors has constituted the following Committees with an adequate delegation of powers:

#### (i) Audit Committee:

The role of Audit Committee covers the areas mentioned under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 or other matters as may be referred by the Board of Directors from time to time. These, inter-alia, include to oversee the capital & revenue budgets of the Company, oversee the Company's financial reporting process, review with the management the adequacy of internal control systems, hold discussions with auditors about the internal control systems and scope of audit including observations of the Auditors, review company's financial & risk management policies and review with the management the quarterly, half yearly & annual financial statements before submission to the Board.

The composition of the Audit Committee is given below:

Shri Ranbir Singh Seehra	Independent Director (as Chairman)
Shri Vikas Uppal	Independent Director (as member)
Shri Saravjit Singh Hothi (*)	Independent Director (as member)
Shri M.G. Sharma	Executive Director (Fin) & CFO (as member)

The details of meetings of Audit Committee held during the year are given below:

		Meetings held During the year	Meetings Attended
Shri Ranbir Singh Seehra	Independent Director	05	04
Shri Vikas Uppal	Independent Director	05	05
Shri Saravjit Singh Hothi (*)	Independent Director	05	05
Shri M.G. Sharma	Executive Director (Fin) & CFO	05	05

(\*) Shri Saravjit Singh Hothi is completing his term as an Independent Director of the Company on 30.05.2024 & retiring accordingly. The Board has, therefore, appointed Shri Suresh Arora as new member of the Committee.

#### (ii) Corporate Social Responsibility (CSR) Committee:

The CSR Committee has been constituted in consonance with section 135 of The Companies Act, 2013, Schedule VII there to and the rules made there under. The Composition of CSR Committee during F.Y. 2023-24 comprised of Shri K.K. Sardana as its chairman, Shri Vikas Uppal and Sh. Saravjit Singh Hothi (\*) as the members. The Committee has been formed to assist the Board in discharging its social responsibilities by way of formulating and monitoring the implementation of the CSR Policy of the Company and recommending / budgeting the amount of expenditure to be incurred on CSR activities with due control over the expenditure to meet the intended objectives. The Committee also approves the Corporate Sustainability report and oversees the CSR activities.

The details of meetings of CSR Committee held during the year are given below

		Meetings held During the year	Meetings Attended
Shri K.K. Sardana	Managing Director	04	04
Shri Vikas Uppal	Independent Director	04	04
Shri Saravjit Singh Hothi (*)	Independent Director	04	04

(\*) Shri Saravjit Singh Hothi is completing his term as an Independent Director of the Company on 30.05.2024 & retiring accordingly. The Board has, therefore, appointed Shri Tarsem Singh Lally as new member of the Committee.

#### (iii) Stake Holders' Relationship / Grievance Committee:

The Stake Holders' Relationship / Grievance Committee comprised of Shri Ranbir Singh Seehra as its Chairman, Shri K. K. Sardana & Shri Saravjit Singh Hothi (\*) as the members. The Committee has been formed to take care of stakeholders / investors relationship, redress the Investors Grievances or their complaints (if any) expeditiously, review the measures taken for effective exercise of voting rights by shareholders and other initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual / statutory notices by the shareholders of the company.

Shri Aman Setia, Vice President (Finance) & Company Secretary is the Compliance officer for complying with the requirements of SEBI, Stock Exchange(s), Registrar of Companies and provisions of the Companies Act, 2013 etc. with respect to implementation of various provisions, clauses, rules, regulations and other directives of such authorities.

The Company has received only two complaints during the year, from its shareholders, which were immediately redressed.

The details of meetings of Stakeholders' Relationship / Grievance Committee held during the year are given below:

		Meetings held During the year	Meetings Attended
Shri Ranbir Singh Seehra	Independent Director	04	03
Shri K.K. Sardana	Managing Director	04	04
Shri Saravjit Singh Hothi(*)	Independent Director	04	04

(\*) Shri Saravjit Singh Hothi is completing his term as an Independent Director of the Company on 30.05.2024 & retiring accordingly. The Board has, therefore, appointed Shri Suresh Arora as new member of the Committee.

#### (iv) Nomination & Remuneration Committee:

The Board has constituted a Nomination & Remuneration Committee comprising of Shri Ranbir Singh Seehra as its Chairman, Shri Vikas Uppal and Shri Saravjit Singh Hothi (\*) as the members. The role of the Committee covers the areas mentioned under section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015 read with Part D of Schedule II of the regulations.

The details of meetings held by Nomination & Remuneration Committee are given below:-

		Meetings held During the year	Meetings Attended
Shri Ranbir Singh Seehra	Independent Director	04	04
Shri Vikas Uppal	Independent Director	04	03
Shri Saravjit Singh Hothi (*)	Independent Director	04	04

(\*) Shri Saravjit Singh Hothi is completing his term as an Independent Director of the Company on 30.05.2024 & retiring accordingly. The Board has, therefore, reconstituted the Committee with Shri Tarsem Singh Lally as Chairman & Shri Ranbir Singh Seehra and Shri Vikas Uppal as members.

The Remuneration Committee, inter-alia, deliberated the following matters during the year:

- Recommendation for the re-appointment of Smt. Manjoo Sardana as Non-Executive Chairperson of the Company, who retired by rotation and was re-appointed in the Annual General Meeting of the Company.
- Recommendation for the re-appointment of Sh. Tarsem Singh Lally as a Non Executive Independent Director of the Company w.e.f. 13.08.2023 to 12.08.2026.
- Recommendation for the re-appointment of Sh. M.G. Sharma as Executive Director (Fin.) & CFO of the Company w.e.f. 01.06.2023 to 31.05.2026.
- Recommendation for the revision in the remuneration / annual increment to the Senior Executives / KMPs of the Company.
- Consideration of performance of Non-Independent Directors, Non-Executive Chairperson and the entire Board of Directors of the Company.
- Recommendation for the re-appointment of Sh. Kuldip Krishan Sardana as Managing Director of the Company w.e.f. 01.05.2024 to 30.09.2028.
- Recommendation for the re-appointment of Sh. Aman Setia as Vice President (Fin.) & Company Secretary of the Company w.e.f. 01.05.2024 to 30.04.2029.

### Remuneration to Directors:

During the year, there was no financial / commercial transaction with any non-executive director of the Company except the stipulated remuneration paid to them as Directors.

(a) Detail of remuneration of Executive Directors during the financial year is given below:-

(Amount in ₹ Lakhs)

Name	Salary	Commission	Perquisite Value	Retirement Benefits	Sitting Fees	Total
Sh. K. K. Sardana	83.40	35.30	12.03	6.70	--	137.43
Sh. M. G. Sharma	26.77	--	0.75	--	--	27.52

(b) Detail of remuneration of Non-Executive Directors during the financial year is given below:-

(Amount in ₹ Lakhs)

Name	Salary	Commission	Perquisite Value	Retirement Benefits	Sitting Fees	Total
Smt. Manjoo Sardana	--	11.76	--	--	0.54	12.3
Smt. Shalini Chablani	--	11.76	--	--	0.54	12.3
Sh. Tarsem Singh Lally	--	5.00	--	--	0.54	5.54
Sh. Ranbir Singh Seehra	--	5.00	--	--	0.45	5.45
Sh. Vikas Uppal	--	5.00	--	--	0.45	5.45
Sh. Saravjit Singh Hothi	--	5.00	--	--	0.54	5.54

The company has been paying commission to the Non-Executive Directors @ 1% of the net profits of the company, computed under section 197/198 of the Companies Act, 2013, with a cap of ₹ 5 lakhs in a year for each Independent Director of the Company, as per the necessary approvals / sanctions obtained by way of a special resolution passed by the shareholders of the Company. Non-Executive Directors are also paid Sitting Fees besides out of pocket expenses / travelling expenses incurred in connection with attending the said meetings. The Company does not have any Stock Option Scheme nor it has paid any amount to its directors on account of service contracts, notice period and severance fees.

### Remuneration Policy:

The Remuneration Policy is aimed to motivate and reward the performance of the employees based on the periodical appraisal / achievements of the personnel. It follows the practices prevailing in the companies of its size and the industry in general to retain and attract talent and improve the quality of human capital and better the performance of its employees, with a view to run the Company's operations efficiently, effectively and profitably. The detailed remuneration policy is available on the website of the company at <https://www.sukhjitgroup.com/remuneration-policy-for-directors-kmps-other-executives>.

## 4. GENERAL BODY MEETINGS

The details of locations and time for the last three Annual General Meetings are given below:

Date	Location	Time	Special Business/Special Resolutions passed
11/08/2023	Regd. Office, Phagwara	10.00 A.M.	<ol style="list-style-type: none"> <li>1. Re-appointment of Sh. Tarsem Singh Lally as Non-Executive Independent Director.</li> <li>2. Re-appointment of Sh. M.G. Sharma as Executive Director (Fin) &amp; CFO of the Company.</li> <li>3. To ratify Remuneration of Cost Auditors.</li> </ol>



Date	Location	Time	Special Business/Special Resolutions passed
12/08/2022	Regd. Office, Phagwara	10.00 A.M.	1. Re-appointment of Smt. Shalini Umesh Chablani as Non-Executive Director. 2. To increase / revise the salary of Sh. Dhiraj Sardana, Sr. Vice President & CEO Unit(s). 3. To increase / revise the salary of Sh. Bhavdeep Sardana, Sr. Vice President & CEO Unit(s). 4. To ratify Remuneration of Cost Auditors.
06/08/2021	Regd. Office, Phagwara	10.00 A.M.	1. Reappointment of Sh. M.G. Sharma as Executive Director (Fin) & CFO of the Company. 2. Appointment of Sh. Saravjit Singh Hothi as Non-Executive Independent Director. 3. To shift the Registered office of the Company outside the local limits of the city and within the same Tehsil / District of the same state of Punjab. 4. To ratify Remuneration of Cost Auditors.

Further, the shareholders have approved the re-appointment of Mr. Kuldip Krishan Sardana as the Managing Director with effect from 01<sup>st</sup> May, 2024 to 30<sup>th</sup> September, 2028 by way of special resolution passed through postal ballot / remote E-voting, in the month of April, 2024.

There is no resolution, which is statutorily required to be passed through postal ballot at the Annual General Meeting to be held on 16<sup>th</sup> August, 2024.

The Board had appointed M/s P.S. Rally & Associates, a Practicing Company Secretary, Membership No. 6861, as the Scrutinizer for conducting & Scrutinizing the e-voting process in a fair & transparent manner, as per the procedure laid down under the Companies Act, 2013 read with rules made there under.

## 5. DISCLOSURES

(i) Disclosures on materially significant related party transactions:

The Company has not entered into any material transaction with its Promoters, Directors, Key Managerial Personnel or their Relatives which could have potential conflict with the interest of the Company. However, the transactions with subsidiary companies are in the ordinary course of business and are at arm's length price, in terms of INDAS-24 and given in the Notes to Accounts forming part of the Annual Report. The Company, otherwise, holds 100% equity of two subsidiaries and 96.17% of the third.

(ii) The Company has duly complied with the guidelines of SEBI and / or other Statutory Authorities related to capital market. There is no penalty imposed or strictures passed against the Company by any of the above Authorities during the last three years.

(iii) Whistle Blower Policy: Your Company believes in fair & transparent conduct of its affairs and sets high standards following good and ethical Corporate Governance practices. Pursuant to the provisions of Section 177 of the Companies Act, 2013 & rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated its Whistle Blower Policy to establish a Vigil Mechanism for the Directors and the Executives / Employees to report their genuine concerns in the face of its commitment to open communication & ensure good Corporate Governance. This policy intends to act as a neutral and unbiased forum of the Company for the Directors, employees and its stakeholders.

During the year under review, no employee was denied access to the Audit Committee.

(iv) Compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015:

(a) Pursuant to the said regulations, the Company has established appropriate mechanism to prohibit the insider trading activity.

(b) Company has devised a Code of Conduct to regulate, monitor & report the trading in shares of the Company by designated persons.

(c) The Company has in place appropriate Procedures for preserving / timely disclosure of the unpublished price sensitive information.

(d) The Company maintains requisite communication with designated employees to apprise / update them about their obligations under the Insider Trading Regulations.

- (e) The Prevention of Insider Trading Code is reviewed and amended suitably from time to time to incorporate the amendments, if any, made by SEBI.
- (v) The Company has complied with all mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended upto date).

of the company ([www.sukhjitgroup.com](http://www.sukhjitgroup.com)). Quarterly compliance reports, official news releases, demat Status reports, shareholding pattern & other required information are duly communicated / submitted to the Stock Exchange(s) within the prescribed time. The presentation(s) for Investors are placed on the websites of the stock exchanges i.e. ([www.bseindia.com](http://www.bseindia.com)) & ([www.nseindia.com](http://www.nseindia.com)) and the Company's website ([www.sukhjitgroup.com](http://www.sukhjitgroup.com)). The Company periodically hosts concall(s) with Institutional / other investors & financial analysts etc. for discussing & communicating the business philosophy of the company, sharing the latest developments and addressing their queries & questions for better understanding of the Company's operations and its performances.

## 6. MEANS OF COMMUNICATION:

The Company's Quarterly results are published in the daily newspapers as per the requirements of listing agreement and are also displayed on the website

## 7. GENERAL SHAREHOLDERS INFORMATION

- a) Annual General Meeting Date, Time & Place : 16<sup>th</sup> August, 2024 at 10.00 A.M. at the Registered Office of the Company at Phagwara.
- (b) Financial Year : 2023-2024
- (c) Date of Book Closure : 10.08.2024 to 15.08.2024 (both days inclusive)
- (d) Listing on Stock Exchange : National Stock Exchange & Bombay Stock Exchange
- (e) Stock Symbol (NSE) : SUKHJITS (Listing fee has been paid)
- (f) Stock Code (BSE) : 524542 (Listing fee has been paid)
- (g) CIN : L15321 PB1944 PLC 001925
- (h) Registrars & Share Transfer Agents : M/s. Skyline Financial Services (Pvt.) Ltd., D-153 A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-1, New Delhi - 110020 Phone No. (011) 26812682 E-mail ID : [admin@skylinerta.com](mailto:admin@skylinerta.com)
- (i) Dematerialization of Shares : The Company's 1,53,16,485 Equity Shares are held in dematerialized form on NSDL & CDSL. i.e. 98.04% of equity capital as on 31.03.2024 which include 1,03,62,424 shares held by promoters' (100% in Demat form) and 49,54,061 shares held by public (94.19% held in Demat form).
- (j) Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion data and likely impact on equity. : The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments during the year under reference.
- (k) Unpaid Dividends : or claimed by the shareholders for 7 (seven) consecutive years or more are also required to be transferred to the demat account of the IEPF Authority. The Company has been sending separate & regular communications to the shareholders (at their registered addresses with the Company), requesting them to claim their dividends in order to avoid transfer of shares / dividends to the IEPF.  
As per Sections 124 and 125 of the Companies Act, 2013 ('the Act') read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) and/ or re-enactment(s) thereof for the time being in force) / ('IEPF Rules'), the dividends, if not paid or claimed for a period of 7 (seven) years from the date of transfer to Unclaimed Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, according to the Act read with the IEPF Rules, all the shares in respect of which dividend has not been paid  
Pursuant to the above, the company has transferred during FY 2023-24, 8000 shares to the demat account of the IEPF Authority on which dividend has not been paid / claimed by the shareholders for 7 (seven) consecutive years or more.

The details of unclaimed dividends which are due for transfer to the IEPF account are given hereunder:

Dividend for Financial Year	Date of Declaration	Due date for Deposit
2016-2017 (Final Dividend)	27.07.2017	26.07.2024
2017-2018 (Final Dividend)	08.08.2018	07.08.2025
2018-2019 (Interim Dividend)	06.02.2019	05.02.2026
2019-2020 (Final Dividend)	13.08.2020	12.08.2027
2020-2021 (Final Dividend)	06.08.2021	05.08.2028
2021-2022 (Interim Dividend)	11.02.2022	10.02.2029
2022-2023 (Interim Dividend)	05.12.2022	04.12.2029
2023-2024 (Interim Dividend)	03.01.2024	02.01.2031

Details of the unclaimed dividend and shareholders whose shares are also liable to be transferred to the IEPF Authority are available on the website of the Company.

- (l) Unclaimed Shares Demat Suspense Account : In terms of SEBI (LODR) Regulations, 2015, the Company reports as under:

Dividend for Financial Year	No. of Share Holders	No. of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying on the date of opening of the suspense account	499	1,28,144
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	2	192
Number of shareholders to whom shares were transferred from the suspense account during the year	2	192
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 <sup>st</sup> March, 2024	497	1,27,952

The voting rights on the shares outstanding in the suspense account on 31<sup>st</sup> March, 2024 shall remain frozen till the rightful owners of such shares stake their claim to the shares.

- (m) Address for Correspondence/ Registered Office :

**The Sukhjit Starch & Chemicals Ltd.**

Sarai Road, Phagwara, Distt. Kapurthala (Pb.)

Ph.: (01824) 468800

Fax: (01824) 261669

E-mail: [sukhjit@sukhjitgroup.com](mailto:sukhjit@sukhjitgroup.com)

Website: [www.sukhjitgroup.com](http://www.sukhjitgroup.com)

- (n) Distribution of Shareholding as on 31.3.2024:

**(l) Category**

	No. of Shares	Percentage
1. Promoters (including 9,55,440 shares of NRI's)	1,03,62,424	66.33%
2. Corporate Bodies	59,056	0.38%
3. NRIs / FFIs / OCBs / FPIs	3,36,834	2.16%
4. General Public	48,63,686	31.13%
<b>Total No. of shares</b>	<b>1,56,22,000</b>	<b>100.00%</b>



**(II) Category wise Distribution of Shares of the Company as on 31.03.2024**

Category of Shares	No. of Shares	Percentage to total Shares	No. of Shareholders	Percentage to total Shareholders
1-500	8,73,071	5.59	9105	87.12
501-1000	4,62,682	2.96	618	5.91
1001-5000	11,08,017	7.09	530	5.07
5001-10000	5,90,138	3.78	84	0.80
10001-20000	5,00,559	3.20	36	0.34
20001-50000	12,25,964	7.85	37	0.35
50001-100000	12,46,328	7.98	17	0.16
100001- above	96,15,171	61.55	24	0.23
<b>Total</b>	<b>1,56,22,000</b>	<b>100.00</b>	<b>10,451</b>	<b>100.00</b>

(o) Share Transfer System :

98.04% of the equity shares of the Company are in electronic form, transfer of which is done through the depositories with no involvement of the Company. As regards transmission or transposition of shares held in physical form, the requisite documents are required to be lodged with our RTA or at the registered office of the Company. The transmission or transposition of shares in physical form is normally processed within ten to twelve working days from the date of receipt, if the documents are complete in all respects. However, the transfer of shares held in physical form cannot be processed w.e.f. 1<sup>st</sup> April, 2019 in terms of Regulation 40 of SEBI (LODR) Regulations, 2015 (as amended). The Share Transfer Committee, periodically approves the transfers, under the authority of the board, which are noted by the board at its subsequent meetings.

(p) Commodity price risk or foreign exchange risk and hedging activities if any have been discussed under "Management Discussion and Analysis Report" forming part of the Directors' Report.

(q) Market Price Data : High / low quotations on the Bombay Stock Exchange during each month for the Financial year 2023-2024 & performance in comparison to BSE Index :

Month	BSE INDEX		MARKET PRICE (₹)	
	High	Low	High	Low
April, 2023	61209.46	58793.08	407.10	376.00
May, 2023	63036.12	61002.17	487.75	391.75
June, 2023	64768.58	62359.14	466.30	412.00
July, 2023	67619.17	64836.16	438.00	404.35
Aug, 2023	66658.12	64723.63	439.15	386.95
Sept, 2023	67927.23	64818.37	439.80	387.00
Oct, 2023	66592.16	63092.98	455.45	390.00
Nov, 2023	67069.89	63550.46	440.50	401.45
Dec, 2023	72484.34	67149.07	539.40	412.70
Jan, 2024	73427.59	70001.60	596.80	480.00
Feb, 2024	73413.93	70809.84	573.85	459.30
March, 2024	74,245.17	71,674.42	490.00	419.00

Market Price Data : High / low quotations on the National Stock Exchange during each month for the Financial year 2023-2024 & performance in comparison to NSE Index:

Month	NSE Nifty		MARKET PRICE (₹)	
	High	Low	High	Low
April, 2023	18089.15	17312.75	406.80	375.00
May, 2023	18662.45	18042.40	483.95	392.30
June, 2023	19201.70	18464.55	469.45	412.70
July, 2023	19991.85	19234.40	444.00	404.30
Aug, 2023	19795.60	19223.65	440.95	386.00
Sept, 2023	20222.45	19255.70	440.80	390.95
Oct, 2023	19849.75	18837.85	458.00	392.30
Nov, 2023	20158.70	18973.70	443.75	395.00
Dec, 2023	21801.45	20183.70	540.00	414.00
Jan, 2024	22124.15	21137.20	597.90	480.10
Feb, 2024	22297.50	21530.20	552.80	458.85
March, 2024	22526.60	21710.20	486.95	417.10

## 8. LOCATION OF PLANTS

### (i) Sukhjit Corn Products

(A unit of The Sukhjit Starch & Chemicals Ltd.)  
Rehana Jattan, Teh. Phagwara (Pb.)  
Phone No. (01824) 518800  
Fax No. : (01824) 261669  
Email : [scp@sukhjitgroup.com](mailto:scp@sukhjitgroup.com)

### (ii) Sukhjit Starch Mills

(A unit of The Sukhjit Starch & Chemicals Ltd.)  
Armour Road, Mubarak Nagar,  
Nizamabad (Telangana)  
Phone No. (08462) 237568, 237521  
Fax No. (08462) 239330  
E-mail : [sukhjit.starch@gmail.com](mailto:sukhjit.starch@gmail.com)

### (iii) Sukhjit Starch Industries

(A unit of The Sukhjit Starch & Chemicals Ltd.)  
WBIIIDC Growth Centre,  
N.H. 34, Narayanpur, MALDA (W.B.)  
Phone No. (03512) 263027, 263029  
Fax No. (03512) 263026  
E-mail : [sukhjitmalda@gmail.com](mailto:sukhjitmalda@gmail.com)

### (iv) The Sukhjit Agro Industries

(A unit of The Sukhjit Starch & Chemicals Ltd.)  
Village Bathu (Gurplah)  
Tehsil Haroli, Distt. UNA (H.P.)  
Phone No. 9816649399  
E-mail : [sukhjitagro@gmail.com](mailto:sukhjitagro@gmail.com)

## Annexure 'C' to the Directors' Report

### Details pertaining to Remuneration as required under Section 197(12) of The Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) & (ii) The percentage increase in remuneration of each Director and Company Secretary during the financial year 2023-24 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 are as under :

Sr. No.	Name of Director / KMP and Designation	Remuneration of each Director / KMP for Financial Year 2023-24 (₹ in Lakhs)	% increase (% decrease) in Remuneration in the Financial Year 2023-24	Ratio of Remuneration of each Director / to median remuneration of employees
1.	Smt. Manjoo Sardana (Chairperson)	12.30	--	8.41
2.	Mr. Kuldip Krishan Sardana (Managing Director)	137.43	(7.76)(*)	93.94
3.	Mr Tarsem Singh Lally (Independent Director)	5.54	--	3.79
4.	Mr. Ranbir Singh Seehra (Independent Director)	5.45	--	3.73
5.	Mr. Vikas Uppal (Independent Director)	5.45	--	3.73
6.	Mrs. Shalini Umesh Chablani (Independent Director)	12.30	--	8.41
7.	Mr. Saravjit Singh Hothi (Independent Director)	5.54	--	3.79
8.	Mr. Madan Gopal Sharma (Executive Director (Fin.) & CFO)	27.52	(36.62)(*)	18.81
9.	Sh. Aman Setia (V.P. (Fin) & Company Secretary)	40.31	7.35 (*)	N.A.

(\*) There was no increase in the salaries of the KMPs except 7.35% increase in the salary of V.P. (Fin) & Company Secretary. The decrease in the remuneration of the Managing Director is due to lower commission related to profits during FY 2023-24 and that in Executive Director (Fin) & CFO is due to voluntary cut in the remuneration.

The company has been paying commission @1% of the net profits to the Non Executive Directors with a cap of ₹ 5 Lakhs to the Independent Directors, along with Sitting fee @ ₹ 9,000/- per meeting.

- (iii) There were 1262 permanent employees on the rolls of Company as on March 31, 2024.
- (iv) The percentage increase in the median remuneration of employees had been 9.29% during the financial year 2023-24 against Nil increase in the remuneration of the Managing Director & Executive Director (Fin) & CFO and 7.35% increase in the remuneration of the Company Secretary.

Average percentage increase made in the salaries of employees / workers other than the managerial personnel (KMP) in last financial

year i.e. 2022-23 was 7.93%, against Nil increase in the remuneration of the Managing Director & Executive Director (Fin) & CFO and 6.84% increase in the remuneration of the Company Secretary during FY 2022-23.

- (v) It is hereby affirmed that the remuneration was paid as per the Remuneration Policy of the Company.

In view of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of the directors / employees who were in receipt of remuneration over ₹ 1.02 Crores p.a. if employed throughout the year or ₹ 8.5 Lakhs p.m. if employed for a part of the year during 2023-24 is given below:



(A) Persons employed throughout the year and were in receipt of remuneration aggregating not less than ₹ 1.02 Crores for the year:

S. No.	Name of the Employee	Age	Designation	Gross Remuneration	Educational Qualification	Experience	Date of Joining	Name of Previous Employer & Designation	%age of equity shares held	Relationship with Directors
1	Sh. Kuldip Krishan Sardana	76	Managing Director	1,37,42,727	B.A.	53	18/01/1972	---	5.76%	---
2	Sh. Dhiraj Sardana	50	Sr. V.P. & CEO Unit(s)	1,17,47,688	BBA & Diploma in Marketing	27	01/05/2005	Scott Industries Ltd. - Vice President	7.73%	Son of Smt. Manjoo Sardana
3	Sh. Bhavdeep Sardana	49	Sr. V.P. & CEO Unit(s)	1,23,73,043	B.Sc. (Hons.) Chemistry & MBA	27	01/01/2005	Scott Industries Ltd. - Vice President	8.06%	Son of Sh. Kuldip Krishan Sardana
4	Sh. Pankaj Sardana	46	Sr. V.P. Operations Unit(s)	1,18,81,864	BBE (Hons.) & M.Sc. (Hons.)	24	01/08/2012	Scott Industries Ltd. - Vice President	7.70%	Son of Smt. Manjoo Sardana
5	Sh. Puneet Sardana	47	Sr. V.P. Operations Unit(s)	1,24,21,050	BA (Hons.)	24	01/08/2012	Scott Industries Ltd. - Vice President	8.04%	Son of Sh. Kuldip Krishan Sardana

(B) Persons employed for a part of the year and were in receipt of remuneration at a rate not less than ₹ 8.50 Lakhs per month: NIL

**Notes:**

1. The Remuneration shown above includes salary, allowances, commission, contribution to provident fund and perquisites valued in accordance with the income tax rules.
2. Pursuant to the provisions of the section 197(14) of the Companies Act, 2013, there is no holding company and none of the above has received any remuneration in form of salary, commission, allowance and sitting fees from any of the Company's subsidiaries.

# Annexure 'D' to the Directors' Report

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2023-24

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

Our Company had realised & recognised the concept of Corporate Social Responsibility much before it was statutorily mandated.

We fully understand that community & the society at large plays a vital role in the growth of a business & it becomes of utmost importance to undertake the relevant CSR initiatives & continuously endeavour to make substantial improvement in the well-being of the community around particularly the marginalised ones to secure a sustainable future for the Company.

Standing true to our Charter, our CSR vision is based on embedded tenets of trust, fairness and care to maximise efforts in this regard. We aim to conduct business responsibly and sustainably. Our CSR focus areas include ethical practices, environmental responsibility, community engagement and the well-being of the society at large. We implement and monitor our CSR initiatives with dedicated oversight. Our Company continues to focus its Corporate Social Responsibility (CSR) initiatives to drive positive and sustainable change in building resilient communities. Our CSR work remains focused on empowering women, facilitating health & literacy and sustaining the environment through our initiatives in education, health and the environment.

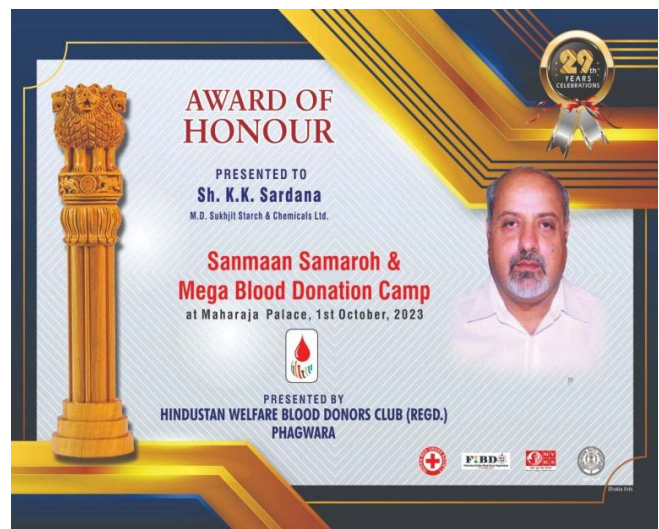
To optimize impact of its CSR activities, the Company focuses as its support and CSR spends on specific pre-determined causes and areas of interventions. Our CSR projects work towards holistic development of the community inter-alia include:

- (i) To facilitate an enabling environment for underprivileged children to access quality education and health care services.
- (ii) To enhance employability of the underprivileged youth through industry-relevant vocational trainings.
- (iii) To engage in socially relevant local projects for an impactful intervention.
- (iv) To extend the necessary health care services, free of cost, to the old, homeless, disabled or patients with rare diseases.

- (v) To promote environmental sustainability and conservation of natural resources.

The CSR Policy provides guiding principles of Selection, Implementation and Monitoring of activities as well as Formulation of the annual action plan. The Company's Corporate Social Responsibility (CSR) Policy, as approved by the Board of Directors, is available on the company's website <https://www.sukhjitgroup.com/csr-policy>.

### ORGANISING BLOOD DONATION CAMPS





## ORGANISING FREE HEALTH CARE CAMPS



## HEALTH CARE & HYGIENE ACTIVITIES



## PROMOTING EDUCATION





## DISTRIBUTION OF FREE RATION



## TREE PLANTATION



## 2. Composition of CSR Committee during F.Y. 23-24:

SL No	Name of Director	Designation / Nature of Directorship	Number of meeting of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Sh. K.K. Sardana	Chairman (Managing Director)	4	4
2	Sh. Vikas Uppal	Member (Independent Director)	4	4
3	Sh. Saravjit Singh Hothi (*)	Member (Independent Director)	4	4

(\*) Shri Saravjit Singh Hothi is completing his term as an Independent Director of the Company on 30.05.2024 & retiring accordingly. The Board has, therefore, appointed Shri Tarsem Singh Lally as new member of the Committee.

3	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	Composition of CSR Committee CSR Policy CSR projects approved by the Board	<a href="https://www.sukhjitgroup.com/csr-committee">https://www.sukhjitgroup.com/csr-committee</a> <a href="https://www.sukhjitgroup.com/csr-policy">https://www.sukhjitgroup.com/csr-policy</a> <a href="https://www.sukhjitgroup.com/report-on-csr-expenditure">https://www.sukhjitgroup.com/report-on-csr-expenditure</a>
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4	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable
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5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

SL No	Financial Year	Amount available for set-off from preceding financial years (in Lakhs)	Amount required to be set off for the financial year, if any (in Lakhs)
1	2022-23	1.75*	NIL
2	2021-22	9.33	9.33
3	2020-21	2.40*	NIL

\*The Company has spent in excess of the mandatory requirement under the Companies Act, 2013 but the same was not carried forward for set off.

6	Average net profit of the company as per section 135 (5).	₹ 7526.04 Lakhs
7	(a) Two percent of average net profit of the company as per section 135 (5)	₹ 150.52 Lakhs
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	--
	(c) Amount required to be set off for the financial year, if any	--
	(d) Total CSR obligation for the financial year (7a+7b-7c)	₹ 150.52 Lakhs

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

Total amount spent for the Financial Year (in Lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
₹ 154.60 Lakhs	Not Applicable		Not Applicable		

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(8)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Scheme VII to the Act.	Local area (YES/ No)	Location of the project.		Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent for the project as per Section 135(6) (in ₹)	Amount transferred to Unspent for the project as per Section 135(6) (in ₹)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration No.
-----NIL-----												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in Scheme VII to the Act.	Local area (YES/ No)	Location of the project.		Amount spent in the current financial Year (in lacs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
<b>Contribution to the National Defence Fund</b>									
1.	National Defence Fund	clause (vi)	No	New Delhi	Delhi	7.00	No	National Defence Fund	---

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Scheme VII to the Act.	(4) Local area (YES/No)	(5) Location of the project.		(6) Amount spent in the current financial Year (in lacs)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.

**Education: Promoting education including girls education, special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects**

1.	Promotion of Education Including Girls Education (Arya Institute of Management & Technology)	Clause (ii)	Yes	Punjab	Kapurthala	5.00	Yes	N.A.	---
2.	Promotion of Education Including Girls Education (Arya Model Senior Secondary School )	Clause (ii)	Yes	Punjab	Kapurthala	19.52	Yes	N.A.	---
3.	Promotion of Education Including Girls Education (Maa Ambay Girls School)	Clause (ii)	Yes	Punjab	Kapurthala	2.50	No	Chanda Singh & Rao Kaur Charitable and Social Welfare Society	CSR00023902
4.	Promoting Education / Employment Enhancing Vocational Skills / Livelihood Enhancement Projects (Gna University)	Clause (ii)	Yes	Punjab	Kapurthala	60.00	No	S. Amar Singh Educational Charitable Trust	CSR00004062
5.	Scholarship For Needy Students & Expenditure On Development Of Schools Etc	Clause (ii)	Yes	Punjab	Kapurthala	3.25	Yes	N.A.	---
6.	Promoting Employment For Differently Abled	Clause (ii)	Yes	Punjab	Kapurthala	15.72	Yes	Employment exchanged under "Promoting employment enhancing skills of differently abled & livelihood enhancement Project of CSR"	---

**Preventive Health Care & Environmental Sustainability: Eradicating hunger, poverty & malnutrition, promoting preventive health care, sanitation and environmental sustainability etc.**

1.	Promoting Health Care Including Preventive Health Care	Clause (i)	No	Punjab	Ludhiana	5.00	No	Dayanand Medical College & Hospital Managing Society	CSR00000453
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(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Scheme VII to the Act.	(4) Local area (YES/No)	(5) Location of the project.		(6) Amount spent in the current financial Year (in lacs)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
2.	Promoting Health Care Including Preventive Health Care	Clause (i) / (iii) / (iv)	Yes	Punjab	Kapurthala	5.09	No	Blood Donors Council (Regd.)	CSR00024319
3.	Promoting Health Care Including Preventive Health Care	Clause (i)	No	Punjab	Amritsar	2.50	No	Sai Aasra Paraplegic Rehab Centre	CSR00011613
4.	Promoting Health Care Including Preventive Health Care	Clause (i)	No	Andhra Pradesh	Tirupati	21.00	No	Sri Venkateshwara Institute of Medical Sciences	CSR00013371
5.	Promoting Healthcare & Sanitation	Clause (i)	Yes	Punjab	Kapurthala	4.02	Yes	Distribution to Girls through various Schools / Colleges	N.A.
<b>Ensuring animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water</b>									
1.	Animal Welfare	Clause (iv)	No	New Delhi	Delhi	1.00	No	Gau Seva Mission	CSR00044730
2.	Animal Welfare	Clause (iv)	No	Uttar Pradesh	Barsana	2.00	No	Shri Mataji Gauvansh Sewa Sansthan	CSR00005097
<b>Disaster management, including relief, rehabilitation and reconstruction activities</b>									
1.	Indian Red Cross Society	Clause (xii)	No	Punjab	Patiala	1.00	No	Indian Red Cross Society	CSR00038105

- (d) Amount Spent in Administrative Overheads NIL
- (e) Amount spent on Impact Assessment, if applicable NIL
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) ₹ 154.60 Lakhs
- (g) Excess amount for set off, if any

Sr. No.	Particular	Amount (in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	150.52
(ii)	Total amount spent for the financial year	154.60
(iii)	Excess amount spent for the financial year [(ii)-(i)]	4.08
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	---
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	4.08

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

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



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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project- Completed/ ongoing
Not Applicable								

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

Sl. No.	Short Particulars of the Asset(s)	Date of Creation/ Acquisition of Assets	CSR amount spent (In ₹)	Details of Entity or Authority or Beneficiary of the registered owner		
				CSR Registration number, if applicable	Name	Registered Address
1.	School Bus	30.12.2023	19,51,800	---	Arya Model Senior Secondary School	Gaushala Road, Phagwara - 144401

Specify the reasons(s), if the company has failed to spend two percent of the average net profit as per Section 135(5).

Not Applicable

Sd/-  
**K.K. Sardana**  
Chairman of CSR Committee  
(Managing Director)

Sd/-  
**Vikas Uppal**  
Member of CSR Committee  
(Independent Director)

Sd/-  
**Tarsem Singh Lally**  
Member of CSR Committee  
(Independent Director)

Dated: 29.05.2024

# Annexure 'E' to the Directors' Report

## FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2024

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
 (Management & Administration ) Rules, 2014.

#### I REGISTRATION & OTHER DETAILS:

i	CIN	L15321PB1944PLC001925
ii	Registration Date	16-03-1944
iii	Name of the Company	THE SUKHJIT STARCH & CHEMICALS LIMITED
iv	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
v	Address of the Registered office & contact details	SARAI ROAD, PHAGWARA, DISTT KAPURTHALA, 144401, INDIA
vi	Whether listed company	LISTED
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	SKYLINE FINANCIAL SERVICES, D-153A, 1ST FLOOR, OKHLA INDUSTRIAL AREA, PHASE-1, NEW DELHI-110020

#### 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 & Description of main products/services	NIC Code of the Product /service
1	Starch & Its Derivatives	1062

#### III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SL No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	SUKHJIT MEGA FOOD PARK & INFRA LIMITED	U45209PB2015PLC039547	SUBSIDIARY	100.00	SEC 4(1)(b)
2	THE VIJOY STEEL AND GENERAL MILLS CO LTD	U19113PB1945PLC001956	SUBSIDIARY	96.17	SEC 4(1)(b)
3	SCOTT INDUSTRIES LIMITED	U18101PB1997PLC020568	SUBSIDIARY	99.97	SEC 4(1)(b)

#### IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2023)				No. of Shares held at the end of the year (31.03.2024)				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>A. Promoters</b>										
<b>(1) Indian</b>	93,51,440	-	93,51,440	59.86	93,97,810	-	93,97,810	60.16	46,370	0.30
a) Individual/HUF										
b) Central Govt. or State Govt.										
c) Bodies Corporates	9,174	-	9,174	0.06	9,174	-	9,174	0.06	-	-
d) Bank/FI										
e) Any other										
<b>SUB TOTAL (A)(1):</b>	<b>93,60,614</b>	<b>-</b>	<b>93,60,614</b>	<b>59.92</b>	<b>94,06,984</b>	<b>-</b>	<b>94,06,984</b>	<b>60.22</b>	<b>46,370</b>	<b>0.30</b>
<b>(2) Foreign</b>										
a) NRI- Individuals	9,83,140	-	9,83,140	6.29	9,55,440	-	9,55,440	6.12	(27,700)	(0.18)
b) Other Individuals										

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2023)				No. of Shares held at the end of the year (31.03.2024)				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
c) Bodies Corp.										
d) Banks/FI										
e) Any other...										
<b>SUB TOTAL (A)(2):</b>	9,83,140	-	9,83,140	6.29	9,55,440	-	9,55,440	6.12	(27,700)	(0.18)
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>1,03,43,754</b>	<b>-</b>	<b>1,03,43,754</b>	<b>66.21</b>	<b>1,03,62,424</b>	<b>-</b>	<b>1,03,62,424</b>	<b>66.33</b>	<b>18,670</b>	<b>0.12</b>
<b>B. PUBLIC SHAREHOLDING</b>										
<b>(1) Institutions</b>										
a) Mutual Funds										
b) Banks/FI										
c) Central Govt.										
d) State Govt.										
e) Venture Capital Fund										
f) Insurance Companies										
g) FIs										
h) Foreign Venture Capital Funds	-	-	-	-	1,044	-	1,044	0.01	1,044	0.01
i) Foreign Portfolio Investor										
j) Alternate Investment Fund(s)										
k) Others (specify)	-	-	-	-						
<b>SUB TOTAL (B)(1):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,044</b>	<b>-</b>	<b>1,044</b>	<b>0.01</b>	<b>1,044</b>	<b>0.01</b>
<b>(2) Non Institutions</b>										
a) Bodies corporates										
i) Indian	247842	-	2,47,842	1.59	187008	-	1,87,008	1.20	(60,834)	(0.39)
ii) Overseas										
b) Individuals										
i) Individual shareholders holding nominal share capital upto ₹1 lakhs	2137056	345565	24,82,621	15.89	2344848	3,00,715	26,45,563	16.93	1,62,942	1.04
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	1807768	-	18,07,768	11.57	1614242	-	16,14,242	10.33	(1,93,526)	(1.24)
c) Others (specify)	7,34,735	5280	7,40,015	4.74	8,06,919	4,800	8,11,719	5.20	71,704	0.46
<b>SUB TOTAL (B)(2):</b>	<b>49,27,401</b>	<b>3,50,845</b>	<b>52,78,246</b>	<b>33.79</b>	<b>49,53,017</b>	<b>3,05,515</b>	<b>52,58,532</b>	<b>33.66</b>	<b>(19,714)</b>	<b>(0.13)</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>49,27,401</b>	<b>3,50,845</b>	<b>52,78,246</b>	<b>33.79</b>	<b>49,54,061</b>	<b>3,05,515</b>	<b>52,59,576</b>	<b>33.67</b>	<b>(18,670)</b>	<b>(0.12)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>										
<b>Grand Total (A+B+C)</b>	<b>1,52,71,155</b>	<b>3,50,845</b>	<b>1,56,22,000</b>	<b>100.00</b>	<b>1,53,16,485</b>	<b>3,05,515</b>	<b>1,56,22,000</b>	<b>100.00</b>	<b>-</b>	<b>-</b>

## V SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year (01.04.2023)			Shareholding at the end of the year (31.03.2024)			% 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	BHAVDEEP SARDANA	958541	6.14	0	1258541	8.06	0	1.92
2	PUNEET SARDANA	956566	6.12	0	1256566	8.04	0	1.92

SI No.	Shareholders Name	Shareholding at the beginning of the year (01.04.2023)			Shareholding at the end of the year (31.03.2024)			% 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	
3	MANJOO SARDANA	1716097	10.99	0	1234272	7.90	0	-3.09
4	DHIRAJ SARDANA	957112	6.13	0	1207112	7.73	0	1.60
5	PANKAJ SARDANA	953558	6.10	0	1203558	7.70	0	1.60
6	KULDIP KRISHAN SARDANA	1482953	9.49	0	900053	5.76	0	-3.73
7	KULDIP KRISHAN SARDANA HUF	355718	2.28	0	360413	2.31	0	0.03
8	INDER KRISHAN SARDANA HUF	272766	1.75	0	275416	1.76	0	0.01
9	SUMAN SARDANA	271588	1.74	0	271588	1.74	0	0.00
10	MEENAXI GADI	241376	1.55	0	241376	1.55	0	0.00
11	NANDINI KAUSHIK	220772	1.41	0	220772	1.41	0	0.00
12	NAVIN SARDANA	108572	0.69	0	108572	0.69	0	0.00
13	SHALINI UMESH CHABLANI	96814	0.62	0	97314	0.62	0	0.00
14	NALINI KALRA	96022	0.61	0	96522	0.62	0	0.01
15	SURENDRA NATH GADI	94216	0.60	0	94216	0.60	0	0.00
16	ASHOK SARDANA	87300	0.56	0	87300	0.56	0	0.00
17	PRABHA GROVER	85664	0.55	0	85664	0.55	0	0.00
18	VERINDER KUMAR SARDANA	69184	0.44	0	69184	0.44	0	0.00
19	NANDINI OBEROI	53812	0.34	0	53812	0.34	0	0.00
20	PADMINI MONGIA	45952	0.29	0	45952	0.29	0	0.00
21	SONIA MONGIA ADHIKARI	44832	0.29	0	44832	0.29	0	0.00
22	RADHIKA MONGIA	44200	0.28	0	44200	0.28	0	0.00
23	KABIR SARDANA	25000	0.16	0	25000	0.16	0	0.00
24	NIKHIL SARDANA	25000	0.16	0	25000	0.16	0	0.00
25	UMESH HIRANAND CHABLANI	15072	0.10	0	17072	0.11	0	0.01
26	DIPTI SARDANA	15582	0.10	0	15582	0.10	0	0.00
27	SONA SARDANA	12938	0.08	0	12938	0.08	0	0.00
28	DIPIKA SARDANA	11000	0.07	0	11000	0.07	0	0.00
29	UDAY PRATAP SARDANA	9080	0.06	0	9080	0.06	0	0.00
30	NIDHI SARDANA	8852	0.06	0	9002	0.06	0	0.00
31	DIVYA SARDANA	7981	0.05	0	7981	0.05	0	0.00
32	VEER PRATAP SARDANA	6720	0.04	0	6720	0.04	0	0.00
33	KUDRAT SARDANA	0	0.00	0	600	0.00	0	0.00
34	ROHIT GROVER	600	0.00	0	600	0.00	0	0.00
		<b>9351440</b>	<b>59.86</b>	<b>0</b>	<b>9397810</b>	<b>60.16</b>	<b>0</b>	<b>0.28</b>
<b>BODIES CORPORATES</b>								
1	SUKHMANI VENTURES PRIVATE LIMITED	9174	0.06	0	9174	0.06	0	0.00
		<b>9174</b>	<b>0.06</b>	<b>0</b>	<b>9174</b>	<b>0.06</b>	<b>0</b>	<b>0.00</b>
<b>INDIVIDUALS/NON-RESIDENTS/ FOREIGN</b>								
1	ROSINA MALIK	323681	2.07	0	323681	2.07	0	0.00
2	ROHAN MALIK	298681	1.91	0	298681	1.91	0	0.00
3	ROHINI SARDANA	131096	0.84	0	131096	0.84	0	0.00
4	NARESH SARDANA	144042	0.92	0	116342	0.74	0	0.00
5	RATI LOHTIA	43136	0.28	0	43136	0.28	0	0.00
6	RITU LOHTIA	42504	0.27	0	42504	0.27	0	0.00
		<b>983140</b>	<b>6.29</b>	<b>0</b>	<b>955440</b>	<b>6.11</b>	<b>0</b>	<b>0.00</b>
	<b>Total</b>	<b>10343754</b>	<b>66.21</b>	<b>0</b>	<b>10362424</b>	<b>66.33</b>	<b>0</b>	<b>0.28</b>



## VI CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Sl No.	Promoters	Shareholding at the beginning of the year(01.04.2023)/End of the year(31.03.2024)		Date	Increase/Decrease	Reason	Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company				No of shares	% of total shares of the company
1	MANJOO SARDANA	1716097	10.99	01-04-2023				
				27-09-2023	2275	Transfer	1718372	11.00
				02-02-2024	13500	Transfer	1731872	11.09
				02-02-2024	200	Transfer	1732072	11.09
				08-02-2024	2200	Transfer	1734272	11.10
				09-02-2024	-500000	Gift	1234272	7.90
					<b>1234272</b>	<b>7.90</b>	<b>31-03-2024</b>	
2	KULDIP KRISHAN SARDANA	1482953	9.49	01-04-2023				
				27-09-2023	1700	Transfer	1484653	9.50
				10-11-2023	700	Transfer	1485353	9.51
				02-02-2024	13500	Transfer	1498853	9.59
				02-02-2024	200	Transfer	1499053	9.60
				06-02-2024	1000	Transfer	1500053	9.60
				09-02-2024	-600000	Gift	900053	5.76
	<b>900053</b>	<b>5.76</b>	<b>31-03-2024</b>			<b>900053</b>	<b>5.76</b>	
3	BHAVDEEP SARDANA	958541	6.14	01-04-2023				
				09-02-2024	300000	Gift	1258541	8.06
					<b>1258541</b>	<b>8.06</b>	<b>31-03-2024</b>	
4	PUNEET SARDANA	956566	6.12	01-04-2023				
				09-02-2024	300000	Gift	1256566	8.04
					<b>1256566</b>	<b>8.04</b>	<b>31-03-2024</b>	
5	KULDIP KRISHAN SARDANA HUF	355718	2.28	01-04-2023				
				09-02-2024	2045	Transfer	357763	2.29
				13-03-2024	2650		360413	2.31
					<b>360413</b>	<b>2.31</b>	<b>31-03-2024</b>	
6	INDER KRISHAN SARDANA HUF	272766	1.75	01-04-2023				
				13-03-2024	2650	Transfer	275416	1.76
					<b>275416</b>	<b>1.76</b>	<b>31-03-2024</b>	
7	DHIRAJ SARDANA	957112	6.13	01-04-2023				
				09-02-2024	250000	Gift	1207112	7.73
					<b>1207112</b>	<b>7.73</b>	<b>31-03-2024</b>	
8	PANKAJ SARDANA	953558	6.10	01-04-2023				
				09-02-2024	250000	Gift	1203558	7.70
					<b>1203558</b>	<b>7.70</b>	<b>31-03-2024</b>	
9	NARESH SARDANA	144042	0.92	01-04-2023				
				07-11-2023	-700	Transfer	143342	0.92
				02-02-2024	-27000	Transfer	116342	0.74
					<b>116342</b>	<b>0.74</b>	<b>31-03-2024</b>	
10	NALINI KALRA	96022	0.61	01-04-2023				
				08-02-2024	500	Transfer	96522	0.62
					<b>96522</b>	<b>0.62</b>	<b>31-03-2024</b>	
11	SHALINI UMESH CHABLANI	96814	0.62	01-04-2023				
				08-02-2024	500	Transfer	97314	0.62
					<b>97314</b>	<b>0.62</b>	<b>31-03-2024</b>	
12	NIDHI SARDANA	8852	0.06	01-04-2023				
				05-02-2024	150	Transfer	9002	0.06
					<b>9002</b>	<b>0.06</b>	<b>31-03-2024</b>	

SI No.	Promoters	Shareholding at the beginning of the year(01.04.2023)/End of the year(31.03.2024)		Date	Increase/Decrease	Reason	Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company				No of shares	% of total shares of the company
13	UMESH HIRANAND CHABLANI	15072	0.10	01-04-2023				
				08-02-2024	1000	Transfer	16072	0.10
				13-03-2024	1000	Transfer	17072	0.11
				<b>31-03-2024</b>			<b>17072</b>	<b>0.11</b>
14	KUDRAT SARDANA	0	-	01-04-2023				
				29-09-2023	600	Transfer	600	0.00
				<b>31-03-2024</b>			<b>600</b>	<b>0.00</b>

Note: There is no change during the year under reference in the shareholding of other Promoters except for those mentioned above.

## VII Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

SI No.	Promoters	Shareholding at the beginning of the year(01.04.2023)/End of the year(31.03.2024)		Date	Increase/Decrease	Reason	Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company				No of shares	% of total shares of the company
1	SUDHIR SINDHWANI	240040	1.54	01-04-2023				
						No Change		
				<b>31-03-2024</b>			<b>240040</b>	<b>1.54</b>
2	ANURADHA AGARWAL	90017	0.58	01-04-2023				
						No Change		
				<b>31-03-2024</b>			<b>90017</b>	<b>0.58</b>
3	MANOJ KUMAR AGARWAL	81696	0.52	01-04-2023				
				21-04-2023	-342	Transfer	81354	0.52
				28-04-2023	-59	Transfer	81295	0.52
				05-05-2023	-32	Transfer	81263	0.52
				12-05-2023	-567	Transfer	80696	0.52
				19-05-2023	-500	Transfer	80196	0.51
				24-11-2023	-500	Transfer	79696	0.51
				08-12-2023	-500	Transfer	79196	0.51
				15-12-2023	-500	Transfer	78696	0.50
				22-12-2023	-500	Transfer	78196	0.50
				12-01-2024	-1000	Transfer	77196	0.49
<b>31-03-2024</b>			<b>77196</b>	<b>0.49</b>				
4	SATISH CHANDRA JINDAL	70440	0.45	01-04-2023				
						No Change		
				<b>31-03-2024</b>			<b>70440</b>	<b>0.45</b>
5	SANGEETHA S	61000	0.39	01-04-2023				
						No Change		
				<b>31-03-2024</b>			<b>61000</b>	<b>0.39</b>
6	AJAY CHANDRA AGARWAL	60007	0.38	01-04-2023				
						No Change		
				<b>31-03-2024</b>			<b>60007</b>	<b>0.38</b>
7	ANITA AGARWAL	60000	0.38	01-04-2023				
						No Change		
				<b>31-03-2024</b>			<b>60000</b>	<b>0.38</b>

SI No.	Promoters	Shareholding at the beginning of the year(01.04.2023)/End of the year(31.03.2024)		Date	Increase/Decrease	Reason	Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company				No of shares	% of total shares of the company
8	SATPAL MANAKTALA	53612	0.34	01-04-2023				
						No Change		
		<b>53612</b>	<b>0.34</b>	<b>31-03-2024</b>			<b>53612</b>	<b>0.34</b>
9	KAPIL CHOPRA	62091	0.40	01-04-2023				
				07-04-2023	13	Transfer	62104	0.40
				14-04-2023	75	Transfer	62179	0.40
				21-04-2023	30	Transfer	62209	0.40
				28-04-2023	23	Transfer	62232	0.40
				19-05-2023	30	Transfer	62262	0.40
				26-05-2023	-2852	Transfer	59410	0.38
				02-06-2023	2	Transfer	59412	0.38
				07-07-2023	44	Transfer	59456	0.38
				18-08-2023	-4627	Transfer	54829	0.35
				25-08-2023	12	Transfer	54841	0.35
				01-09-2023	-201	Transfer	54640	0.35
				22-09-2023	1	Transfer	54641	0.35
				03-11-2023	-3390	Transfer	51251	0.33
				08-12-2023	-250	Transfer	51001	0.33
		<b>51001</b>	<b>0.33</b>	<b>31-03-2024</b>			<b>51001</b>	<b>0.33</b>
10	ATUL KUMAR AGARWAL	44400	0.28	01-04-2023				
						No Change		
		<b>44400</b>	<b>0.28</b>	<b>31-03-2024</b>			<b>44400</b>	<b>0.28</b>

## VIII Shareholding of Directors & KMP

Sl. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year(01.04.2023)/End of the year(31.03.2024)		Date	Increase/Decrease	Reason	Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company				No of shares	% of total shares of the company
1	Manjoo Sardana (Non-Executive Chairperson)	1716097	10.99	01-04-2023				
				27-09-2023	2275	Transfer	1718372	11.00
				02-02-2024	13500	Transfer	1731872	11.09
				02-02-2024	200	Transfer	1732072	11.09
				08-02-2024	2200	Transfer	1734272	11.10
				09-02-2024	-500000	Gift	1234272	7.90
		<b>1234272</b>	<b>7.90</b>	<b>31-03-2024</b>			<b>1234272</b>	<b>7.90</b>
2	Kuldip Krishan Sardana (Managing Director)	1482953	9.49	01-04-2023				
				27-09-2023	1700	Transfer	1484653	9.50
				10-11-2023	700	Transfer	1485353	9.51
				02-02-2024	13500	Transfer	1498853	9.59
				02-02-2024	200	Transfer	1499053	9.60
				06-02-2024	1000	Transfer	1500053	9.60
09-02-2024	-600000	Gift	900053	5.76				
		<b>900053</b>	<b>5.76</b>	<b>31-03-2024</b>			<b>900053</b>	<b>5.76</b>
3	Tarsem Singh Lally (Independent Director)	-	-	01-04-2023				
						No Change		
				<b>31-03-2024</b>			-	-
4	Ranbir Singh Seehra (Independent Director)	3000	0.02	01-04-2023				
						No Change		
		<b>3000</b>	<b>0.02</b>	<b>31-03-2024</b>			<b>3000</b>	<b>0.02</b>
5	Saravjit Singh Hothi (Independent Director)	-	-	01-04-2023				
						No Change		
				<b>31-03-2024</b>			-	-
6	Vikas Uppal (Independent Director)	2500	0.02	01-04-2023				
						No Change		
		<b>2500</b>	<b>0.02</b>	<b>31-03-2024</b>			<b>2500</b>	<b>0.02</b>
7	Shalini Umesh Chablani (Non- Executive Director)	96814	0.62	01-04-2023				
				08-02-2024	500	Transfer	97314	0.62
		<b>97314</b>	<b>0.62</b>	<b>31-03-2024</b>			<b>97314</b>	<b>0.62</b>
8	M G Sharma Executive Director (Fin)	5320	0.03	01-04-2023				
						No Change		
		<b>5320</b>	<b>0.03</b>	<b>31-03-2024</b>			<b>5320</b>	<b>0.03</b>
9	Aman Setia (Vice President Finance & Company Secretary)	-	-	01-04-2023				
						No Change		
				<b>31-03-2024</b>			-	-



## IX INDEBTEDNESS

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

(in lakhs)

Name & Address of the Company	Secured Loans excluding deposits	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>			
i) Principal Amount	22,502.74	7,059.20	29,561.94
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	455.98	455.98
<b>Total (i+ii+iii)</b>	<b>22,502.74</b>	<b>7,515.18</b>	<b>30,017.92</b>
<b>Change in Indebtedness during the financial year</b>			
Additions	213.24	931.06	1,144.30
Reduction	-	-	-
Net Change	213.24	931.06	1,144.30
<b>Indebtedness at the end of the financial year</b>			
i) Principal Amount	22,715.98	8,001.86	30,717.84
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	444.38	444.38
<b>Total (i+ii+iii)</b>	<b>22,715.98</b>	<b>8,446.24</b>	<b>31,162.22</b>

## X REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time director and/or Manager:

(in lakhs)

Sl. No.	Particulars of Remuneration	Sh. K.K. Sardana	Sh M.G. Sharma	Total Amount
<b>1</b>	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	83.40	26.77	110.17
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	12.03	0.75	12.78
2	Commission	35.30	-	35.30
3	Others ( Retirement Benefits)	6.70	-	6.70
	<b>Total (A)</b>	<b>137.43</b>	<b>27.52</b>	<b>164.94</b>
	<b>Ceiling as per the Act</b>			<b>716.45</b>

### B. Remuneration to other directors:

(in lakhs)

Sl. No.	Particulars of Remuneration	Sh. Tarsem Singh Lally	Sh. Ranbir Singh Seehra	Sh. Vikas Uppal	Sh. Saravjit Singh Hothi	Total Amount
<b>1</b>	<b>Independent Directors</b>					
	(a) Fee for attending board/ committee meetings	0.54	0.45	0.45	0.54	1.98
	(b) Commission	5.00	5.00	5.00	5.00	20.00
	<b>Total (1)</b>	<b>5.54</b>	<b>5.45</b>	<b>5.45</b>	<b>5.54</b>	<b>21.98</b>
<b>2</b>	<b>Other Non Executive Directors</b>			Smt.Manjoo Sardana	Smt. Shalini Umesh Chablani	
	(a) Fee for attending board/committee meetings			0.54	0.54	1.08
	(b) Commission			11.76	11.76	23.52
	<b>Total (2)</b>			<b>12.30</b>	<b>12.30</b>	<b>24.60</b>
	<b>Total (B)=(1+2)</b>					<b>46.58</b>
	<b>Total Managerial Remuneration excl. Sitting fees</b>					<b>43.52</b>
	<b>Overall Ceiling as per the Act.</b>					<b>71.64</b>

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD**

(in lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
<b>1</b>	<b>Gross Salary</b>	Company Secretary
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	36.65
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-
<b>2</b>	Others ( Retirement Benefits)	3.66
	<b>Total</b>	<b>40.31</b>

**XI 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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

NIL

# Annexure 'F' to the Directors' Report

## Extract of Annual Return

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

#### Conservation of Energy

##### (a) Steps taken or impact on conservation of energy / water resources :

- The Company has taken extensive measures to conserve & save energy by installing Power Efficient Machines, balancing & aligning capacity of key equipments with centralised automatic monitoring systems to monitor & control the consumption of steam & energy.
- Effective usage of flash steam at various stages has resulted in visible savings in the steam consumption.
- Reduction in water consumption has been achieved by adopting suitable process measures to reduce consumption of water per MT of Grind.
- All out efforts are being made to recycle, reuse the treated water achieving substantial reduction in withdrawal of ground water to protect and save the precious water resources.
- The treated process water is also being used / supplied for irrigation purpose to save and conserve ground water.
- Rain water harvesting is also done at all locations.

##### (b) Steps taken by the company for utilizing alternate sources of energy:

- The Company has been producing bio gas from process effluents and the same is being used for drying its products in total replacement of furnace oil and partly for generating steam to reduce use of fossil fuel and achieve reduction in carbon foot prints.
- The Company has been generating Hydrogen from the bio gas generated from process effluents/ biomass.

#### Technology Absorption

The Company has not entered into any technical collaboration agreement. It has not acquired any technical know-how from any foreign source so far.

The Company is regularly organising training programs for its technical staff to help their continuous rescaling & keep them abreast with latest technological developments in our industry.

#### Research & Development

Research & Development program already carried out by the Company has started bearing fruits and Maize growing has started gaining ground in the State of Punjab. Procurement of Maize from the State is increasing year over year.

#### Expenditure on R & D

The Company has spent about ₹ 64.85 Lakhs during the year under reference (₹ 62.15 Lakhs during previous year) in pursuit of improving the quality of products line, developing new products and improving their applications.

#### Foreign Exchange Earnings and Outgo

The Foreign Exchange Earnings of the Company have been ₹ 611.80 Lakhs (₹ 1259.09 Lakhs during previous year) on a F.O.B. Basis.

The Company has imported capital goods of ₹ 202.41 Lakhs (₹ Nil during previous year), Spare parts, components and consumables of ₹ 35.11 Lakhs (₹ 52.54 Lakhs during previous year) on a C.I.F. basis.

# Annexure 'G' to the Directors' Report

## FORM AOC-2

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto :

**(a) Details of contracts or arrangements or transactions not at arm's length basis**

There were no contracts or arrangements, or transactions entered into during the year ended 31<sup>st</sup> March, 2024, which were not at arm's length basis.

**(b) Details of material contracts or arrangement or transactions at arm's length basis**

There were no material contracts or arrangements, or transactions entered into during the year ended 31<sup>st</sup> March, 2024.

All related party transactions were in the ordinary course of business and on arm's length basis and were approved by Audit Committee and the Board of Directors of the Company. The requisite details are set out in the notes to accounts forming part of this Annual Report.



# Annexure 'H' to the Directors' Report

## Secretarial Audit Report

To  
The Members  
**The Sukhjit Starch & Chemicals Limited**  
Sarai Road, Phagwara  
Distt. Kapurthala - 144001, Punjab

Sir,

We have conducted the Secretarial Audit for the Financial Year 2023-2024 for the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s The Sukhjit Starch and Chemicals Limited** (hereinafter referred to as the 'Company'). Our report of even date is to be read along with this letter.

### Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a reasonable basis for our opinion.
4. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

### Disclaimer

6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Dinesh Gupta & Co.**  
Company Secretaries

Sd/-  
**CS Dinesh Gupta**  
(Partner)

Place : Jalandhar  
Dated : 28<sup>th</sup> May, 2024

M.No. F3462, COP No. 1947  
UDIN : F003462F000475021

## FORM No. MR-3

### SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2024

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

To  
The Members  
**The Sukhjit Starch & Chemicals Limited**  
Sarai Road, Phagwara  
Distt. Kapurthala - 144001, Punjab

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s The Sukhjit Starch & Chemicals Limited (CIN: L15321PB1944PLC001925)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) 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;
- (v) 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the Audit Period)
  - (f) Securities and Exchange Board of India (Issue and Listing of Securitized Debt Instruments and Security Receipts) Regulations, 2008; (Not Applicable to the Company during the Audit Period)
  - (g) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client; (To the extent applicable to the Company)
  - (h) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the Audit Period)
  - (i) Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit Period)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and

- (ii) The Uniform Listing Agreement for equity shares entered into by the Company with BSE Limited and NSE Limited.

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

- (vi) We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the Food Safety and Standards Act, 2006, as applicable specifically 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 period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

For **Dinesh Gupta & Co.**  
Company Secretaries

Sd/-  
**CS Dinesh Gupta**  
(Partner)

Place : Jalandhar  
Dated : 28<sup>th</sup> May, 2024

M.No. F3462, COP No. 1947  
UDIN : F003462F000475021

# Secretarial Audit Report of Material Subsidiary

To,  
The Members,  
**Sukhjit Mega Food Park & Infra Limited**  
Sarai Road, Phagwara - 144401,  
Kapurthala, Punjab, India

Sir,

We have conducted the Secretarial Audit for the Financial Year 2023-2024 for the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Sukhjit Mega Food Park & Infra Limited (CIN: U45209PB2015PLC039547)**, an unlisted Public Company (hereinafter referred to as the 'Company'). Our report of even date is to be read along with this letter.

## Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

## Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a reasonable basis for our opinion.
4. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

## Disclaimer

6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Dinesh Gupta & Co.**  
Company Secretaries

Sd/-  
**(Dinesh Gupta)**  
(Partner)

Place : Jalandhar  
Dated : 28<sup>th</sup> May, 2024

M.No. F3462, COP No. 1947  
UDIN : F003462F000475076



## FORM No. MR-3

### SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2024

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

To  
The Members  
**Sukhjit Mega Food Park & Infra Limited**  
Sarai Road, Phagwara  
Distt. Kapurthala - 144001, Punjab

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Sukhjit Mega Food Park & Infra Limited (CIN: U45209PB2015PLC039547)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>(i) The Companies Act, 2013 (the Act) and the rules made thereunder;</li> <li>(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (Not Applicable to the Company)</li> <li>(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;</li> <li>(iv) 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; (Not Applicable to the Company during the Audit Period)</li> </ul> | <ul style="list-style-type: none"> <li>(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') : <ul style="list-style-type: none"> <li>(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (To the extent applicable to the Company during the Audit Period)</li> <li>(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable to the Company during the Audit Period)</li> <li>(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (To the extent applicable to the Company during the Audit Period)*</li> <li>(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Audit Period)</li> <li>(e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the Audit Period)</li> <li>(f) The Securities and Exchange Board of India (Issue and Listing of Securitized Debt Instruments and Security Receipts) Regulations, 2008; (Not Applicable to the Company during the Audit Period)</li> <li>(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client; (To the extent applicable to the Company during the Audit Period)</li> <li>(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations,</li> </ul> </li> </ul> |
|---|---|

2021; (Not Applicable to the Company during the Audit Period)

- (i) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit Period)

\* The Company being a 'material subsidiary' of The Sukhjit Starch and Chemicals Limited as defined in Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certain employees of the Company have been categorised as Designated Persons pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India;

The Company has not entered into any listing agreements with the stock exchanges.

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

- (vi) We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the Food Safety and Standards Act, 2006, as applicable specifically 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 period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

For **Dinesh Gupta & Co.**  
Company Secretaries

Sd/-  
**(Dinesh Gupta)**  
(Partner)

Place : Jalandhar  
Dated : 28<sup>th</sup> May, 2024

M.No. F3462, COP No. 1947  
UDIN : F003462F000475076

## Certificate of Non-Disqualification of Directors

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

To  
The Members  
**The Sukhjit Starch and Chemicals Limited**  
Sarai Road, Phagwara  
Distt. Kapurthala - 144001, Punjab

Dear Sir/Madam,

Based on the information provided to us, we have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **THE SUKHJIT STARCH AND CHEMICALS LIMITED** having **CIN: L15321PB1944PLC001925** and having registered office at Sarai Road, Phagwara, Distt. Kapurthala, Punjab (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, it is hereby certified that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. NO.	DIRECTOR	DESIGNATION	DIN	DATE OF APPOINTMENT
1	Ms. MANJOO SARDANA	NON-EXECUTIVE CHAIRPERSON	08533106	08/08/2019
2	Mr. KULDIP KRISHAN SARDANA	MANAGING DIRECTOR	00398376	01/09/1990
3	Mr. MADAN GOPAL SHARMA	EXECUTIVE DIRECTOR (FIN) & CFO	00398326	01/08/2016
4	Mr. TARSEM SINGH LALLY	INDEPENDENT DIRECTOR	00381009	13/08/2020
5	Mr. RANBIR SINGH SEEHRA	INDEPENDENT DIRECTOR	01572708	01/04/2019
6	Mr. SARAVJIT SINGH HOTHY	INDEPENDENT DIRECTOR	09182046	31/05/2021
7	Mr. VIKAS UPPAL	INDEPENDENT DIRECTOR	00796828	21/01/2020
8	Ms. SHALINI UMESH CHABLANI	NON - EXECUTIVE DIRECTOR	00885883	21/01/2020

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

For **Dinesh Gupta & Co.**  
Company Secretaries

Sd/-  
**Dinesh Gupta**  
(Partner)

Place : Jalandhar  
Dated : 29<sup>th</sup> May, 2024

M.No. F3462, COP No. 1947  
UDIN : F003462F000481786

## Declaration by the Managing Director

To  
The Shareholders,  
**The Sukhjit Starch & Chemicals Ltd.,**

Declaration by the Managing Director

Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to certify that the Company has adopted a Code of Conduct for its employees including Executive Directors, Non Executive Directors and Senior Management Personnel.

I, K.K. Sardana, Managing Director of **The Sukhjit Starch & Chemicals Ltd.** declare that to the best of my knowledge and belief, all the members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2024.

FOR **THE SUKHJIT STARCH & CHEMICALS LTD.**

Place: Phagwara  
Dated: 29<sup>th</sup> May, 2024

Sd/-  
**(K.K. SARDANA)**  
Managing Director

## Certificate of Compliance from Auditors as Stipulated Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### CERTIFICATE

To the Shareholders,

We have examined the compliance of conditions of Corporate Governance by **The Sukhjit Starch & Chemicals Limited** for the year ended on 31<sup>st</sup> March, 2024 as stipulated in schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2024, no investor grievances are pending against the company as per the records maintained by the Company and presented to the Stake holder's Relationship / 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 **Y K SUD & CO.**  
(Chartered Accountants)

Place : Phagwara  
Dated : 29<sup>th</sup> May, 2024

Sd/-  
**(Y K SUD)**  
Proprietor  
Memb. No. 16875



## Managing Director / CFO Certificate Under Clause 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,  
The Board of Directors  
**The Sukhjit Starch & Chemicals Limited**

1. We have reviewed financial statements and the cash flow statement of **The Sukhjit Starch & Chemicals Limited** for the year ended 31<sup>st</sup> March, 2024 and to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
  - (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which we have become aware of.

Place : Phagwara  
Dated : 29<sup>th</sup> May, 2024

Sd/-  
**(K.K. Sardana)**  
Managing Director

Sd/-  
**(M.G. Sharma)**  
Chief Financial Officer



# **Standalone Financial Statements**

# Independent Auditor's Report

To  
The Members of  
**The Sukhjit Starch & Chemicals Limited**  
**Phagwara**

## REPORT ON THE STANDALONE FINANCIAL STATEMENTS :

### OPINION

We have audited the attached standalone financial statements of The Sukhjit Starch & Chemicals Limited (the Company) as at March 31, 2024, which comprise the Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow and a summary of significant accounting policies and other explanatory information. (herein after referred to as "the standalone Ind AS financial Statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 (the 'Act'), in the manner so required and give a true and fair view in conformity with the accounting standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### BASIS FOR OPINION

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

### KEY AUDIT MATTERS

Key audit matters are those matters that in our professional judgment, were significant in our audit of the standalone financial statements for the financial year ended 31<sup>st</sup> March 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's Response
<p><b>Revenue recognition</b></p> <p>Revenue is one of the key profit drivers and is therefore susceptible to misstatement. The timing of such revenue recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery. Cut-off is the key assertion in so far as revenue recognition is concerned.</p>	<p>Our audit procedures with regard to revenue recognition included substantive test check of sales transactions recorded during the period closer to the year end, copy of orders, customer' contracts, sales invoices and recoveries as per sale orders / contracts etc and subsequent to the year end inventory reconciliations.</p> <p>The system of valuation of Finished Goods was also verified and found in order, in consonance with the Accounting Standard(s).</p>
<p><b>Inventory &amp; its Valuation</b></p> <p>We considered the valuation of Inventories, especially the basic raw material of the entity i.e. Maize, as a key audit matter as the entity is having significant stocks of maize held by entity's various units across India.</p>	<p>Our audit procedures with regard to inventories include assessment of the management's inventory control procedures, system of accounting for receipt / issue of material, maintenance of appropriate records for balance of stock on a daily basis and basis of valuation of stock.</p>

Key Audit Matters	Auditor's Response
	<ul style="list-style-type: none"> <li>• Taking into account the installed capacities of various units of company, we have verified that the company duly maintains appropriate raw material inventory levels to ensure continues running of operations at all its units.</li> <li>• The storage system was duly verified and it was observed that Company has proper systems in place for receipt / issue of material with appropriate records being maintained / updated on a daily basis. The inventory was found to be properly stored in warehouses / sheds within each storage location. Further, periodic physical verification of the stocks is also carried out by the management.</li> <li>• We have assessed the appropriateness of Company's accounting policy for valuation of stock and compliance of the policy with the requirements of the prevailing accounting standards. There is a proper system of writing off of any shortage on account of dryage or any non-moving / obsolete inventory item etc.</li> <li>• We have been able to conclude that the stocks of raw material are being maintained by the company at reasonable levels having regard to the nature of business of the Company and seasonality involved in the procurement / availability of the raw material.</li> <li>• There were no significant exceptions noted in the systems / procedures.</li> </ul>

## OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS :

The Company's Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss (including other comprehensive income), changes in Equity and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the India Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **AUDITOR'S RESPONSIBILITY :**

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :

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

Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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

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

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

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS :**

1. As required by the companies (Auditor's Report) order, 2020 ("the order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We enclose in Annexure A, statement on the matters specified in paragraphs 3 & 4 of the said order.

2. As required by section 143(3) of the Act, we report that:
- i. 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;
  - ii. 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.
  - iii. The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - iv. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - v. On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act.
  - vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our specific report in "Annexure B".
  - vii. In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
  - viii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in note to the financial statements.
    - b) The Company 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 Company.
  - d)
    - (i) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (ii) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (iii) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) of Rule 11(e), as provided under h (iv) (a) and (b) above, contain any material misstatement.
  - e) The interim dividend declared and paid by the Company during the year has been in accordance with section 123 of the Act, as applicable.

- f) Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended 31<sup>st</sup> March, 2024 which has a feature of recording audit trail (edit log) facility and

the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

Place : Jalandhar  
Dated : 29 May, 2024

**FOR Y K SUD & CO**  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 000047N

Sd/-  
(Y K SUD)  
Proprietor Memb. No. 16875  
Peer Review Certificate No. 014348  
UDIN : 24016875BKGUCM6284

## Annexure A to the Auditor's Report :

**The Annexure referred to in our Independent Auditor's Report to the members of The Sukhjit Starch & Chemicals Limited on the standalone financial statements for the year ended 31<sup>st</sup> March 2024, we report that :**

1. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
 (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner over a period of 3 to 5 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company as at 31<sup>st</sup> March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. (a) The inventories have been physically verified by the management during the year. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.
- (b) According to the information and explanations given to us, the Company has been sanctioned / renewed working capital limits in excess of 5 Crores, in aggregate, at points of time during the year, from bank(s) on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly statements filed by the Company with the bank(s) are in agreement with the audited books of account of the Company of the respective quarters.
3. (a) The Company has not made any third party investment or provided any third party guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. However it has advanced unsecured amount of ₹ 7.46 crores to its subsidiaries companies during the year under reference. The total outstanding amount as on the year end was ₹ 64.47 crores. It mainly include ₹ 61.77 Crores receivable from Sukhjit Mega Food Park & Infra Ltd., which is providing some key infrastructure facilities & utilities to the manufacturing unit of the Company at Rehana Jattan, Phagwara. The said amount has been advanced without specifying any terms or period of repayment. Hence sub- clauses (c), (d), (e) (under clause (iii) of the Order) are not applicable.
- (b) The said advances are, prima facie, not prejudicial to the Company's interest.
4. According to the information and explanations given to us, there is no loan to any director including entities in which the directors are interested. So, the provisions of section 185 and 186 of the Act, in respect of the said loans and advances given, investments made, guarantees & securities given are not applicable to the Company.
5. 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 Companies Act, 2013 and the rules framed there under with regard to the deposits accepted from public.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained.



7. (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.
- There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2024, for a period of more than six months from the date they became payable.
- (b) The Company has disputed Liabilities, not provided as expense in the accounts, comprise of ₹ 36.96 Crores. The amount mainly includes:
- ₹ 28.93 Crores is the disputed Central Excise Duty (excluding penalty & interest) demand raised by the Central Excise Dept. since 01/04/1997 alleging the sale of Maize Starch as that of Modified Starch. The Company has been manufacturing Maize Starch by following the standard Wet Milling Process for the last many decades and the product is sold and accepted by the market as Maize Starch. The product has been repeatedly got tested by the Department from the Central Revenue Laboratory of the Central Excise Deptt. and found Maize Starch against the claim of the Revenue Deptt. So, the company does not foresee any liability to crystallize on this account. The matter is pending with Hon'ble commissioner, Goods & Service Tax, Jalandhar.
  - ₹ 2.19 Crores include demand issued by Assistant Commissioner (Hqrs. Prev.), CGST, Commissionerate Shimla for ₹ 1.22 Crores and by Assistant Commissioner, CGST Nizamabad Division for ₹ 0.97 Crores, by alleging one of the company's product (Cattle Feed) to be taxable under GST Act. The matter for ₹ 0.97 Crores is pending for adjudication with the Assistant Commissioner CGST Nizamabad and for ₹ 1.22 Crores is under appeal with Commissioner (Appeals) at Chandigarh as on the date of report. However, it has been proved to the satisfaction of the Deptt. that the product has been sold and used as cattle feed being fully exempt under the relevant chapter of the GST. So, there does not appear any liability to crystalize on this front.
  - ₹ 2.81 Crores has been wrongly levied for R&C measures by A.P. Northern Power Distribution Company Ltd., Nizamabad against exemption enjoyed by the unit. The company's petition has been duly admitted by the Hon'ble High Court of Andhra Pradesh on merits and the demand has been stayed accordingly.
  - ₹ 3.03 Crores include ₹ 2.51 Crores as the demand raised by the Assessing officer by wrongly disallowing the expense(s) duly allowable u/s 43B of the Income Tax Act, 1961, without appreciating the factual position and balance ₹ 0.52 Crores by disallowing Company's claim for an item against the law settled by the Hon'ble Supreme Court. The company has filed appeals and both the matters are pending before Hon'ble CIT (Appeals).
8. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
9. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Term Loans have been applied for the purpose for which they were obtained and there has been no diversion of any kind.
- (d) On an overall examination of the Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been utilised during the year for long-term purposes by the Company.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies.
10. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

- (b) According to the information and explanations given to us, the company has not made preferential allotment/ private placement of shares or (fully or partly or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the order is not applicable to the company.
11. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) There was no whistle blower complaint received by the Company during the year.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto 31<sup>st</sup> March, 2024.
15. In our opinion, during the year, the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b), (c) and (d) of the Order are not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
21. There has been no qualification or adverse remark by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

FOR **Y K SUD & CO**  
 CHARTERED ACCOUNTANTS  
 Firm Reg. No. 000047N

Sd/-

(Y K SUD)

Proprietor Memb. No. 16875

Peer Review Certificate No. 014348

UDIN : 24016875BKGUCM6284

Place : Jalandhar  
 Dated : 29 May, 2024

## Annexure B to the Auditor's Report :

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

We have audited the internal financial controls over financial reporting of The Sukhjit Starch & Chemicals Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical

requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records in reasonable details, accurately that fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the

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

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

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

inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

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

**FOR Y K SUD & CO**  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 000047N

Sd/-  
(Y K SUD)

Proprietor Memb. No. 16875  
Peer Review Certificate No. 014348  
UDIN : 24016875BKGUCM6284

Place : Jalandhar  
Dated : 29 May, 2024



# Standalone Balance Sheet

AS ON MARCH 31, 2024

Particulars	Note	AS ON 31.03.2024	AS ON 31.03.2023
		(₹ in Lacs)	(₹ in Lacs)
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	3	40,750.26	40,818.50
(b) Right to use Assets	3	405.49	408.54
(c) Capital Work-in-progress	4	2,925.29	1,638.60
(d) Investment Property	5	2,089.88	2,126.79
(e) Other Intangible Assets	3	0.79	2.80
(f) Financial Assets - Investments	6	3,852.66	3,852.66
(g) Other Non Current Assets	7	2,436.76	2,405.01
		<b>52,461.13</b>	<b>51,252.90</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	8	21,775.91	16,766.73
(b) Financial Assets			
(i) Investments	9	8,281.10	7,751.62
(ii) Trade Receivables	10	7,936.76	8,048.54
(iii) Cash & Cash Equivalents	11	172.09	127.07
(iv) Bank Balances other than (iii)	12	1,363.25	1,101.22
(v) Other Financial Assets	13	4,593.45	3,831.91
(c) Income Tax Assets(net)	14	255.84	115.31
(d) Other Current Assets	15	1,893.78	1,487.28
		<b>46,272.18</b>	<b>39,229.68</b>
<b>Total Assets</b>		<b>98,733.31</b>	<b>90,482.58</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	16	1,562.20	1,562.20
(b) Other Equity	17	51,165.52	46,888.43
		<b>52,727.72</b>	<b>48,450.63</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
(a) Financial Liabilities - Borrowings	18	8,376.86	10,061.60
(b) Lease Liability	19	551.57	516.14
(c) Deferred Tax Liabilities(net)	20	3,855.15	3,029.68
(d) Deferred Income-Govt. Grant(s)	21	267.25	70.00
(e) Other Non Current Liabilities	22	1,726.39	1,623.98
		<b>14,777.22</b>	<b>15,301.40</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	22,340.98	19,500.35
(ii) Trade Payables			
- Micro, Small & Medium Enterprises	24	478.78	362.76
- Others	24	6,548.60	4,935.73
(b) Other Current Liabilities	25	1,860.01	1,931.71
		<b>31,228.37</b>	<b>26,730.55</b>
<b>Total Liabilities</b>		<b>98,733.31</b>	<b>90,482.58</b>

## M.G. SHARMA

Executive Director (Finance) & CFO

As per our separate report of even date

For **Y K SUD & CO**

Chartered Accountants

## (Y K SUD)

Proprietor

Memb. No. 16875

Firm Reg. No. 000047N

Peer Review Certificate No. 014348

Date: 29/05/2024

Place: Phagwara

## Aman Setia

Vice President (Finance)  
& Company Secretary

## K.K.SARDANA

Mg. Director

DIRECTORS

Manjoo Sardana  
Tarsem Singh Lally  
Ranbir Singh Seehra  
Saravjit Singh Hothi  
Vikas Uppal

# Standalone Statement of Profit and Loss

FOR THE YEAR ENDED MARCH 31,2024

Particulars	Note	FOR THE YEAR ENDED 31.03.2024	FOR THE YEAR ENDED 31.03.2023
		(₹ in Lacs)	(₹ in Lacs)
I Revenue From Operations	26	1,37,086.16	1,43,524.70
II Other Income	27	827.78	172.33
<b>III Total Revenue</b>		<b>1,37,913.94</b>	<b>1,43,697.03</b>
IV Expenses			
Cost of Materials Consumed	28	96,638.71	1,00,981.83
Change in Inventories of Finished Goods, Stock-in-Trade and Work-in- Process	29	(2,170.18)	(2,445.04)
Employee Benefit Expenses	30	5,923.14	5,768.55
Financial Costs	31	3,049.88	2,532.64
Depreciation and Amortisation Exp.	3	2,677.46	2,662.99
Other Expenses	32	24,082.91	24,922.44
<b>Total Expenses</b>		<b>1,30,201.92</b>	<b>1,34,423.41</b>
V Profit Before Tax(III-IV)		7,712.02	9,273.62
VI Tax Expense :			
- Current Tax		1,585.00	1,830.00
- Deferred Tax		840.00	430.00
- Taxes Relating to Previous Yrs		(274.74)	-
		<b>2,150.26</b>	<b>2,260.00</b>
<b>VII Profit for the year (V-VI)</b>		<b>5,561.76</b>	<b>7,013.62</b>
VIII Other Comprehensive Income			
A) Itmes that will not be reclassified to Profit or Loss			
(a) Remeasurement of defined employee benefit plans		18.76	21.97
(b) Income Tax relating to items that will not be reclassified to Profit & Loss		(4.72)	(5.53)
B) Itmes that will be reclassified to Profit or Loss			
(a) Net change in fair value of investments other than equity		259.20	296.75
(b) Income Tax relating to items that will be reclassified to Profit & Loss		(65.23)	(74.69)
IX Total Comprehensive Income for the period (Comprising Profit and other Comprehensive Income for the period)		<b>5,769.77</b>	7,252.12
X Earning per equity share :			
(1) Basic		35.60	44.90
(2) Diluted		35.60	44.90

**M.G. SHARMA**  
Executive Director (Finance) & CFO

**Aman Setia**  
Vice President (Finance)  
& Company Secretary

**K.K.SARDANA**  
Mg. Director

As per our separate report of even date  
For **Y K SUD & CO**  
Chartered Accountants

**(Y K SUD)**  
Proprietor  
Memb. No. 16875  
Firm Reg. No. 000047N  
Peer Review Certificate No. 014348  
Date: 29/05/2024  
Place: Phagwara

DIRECTORS

Manjoo Sardana  
Tarsem Singh Lally  
Ranbir Singh Seehra  
Saravjit Singh Hothi  
Vikas Uppal

# Standalone Statement of Change in Equity

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lacs)

Particulars	Capital Reserve	Security Premium	General Reserve	Retained Earnings	Other Comprehensive Income	Total
<b>AS ON 31 MARCH 2024</b>						
<b>Balance at the beginning of the reporting period i.e. 1<sup>st</sup> April, 2023</b>	<b>417.67</b>	<b>2,500.84</b>	<b>41,246.35</b>	<b>2,451.39</b>	<b>272.18</b>	<b>46,888.43</b>
Profit for the year				5,561.76		5,561.76
Other Comprehensive Income					208.00	208.00
Dividends				(1,249.76)		(1,249.76)
Transfer to General Reserve			4,000.00	(4,000.00)		-
OCI reclassified to P&L					(242.91)	(242.91)
<b>Balance at the end of the reporting period i.e. 31<sup>st</sup> March, 2024</b>	<b>417.67</b>	<b>2,500.84</b>	<b>45,246.35</b>	<b>2,763.39</b>	<b>237.27</b>	<b>51,165.52</b>
<b>AS ON 31 MARCH 2023</b>						
Balance at the beginning of the reporting period i.e. 1 <sup>st</sup> April, 2022	417.67	2,500.84	36,246.35	1,687.53	64.16	40,916.55
Profit for the year				7,013.62		7,013.62
Other Comprehensive Income					238.50	238.50
Dividends				(1,249.76)		(1,249.76)
Transfer to General Reserve			5,000.00	(5,000.00)		-
OCI reclassified to P&L					(30.48)	(30.48)
<b>Balance at the end of the reporting period i.e. 31<sup>st</sup> March, 2023</b>	<b>417.67</b>	<b>2,500.84</b>	<b>41,246.35</b>	<b>2,451.39</b>	<b>272.18</b>	<b>46,888.43</b>

## Notes :

- Capital Reserve : Capital Reserve has been created out of subsidy received as capital receipt and will be capitalised accordingly.
- General Reserve : The general reserve is a free reserve which is created / used from time to time to transfer profits from / to retained earnings for appropriation purposes. The general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.
- Retained Earnings : This reserve represents unappropriated accumulated earnings of the company as on the balance sheet date.
- Security Premium Reserve : The Security Premium Reserve has been created on receipt of the premium on issue of equity shares of face value of ₹10 each @ ₹ 300/- per share (i.e. at a premium of ₹ 290/- per share). The share premium reserve will be utilized in future in accordance with the provisions of The Companies Act, 2013

## M.G. SHARMA

Executive Director (Finance) & CFO

## Aman Setia

Vice President (Finance)  
& Company Secretary

## K.K.SARDANA

Mg. Director

As per our separate report of even date

For **Y K SUD & CO**

Chartered Accountants

## (Y K SUD)

Proprietor

Memb. No. 16875

Firm Reg. No. 000047N

Peer Review Certificate No. 014348

Date: 29/05/2024

Place: Phagwara

DIRECTORS

Manjoo Sardana  
Tarsem Singh Lally  
Ranbir Singh Seehra  
Saravjit Singh Hothi  
Vikas Uppal

# Standalone Cash Flow Statement

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lacs)

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023
<b>(A) Flows from operating activities</b>		
Net Profit before tax	7,712.02	9,273.62
<b>Adjustments for non-cash items</b>		
Depreciation	2,677.46	2,662.99
Interest on Lease Liability	54.94	50.24
Provision	8.80	(8.90)
<b>Adjustments for non operating activities</b>		
Interest received	(191.33)	(65.07)
Apportionment of Deferred Income	(12.75)	(4.00)
Interest paid	2,950.57	2,438.68
(Profit) Loss on sale of investments/assets	(629.37)	(97.93)
Flows from operations before working capital changes	12,570.34	14,249.63
<b>Changes in working capital</b>		
Trade and other receivables	(1,065.06)	(3,199.91)
Inventories	(5,009.19)	(7,161.54)
Trade payables	1,724.59	620.71
Other Liabilities	(92.31)	194.59
<b>Flows from operating activities</b>	8,128.37	4,703.48
Net Direct Taxes Paid	(1,501.91)	(1,888.21)
<b>Net Flows from operating activities</b>	<b>6,626.46</b>	<b>2,815.27</b>
<b>(B) Flows from investing activities</b>		
Purchase of fixed assets	(3,941.26)	(3,477.35)
Sale of investments/assets	689.72	562.15
Other Investments	(524.33)	(1,236.77)
Interest received	191.33	65.07
<b>Net Flows from investing activities</b>	<b>(3,584.54)</b>	<b>(4,086.90)</b>
<b>(C) Flows from financing activities</b>		
Loans raised for working capital	2,222.82	6,645.58
Repayment of Term Loans	(2,009.59)	(2,009.59)
Other Loans raised/ (Repaid)	1,045.07	394.70
Govt Grant Received	210.00	-
Dividends paid(including DDT)	(1,229.16)	(1,257.32)
Lease Rent Paid	(23.44)	(17.89)
Interest paid	(2,950.57)	(2,438.68)
<b>Net Flows from financing activities</b>	<b>(2,734.87)</b>	<b>1,316.80</b>
Net Cash Flows during the year	307.05	45.17
Cash & Cash equivalents at the beginning of the year	1,228.29	1,183.12
Cash & Cash equivalents at the end of the year	1,535.34	1,228.29

## M.G. SHARMA

Executive Director (Finance) & CFO

## Aman Setia

Vice President (Finance)  
& Company Secretary

## K.K.SARDANA

Mg. Director

As per our separate report of even date  
For **Y K SUD & CO**  
Chartered Accountants

## (Y K SUD)

Proprietor

Memb. No. 16875

Firm Reg. No. 000047N

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Date: 29/05/2024

Place: Phagwara

DIRECTORS

Manjoo Sardana  
Tarsem Singh Lally  
Ranbir Singh Seehra  
Saravjit Singh Hothi  
Vikas Uppal

# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## 1. CORPORATE INFORMATION

The Sukhjit Starch & Chemicals Limited ("The Company") is a Public Limited Company incorporated and domiciled in India. The address of its registered office is Sarai Road, Phagwara - 144401.

The company is an Agro-Processing Industry manufacturing starch & its derivatives i.e. Liquid Glucose, Dextrose Monohydrate, Dextrose Anhydrous, Sorbitol, Modified Starches and by-products. The company has emerged as one of the largest manufacturers of the Starch and its derivatives in India having multi- locational manufacturing units at Phagwara (Punjab), Nizamabad (Telangana), Malda (West Bengal) and Gurplah (Himachal Pradesh).

The Company is listed on the Bombay Stock Exchange Ltd. (BSE) & the National Stock Exchange Ltd (NSE). The standalone financial statements for the year ended March 31, 2024 were approved by the Board of Directors on 29<sup>th</sup> May, 2024.

### STATEMENT OF COMPLIANCE & BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(i) These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.

The accounts prepared in accordance with Ind AS and Disclosures thereunder comply with the requirements of Ind AS, stipulations contained in Schedule-III (revised) as applicable under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014, Companies (Indian Accounting Standards) Rules 2015 as amended from time to time and rules & guidelines issued by SEBI, as applicable.

(ii) The financial statements have been prepared on historical cash basis except for certain financial assets and financial liabilities that are valued at fair value or amortized book value.

All assets and liabilities except deferred tax and liabilities have been classified as current or non-current as per normal operating cycle / criteria given in schedule III to the Act. Deferred tax assets or liabilities are classified as non-current. The company has been taken operating cycle of 12 months for classification of its assets and liabilities as current and non-current.

## 2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted by the company for preparation of its financial statements are

listed hereunder and these policies have been consistently followed in all the years unless otherwise stated.

### (A) Use of Estimates, judgments and assumptions

The preparation of financial statements and disclosures made therein require the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and based upon the reasonable evaluation of relevant facts and circumstances as on the date of financial statements. Actual results could differ from these estimates materiality in case of certain items like provision of employee benefits, residual life of property, plant & equipment and intangible assets, valuation of estimates or provisions for bad & doubtful debts. The necessary information concerning estimates is given in the respective notes with information about basis of calculation for each affected line item in the financial statements. Any revision to accounting estimates is recognized prospectively in the current and future periods.

### (B) Property, Plant and Equipment

These are tangible assets held for use in production, supply of goods or services or for administrative purposes. These are recognized and carried under cost model i.e. cost less accumulated depreciation and impairment loss, if any which is akin to recognition criteria under erstwhile GAAP. Freehold land is carried at cost of acquisition.

(i) The cost includes freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site restoration up to the time when the asset is ready for intended use. The cost includes cost of replacing parts of plant and equipment, if recognition criteria are met. Cost of major inspections, dismantling / removing and site restoration costs are ascertained & capitalized. Such Costs also include borrowing costs if the recognition criteria are met. All other repair & maintenance costs are recognized in the statement of Profit & Loss.

(ii) Depreciation on Plant & Machinery has been provided on straight line method according to the expected life span of assets and on other fixed assets on written down value. In the following category of property, plant and equipment, the depreciation has been provided on the technical



# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

evaluation of the useful life in case of some items of property, plant and equipment, which is different from the one specified in Schedule II to the Companies Act, 2013 : Plant and Machinery - 5 to 25 years, Office equipment - 5 to 10 years & Vehicles - 8 to 10 years.

- (iii) Depreciation on additions to the assets is provided on pro- rata basis from the month of such addition. The residual values, useful life of property, plant & equipment are reviewed at regular intervals and adjusted prospectively, if appropriate.
- (iv) During disposal of any Property, Plant and Equipment, any profit earned / loss sustained towards excess / shortfall of sale value vis-a- vis carrying cost of assets is accounted for in the statement of profit & loss.

## (C) Intangible Assets

Intangible asset purchased are measured at cost less accumulated amortisation and accumulated impairment, if any and are amortised as per the useful life on written down value basis, as per the rates specified in the Companies Act, 2013.

Revenue expenditure on research and development are charged off as and when incurred. However, the capital expenditure is considered as a part of the fixed assets and depreciated on the same basis as other fixed assets.

## (D) Investment and Financial Assets

### (i) Investment in Subsidiaries

The investments in the subsidiaries are recognized at cost i.e. amount paid for acquisition of such investments. The company assess the indication of any impairment at the end of each reporting period and necessary provision is made for such impairment if the company finds a deficit in the recoverable amount over the cost.

### (ii) Other Investments and Financial Assets

The classification of financial assets is done at initial recognition i.e. those to be measured subsequently at fair value through Profit & Loss account (FVTPL) or through other comprehensive income (FVTOCI) and those to be measured at amortized cost. Classification also depends on Company's objective for holding these financial assets and contractual terms of cash flows.

Trade receivables that do not contain significant financing component are measured at transactional price determined under Ind AS115.

Subsequent measurement of financial assets depends upon Company's objective for holding the assets and cash flows characteristics of the financial asset like debt instrument is measured at amortized cost of the asset if held for collecting contractual cash flows and stipulated terms give rise to cash flows that comprise only payments of principal and Interest (on specified dates) on the principal amount outstanding.

Equity instruments carried within the scope of Ind AS 109 are measured at fair value. The equity instruments which are held for trading are classified at FVTPL. For all other equity instruments the Company may make an irrevocable election to present the subsequent changes in their fair value in other comprehensive income. The Classification is made at initial recognition and is irreversible. All financial assets that don't meet the criteria for amortized cost or FVTOCI are measured at fair value through Profit & Loss Account.

Impairment of financial assets is assessed on the basis of expected credit losses associated with the financial assets like trade receivables, deposits, lease receivables or debt security and carried at its amortized cost.

Any significant risk in credit is duly provided in the Profit & Loss Account. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability has taken place in the principal market for the asset or liability or in the most advantageous market for the asset or liability and such markets are accessible to the company. A fair value measurement of a non-financial asset takes into account the ability of a market participant to generate economic benefits by selling it to another market participant who can use the asset to its best use. The company uses the valuation process that is appropriate and relevant to the circumstances and for which sufficient data are available by maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The assets and liabilities for which fair value is measured or disclosed in the financial statements have been categorized within the fair value hierarchy on the basis of inputs to valuation process, in order to ensure consistency and comparability in fair value measurement:

### Level 1 :

Quoted (unadjusted) market price in the active market for the identical assets or liabilities and the company can access the market on the

# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

measurement date. In the absence of active market, a most advantageous market is available, enabling the company to do transaction for the asset or liability at the price in that market on the measurement date.

## Level 2 :

Relates to an asset or liability where observable inputs are available other than quoted price included in level 1 and these inputs may include quoted price for similar assets or liabilities in an active market / identical or similar assets or liabilities in the markets that are not active. The other observable inputs may also include interest rates, credit spreads, implied volatilities etc. The adjustment to level 2 inputs may vary according to the condition / location of the asset, volume / level of activities in the market for similar assets or liabilities or other inputs specific / comparable to the asset or liability of the company.

## Level 3 :

Unobservable inputs are used to measure the fair value to the extent relevant for the asset or liability at the measurement date. The inputs can be developed on the basis of best information available in the circumstances and necessary adjustment is made to the data used by other market participants according to the nature of the asset or liability.

## (E) Inventories

The cost of inventories include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present form / locations. It includes duties & Taxes (other than those recoverable by the Company from the tax authorities), freight inward and other expenses directly attributable / incidental to the purchase.

- (i) Raw materials are valued at cost on weighted average basis or net realisable value whichever is lower.
- (ii) Finished goods & Stock in Process are valued at cost of manufacturing or net realisable value whichever is lower.
- (iii) Bye Products are valued at net realisable value.
- (iv) Stores, Packing Materials & Tools are valued at cost on weighted average basis or net realisable value whichever is lower.

The net realizable value is ascertained on the basis of estimated sales realization during normal course of business net of expenses required to be incurred to complete the transaction.

## (F) Cash and Cash Equivalents

Cash and Cash equivalents comprise of cash in hand, cheques in hand and balances of current accounts with banks.

## (G) Income Tax and Deferred Tax

The liability of company on account of Income Tax is computed according to the applicable provisions of the Income Tax Act, 1961 & rules thereunder. Deferred tax is provided using balance sheet approach on temporary differences at the reporting date as difference between the tax base use in the computation of taxable profits and the carrying amount of assets and liabilities. Deferred tax asset is recognized subject to the probability that taxable profit will be available against which the temporary differences can be reversed.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted & applicable at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised in the other comprehensive income.

## (H) Lease assets

The company recognises Right-Of-Use Asset (ROU Asset) held under a lease under the head Property Plant & Equipment. The total cost of this ROU Asset has been measured as present value of the future lease payments by discounting total lease payments with interest rate implicit in the lease using the 'Modified Retrospective Approach'. Instead of claiming actual lease payment as an expense, the composite present value of ROU Asset is depreciated under straight line method and interest cost for corresponding lease liability is expensed accordingly, in line with the accounting treatment required by Ind AS 116. For the reporting year, the carrying amount of ROU Asset is an amount equal to the carrying amount of the lease liability on the transition date computed as present value of all future lease payments discounted at an interest rate implicit in the lease.

## (I) Revenue Recognition

### (A) Sale of Goods

- (a) Revenue is recognized on the transfer of goods to a customer for an amount that reflects the consideration to which

# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

company expects to be entitled in exchange for those goods.

- (b) Revenue is measured at the fair value received or receivable net of discounts, quantity rebates or incentives and taxes on sales. The amount received / receivable from the customer is recognised as sales revenue after the control, over the goods sold, are transferred to the customer which is generally dispatch of goods.
- (c) Variable consideration includes quantity rebates, discounts etc which are estimated at the contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized, will not occur when the associated uncertainty with the variable consideration is subsequently resolved. In pursuance to AS115, using the practical expedient, the company does not adjust the promised consideration for the effects of a significant financing component concerning the short term advances, if any received from its customers.

**(B)** Dividends are recognised in profit & loss account only when right to receive the payment is established.

**(C)** Interest income is recognized in the statement of profit and loss on time proportion basis taking into consideration the outstanding amount and the applicable rate of interest.

**(D)** Insurance or other claims are accounted for on the basis of claims admitted by the insurers and right to receive the claim gets established.

## **(J) Government subsidy / Grants**

Government Grants are recognized only when there is a reasonable assurance that the entity will comply with the conditions attached thereto and the grants will be received.

- (i) Subsidy/ Grants related to assets are presented in balance sheet as 'Deferred Income' which is recognized in the statement of profit & loss under the head 'other income' on a systematic basis over the useful life of the assets
- (ii) Subsidy / Grants related to expenses are treated in statement of profit & loss under the head for which the grants are intended to compensate.

## **(K) Employee Benefits**

- (i) Short term employee benefits are charged to the profit & loss account of the year in which the employee renders services. These benefits include Annual leave encashment, Ex-gratia etc.
- (ii) A defined contribution plan comprises contribution to Employees Provident fund, Employee Pension Scheme and Employee State Insurance which are deposited with the respective Government departments. These contributions are recognized as expense during the periods employees perform services. Contributions to superannuation plan for certain category of employees (to provide an agreed benefit) are deposited with the life insurance corporation of India and charged to the profit and loss account on the same basis.
- (iii) Defined benefit plans include gratuity which is determined on the basis of actuarial valuation at the end of the year and contributions are deposited with SBI Life Insurance Company Ltd. under a separate trust and charged to the profit and loss account / other comprehensive income of the relevant year.

## **(L) Foreign Currency Transaction**

The company's financial statements are presented in INR, which is also the company's functional currency. Foreign currency transactions relating to sale of goods are translated at the rates prevailing at the time of settlement of transactions. The transactions which remain unsettled as on the balance sheet date are translated at the contracted rates (where applicable) or on the exchange rates prevailing at the end of the accounting year.

Any income or expenditure on account of exchange difference (on transaction) is recognized in the profit and loss account except Long term liabilities relating to acquisition of fixed assets where they are adjusted to the cost of asset and depreciated over the balance life of the assets.

## **(M) Impairment**

Impairment loss, if any, is provided, by making provision, to the extent carrying cost of an asset exceeds its realizable value.

## **(N) Borrowing Cost**

Borrowings cost related to specific borrowings for acquisition / construction / erection of a qualifying asset are capitalized as a part of the cost of such

# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

asset till such time the asset is ready for its intended use. Borrowing cost related to general borrowings for acquisition /construction /erection of a qualifying asset are capitalized as a part of the cost by applying a capitalization rate as per IND-AS 23.

## **(O) Provisions, Contingent Liability and Contingent Assets**

Disputed liabilities and claims, against the company including claims raised by fiscal authorities pending in appeal / court for which no reliable estimate can be made and / or involves uncertainty of the outcome of the amount of the obligation, are not provided for in the accounts but disclosed in notes to accounts.

## **(P) Earnings Per Share**

For the purpose of calculating basic earnings per share, the net profit or loss for the period attributable to equity shareholders after deducting any attributable tax thereto for the period is divided by weighted number of equity shares outstanding during the period.

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

# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024.

## NOTE - 3 : FIXED ASSETS AS ON 31ST MARCH, 2024

### TANGIBLE & INTANGIBLE ASSETS

Particulars	LAND	RIGHT TO USE (LAND)	BUILDING	FURNITURE & FIXTURE	PLANT & MACHINERY	ELECTRIC FITTING & OTHER EQUIPMENT	VEHICLES	TOTAL TANGIBLE ASSETS	INTANGIBLE ASSETS COMPUTER SOFTWARE	TOTAL ASSETS	PREVIOUS YEAR
<b>COST</b>											
<b>Cost as on 01.04.2023</b>	<b>1,377.65</b>	<b>447.89</b>	<b>15,614.22</b>	<b>539.04</b>	<b>39,993.22</b>	<b>2,010.40</b>	<b>661.02</b>	<b>60,643.44</b>	<b>41.90</b>	<b>60,685.34</b>	<b>55,071.71</b>
Additions	117.48	9.94	547.33	18.57	1,724.47	155.00	91.72	2,664.51	-	2,664.51	8,322.07
Sale/Adjustments	1.98	-	-	-	97.95	-	7.31	107.24	-	107.24	2,708.44
<b>Total as at 31.03.2024</b>	<b>1,493.15</b>	<b>457.83</b>	<b>16,161.55</b>	<b>557.61</b>	<b>41,619.74</b>	<b>2,165.40</b>	<b>745.43</b>	<b>63,200.71</b>	<b>41.90</b>	<b>63,242.61</b>	<b>60,685.34</b>
<b>DEPRECIATION</b>											
<b>Upto 31.03.2023</b>	-	<b>39.35</b>	<b>6,009.83</b>	<b>395.60</b>	<b>11,213.57</b>	<b>1,424.50</b>	<b>333.55</b>	<b>19,416.40</b>	<b>39.10</b>	<b>19,455.50</b>	<b>19,036.73</b>
For the Year	-	12.99	795.43	42.67	1,581.03	126.01	117.32	2,675.45	2.01	2,677.46	2,662.99
On Sale/Adjustments	-	-	-	-	39.95	-	6.94	46.89	-	46.89	2,244.22
<b>Upto 31.03.2024</b>	-	<b>52.34</b>	<b>6,805.26</b>	<b>438.27</b>	<b>12,754.65</b>	<b>1,550.51</b>	<b>443.93</b>	<b>22,044.96</b>	<b>41.11</b>	<b>22,086.07</b>	<b>19,455.50</b>
<b>NET VALUE</b>											
<b>As at 31.03.2024</b>	<b>1,493.15</b>	<b>405.49</b>	<b>9,356.29</b>	<b>119.34</b>	<b>28,865.09</b>	<b>614.89</b>	<b>301.50</b>	<b>41,155.75</b>	<b>0.79</b>	<b>41,156.54</b>	<b>41,229.84</b>
<b>As at 31.03.2023</b>	<b>1,377.65</b>	<b>408.54</b>	<b>9,604.39</b>	<b>143.44</b>	<b>28,779.65</b>	<b>585.90</b>	<b>327.47</b>	<b>41,227.04</b>	<b>2.80</b>	<b>41,229.84</b>	

(a) The title deeds, of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) are held in the name of the Company as at the balance sheet date.

(b) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use assets) and intangible assets during the years or in the earlier years.



# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## ASSETS

### NON CURRENT ASSETS

#### 4 CAPITAL WORK-IN-PROGRESS

(₹ in Lacs)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Building under Construction	1,222.62	513.70
Machinery under Errection	1,479.96	940.43
Electric Installation	-	7.76
Advance against Capital Goods	222.71	176.71
	<b>2,925.29</b>	<b>1,638.60</b>

#### CWIP Ageing schedule

(₹ in Lacs)

Particulars	Amount in CWIP for a period of				Total
	less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>FY 2023-24</b>					
Project in progress	2,345.54	357.04	-	-	2,702.58
Projects temporarily suspended	-	-	-	-	-
<b>FY 2022-23</b>					
Project in progress	1,393.39	68.50	-	-	1,461.89
Projects temporarily suspended	-	-	-	-	-

Does not include any project where the activity has been suspended.

#### 5 INVESTMENT PROPERTY

(₹ in Lacs)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Land	1,599.34	1,599.34
Advances against Purchase of Property	490.54	527.45
	<b>2,089.88</b>	<b>2,126.79</b>

Market Value of Land is ₹ 1947.55 lacs.

Total market value of Investment Property is ₹ 2438.09 lacs including ₹ 490.54 lacs advance (P.Y. ₹ 2313.95 lacs).

Depreciation has not been provided.

## FINANCIAL ASSETS

#### 6 INVESTMENTS

(₹ in Lacs)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>a) INVESTMENT IN EQUITY INSTRUMENTS</b>		
UN-QUOTED FULLY PAID (AT COST)		
<b>IN SUBSIDIARIES:-</b>		
(i) The Vijoy Steel & General Mills Co Ltd 221800 Shares (Prev. year 221800 shares) of face value ₹ 10/- each	20.90	20.90
(ii) Sukhjit Mega Food Park & Infra Ltd 33910272 Shares (Prev. year 33910272 Shares) of face value ₹ 10/- each	3,391.03	3,391.03
(iii) Scott Industries Limited 4400000 Shares (Prev. year 4400000 shares) of face value ₹ 10/- each	440.00	440.00
	<b>3,851.93</b>	<b>3,851.93</b>

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>b) OTHER INVESTMENTS</b>		
<b>UN-QUOTED FULLY PAID UP</b>		
INVESTMENT IN GOVT. SECURITIES		
National Saving Certificate	0.08	0.08
Membership (Investment) - Club(s)	0.65	0.65
	<b>3,852.66</b>	<b>3,852.66</b>

Aggregate Amount of Unquoted Investments - ₹ 3852.66 lacs (P.Y. ₹ 3852.66 lacs)

Provision of ₹ 400 lacs (PY ₹ 400 lacs) has been made for the impairment in value of investment in one of the subsidiaries i.e M/s Scott Industries Ltd. (Note no. 22)

## 7 OTHER NON CURRENT ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured - Considered Good		
Security/Other Deposits	273.66	241.91
Advances to Subsidiary(s)(*)	2,163.10	2,163.10
	<b>2,436.76</b>	<b>2,405.01</b>

(\*) Detail of Loans / advances given without specifying any term or period of repayment :-

(₹ in Lacs)

Types of Borrower	As on 31.03.2024		As on 31.03.2023	
	Amount of loans / advances	%age to Total Loans/advances in the nature of loans	Amount of loans / advances	%age to Total Loans/advances in the nature of loans
Promotors	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties (Subsidiary Company)	2163.10	100.00	2163.10	100.00

## CURRENT ASSETS

### 8 INVENTORIES

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Materials Basic	12,357.50	9,184.75
Stock in Process	1,839.03	1,303.17
Finished Goods	5,593.36	3,959.04
Stores, Spares, Fuel & Other Raw Materials	1,967.69	2,302.20
Tools / Accessories	18.33	17.57
	<b>21,775.91</b>	<b>16,766.73</b>

- Raw materials Basic have been valued at cost on weighted average basis or net realisable value whichever is lower.
- Stock in Process has been valued at cost of manufacturing or net realisable value whichever is lower.
- Finished Goods have been valued at cost of manufacturing or net realisable value whichever is lower.
- Bye Products have been valued at net realisable value
- Stores, Spares, Fuel, ORM & Tools have been valued at cost on weighted average basis or net realisable value whichever is lower.

# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## FINANCIAL ASSETS

### 9 INVESTMENTS

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Investment(at Fair value)</b>		
(A) INVESTMENT IN UNITS OF MUTUAL FUNDS		
UNQUOTED		
(i) HDFC Banking and PSU Debt Fund 7127092.601 units (Prev. year 14870728.817 units)	1,538.17	2,977.46
(ii) HDFC Short Term Debt Fund 8011258.372 units (Prev. year 17364802.140 units)	2,378.71	4,774.16
(iii) HDFC Long Duration Debt Fund 30517740.772 units (Prev. year NIL units)	3,423.88	-
(B) INVESTMENT IN DEBENTURES / BONDS - QUOTED		
(i) State Bank of India 7.72% Listed Unsecured Non Convertible fully paid up Prepetual Bonds 5 nos Bonds (Prev. year NIL Bonds) of face value ₹1 cr each	518.62	-
(ii) Bank of Baroda 7.95% Listed Unsecured Non Convertible fully paid up Prepetual Bonds 4 nos Bonds (Prev. year NIL Bonds) of face value ₹1 cr each	421.72	-
	<b>8,281.10</b>	<b>7,751.62</b>

Aggregate Amount of Unquoted Investments - ₹ 7340.76 lacs (P.Y. ₹ 7751.62 lacs)

Aggregate Amount of Quoted Investments - ₹ 940.34 lacs (P.Y. NIL)

### 10 TRADE RECEIVABLES (Unsecured)

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good	7,936.76	8,048.54
Considered doubtful	118.57	109.77
	8,055.33	8,158.31
Less: Provision for doubtful debts	118.57	109.77
	<b>7,936.76</b>	<b>8,048.54</b>

#### Trade Receivable ageing Schedule

(₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment/date of transaction					Total
	Less than 180 Days	Less than 1 Year	1-2 Years	2-3 Years	2-3 Years	
<b>FY 2023-24</b>						
i) Undisputed - considered good	7,508.81	49.17	376.68	2.10	-	7,936.76
ii) Undisputed - considered doubtful	-	-	-	-	-	-
iii) Disputed - considered good	-	-	-	-	-	-
iv) Disputed - considered doubtful	-	-	-	-	118.57	118.57
	<b>7,508.81</b>	<b>49.17</b>	<b>376.68</b>	<b>2.10</b>	<b>118.57</b>	<b>8,055.33</b>
Less: Provision for doubtful debts						118.57
						<b>7,936.76</b>

# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment/date of transaction					Total
	Less than 180 Days	Less than 1 Year	1-2 Years	2-3 Years	2-3 Years	
<b>FY 2022-23</b>						
i) Undisputed - considered good	8,001.41	20.89	8.68	17.56	-	8,048.54
ii) Undisputed - considered doubtful	-	-	-	-	-	-
iii) Disputed - considered good	-	-	-	-	-	-
iv) Disputed - considered doubtful	-	-	-	-	109.77	109.77
	<b>8,001.41</b>	<b>20.89</b>	<b>8.68</b>	<b>17.56</b>	<b>109.77</b>	<b>8,158.31</b>
Less: Provision for doubtful debts						109.77
						<b>8,048.54</b>

## 11 CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash in hand	18.54	40.75
Balances with Scheduled Banks in - Current Accounts	153.55	86.32
	<b>172.09</b>	<b>127.07</b>

## 12 BANK BALANCES

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Scheduled Banks in - Unclaimed Dividend Accounts	117.08	96.48
Margin Money Accounts(*)	185.69	178.24
Fixed Deposit Accounts (**)	1,060.48	826.50
	<b>1,363.25</b>	<b>1,101.22</b>

(\*) Include balances of ₹ 19.80 lacs (P.Y. ₹ 54.72 lacs ) with the maturity of more than one year.

(\*\*) Include balances of ₹ 10.00 lacs (P.Y. ₹ 10.00 lacs ) with the maturity of more than one year.

## 13 OTHER FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured Advances - Considered Good Recoverable in cash or kind or for value to be received (*)	309.25	294.18
Advances to Subsidiaries (**)	4,284.20	3,537.73
	<b>4,593.45</b>	<b>3,831.91</b>

(\*) Include ₹ 97.17 lacs (P.Y. ₹ 24.08 lacs) as Advances to Sundry Suppliers for purchase of materials.

(\*\*) ₹ 4284.20 lacs (PY ₹ 3537.73 lacs) are advances to subsidiaries against supply of goods/services.

## 14 INCOME TAX ASSETS (net)

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Income Tax in advance	5,500.80	6,900.27
Less : Provision For Tax	5,244.96	6,784.96
	<b>255.84</b>	<b>115.31</b>

# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## 15 OTHER CURRENT ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid Expenses	171.56	140.35
Interest & Other recoverables	1,722.22	1,346.93
	<b>1,893.78</b>	<b>1,487.28</b>

## EQUITY

### 16 EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>AUTHORISED</b>		
20000000 Equity Shares (PY 20000000 shares) of ₹10/- each	2,000.00	2,000.00
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
15622000 Equity shares (PY 15622000 shares) of ₹10/- each fully paid up.	1,562.20	1,562.20
	<b>1,562.20</b>	<b>1,562.20</b>

The Details of shareholders holding more than 5% shares:-

Particulars	As on 31.03.2024		As on 31.03.2023		%age change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Smt. Manjoo Sardana	12,34,272	7.90	17,16,097	10.99	(3.09)
Sh. Kuldip Krishan Sardana	9,00,053	5.76	14,82,953	9.49	(3.73)
Sh. Dhiraj Sardana	12,07,112	7.73	9,57,112	6.13	1.60
Sh. Bhavdeep Sardana	12,58,541	8.06	9,58,541	6.14	1.92
Sh. Puneet Sardana	12,56,566	8.04	9,56,566	6.12	1.92
Sh. Pankaj Sardana	12,03,558	7.70	9,53,558	6.10	1.60

## OTHER EQUITY

### 17 RESERVES & SURPLUS

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
A Capital Reserve		
Capital Subsidy	<b>417.67</b>	417.67
B Security Premium Reserve	<b>2,500.84</b>	2,500.84
C General Reserve		
Opening Balance	41,246.35	36,246.35
Add : Transferred from Profit & loss Account	4,000.00	5,000.00
	<b>45,246.35</b>	<b>41,246.35</b>
D Retained Earnings		
As per last Balance Sheet	2,451.39	1,687.53
Add: Profit for the year	5,561.76	7,013.62
	<b>8,013.15</b>	<b>8,701.15</b>
Less: Appropriations/Payments		
(a) Interim Dividend	1,249.76	1,249.76
(b) Transferred to General Reserve	4,000.00	5,000.00
Surplus Carried Forward	2,763.39	2,451.39



# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lacs)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
E Other Comprehensive Income (Net of tax)		
Opening balance	272.18	64.16
(a) Remeasurement of defined employee benefit plans	14.03	16.44
(b) Net change in fair value of investments other than equity	193.97	222.06
(c) Item reclassified to P & L	(242.91)	(30.48)
	<b>237.27</b>	<b>272.18</b>
	<b>51,165.52</b>	<b>46,888.43</b>

## LIABILITIES

### NON CURRENT LIABILITIES

#### FINANCIAL LIABILITIES

## 18 BORROWINGS

(₹ in Lacs)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
SECURED LOANS - TERM LOAN FROM BANKS		
(a) i) HDFC Bank Ltd	-	127.40
ii) HDFC Bank Ltd	375.00	1,875.00
(b) YES Bank Ltd (TLTRO)	-	1,000.00
UNSECURED LOANS		
Fixed Deposits (includes ₹ 58,40,000 /- from Directors, previous year ₹ 55,50,000/-) (Maturity Period Ranging from 1 to 3 years)	8,001.86	7,059.20
	<b>8,376.86</b>	<b>10,061.60</b>

#### Notes:-

##### a HDFC Bank Ltd:-

- ₹ NIL (PY ₹ 127.40 lacs) Secured against Hyp. of Plant & Machinery and other movable fixed assets purchased out of this Term Loan at Malda Unit, repayable in sixteen equal quarterly installments. First Installment started from July,2020.
- ₹ 375 lacs (PY ₹ 1875 lacs) Secured against Hyp. of Plant & Machinery and other movable fixed assets of Rehana Jattan Unit, repayable in twenty equal quarterly installments. First Installment started from September,2020.

The loans are collaterally secured against First Pari Passu charge on Plant & Machinery and other movable fixed assets & equitable Mortgage of land and building of Gurplah Unit.

##### b YES Bank Ltd:-

Secured against First Pari Passu charge on Plant & Machinery and other movable fixed assets & Equitable Mortgage of land and building of Gurplah Unit. Single Repayment in July, 2024.

## 19 LEASE LIABILITY

(₹ in Lacs)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Lease Liability	551.57	516.14
	<b>551.57</b>	<b>516.14</b>

# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## 20 DEFERRED TAX LIABILITY(NET)

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
As per Last Balance Sheet	3,029.68	2,529.29
Add/(Less): tax effect on OCI	(14.53)	70.39
Add/(Less) :Provision for the year on account of timing difference arising on depreciation on fixed assets as per Income Tax Act & Companies Act and on account of others provisions	840.00	430.00
	<b>3,855.15</b>	<b>3,029.68</b>

### Movement of Deferred Tax liabilities & Assets

(₹ in Lacs)

Particular	Opening Balance	Recognised in PL	Recognised in OCI	Closing Balance
<b>2023-24</b>				
<b>Deferred Tax Liabilities</b>				
Property,plant and equipment and Intangible assets	(3,459.00)	(557.28)	-	(4,016.28)
Others	(91.59)	9.89	14.53	(67.17)
<b>Deferred Tax Assets</b>				
Provision for doubtful debts	27.63	2.21	-	29.84
Provision for Investments	100.67	-	-	100.67
Brought forward Long Term Loss	342.06	(342.06)	-	-
Deferred Income - Govt. Grant(s)	17.61	49.64	-	67.25
Difference in lease liab & RTUA	32.94	(2.40)	-	30.54
<b>Net Derrerred tax liability</b>	<b>(3,029.68)</b>	<b>(840.00)</b>	<b>14.53</b>	<b>(3,855.15)</b>
<b>2022-23</b>				
<b>Deferred Tax Liabilities</b>				
Property,plant and equipment and Intangible assets	(3,040.82)	(418.18)	-	(3,459.00)
Others	(22.84)	1.64	(70.39)	(91.59)
<b>Deferred Tax Assets</b>				
Provision for doubtful debts	29.87	(2.24)	-	27.63
Provision for Investments	100.67	-	-	100.67
Brought forward Long Term Loss	362.80	(20.74)	-	342.06
Deferred Income - Govt. Grant(s)	18.62	(1.01)	-	17.61
Difference in lease liab & RTUA	22.41	10.53	-	32.94
<b>Net Derrerred tax liability</b>	<b>(2,529.29)</b>	<b>(430.00)</b>	<b>(70.39)</b>	<b>(3,029.68)</b>

### Income Tax recognised in the statement of profit & loss

(₹ in Lacs)

Particulars	For year ended March 31,2024	For year ended March 31,2023
Current Tax		
In respect of the current year	1585.00	1830.00
Deferred Tax		
In respect of the current year	840.00	430.00
Tax relating to earlier years	(274.74)	-
<b>Total Income tax expense</b>	<b>2150.26</b>	<b>2260.00</b>

# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## Reconciliation of the Income Tax Expense for the year :-

(₹ in Lacs)

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Profit before tax	7712.02	9273.62
Tax at the Indian Tax Rate of 25.168%	1940.96	2333.99
Net effect of expenses that are not deductible in taxable profits	46.12	38.09
Deductions u/s 35	-	(5.29)
Others	437.92	(106.79)
	<b>2425.00</b>	<b>2260.00</b>
Tax relating to earlier years	(274.74)	-
Effective income tax rate	27.88	24.37
<b>Total Income tax expense</b>	<b>2150.26</b>	<b>2260.00</b>

## 21 DEFERRED INCOME

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Income -Government grant(s)		
Opening balance	70.00	74.00
Add : Received during the year	210.00	-
Less : Credited to P & L	12.75	4.00
<b>Closing balance</b>	<b>267.25</b>	<b>70.00</b>

## 22 OTHER NON CURRENT LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits	871.24	671.02
Provision(s)	400.00	400.00
Other Long Term Liabilities	455.15	552.96
	<b>1,726.39</b>	<b>1,623.98</b>

## CURRENT LIABILITIES

### FINANCIAL LIABILITIES

## 23 BORROWINGS

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>SECURED</b>		
(a) Cash Credit limits from Punjab National Bank	12,213.58	9,990.76
(b) WCDL from Citi Bank NA	6,500.00	4,500.00
(c) Current maturities of long Term Borrowings	2,627.40	2,009.59
<b>UNSECURED</b>		
WCDL from YES Bank Ltd	1,000.00	1,000.00
Short Term Loan from HDFC Bank Ltd	-	2,000.00
	<b>22,340.98</b>	<b>19,500.35</b>

# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## Notes:-

### a) Punjab National Bank :-

Secured against hypothecation of raw material, stores, semi-finished goods & finished goods and Book Debts and collaterally secured against Eq. mortgage of land & building of Nizamabad unit, lease rights on land of malda unit, building constructed there on and the P & M and other fixed assets of the Nizamabad & Malda units.

### b) Citi Bank NA:-

Secured against charge on a part of land located at G T Road, Phagwara

### c) Current maturities of long Term Borrowings are secured as per item no. 18(a) & (b)

## 24 TRADE PAYABLES

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Sundry creditors for goods supplied :-		
(i) Micro, Small & Medium Enterprises (*)	478.78	362.75
(ii) Others	4,434.42	2791.82
	<b>4,913.20</b>	<b>3,154.57</b>
b) Lease Liability	27.59	23.27
c) (i) Payables for Expenses	1,473.83	1,461.23
(ii) Other Payables (**)	612.76	659.42
	<b>7,027.38</b>	<b>5,298.49</b>

(\*) There was nil amount outstanding for more than 45 days & no overdue amount to the Micro, Small & Medium Enterprise, so no interest was payable/ paid during the year (P.Y. NIL)

(\*\*) Include ₹ 237.86 lacs (P.Y. ₹ 233.81 lacs) as advance from Sundry Customers for supply of Goods

### Trade Payables (for goods) Aging Schedule

(₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment/date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>FY 2023-24</b>					
i) MSME	478.78	-	-	-	478.78
ii) Others	4,267.88	20.10	7.91	130.01	4,425.90
iii) Disputed dues -MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	8.52	8.52
	<b>4,746.66</b>	<b>20.10</b>	<b>7.91</b>	<b>138.53</b>	<b>4,913.20</b>
<b>FY 2022-23</b>					
i) MSME	362.75	-	-	-	362.75
ii) Others	2,619.30	23.93	8.04	130.01	2,781.28
iii) Disputed dues -MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	10.54	10.54
	<b>2,982.05</b>	<b>23.93</b>	<b>8.04</b>	<b>140.55</b>	<b>3,154.57</b>

# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## 25 OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unclaimed Dividends	117.08	96.48
Taxes payable (GST & TDS)	1,298.55	1,379.25
Interest accrued but not due on Fixed Deposits	444.38	455.98
	<b>1,860.01</b>	<b>1,931.71</b>

## 26 REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
SALES (*)		
Starches	58,634.29	60,096.88
Starch Derivatives	47,296.67	45,549.58
By-products & Misc Sales	31,155.20	37,878.24
	<b>1,37,086.16</b>	<b>1,43,524.70</b>

(\*) Net of discounts / rebates / shortages

## 27 OTHER INCOME

(₹ in Lacs)

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Interest Received	191.33	65.07
Profit/(Loss) on sale of Assets/Units	629.37	97.93
Others (*)	7.08	9.33
	<b>827.78</b>	<b>172.33</b>

(\*) Includes Rent Received of ₹ 5.64 lacs (P.Y. ₹ 5.66 lacs)

## 28 COST OF MATERIALS CONSUMED

(₹ in Lacs)

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Opening Stock of Basic Raw Material	9,184.75	4,984.92
Purchase of Basic Raw Material	96,406.01	1,01,623.02
	1,05,590.76	1,06,607.94
Less Closing Stock of Basic Raw Material	12,357.50	9,184.75
Effective consumption of Basic raw Material	93,233.26	97,423.19
Packing Materials Consumed	3,405.45	3,558.64
	<b>96,638.71</b>	<b>1,00,981.83</b>

## 29 CHANGES IN INVENTORIES OF FINISHED GOODS & STOCK IN PROCESS

(₹ in Lacs)

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Opening Stock of Finished Goods	3,959.04	1,536.35
Opening Stock In Process	1,303.17	1,280.82
	5,262.21	2,817.17
Closing Stock of Finished Goods	5,593.36	3,959.04
Closing Stock In Process	1,839.03	1,303.17
	7,432.39	5,262.21
<b>Change in Inventories</b>	<b>(2,170.18)</b>	<b>(2,445.04)</b>



# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## 30 EMPLOYEE BENEFIT EXPENSES

(₹ in Lacs)

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Wages & Salaries	5,388.85	5,240.92
Cont. to PF, ESI, Superannuation & Other Funds	339.37	324.98
Workmen & Staff Welfare	194.92	202.65
	<b>5,923.14</b>	<b>5,768.55</b>

### INFORMATION UNDER Ind AS-19 "EMPLOYEE BENEFITS" :

#### Defined Benefit Plan

Defined benefit plans include Gratuity which is determined on the basis of actuarial valuation at the end of the year and contributions are deposited with SBI Life Insurance Company Ltd. under a separate trust, and charged to the Profit & Loss Account of the relevant year. The required disclosures are given hereunder:

(₹ in Lacs)

	Gratuity Fund with S.B.I. Life Insurance	
	2023-24	2022-23
<b>A Reconciliation of opening &amp; closing balances of Defined Benefit Obligation</b>		
(a) Present Value of Obligation as at the beginning of the year	1137.89	1178.10
(b) Current Service Cost	100.57	80.60
(c) Interest Cost	89.27	82.67
(d) Remeasurements	158.21	(96.82)
(e) Benefit Paid	(116.24)	(106.66)
(f) Present Value of Obligation as at the close of the year	1369.70	1137.89
<b>B Reconciliation of opening &amp; closing balances of Fair Value of Plan Assets</b>		
(a) Fair Value of Plan Assets as at the beginning of the year	1208.45	1139.08
(b) Expected Return on Plan Assets	91.08	85.87
(c) Remeasurements	67.93	(74.84)
(d) Actual Company Contribution	125.00	165.00
(e) Benefit Paid	(116.24)	(106.66)
(f) Fair Value of Plan Assets as at the close of the year	1376.22	1208.45
<b>C Reconciliation of Fair Value of Assets &amp; Obligation</b>		
(a) Present Value of Obligation	1369.70	1137.89
(b) Fair Value of Plan Assets	1376.22	1208.45
(c) Amount recognized in the Balance Sheet	6.52	70.56
<b>D Components of Defined Benefit Cost</b>		
(a) Current Service Cost	100.57	80.60
(b) Interest Cost	89.27	82.67
(c) Expected Return on Plan Assets	(91.08)	(85.87)
(d) Remeasurements	(18.76)	(21.97)
(e) Deferred Benefit Cost/OCI	80.00	55.43
<b>E Actuarial Assumptions</b>		
(a) Discount Rate (per annum)	7.22%	7.51 %
(b) Expected Rate of Return on Assets (per annum)	7.22%	7.51 %
(c) Salary Escalation Rate	7 to 8 %	6 to 7 %

# Forming part of the Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## 31 FINANCIAL COSTS

(₹ in Lacs)

Particulars	For year ended March 31,2024	For year ended March 31,2023
Interest Expense	2,950.57	2,438.68
Interest on Lease Liability	54.94	50.24
Bank Charges	44.37	43.72
	<b>3,049.88</b>	<b>2,532.64</b>

Interest capitalised during the year in pursuance to Ind AS 23 is ₹ 104.96 lacs (PY ₹ 22.05 lacs)

The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 8.70 % PA(PY 8.50 %PA)

## 32 OTHER EXPENSES

(₹ in Lacs)

Particulars	For year ended March 31,2024	For year ended March 31,2023
<b>a) MANUFACTURING EXPENSES</b>		
Power and Fuel	14,849.10	15,029.00
Stores & Other Consumables	2,722.06	3,528.41
Machinery Repair	877.23	854.61
Building Repair	421.22	420.16
	<b>18,869.61</b>	<b>19,832.18</b>
<b>b) ADMINISTRATIVE, SELLING &amp; DISTRIBUTION EXPENSES</b>		
Printing & Stationery	19.10	21.18
Professional/ Legal Expenses	114.38	81.08
Directors' Fee	3.06	3.78
Travelling Expenses	243.65	230.30
Auditors' Remuneration	7.30	7.02
Rent Paid	58.74	60.26
Elec. & Water Charges	28.48	24.16
Entertainment	3.80	4.50
Postage, Telegram & Telephones	17.36	19.87
Advertisement	14.33	10.13
Subscription	26.06	25.01
General Charges	6.30	7.31
Insurance Expenses	152.07	142.21
Other Repairs & Maintenance	105.40	115.64
Commission & Brokerage	898.76	948.05
Provision for Doubtful Debts	8.80	-
Other Govt. Taxes, Levies & Fees	39.37	44.65
Directors' Commission	78.82	96.16
Corporate Social Responsibility Expenditure	156.00	132.14
Carriage & Forwarding charges	3,231.52	3,116.81
	<b>5,213.30</b>	<b>5,090.26</b>
	<b>24,082.91</b>	<b>24,922.44</b>

# Notes on Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

1. Figures for the previous year have been recast / regrouped, wherever necessary.

## 2. KEY FINANCIAL RATIOS

Sr. No.	RATIOS	Numerator	Denominator	2023-24	2022-23	Variance (in %)
1	Current Ratio	Current Assets	Current Liabilities	1.48	1.47	0.68
2	Debt-Equity Ratio	Long Term Debt	Shareholder's Equity	0.19	0.24	(20.83)
3	Debt Service Coverage Ratio	Profit before Tax + Dereciation + Interest	Current Maturity of Long Term Borrowings + Interest	2.37	3.19	(25.71)
4	Return on Equity Ratio	Net Profit after Tax	Avg. Equity	10.99%	15.43%	(28.78)
5	Inventory Turnover Ratio	Net Sales	Avg. Inventory of Finished goods	28.70	52.23	(45.05)
6	Trade Receivable Turnover Ratio	Net Sales	Avg. Receivables	16.91	19.17	(11.79)
7	Trade Payable Turnover Ratio	Net Purchases	Avg. Trade Payables	25.42	38.15	(33.37)
8	Net Capital Turnover Ratio	Net Sales	Avg. working Capital	9.95	13.97	(28.78)
9	Net Profit Ratio	Net Profit	Net Sales	4.06%	4.89%	(16.97)
10	Return on Capital employed	Profit before Interest & Tax	Avg.Cap.Employed (Equity + Non Current Liab.)	16.40%	19.27%	(14.89)
11	Return on Investment					
	Unquoted (Units of Mutual Funds)	Income from Investment	Time weighted Avg Investments	8.26	4.93	67.55
	Quoted (Fixed Interest bearing Bonds)	Income from Investment	Time weighted Avg Investments	7.84	-	-

### Notes on Variation

Sr. 2	Due to increase in Net Worth & decrease in Long Term Debt
Sr. 3 & 4	Due to lower profits
Sr. 5	Due to lower sales & higher inventory
Sr. 6	Due to lower sales
Sr. 7	Due to lower purchases in last quarter of the year
Sr. 8	Due to higher working capital
Sr. 9	Due to lower margin on sales
Sr. 10	Due to lower profits

## 3. Fair value measurement

### 1) Financial Instruments by Category

(₹ in Lacs)

Particulars	31 <sup>st</sup> MARCH 2024		31 <sup>st</sup> MARCH 2023	
	FVTOCI	Amortised Cost	FVTOCI	Amortised Cost
<b>Financial Assets</b>				
Investments				
Short Term Mutual Funds & Bonds	8281.10		7751.62	
Trade receivables		7936.76		8048.54
Other Financial assets		4593.45		3831.91
Cash and Cash equivalents		172.09		127.07
Fixed Deposits		1060.48		826.50
Other Bank balances		302.77		274.72
Other Current assets		1893.78		1487.28
	<b>8281.10</b>	<b>14065.55</b>	<b>7751.62</b>	<b>13108.74</b>

# Notes on Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lacs)

Particulars	31 <sup>st</sup> MARCH 2024		31 <sup>st</sup> MARCH 2023	
	FVTOCI	Amortised Cost	FVTOCI	Amortised Cost
<b>Financial Liabilities</b>				
Trade Payables		7027.38		5298.49
Other financial liabilities		1887.85		1776.44
		<b>8915.23</b>		<b>7074.93</b>

## II) Financial assets measured at fair value - (recurring fair value measurements) :-

(₹ in Lacs)

Particulars	Level 1	Level 2	Level 3	TOTAL
<b>2023-24</b>				
Investments				
Short Term Mutual Funds & Bonds	8281.10	-	-	8281.10
Investment Property (land)		1947.55	-	1947.55
	<b>8281.10</b>	<b>1947.55</b>	-	<b>10228.65</b>
<b>2022-23</b>				
Investments				
Short Term Mutual Funds & Bonds	7751.62	-	-	7751.62
Investment Property (land)		1786.50	-	1786.50
	<b>7751.62</b>	<b>1786.50</b>	-	<b>9538.12</b>

## III) Fair value of financial assets measured at amortised cost:-

(₹ in Lacs)

Particulars	31 <sup>st</sup> MARCH 2024		31 <sup>st</sup> MARCH 2023	
	Carrying Cost	Amortised Cost	Carrying Cost	Amortised Cost
Investment Property (land)	1599.34	1947.55	1599.34	1786.50

## 4. Contingent Liabilities not provided for include :

### (i) LCs / Bank Guarantees / Corporate Guarantee / Bond :

- The Company has issued LCs / Bank Guarantees for ₹ 10.22 Crores (Previous Year ₹10.18 Crores) in favour of West Bengal State Electricity Board & Himachal Pradesh State Electricity Board for power connection of Malda unit & Gurplah unit & for import of machinery / machinery parts etc.
- The Company has given a Corporate Guarantee(s) of ₹40 crores (Previous Year ₹40 Crores) to Yes Bank Ltd. for availing the Term Loan by its wholly owned subsidiary M/s Sukhjit Mega Food Park & Infra Ltd. for setting up the Mega Food Park. The outstanding balance of the term loan appeared at ₹ 10 Cr. as on 31.03.2024 (₹18 Cr. as on 31.03.2023). There is no any other Guarantee / third party Guarantee / security given / provided by the Company.
- The Company has executed a common Bond of ₹ 9 Crores (Previous year ₹ 9 Crores) in favour of Assistant Commissioner of Customs/ Customs & Excise for availing concessional rate of duty against import of machinery under EPCG scheme. The Company is fulfilling the export obligation under EPCG scheme of the Central Government against import of capital goods at concessional rates. The pending Export obligation appeared at ₹ 77.09 Crores as on 31.03.2024 (Previous year ₹ 62.28 Crores) to be fulfilled in the period of next 3 years. The exports of the company appeared at ₹ 6.12 Crores during the current year (PY ₹ 12.59 Crores). The Company is in the process of increasing the production of exportable goods to achieve higher export turnover in the coming years.

# Notes on Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## (ii) Disputed Liabilities not acknowledged as debt / not provided for as an expense in the accounts :-

(₹ in Crores)

	Current Year	Previous Year
Central Excise Duty (*)	28.93	28.93
GST(**)	2.19	2.19
A.P. Northern Power Distribution Company Ltd (***)	2.81	2.81
Income Tax(****)	3.03	3.61

- (\*) ₹ 28.93 Crores is the disputed Central Excise Duty (excluding penalty & interest) demand raised by the Central Excise Dept. since 01/04/1997 alleging the sale of Maize Starch as that of Modified Starch. The Company has been manufacturing Maize Starch by following the standard Wet Milling Process for the last many decades and the product is sold and accepted by the market as Maize Starch. The product has been repeatedly got tested by the Department from the Central Revenue Laboratory of the Central Excise Deptt. and found Maize Starch against the claim of the Revenue Deptt. So, the company does not foresee any liability to crystallize on this account. The matter is pending with Hon'ble commissioner, Goods & Service Tax, Jalandhar.
- (\*\*) ₹ 2.19 Crores include demand raised by Assistant commissioner (Hqrs. Prev.), CGST, Commissionerate Shimla for ₹1.22 Crores and by Assistant Commissioner, CGST Nizamabad Division for ₹0.97 Crores, by alleging one of our products (Cattle Feed) to be taxable under GST Act. The matter was under appeal as on 31<sup>st</sup> March, 2024 for ₹ 1.22 Crores with Commissioner (Appeals) at Chandigarh and has been decided in our favour in the running year after balance sheet date. The matter for ₹ 0.97 Crores is under appeal with Joint Commissioner State Tax, Hyderabad. However, it has been proved to the satisfaction of the Deptt. that the product has been sold and used as cattle feed being fully exempt under the relevant chapter of the GST. So, there does not appear any liability to crystallize on this front.
- (\*\*\*) ₹ 2.81 Crores has been wrongly levied for R&C measures by A.P. Northern Power Distribution Company Ltd., Nizamabad against exemption enjoyed by the unit. Our petition has been duly admitted by the Hon'ble High Court of Andhra Pradesh on merits and the demand has been stayed accordingly.
- (\*\*\*\*) ₹ 3.03 Crores include ₹ 2.51 Crores as the demand raised by the Assessing officer by wrongly disallowing the expense(s) duly allowable u/s 43B of the Income Tax Act, 1961, without appreciating the factual position and balance ₹ 0.52 Crores by disallowing our claim for an item against the law settled by the Hon'ble Supreme Court. The company has filed appeals and both the matters are pending before Hon'ble CIT (Appeals).

## (iii) Estimated value of contracts remaining to be executed on capital account and not provided for (net of Advances) : ₹ 9.50 Crores (Previous year ₹10.25 Crores)

5. Short term loans & advances include ₹ 42.84 Crores (Previous year ₹35.38 Crores) and Other non current assets include ₹21.63 Crores (Previous year ₹21.63 Crores) due from the subsidiary companies. These mainly include ₹ 61.78 Crores (Previous year ₹ 53.97 Crores) receivable from Sukhjit Mega Food Park & Infra Ltd., against some key infrastructural facilities & utilities to the manufacturing unit of the company at Rehana Jattan, Phagwara.

## 6. Earnings per share:

	Current Year	Previous Year
(a) Net profit (after tax) available for Equity shareholders (₹ in Lakhs)	5,561.76	7,013.62
(b) Weighted average number of Equity Shares having face value of ₹ 10/- each outstanding during the year (No. of shares)	1,56,22,000	1,56,22,000
(c) Basic earnings per share of ₹ 10/- each (₹) (a/b)	35.60	44.90
(d) Diluted earnings per share of ₹ 10/- each (₹) (a/b)	35.60	44.90

## 7. Managerial Remuneration paid/payable to the Executive Directors:

(₹ in Lacs)

	Current Year	Previous Year
(i) Salaries	110.17	123.29
(ii) Commission	35.30	45.70
(iii) Contribution to retirement benefit funds	6.69	8.19
(iv) Perquisites	12.78	15.23



# Notes on Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## **8. DISCLOSURE UNDER IND AS- 24 ON RELATED PARTY TRANSACTIONS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024** (Pursuant to Regulation 23(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

### **RELATED PARTIES**

#### **A Subsidiaries :**

Sukhjit Mega Food Park & Infra Ltd.  
The Vijoy Steel & General Co. Ltd.  
Scott Industries Ltd.

#### **B Trusts : .**

Maa Ambay Girls School  
Arya Institute of Management & Technology  
Blood Donors Council (Regd.)  
Arya Model Sr. Sec. School

#### **C Directors & KMPs :**

Smt. Manjoo Sardana, Non Executive Chairperson  
Sh. Kuldip Krishan Sardana, Managing Director  
Sh. Madan Gopal Sharma, Executive Director (Fin) & CFO  
Sh. Tarsem Singh Lally, Non Executive - Independent Director  
Sh. Ranbir Singh Seehra, Non Executive - Independent Director  
Sh. Saravjit Singh Hothi, Non Executive - Independent Director  
Sh. Vikas Uppal, Non Executive- Independent Director  
Smt. Shalini Chablani, Non Executive Director  
Sh. Aman Setia, Vice President (Finance) & Company Secretary

#### **D Relatives of Directors & KMPs :**

Sh. Dhiraj Sardana  
Sh. Pankaj Sardana  
Ms. Rohini Sardana  
I K Sardana (HUF)  
Smt. Suman Sardana  
Sh. Bhavdeep Sardana  
Sh. Puneet Sardana  
Smt. Dipti Sardana  
Smt. Sona Sardana  
K K Sardana (HUF)  
Smt. Uma Sharma  
Sh. B D Vashisth  
Sh. Sandeep Sharma  
Smt. Shakuntla Sankhyan  
Aman Setia (HUF)  
Sh. G D Setia  
Smt. Pooja Setia  
Smt. Parveen Setia  
Ms. Shreya Setia

# Notes on Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## E Transactions entered during the year ended 31<sup>st</sup> March, 2024 :

(₹ in Lacs)

Particulars	Subsidiaries	Trusts	Executive Directors	Non-Executive Directors	KMP's excluding Directors	Relatives of Directors & KMPs
Rent Paid	651.48 (537.00)	--	0.10 (1.20)	--	--	24.00 (24.00)
Rent Received	0.06 (0.06)	--	5.58 (5.58)	--	--	--
On account of Sales	106.57 (75.96)	--	--	--	--	--
On account of Purchases	5134.68 (4901.04)	--	--	--	--	--
CSR Expenditure	--	31.61 (56.33)	--	--	--	--
Remuneration (inc Retirement Benefits)	--	--	129.64 (146.71)	--	40.31 (37.55)	484.24 (443.87)
Commission	--	--	35.30 (45.70)	43.52 (50.46)	--	--
Sitting Fees	--	--	--	3.06 (3.78)	--	--
Dividend	--	--	119.25 (119.02)	145.65 (143.71)	--	392.90 (391.33)
Interest on Fixed Deposits	--	--	4.23 (2.32)	-- (0.01)	--	60.97 (25.13)
Fixed Deposits Received	--	--	12.90 (25.00)	10.00 (0.10)	--	567.10 (224.88)
Fixed Deposits Repaid	--	--	10.00 (15.00)	10.00 (6.31)	--	254.42 (188.38)

## F Balance Outstanding - Payable on 31<sup>st</sup> March, 2024 :

(₹ in Lacs)

Particulars	Subsidiaries	Executive Directors	Non-Executive Directors	Key Management Personnel excluding Directors	Relatives of Directors & KMPs
Amount Receivable	6447.29 (5700.83)	--	--	--	--
Remuneration Payable	--	9.92 (8.32)	--	3.64 (3.57)	14.69 (9.77)
Commission Payable	--	35.30 (45.70)	43.52 (50.46)	--	--
Fixed Deposits Payable	--	58.40 (55.50)	--	--	997.16 (684.48)
Interest on Fixed Deposits Payable	--	2.20 (1.93)	-- (0.01)	--	36.31 (43.39)

## Notes on Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

### 9. Corporate Social Responsibility (CSR):

The details of the CSR activities of the Company during the F.Y. 2023-24:-

(A) Amount required to be spent by the Company during the year 2023-24	₹ 150.52 Lacs												
(B) Amount of expenditure incurred :	₹ 154.60 Lacs												
(C) Shortfall at the end of the year:	NIL												
(D) Total previous years shortfall :	NIL												
(E) Reason for shortfall :	N.A.												
(F) Nature of CSR activities :	<ul style="list-style-type: none"> <li>Preventive Healthcare &amp; Environment Sustainability</li> <li>Promoting Education including girl education (rural areas) &amp; employment enhancing vocation skills</li> <li>Livelihood enhancement projects</li> <li>Contribution to the National Defence Fund</li> </ul>												
(G) Details of related party transactions :	<table border="1"> <thead> <tr> <th>Trusts</th> <th>(₹ In Lacs)</th> </tr> </thead> <tbody> <tr> <td>• Maa Ambay Girls School</td> <td>2.50</td> </tr> <tr> <td>• Arya Institute of Management &amp; Technology</td> <td>5.00</td> </tr> <tr> <td>• Arya Model Sr Sec School</td> <td>19.52</td> </tr> <tr> <td>• Blood Donors Council (Regd.)</td> <td>5.09</td> </tr> <tr> <td><b>Total</b></td> <td><b>32.11</b></td> </tr> </tbody> </table>	Trusts	(₹ In Lacs)	• Maa Ambay Girls School	2.50	• Arya Institute of Management & Technology	5.00	• Arya Model Sr Sec School	19.52	• Blood Donors Council (Regd.)	5.09	<b>Total</b>	<b>32.11</b>
Trusts	(₹ In Lacs)												
• Maa Ambay Girls School	2.50												
• Arya Institute of Management & Technology	5.00												
• Arya Model Sr Sec School	19.52												
• Blood Donors Council (Regd.)	5.09												
<b>Total</b>	<b>32.11</b>												
(H) Provision for liability incurred by entering into a contractual obligation	N.A.												

### 10. Computation of Net Profit u/s 198 of the Companies Act, 2013 for Payment of Commission to Directors :

	(₹ in Lacs)	
	2023-24	2022-23
Net Profit as per Profit & Loss Account	7712.02	9273.62
Add : Commission to Directors	78.82	96.16
Directors Sitting Fee	3.06	3.78
	<b>7793.90</b>	<b>9373.56</b>
Less : Profit on sale of Assets/Shares	(629.37)	(97.93)
Balance :	7164.53	9275.63
Commission @ 1% on Net Profits to Non-Executive Directors (*)	43.52	50.46
Commission @ 0.5% on Net Profits to Mg. Director	35.30	45.70
<b>Net Profit (as per Section 198)</b>	<b>7085.71</b>	<b>9179.48</b>

(\*) with a cap of ₹5 lacs payable to each of Independent Directors.

### 11. AUDITORS' REMUNERATION INCLUDES:

	(₹ in Lacs)	
	2023-24	2022-23
Audit Fee (Incl. Cost Audit fee)	6.60	6.60
Tax Audit Fee	0.70	0.42

### 12. EARNINGS IN FOREIGN EXCHANGE:

	(₹ in Lacs)	
	2023-24	2022-23
(i) Export of goods on a F.O.B. basis	611.80	1259.09

# Notes on Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## 13. VALUE OF IMPORTS ON C.I.F. BASIS:

(₹ in Lacs)

	2023-24	2022-23
(i) Components/Spare Parts/Consumables	35.11	52.54
(ii) Capital Goods	202.41	-

## 14. EXPENDITURE IN FOREIGN CURRENCY:

(₹ in Lacs)

	2023-24	2022-23
Remittance in foreign currency on Foreign Travel	2.53	-

## 15. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, STORES & OTHER CONSUMABLES AND PERCENTAGE OF EACH TO TOTAL CONSUMPTION:

(₹ in Lacs)

	2023-24	2022-23
(i) Raw Materials		
(a) Imported	-	-
(excluding canalised items)		
(b) Indigenous	96638.71 (100%)	100981.83 (100%)
(ii) Stores & Other Consumables		
(a) Imported	30.14 (1.27%)	45.17 (1.42%)
(b) Indigenous	2336.75 (98.73%)	3129.43 (98.58%)

## 16. ADDITIONAL REGULATORY INFORMATION / DISCLOSURE AS PER SCHEDULE III TO THE COMPANIES ACT, 2013:

- (i) The Company does not have any benami property held in its name. No proceedings have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) The quarterly / monthly statements / information of current assets filed by the company with banks are in agreement with the books of accounts.
- (iii) The company has not used the borrowings for any purpose other than the specified purpose of the borrowings. The funds raised on short term basis have not been utilised for long term purposes during the year.
- (iv) There is not default in terms of repayment of any loan i.e either principal or interest thereon.
- (v) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (vi) The Company has complied with the requirement with respect to number of layers prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- (vii) Utilisation of borrowed funds and share premium
  - (i) The Company has not advanced or loaned or invested funds with any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    - (a) Directly or indirectly lend or invest with other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
    - (b) Provide any guarantee, security or the like with or on behalf of the ultimate beneficiaries.

# Notes on Standalone Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
  - (a) Directly or indirectly lend or invest with other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (viii) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- (ix) The Company has not traded or invested in crypto currency or virtual currency during the year.
- (x) The company had no transaction with the companies struck off u/s 248 of The Companies Act, 2013 or u/s 560 of The Companies Act, 1956 during the year.
- (xi) The Company had no Intangible asset under development at the end of the year.
- (xii) The Company does not have any charges or satisfaction of charges which are yet to be registered with Registrar of Companies beyond the statutory period.
- (xiii) The financial statements have been approved by the Audit Committee and the Board of Directors at their respective meetings held on 29<sup>th</sup> May, 2024.

## M.G. SHARMA

Executive Director (Finance) & CFO

## Aman Setia

Vice President (Finance)  
& Company Secretary

## K.K.SARDANA

Mg. Director

As per our separate report of even date  
 For **Y K SUD & CO**  
 Chartered Accountants

## (Y K SUD)

Proprietor  
 Memb. No. 16875  
 Firm Reg. No. 000047N  
 Peer Review Certificate No. 014348  
 Date: 29/05/2024  
 Place: Phagwara

DIRECTORS

Manjoo Sardana  
 Tarsem Singh Lally  
 Ranbir Singh Seehra  
 Saravjit Singh Hothi  
 Vikas Uppal





# **Consolidated Financial Statements**

# Independent Auditor's Report

To  
 The Members of  
**The Sukhjit Starch & Chemicals Limited**  
**Phagwara**

## REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

### OPINION

We have audited the attached Consolidated financial statements of The Sukhjit Starch & Chemicals Limited (the Company) as at March 31, 2024, which comprise the Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow and a summary of significant accounting policies and other explanatory information. (herein after referred to as "the Consolidated Ind AS Financial Statement").

We did not audit the financial statements of subsidiaries, whose financial statements reflect total assets and Revenue from operations as follows as on 31<sup>st</sup> March, 2024.

Subsidiary Company	Total Assets	Revenue from Operations
		(₹ in lacs)
Sukhjit Mega Food Park & Infra Ltd.	13829.50	5958.64
The Vijoy Steel & General Mills Co. Ltd.	143.91	236.77
Scott Industries Ltd.	47.29	-

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Indian Accounting Standard 110-Consolidated Financial Statements issued by the ICAI and on the basis of the separate audited financial statements of the Sukhjit Starch & Chemicals Limited and its subsidiaries included in the Consolidated Financial Statements.

### BASIS FOR OPINION

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

### KEY AUDIT MATTERS

Key audit matters are those matters that in our professional judgment, were significant in our audit of the consolidated financial statements for the financial year ended 31<sup>st</sup> March 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described under the 'Auditor's responsibilities section' of our report, for the audit of the consolidated financial statements, including in relation to these matters. Our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement (if any) in the consolidated financial statements.

Key Audit Matters	Auditor's Response
<b>Revenue recognition</b> Revenue is one of the key profit drivers and is therefore susceptible to misstatement. The timing of such revenue recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery. Cut-off is the key assertion in so far as revenue recognition is concerned..	Our audit procedures with regard to revenue recognition included substantive test check of sales transactions recorded during the period closer to the year end, copy of orders, customer' contracts, sales invoices and recoveries as per sale orders / contracts etc and subsequent to the year end inventory reconciliations.  The system of valuation of Finished Goods was also verified and found in order, in consonance with the Accounting Standard(s).

Key Audit Matters	Auditor's Response
<p><b>Inventory &amp; its Valuation</b></p> <p>We considered the valuation of Inventories, especially the basic raw material of the entity i.e. Maize, as a key audit matter as the entity is having significant stocks of maize held by entity's various units across India.</p>	<p>Our audit procedures with regard to inventories include assessment of the management's inventory control procedures, system of accounting for receipt / issue of material, maintenance of appropriate records for balance of stock on a daily basis and basis of valuation of stock.</p> <ul style="list-style-type: none"> <li>• Taking into account the installed capacities of various units of company, we have verified that the company duly maintains appropriate raw material inventory levels to ensure continues running of operations at all its units.</li> <li>• The storage system was duly verified and it was observed that Company has proper systems in place for receipt / issue of material with appropriate records being maintained / updated on a daily basis. The inventory was found to be properly stored in warehouses / sheds within each storage location. Further, periodic physical verification of the stocks is also carried out by the management.</li> <li>• We have assessed the appropriateness of Company's accounting policy for valuation of stock and compliance of the policy with the requirements of the prevailing accounting standards. There is a proper system of writing off of any shortage on account of dryage or any non-moving / obsolete inventory item etc.</li> <li>• We have been able to conclude that the stocks of raw material are being maintained by the company at reasonable levels having regard to the nature of business of the Company and seasonality involved in the procurement / availability of the raw material.</li> <li>• There were no significant exceptions noted in the systems / procedures.</li> </ul>

## OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on

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

## MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss (including other comprehensive income), changes in Equity and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the India Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of

the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its subsidiaries / associates to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities or business activities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to

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

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the companies (Auditor's Report) order, 2020 ("the order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our specific report in "Annexure A"
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in note to the financial statements.
  - (b) The Company has made provision, as required under the applicable law or accounting standards, for 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 Company.
  - (d) (i) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (ii) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the



- understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause and (ii) of Rule 11(e), as provided under h (iv) (a) and (b) above, contain any material misstatement.
- (e) The interim dividend declared and paid by the Company during the year has been in accordance with section 123 of the Act, as applicable.
- (f) Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended 31<sup>st</sup> March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
3. With respect to the matters specified in the Companies (Auditor's Report) Order, 2020 ('CARO'/the Order) issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the Consolidated Financial Statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the Consolidated Financial Statements.

**FOR Y K SUD & CO**  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 000047N

Sd/-  
(Y K SUD)  
Proprietor Memb. No. 16875  
Peer Review Certificate No. 014348  
UDIN : 24016875BKGUCN2485

Place : Jalandhar  
Dated : 29 May, 2024

# Annexure A to the Auditor's Report :

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

We have audited the internal financial controls over financial reporting of The Sukhjit Starch & Chemicals Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Managements of the Parent and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal

financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

## **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

### **OPINION**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all

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

### **OTHER MATTERS**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 3 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above.

**FOR Y K SUD & CO**  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 000047N

Sd/-  
(Y K SUD)  
Proprietor Memb. No. 16875  
Peer Review Certificate No. 014348  
UDIN : 24016875BKGUCN2485

Place : Jalandhar  
Dated : 29 May, 2024

# Consolidated Balance Sheet

AS ON MARCH 31, 2024

Particulars	Note	AS ON 31.03.2024	AS ON 31.03.2023
		(₹ in Lacs)	(₹ in Lacs)
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	3	52,024.84	52,766.11
(b) Right to use Assets	3	941.36	966.74
(c) Capital Work-in-progress	4	3,139.88	1,651.73
(d) Investment Property	5	2,133.88	2,170.79
(e) Other Intangible Assets	3	0.92	2.94
(f) Financial Assets - Investments	6	0.73	0.73
(g) Other Non Current Assets	7	360.04	295.51
		<b>58,601.65</b>	<b>57,854.55</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	8	23,048.22	17,894.28
(b) Financial Assets			
(i) Investments	9	8,281.10	7,751.62
(ii) Trade Receivables	10	7,937.70	8,070.61
(iii) Cash & Cash Equivalents	11	191.64	158.69
(iv) Bank Balances other than (iii)	12	1,364.38	1,102.22
(v) Other Financial Assets	13	535.52	831.50
(c) Income Tax Assets (net)	14	289.73	149.20
(d) Other Current Assets	15	1,919.74	1,513.27
		<b>43,568.03</b>	<b>37,471.39</b>
<b>Total Assets</b>		<b>1,02,169.68</b>	<b>95,325.94</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	16	1,562.20	1,562.20
(b) Other Equity	17	48,702.19	44,990.66
(c) Minority Interest		1.52	1.07
<b>Liabilities</b>		<b>50,265.91</b>	<b>46,553.93</b>
<b>Non Current Liabilities</b>			
(a) Financial Liabilities - Borrowings	18	8,576.86	11,061.60
(b) Lease Liability	19	1,375.03	1,297.43
(c) Deferred Tax Liabilities (net)	20	3,572.57	2,909.67
(d) Deferred Income - Govt. Grant(s)	21	3,329.74	3,265.64
(e) Other Non Current Liabilities	22	1,771.70	1,652.75
		<b>18,625.90</b>	<b>20,187.09</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	23,872.08	20,865.90
(ii) Trade Payables			
- Micro, Small & Medium Enterprises	24	590.76	372.07
- Others	24	6,949.41	5,413.33
(b) Other Current Liabilities	25	1,865.62	1,933.62
		<b>33,277.87</b>	<b>28,584.92</b>
<b>Total Liabilities</b>		<b>1,02,169.68</b>	<b>95,325.94</b>

## M.G. SHARMA

Executive Director (Finance) & CFO

## Aman Setia

Vice President (Finance)  
& Company Secretary

## K.K.SARDANA

Mg. Director

As per our separate report of even date

For **Y K SUD & CO**

Chartered Accountants

## (Y K SUD)

Proprietor

Memb. No. 16875

Firm Reg. No. 000047N

Peer Review Certificate No. 014348

Date: 29/05/2024

Place: Phagwara

DIRECTORS

Manjoo Sardana  
Tarsem Singh Lally  
Ranbir Singh Seehra  
Saravjit Singh Hothi  
Vikas Uppal

# Consolidated Statement of Profit and Loss

FOR THE YEAR ENDED MARCH 31,2024

Particulars	Note	FOR THE YEAR	FOR THE YEAR
		ENDED 31.03.2024	ENDED 31.03.2023
		(₹ in Lacs)	(₹ in Lacs)
I Revenue From Operations	26	1,37,534.53	1,44,657.23
II Other Income	27	968.81	304.46
<b>III Total Revenue</b>		<b>1,38,503.34</b>	<b>1,44,961.69</b>
IV Expenses			
Cost of Materials Consumed	28	96,642.66	1,01,417.53
Change in Inventories of Finished Goods, Stock-in-Trade and Work-in- Process	29	(2,085.53)	(2,483.81)
Employee Benefits Expenses	30	6,240.64	6,060.86
Financial Costs	31	3,301.53	2,827.63
Depreciation and Amortisation Exp.	3	3,483.27	3,563.52
Other Expenses	32	23,934.58	24,953.66
<b>Total Expenses</b>		<b>1,31,517.15</b>	<b>1,36,339.39</b>
V Profit Before Tax(III-IV)		6,986.19	8,622.30
VI Tax Expense :			
- Current Tax		1,587.74	1,830.00
- Deferred Tax		677.43	451.04
- Taxes Relating to Previous Yrs		(274.74)	5.17
		1,990.43	2,286.21
VII Profit for the year (V-VI)		4,995.76	6,336.09
VIII Add/(Less) Minority Interest		0.44	0.23
IX Profit for the year (VII+VIII)		4,996.20	6,336.32
X Other Comprehensive Income			
A) Itmes that will not be reclassified to Profit or Loss			
(a) Remeasurement of defined employee benefit plans		18.76	21.97
(b) Income Tax relating to items that will not be reclassified to Profit & Loss		(4.72)	(5.53)
B) Itmes that will be reclassified to Profit or Loss			
(a) Net change in fair value of investments other than equity		259.20	296.75
(b) Income Tax relating to items that will be reclassified to Profit & Loss		(65.23)	(74.69)
XI Total Comprehensive Income for the period (Comprising Profit and other Comprehensive Income for the period)		5,204.20	6,574.82
XII Earning per equity share :			
(1) Basic		31.98	40.56
(2) Diluted		31.98	40.56

**M.G. SHARMA**  
Executive Director (Finance) & CFO

**Aman Setia**  
Vice President (Finance)  
& Company Secretary

**K.K.SARDANA**  
Mg. Director

As per our separate report of even date  
For **Y K SUD & CO**  
Chartered Accountants

**(Y K SUD)**  
Proprietor  
Memb. No. 16875  
Firm Reg. No. 000047N  
Peer Review Certificate No. 014348  
Date: 29/05/2024  
Place: Phagwara

DIRECTORS

Manjoo Sardana  
Tarsem Singh Lally  
Ranbir Singh Seehra  
Saravjit Singh Hothi  
Vikas Uppal



# Consolidated Statement of Change in Equity

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lacs)

Particulars	Capital Reserve	Security Premium	General Reserve	Retained Earnings	Other Comprehensive Income	Total
<b>AS ON 31 MARCH 2024</b>						
Balance at the beginning of the reporting period i.e. 1 <sup>st</sup> April, 2023	417.81	2,500.84	41,246.35	553.48	272.18	44,990.66
Profit for the year				4,996.20		4,996.20
Other Comprehensive Income					208.00	208.00
Dividends				(1,249.76)		(1,249.76)
Transfer to General Reserve			4,000.00	(4,000.00)		-
OCI reclassified to P&L					(242.91)	(242.91)
<b>Balance at the end of the reporting period i.e. 31<sup>st</sup> March, 2024</b>	<b>417.81</b>	<b>2,500.84</b>	<b>45,246.35</b>	<b>299.92</b>	<b>237.27</b>	<b>48,702.19</b>
<b>AS ON 31 MARCH 2023</b>						
Balance at the beginning of the reporting period i.e. 1 <sup>st</sup> April, 2022	417.81	2,500.84	36,246.35	466.92	64.16	39,696.08
Profit for the year				6,336.32		6,336.32
Other Comprehensive Income					238.50	238.50
Dividends				(1,249.76)		(1,249.76)
Transfer to General Reserve			5,000.00	(5,000.00)		-
OCI reclassified to P&L					(30.48)	(30.48)
<b>Balance at the end of the reporting period i.e. 31<sup>st</sup> March, 2023</b>	<b>417.81</b>	<b>2,500.84</b>	<b>41,246.35</b>	<b>553.48</b>	<b>272.18</b>	<b>44,990.66</b>

## Notes :

- Capital Reserve : Capital Reserve has been created out of subsidy received as capital receipt and will be capitalised accordingly.
- General Reserve : The general reserve is a free reserve which is created / used from time to time to transfer profits from / to retained earnings for appropriation purposes. The general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.
- Retained Earnings : This reserve represents unappropriated accumulated earnings of the company as on the balance sheet date.
- Security Premium Reserve : The Security Premium Reserve has been created on receipt of the premium on issue of equity shares of face value of ₹ 10 each @ ₹ 300/- per share (i.e. at a premium of ₹ 290/- per share). The share premium reserve will be utilized in future in accordance with the provisions of The Companies Act, 2013.

### M.G. SHARMA

Executive Director (Finance) & CFO

### Aman Setia

Vice President (Finance)  
& Company Secretary

### K.K.SARDANA

Mg. Director

As per our separate report of even date

For **Y K SUD & CO**

Chartered Accountants

### (Y K SUD)

Proprietor

Memb. No. 16875

Firm Reg. No. 000047N

Peer Review Certificate No. 014348

Date: 29/05/2024

Place: Phagwara

DIRECTORS

Manjoo Sardana  
Tarsem Singh Lally  
Ranbir Singh Seehra  
Saravjit Singh Hothi  
Vikas Uppal

# Consolidated Cash Flow Statement

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lacs)

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023
<b>(A) Flows from operating activities</b>		
Net Profit before tax	6,986.19	8,622.30
<b>Adjustments for non-cash items</b>		
Depreciation	3,483.27	3,563.52
Interest on Lease Liability	136.66	127.50
Provision	29.43	11.73
<b>Adjustments for non operating activities</b>		
Interest received	(199.19)	(73.01)
Apportionment of Deferred Income	(145.90)	(137.15)
Interest paid	3,120.01	2,655.96
(Profit) Loss on sale of investments/assets	(629.39)	(97.87)
Flows from operations before working capital changes	12,781.08	14,672.98
<b>Changes in working capital</b>		
Trade and other receivables	(7.02)	(2,207.23)
Inventories	(5,153.94)	(7,062.52)
Trade payables	1,746.84	381.98
Other Liabilities	(88.59)	219.29
<b>Flows from operating activities</b>	9,278.37	6,004.49
Net Direct Taxes Paid	(1,504.20)	(1,907.60)
<b>Net Flows from operating activities</b>	<b>7,774.17</b>	<b>4,096.89</b>
<b>(B) Flows from investing activities</b>		
Purchase of fixed assets	(4,254.63)	(3,686.19)
Sale of fixed assets	691.22	572.11
Acquisition of Minority Interest	0.44	0.23
Other Investments	(557.11)	(1,249.53)
Interest received	199.19	73.01
Net Flows from investing activities	<b>(3,920.89)</b>	<b>(4,290.37)</b>
<b>(C) Flows from financing activities</b>		
Loans raised for working capital	2,388.37	6,612.23
Repayment of Term Loan	(2,809.59)	(2,809.59)
Other Loans raised/(Repaid)	1,061.62	402.85
Government Grants	210.00	-
Dividends paid(including DDT)	(1,229.16)	(1,257.32)
Lease Rent Paid	(59.39)	(50.57)
Interest paid	(3,120.01)	(2,655.96)
	<b>(3,558.16)</b>	<b>241.65</b>
Net Cash Flows during the year	295.11	48.17
Cash & Cash equivalents at the beginning of the year	1,260.91	1,212.74
Cash & Cash equivalents at the end of the year	<b>1,556.02</b>	<b>1,260.91</b>

**M.G. SHARMA**  
Executive Director (Finance) & CFO

**Aman Setia**  
Vice President (Finance)  
& Company Secretary

**K.K.SARDANA**  
Mg. Director

As per our separate report of even date  
For **Y K SUD & CO**  
Chartered Accountants

**(Y K SUD)**  
Proprietor  
Memb. No. 16875  
Firm Reg. No. 000047N  
Peer Review Certificate No. 014348  
Date: 29/05/2024  
Place: Phagwara

DIRECTORS

Manjoo Sardana  
Tarsem Singh Lally  
Ranbir Singh Seehra  
Saravjit Singh Hothi  
Vikas Uppal

# Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## 1 CORPORATE INFORMATION

The Sukhjit Starch & Chemicals Limited ("The Company") is a Public Limited Company incorporated and domiciled in India. The address of its registered office is Sarai Road, Phagwara - 144401.

The company is an Agro-Processing Industry manufacturing starch & its derivatives i.e. Liquid Glucose, Dextrose Monohydrate, Dextrose Anhydrous, Sorbitol, Modified Starches and by-products. The company has emerged as one of the largest manufacturers of the Starch and its derivatives in India having multi- locational manufacturing units at Phagwara (Punjab), Nizamabad (Telangana), Malda (West Bengal) and Curplah (Himachal Pradesh).

The Company is listed on the Bombay Stock Exchange Ltd. (BSE) & the National Stock Exchange Ltd (NSE). The standalone financial statements for the year ended March 31, 2024 were approved by the Board of Directors on 29<sup>th</sup> May, 2024.

## STATEMENT OF COMPLIANCE & BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(i) These financial statements are the Consolidated financial statements of the group prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.

The accounts prepared in accordance with Ind AS and Disclosures thereunder comply with the requirements of Ind AS, stipulations contained in Schedule-III (revised) as applicable under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014, Companies (Indian Accounting Standards) Rules 2015 as amended from time to time and rules & guidelines issued by SEBI, as applicable.

(ii) The financial statements have been prepared on historical cash basis except for certain financial assets and financial liabilities that are valued at fair value or amortized book value.

All assets and liabilities except deferred tax and liabilities have been classified as current or non-current as per normal operating cycle / criteria given in schedule III to the Act. Deferred tax assets or liabilities are classified as non-current. The company has been taken operating cycle of 12 months for classification of its assets and liabilities as current and non-current.

## 2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted by the company for preparation of its financial statements are

listed hereunder and these policies have been consistently followed in all the years unless otherwise stated.

### (A) Use of Estimates, judgments and assumptions

The preparation of financial statements and disclosures made therein require the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and based upon the reasonable evaluation of relevant facts and circumstances as on the date of financial statements. Actual results could differ from these estimates materiality in case of certain items like provision of employee benefits, residual life of property, plant & equipment and intangible assets, valuation of estimates or provisions for bad & doubtful debts. The necessary information concerning estimates is given in the respective notes with information about basis of calculation for each affected line item in the financial statements. Any revision to accounting estimates is recognized prospectively in the current and future periods.

### (B) Property, Plant and Equipment

These are tangible assets held for use in production, supply of goods or services or for administrative purposes. These are recognized and carried under cost model i.e. cost less accumulated depreciation and impairment loss, if any which is akin to recognition criteria under erstwhile GAAP. Freehold land is carried at cost of acquisition.

(i) The cost includes freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site restoration up to the time when the asset is ready for intended use. The cost includes cost of replacing parts of plant and equipment, if recognition criteria are met. Cost of major inspections, dismantling / removing and site restoration costs are ascertained & capitalized. Such Costs also include borrowing costs if the recognition criteria are met. All other repair & maintenance costs are recognized in the statement of Profit & Loss.

(ii) Depreciation on Plant & Machinery has been provided on straight line method according to the expected life span of assets and on other fixed assets on written down value. In the following category of property, plant and equipment, the depreciation has been provided on the technical

# Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

evaluation of the useful life in case of some items of property, plant and equipment, which is different from the one specified in Schedule II to the Companies Act, 2013 : Plant and Machinery - 5 to 25 years, Office equipment - 5 to 10 years & Vehicles - 8 to 10 years.

- (iii) Depreciation on additions to the assets is provided on pro- rata basis from the month of such addition. The residual values, useful life of property, plant & equipment are reviewed at regular intervals and adjusted prospectively, if appropriate.
- (iv) During disposal of any Property, Plant and Equipment, any profit earned / loss sustained towards excess / shortfall of sale value vis-a- vis carrying cost of assets is accounted for in the statement of profit & loss.

## (C) Intangible Assets

Intangible asset purchased are measured at cost less accumulated amortisation and accumulated impairment, if any and are amortised as per the useful life on written down value basis, as per the rates specified in the Companies Act, 2013.

Revenue expenditure on research and development are charged off as and when incurred. However, the capital expenditure is considered as a part of the fixed assets and depreciated on the same basis as other fixed assets.

## (D) Investment and Financial Assets

The classification of financial assets is done at initial recognition i.e. those to be measured subsequently at fair value through Profit & Loss account (FVTPL) or through other comprehensive income (FVTOCI) and those to be measured at amortized cost. Classification also depends on Company's objective for holding these financial assets and contractual terms of cash flows.

Trade receivables that do not contain significant financing component are measured at transactional price determined under Ind AS115.

Subsequent measurement of financial assets depends upon Company's objective for holding the assets and cash flows characteristics of the financial asset like debt instrument is measured at amortized cost of the asset if held for collecting contractual cash flows and stipulated terms give rise to cash flows that comprise only payments of principal and Interest (on specified dates) on the principal amount outstanding.

Equity instruments carried within the scope of Ind AS 109 are measured at fair value. The equity instruments

which are held for trading are classified at FVTPL. For all other equity instruments the Company may make an irrevocable election to present the subsequent changes in their fair value in other comprehensive income. The Classification is made at initial recognition and is irreversible. All financial assets that don't meet the criteria for amortized cost or FVTOCI are measured at fair value through Profit & Loss Account.

Impairment of financial assets is assessed on the basis of expected credit losses associated with the financial assets like trade receivables, deposits, lease receivables or debt security and carried at its amortized cost.

Any significant risk in credit is duly provided in the Profit & Loss Account. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability has taken place in the principal market for the asset or liability or in the most advantageous market for the asset or liability and such markets are accessible to the company. A fair value measurement of a non-financial asset takes into account the ability of a market participant to generate economic benefits by selling it to another market participant who can use the asset to its best use. The company uses the valuation process that is appropriate and relevant to the circumstances and for which sufficient data are available by maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The assets and liabilities for which fair value is measured or disclosed in the financial statements have been categorized within the fair value hierarchy on the basis of inputs to valuation process, in order to ensure consistency and comparability in fair value measurement:

### Level 1 :

Quoted (unadjusted) market price in the active market for the identical assets or liabilities and the company can access the market on the measurement date. In the absence of active market, a most advantageous market is available, enabling the company to do transaction for the asset or liability at the price in that market on the measurement date.

### Level 2 :

Relates to an asset or liability where observable inputs are available other than quoted price included in level 1 and these inputs may include quoted price for similar assets or liabilities in an active market / identical or similar assets or liabilities in the markets that are not active. The other observable inputs may also include interest rates, credit spreads, implied volatilities etc. The adjustment to level 2 inputs may vary according to the condition / location of the asset, volume / level of activities in the market for

# Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

similar assets or liabilities or other inputs specific / comparable to the asset or liability of the company.

### Level 3 :

Unobservable inputs are used to measure the fair value to the extent relevant for the asset or liability at the measurement date. The inputs can be developed on the basis of best information available in the circumstances and necessary adjustment is made to the data used by other market participants according to the nature of the asset or liability.

### (E) Inventories

The cost of inventories include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present form / locations. It includes duties & Taxes (other than those recoverable by the Company from the tax authorities), freight inward and other expenses directly attributable / incidental to the purchase.

- (i) Raw materials are valued at cost on weighted average basis or net realisable value whichever is lower.
- (ii) Finished goods & Stock in Process are valued at cost of manufacturing or net realisable value whichever is lower.
- (iii) Bye Products are valued at net realisable value.
- (iv) Stores, Packing Materials & Tools are valued at cost on weighted average basis or net realisable value whichever is lower.

The net realizable value is ascertained on the basis of estimated sales realization during normal course of business net of expenses required to be incurred to complete the transaction.

### (F) Cash and Cash Equivalents

Cash and Cash equivalents comprise of cash in hand, cheques in hand and balances of current accounts with banks.

### (G) Income Tax and Deferred Tax

The liability of company on account of Income Tax is computed according to the applicable provisions of the Income Tax Act, 1961 & rules thereunder. Deferred tax is provided using balance sheet approach on temporary differences at the reporting date as difference between the tax base use in the computation of taxable profits and the carrying amount of assets and liabilities. Deferred tax asset is recognized subject to the probability that taxable profit will be available against which the temporary differences can be reversed.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted & applicable at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised in the other comprehensive income.

### (H) Lease assets

The company recognises Right-Of-Use Asset (ROU Asset) held under a lease under the head Property Plant & Equipment. The total cost of this ROU Asset has been measured as present value of the future lease payments by discounting total lease payments with interest rate implicit in the lease using the 'Modified Retrospective Approach'. Instead of claiming actual lease payment as an expense, the composite present value of ROU Asset is depreciated under straight line method and interest cost for corresponding lease liability is expensed accordingly, in line with the accounting treatment required by Ind AS 116. For the reporting year, the carrying amount of ROU Asset is an amount equal to the carrying amount of the lease liability on the transition date computed as present value of all future lease payments discounted at an interest rate implicit in the lease.

### (I) Revenue Recognition

#### (A) Sale of Goods

- (a) Revenue is recognized on the transfer of goods to a customer for an amount that reflects the consideration to which company expects to be entitled in exchange for those goods.
- (b) Revenue is measured at the fair value received or receivable net of discounts, quantity rebates or incentives and taxes on sales. The amount received / receivable from the customer is recognised as sales revenue after the control, over the goods sold, are transferred to the customer which is generally dispatch of goods.
- (c) Variable consideration includes quantity rebates, discounts etc which are estimated at the contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized, will not occur when the associated uncertainty with the variable consideration is subsequently resolved. In pursuance to AS115, using the practical expedient, the company does not adjust the promised consideration for the effects of a significant financing component concerning the short term advances, if any received from its customers.



# Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

**(B)** Dividends are recognised in profit & loss account only when right to receive the payment is established.

**(C)** Interest income is recognized in the statement of profit and loss on time proportion basis taking into consideration the outstanding amount and the applicable rate of interest.

**(D)** Insurance or other claims are accounted for on the basis of claims admitted by the insurers and right to receive the claim gets established.

## **(J) Government subsidy / Grants**

Government Grants are recognized only when there is a reasonable assurance that the entity will comply with the conditions attached thereto and the grants will be received.

(i) Subsidy/ Grants related to assets are presented in balance sheet as 'Deferred Income' which is recognized in the statement of profit & loss under the head 'other income' on a systematic basis over the useful life of the assets

(ii) Subsidy / Grants related to expenses are treated in statement of profit & loss under the head for which the grants are intended to compensate.

## **(K) Employee Benefits**

(i) Short term employee benefits are charged to the profit & loss account of the year in which the employee renders services. These benefits include Annual leave encashment, Ex-gratia etc.

(ii) A defined contribution plan comprises contribution to Employees Provident fund, Employee Pension Scheme and Employee State Insurance which are deposited with the respective Government departments. These contributions are recognized as expense during the periods employees perform services. Contributions to superannuation plan for certain category of employees (to provide an agreed benefit) are deposited with the life insurance corporation of India and charged to the profit and loss account on the same basis.

(iii) Defined benefit plans include gratuity which is determined on the basis of actuarial valuation at the end of the year and contributions are deposited with SBI Life Insurance Company Ltd. under a separate trust and charged to the profit and loss account / other comprehensive income of the relevant year.

## **(L) Foreign Currency Transaction**

The company's financial statements are presented in INR, which is also the company's functional currency.

Foreign currency transactions relating to sale of goods are translated at the rates prevailing at the time of settlement of transactions. The transactions which remain unsettled as on the balance sheet date are translated at the contracted rates (where applicable) or on the exchange rates prevailing at the end of the accounting year.

Any income or expenditure on account of exchange difference (on transaction) is recognized in the profit and loss account except Long term liabilities relating to acquisition of fixed assets where they are adjusted to the cost of asset and depreciated over the balance life of the assets.

## **(M) Impairment**

Impairment loss, if any, is provided, by making provision, to the extent carrying cost of an asset exceeds its realizable value.

## **(N) Borrowing Cost**

Borrowings cost related to specific borrowings for acquisition / construction / erection of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use. Borrowing cost related to general borrowings for acquisition / construction / erection of a qualifying asset are capitalized as a part of the cost by applying a capitalization rate as per IND-AS 23.

## **(O) Provisions, Contingent Liability and Contingent Assets**

Disputed liabilities and claims, against the company including claims raised by fiscal authorities pending in appeal / court for which no reliable estimate can be made and / or involves uncertainty of the outcome of the amount of the obligation, are not provided for in the accounts but disclosed in notes to accounts.

## **(P) Earnings Per Share**

For the purpose of calculating basic earnings per share, the net profit or loss for the period attributable to equity shareholders after deducting any attributable tax thereto for the period is divided by weighted number of equity shares outstanding during the period.

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

# Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## NOTE - 3 : FIXED ASSETS AS ON 31ST MARCH, 2024

### TANGIBLE & INTANGIBLE ASSETS

Particulars	LAND	RIGHT TO USE (LAND)	BUILDING	FURNITURE & FIXTURE	PLANT & MACHINERY	ELECTRIC FITTING & OTHER EQUIPMENT	VEHICLES	TOTAL TANGIBLE ASSETS	INTANGIBLE ASSETS COMPUTER SOFTWARE	TOTAL ASSETS	PREVIOUS YEAR
<b>OWNED ASSETS</b>											
<b>COST</b>											
Cost as on 01.04.2023	1,828.07	1,095.40	20,308.25	623.39	48,440.86	2,650.64	764.16	75,710.77	42.08	75,752.86	69,954.39
Additions	117.48	9.94	569.10	18.67	1,811.31	158.21	91.72	2,776.43	-	2,776.43	8,517.77
Sale/Adjustments	1.98	-	-	-	99.53	-	7.31	108.82	-	108.82	2,719.30
<b>Total as at 31.03.2024</b>	<b>1,943.57</b>	<b>1,105.34</b>	<b>20,877.35</b>	<b>642.06</b>	<b>50,152.64</b>	<b>2,808.85</b>	<b>848.57</b>	<b>78,378.38</b>	<b>42.08</b>	<b>78,420.46</b>	<b>75,752.86</b>
<b>DEPRECIATION</b>											
Upto 31.03.2023	-	128.65	7,171.84	441.23	12,288.97	1,548.99	398.24	21,977.92	39.14	22,017.06	20,698.61
For the Year	-	35.32	1,138.17	53.43	1,988.80	135.17	130.37	3,481.25	2.01	3,483.27	3,563.52
On Sale/Adjustments	-	-	-	-	40.05	-	6.94	46.99	-	46.99	2,245.07
<b>Upto 31.03.2024</b>	<b>-</b>	<b>163.98</b>	<b>8,310.01</b>	<b>494.65</b>	<b>14,237.71</b>	<b>1,684.16</b>	<b>521.67</b>	<b>25,412.18</b>	<b>41.16</b>	<b>25,453.34</b>	<b>22,017.06</b>
<b>NET VALUE</b>											
As at 31.03.2024	1,943.57	941.36	12,567.35	147.41	35,914.92	1,124.69	326.90	52,966.20	0.92	52,967.12	53,735.79
<b>As at 31.03.2023</b>	<b>1,828.07</b>	<b>966.74</b>	<b>13,136.42</b>	<b>182.17</b>	<b>36,151.89</b>	<b>1,101.65</b>	<b>365.91</b>	<b>53,732.85</b>	<b>2.94</b>	<b>53,735.79</b>	

(a) The title deeds, of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) are held in the name of the Company as at the balance sheet date.

(b) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use assets) and intangible assets during the years or in the earlier years.

# Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## ASSETS

### NON CURRENT ASSETS

#### 4 CAPITAL WORK-IN-PROGRESS

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Building under Construction	1,222.62	513.70
Machinery under Errection	1,686.34	953.56
Electric Installation under Errection	-	7.76
Advances for Work in progress	230.92	176.71
	<b>3,139.88</b>	<b>1,651.73</b>

#### CWIP Ageing schedule (Consolidated)

(₹ in Lacs)

Particulars	Amount in CWIP for a period of				Total
	less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>FY 2023-24</b>					
Project in progress	2,551.92	357.04	-	-	2,908.96
Projects temporarily suspended	-	-	-	-	-
<b>FY 2022-23</b>					
Project in progress	1,406.52	68.50	-	-	1,475.02
Projects temporarily suspended	-	-	-	-	-

Does not include any project where the activity has been suspended.

#### 5 INVESTMENT PROPERTY

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Land	1,643.34	1,643.34
Advances against Purchase of Property	490.54	527.45
	<b>2,133.88</b>	<b>2,170.79</b>

Market Value of Land is ₹ 1991.11 lacs.

Total market value of Investment Property is ₹ 2481.65 lacs including ₹ 490.54 lacs advance (P.Y. ₹ 2357.51 lacs).

Depreciation has not been provided.

## FINANCIAL ASSETS

#### 6 INVESTMENTS

(₹ in Lacs)

	As at March 31, 2024	As at March 31, 2023
<b>UN-QUOTED FULLY PAID UP</b>		
INVESTMENT IN GOVT. SECURITIES		
National Saving Certificate	0.08	0.08
Membership (Investment) - Club(s)	0.65	0.65
	<b>0.73</b>	<b>0.73</b>

Aggregate Amount of Unquoted Investments - ₹ 0.73 lacs (P.Y. ₹ 0.73 lacs)

# Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## 7 OTHER NON CURRENT ASSETS

(₹ in Lacs)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Unsecured - Considered Good		
Security/Other Deposits	360.04	295.51
	<b>360.04</b>	<b>295.51</b>

Detail of Loans / advances given without specifying any term or period of repayment :-

(₹ in Lacs)

Type of Borrower	As on 31.03.2024		As on 31.03.2023	
	Amount of loans / advances	%age to Total Loans/advances in the nature of loans	Amount of loans / advances	%age to Total Loans/advances in the nature of loans
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-

## CURRENT ASSETS

### 8 INVENTORIES

(₹ in Lacs)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Raw Materials Basic	12,360.88	9,192.11
Stock in Process	1,889.37	1,377.45
Finished Goods	6,337.90	4,764.29
Stores, Spares, Fuel & Other Raw Materials	2,441.74	2,542.86
Tools / Accessories	18.33	17.57
	<b>23,048.22</b>	<b>17,894.28</b>

- Raw Material Basic has been valued at cost on weighted average basis or net realisable value whichever is lower.
- Stock in Process has been valued at cost of manufacturing or net realisable value whichever is lower.
- Finished Goods have been valued at cost of manufacturing or net realisable value whichever is lower.
- Bye Products have been valued at net realisable value
- Stores, Spares, Fuel, ORM & Tools have been valued at cost on weighted average basis or net realisable value whichever is lower.

## FINANCIAL ASSETS

### 9 INVESTMENTS

(₹ in Lacs)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Investment (at Fair Value)</b>		
(A) INVESTMENT IN UNITS OF MUTUAL FUNDS		
UNQUOTED		
(i) HDFC Banking and PSU Debt Fund	1,538.17	2,977.46
7127092.601 units (Prev. year 14870728.817 units)		
(ii) HDFC Short Term Debt Fund	2,378.71	4,774.16
8011258.372 units (Prev. year 17364802.140 units)		
(iii) HDFC Long Duration Debt Fund	3,423.88	-
30517740.772 units (Prev. year NIL units)		

# Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Investment (at Fair Value)</b>		
(B) INVESTMENT IN DEBENTURES / BONDS - QUOTED		
(i) State Bank of India	518.62	-
7.72% Listed Unsecured Non Convertible fully paid up Preperpetual Bonds 5 nos Bonds (Prev. year NIL Bonds) of face value ₹1 cr each		
(ii) Bank of Baroda	421.72	-
7.95% Listed Unsecured Non Convertible fully paid up Preperpetual Bonds 4 nos Bonds (Prev. year NIL Bonds) of face value ₹1 cr each		
	<b>8,281.10</b>	<b>7,751.62</b>

Aggregate Amount of Unquoted Investments - ₹ 7340.76 lacs (P.Y. ₹ 7751.62 lacs)

Aggregate Amount of Quoted Investments - ₹ 940.34 lacs (P.Y. NIL)

## 10 TRADE RECEIVABLES (Unsecured)

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good	7,937.70	8,049.97
Considered doubtful	324.89	316.09
	<b>8,262.59</b>	<b>8,366.06</b>
Less: Provision for doubtful debts	324.89	295.45
	<b>7,937.70</b>	<b>8,070.61</b>

### Trade Receivable ageing Schedule (Consolidated)

(₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment/ date of transaction					Total
	Less than 180 Days	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>FY 2023-24</b>						
i) Undisputed - considered good	7,509.75	49.17	376.68	2.10	-	7,937.70
ii) Undisputed - considered doubtful	-	-	-	-	-	-
iii) Disputed - considered good	-	-	-	-	-	-
iv) Disputed - considered doubtful	-	-	-	-	324.89	324.89
	<b>7,509.75</b>	<b>49.17</b>	<b>376.68</b>	<b>2.10</b>	<b>324.89</b>	<b>8,262.59</b>
Less: Provision for doubtful debts						324.89
						<b>7,937.70</b>
<b>FY 2022-23</b>						
i) Undisputed - considered good	8,002.84	20.89	8.68	17.56	-	8,049.97
ii) Undisputed - considered doubtful	-	-	-	-	-	-
iii) Disputed - considered good	-	-	-	-	-	-
iv) Disputed - considered doubtful	-	-	-	-	316.09	316.09
	<b>8,002.84</b>	<b>20.89</b>	<b>8.68</b>	<b>17.56</b>	<b>316.09</b>	<b>8,366.06</b>
Less: Provision for doubtful debts						295.45
						<b>8,070.61</b>



# Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## 11 CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash in hand	19.15	41.30
Balances with Scheduled Banks in -		
Current Accounts	172.49	117.39
	<b>191.64</b>	<b>158.69</b>

## 12 BANK BALANCES

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Scheduled Banks in -		
Unclaimed Dividend Accounts	117.08	96.48
Margin Money Accounts(*)	185.69	178.24
Fixed Deposit Accounts (**)	1,061.61	827.50
	<b>1,364.38</b>	<b>1,102.22</b>

(\*) Include balances of ₹ 19.80 lacs (P.Y. ₹ 54.72 lacs ) with the maturity of more than one year.

(\*\*) Include balances of ₹ 10.00 lacs (P.Y. ₹ 10.00 lacs ) with the maturity of more than one year.

## 13 OTHER FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured Advances- Considered Good		
Recoverable in cash or kind or for value to be received (*)	535.52	831.50
	<b>535.52</b>	<b>831.50</b>

(\*) Include ₹ 97.17 lacs (P.Y. ₹ 24.08 lacs) as Advances to Sundry Suppliers for purchase of materials.

## 14 INCOME TAX ASSETS (net)

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Income Tax in advance	5,537.43	6,934.16
Less : Provision For Tax	5,247.70	6,784.96
	<b>289.73</b>	<b>149.20</b>

## 15 OTHER CURRENT ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid Expenses	197.52	164.33
Interest & Other recoverables	1,722.22	1,348.94
	<b>1,919.74</b>	<b>1,513.27</b>

# Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## EQUITY

### 16 EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>AUTHORISED</b>		
200,00,000 Equity Shares of ₹10/- each	2,000.00	2,000.00
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
15622000 Equity shares (PY 15622000 shares) of ₹10/- each fully paid up .	1,562.20	1,562.20
	<b>1,562.20</b>	<b>1,562.20</b>

The Details of shareholders holding more than 5% shares:-

Particulars	As on 31.03.2024		As on 31.03.2023		%age change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Smt. Manjoo Sardana	12,34,272	7.90	17,16,097	10.99	(3.09)
Sh. Kuldip Krishan Sardana	9,00,053	5.76	14,82,953	9.49	(3.73)
Sh. Dhiraj Sardana	12,07,112	7.73	9,57,112	6.13	1.60
Sh. Bhavdeep Sardana	12,58,541	8.06	9,58,541	6.14	1.92
Sh. Puneet Sardana	12,56,566	8.04	9,56,566	6.12	1.92
Sh. Pankaj Sardana	12,03,558	7.70	9,53,558	6.10	1.60

## OTHER EQUITY

### 17 RESERVES & SURPLUS

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
A Capital Subsidy	<b>417.81</b>	417.81
B Security Premium	<b>2,500.84</b>	2,500.84
C General Reserve		
Opening Balance	41,246.35	36,246.35
Add : Transferred from Profit & loss Account	4,000.00	5,000.00
	<b>45,246.35</b>	<b>41,246.35</b>
D Profit & Loss Account		
As per last Balance Sheet	553.48	466.92
Add: Profit for the year	4,996.20	6,336.32
	<b>5,549.68</b>	<b>6,803.24</b>
Less: Appropriations/Payments		
(a) Interim Dividend	1,249.76	1,249.76
(b) Transferred to General Reserve	4,000.00	5,000.00
Surplus Carried Forward	<b>299.92</b>	553.48
E Other Comprehensive Income (Net of tax)		
Opening balance	272.18	64.16
(a) Remeasurement of defined employee benefit plans	14.04	16.44
(b) Net change in fair value of investments other than equity	193.96	222.06
(c) Item reclassified to P & L	(242.91)	(30.48)
	<b>237.27</b>	<b>272.18</b>
	<b>48,702.19</b>	<b>44,990.66</b>

# Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## LIABILITIES

### NON CURRENT LIABILITIES

#### FINANCIAL LIABILITIES

#### 18 BORROWINGS

(₹ in Lacs)

Particulars	As at	
	March 31, 2024	March 31, 2023
SECURED LOANS - TERM LOAN FROM BANKS		
(a) i) HDFC Bank Ltd	-	127.40
ii) HDFC Bank Ltd	375.00	1,875.00
(b) i) YES Bank Ltd	-	1,000.00
ii) YES Bank Ltd	200.00	1,000.00
UNSECURED LOANS		
Fixed Deposits (includes ₹ 58,40,000 /- from Directors, previous year ₹ 55,50,000/-) (Maturity Period Ranging from 1 to 3 years)	8,001.86	7,059.20
	<b>8,576.86</b>	<b>11,061.60</b>

#### Notes:-

##### a HDFC Bank Ltd:-

i) ₹ NIL (PY ₹ 127.40 lacs) Secured against Hyp. of Plant & Machinery and other movable fixed assets purchased out of this Term Loan at Malda Unit, repayable in sixteen equal quarterly installments. First Installment started from July, 2020.

ii) ₹ 375 lacs (PY ₹ 1875 lacs) Secured against Hyp. of Plant & Machinery and other movable fixed assets of Rehana Jattan Unit, repayable in twenty equal quarterly installments. First Installment started from September, 2020.

The loans are collaterally secured against First Pari Passu charge on Plant & Machinery and other movable fixed assets & equitable Mortgage of land and building of Gurplah Unit.

##### b YES Bank Ltd:-

i) ₹ NIL (PY ₹ 1000.00 lacs) Secured against First Pari Passu charge on Plant & Machinery and other movable fixed assets & Equitable Mortgage of land and building of Gurplah Unit. Repayment in July, 2024.

ii) For Sukhjit Mega Food park :- ₹ 200.00 lacs (PY ₹ 1000.00 lacs) Secured against all current & movable fixed assets of Mega Food Park, repayable in twenty equal quarterly installments. First Installment started from July, 2020.

#### 19 LEASE LIABILITY

(₹ in Lacs)

Particulars	As at	
	March 31, 2024	March 31, 2023
Lease Liability	1,375.03	1,297.43
	<b>1,375.03</b>	<b>1,297.43</b>

## Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

### 20 DEFERRED TAX LIABILITY (NET)

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
As per Last Balance Sheet	2,909.67	2,388.24
Add: tax effect on OCI	(14.53)	70.39
Add : Provision for the year on account of timing difference arising on depreciation on Fixed Assets as per Income Tax Act & Companies Act and on account of others provisions	677.43	451.04
	<b>3,572.57</b>	<b>2,909.67</b>

### Movement of Deferred Tax liabilities & Assets

(₹ in Lacs)

Particulars	Opening Balance	Recognised in PL	Recognised in OCI	Closing Balance
<b>2023-24</b>				
<b>Deferred Tax Liabilities</b>				
Property, plant and equipment and Intangible assets	(5,240.21)	(569.41)	-	(5,809.62)
Others	(91.35)	(0.11)	14.53	(76.93)
<b>Deferred Tax Assets</b>				
Provision for doubtful debts	29.79	2.21	-	32.00
Provision for Investments	100.67	-	-	100.67
Brought forward Long Term Loss	1,410.22	(135.91)	-	1,274.31
Goernment grants	833.67	16.12	-	849.79
others	47.54	(0.33)	-	47.21
<b>Net Derrerred tax liability</b>	<b>(2,909.67)</b>	<b>(687.43)</b>	<b>14.53</b>	<b>(3,582.57)</b>
<b>2022-23</b>				
<b>Deferred Tax Liabilities</b>				
Property, plant and equipment and Intangible assets	(4,767.12)	(473.09)	-	(5,240.21)
Others	(22.60)	1.64	(70.39)	(91.35)
<b>Deferred Tax Assets</b>				
Provision(s)	32.03	(2.24)	-	29.79
Provision for Investments	100.67	-	-	100.67
Brought forward Long Term Loss	1,362.26	47.96	-	1,410.22
Goernment grants	865.49	(31.82)	-	833.67
Others	41.03	6.51	-	47.54
<b>Net Derrerred tax liability</b>	<b>(2,388.24)</b>	<b>(451.04)</b>	<b>(70.39)</b>	<b>(2,909.67)</b>

### Income Tax recognised in the statement of profit & loss

(₹ in Lacs)

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Current Tax	1587.74	1830.00
In respect of the current year		
Deferred Tax	677.43	451.04
In respect of the current year		
Tax relating to earlier years	(274.74)	5.17
Total Income tax expense	1990.44	2286.21

# Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## Reconciliation of the Income Tax Expense for the year :-

(₹ in Lacs)

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Profit before tax	6986.19	8622.30
Tax at the Indian Tax Rate of 25.168%	1758.29	2170.06
Net effect of expenses that are not deductible in taxable profits	51.31	43.28
Deductions u/s 35	-	(5.29)
Others	455.58	72.99
	<b>2265.17</b>	<b>2281.04</b>
Tax relating to earlier years	(274.74)	5.17
Effective income tax rate	28.49	26.52
Total Income tax expense	1990.44	2286.21

## 21 DEFERRED INCOME

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Income -Government grant(s)		
Opening balance	3,265.64	3,402.79
Add: Received during the year	210.00	-
Less : Credited to P & L	145.90	137.15
<b>Closing balance</b>	<b>3,329.74</b>	<b>3,265.64</b>

## 22 OTHER NON CURRENT LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits	887.64	679.21
Provisions	428.91	420.58
Other Long Term Liabilities	455.15	552.96
	<b>1,771.70</b>	<b>1,652.75</b>

## CURRENT LIABILITIES

### FINANCIAL LIABILITIES

## 23 BORROWINGS

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>SECURED</b>		
Cash Credit limits for Banks		
(a) From Punjab National Bank	12,213.58	9,990.76
(b) From Yes Bank Ltd	731.10	565.55
(c) WCDL from Citi Bank NA	6,500.00	4,500.00
(d) Current maturities of long Term Borrowings	3,427.40	2,809.59
<b>UNSECURED</b>		
WCDL from YES Bank Ltd	1,000.00	1,000.00
Short Term Loan from HDFC Bank Ltd	-	2,000.00
	<b>23,872.08</b>	<b>20,865.90</b>



# Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31,2024

## Notes:-

a) Punjab National Bank :-

Secured against hypothecation of raw material, stores, semi-finished goods & finished goods and Book Debts and collaterally secured against Eq. mortgage of land & building of Nizamabad unit, lease rights on land of malda unit, building constructed there on and the P & M and other fixed assets of the units.

b) Yes Bank Ltd:-

For Sukhjit Mega Food Park : Secured against hypothecation of raw material, stores, semi-finished goods & finished goods and Book Debts of sukhjit mega food park.

c) Citi Bank NA:-

Secured against charge on a part of land located at G T Road, Phagwara

d) Current maturities of long Term Borrowings are secured as per item no. 18(a) & (b)

## 24 TRADE PAYABLES

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Sundry creditors for goods supplied :-		
(i) Micro, Small & Medium Enterprises (*)	590.76	372.07
(ii) Others	4,678.34	3,078.50
	<b>5,269.10</b>	<b>3,450.57</b>
b) Lease Liability	67.15	59.23
c) (i) Payables for Expenses	1,572.16	1,616.07
(ii) Other Payables (**)	631.76	659.53
	<b>7,540.17</b>	<b>5,785.40</b>

(\*) There was nil amount outstanding for more than 45 days & no overdue amount to the Micro,Small & Medium Enterprise ,so no interest was payable/ paid during the year(P.Y. NIL)

(\*\*) Include ₹ 256.84 lacs(P.Y. ₹ 233.81 lacs) as advance from Sundry Customers for supply of Goods

## Trade Payables (for goods) Aging Schedule(Consolidated)

(₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment/date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>FY 2023-24</b>					
i) MSME	590.76	-	-	-	590.76
ii) Others	4,488.00	20.90	9.32	151.60	4,669.82
iii) Disputed dues -MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	8.52	8.52
	<b>5,078.76</b>	<b>20.90</b>	<b>9.32</b>	<b>160.12</b>	<b>5,269.10</b>
<b>FY 2022-23</b>					
i) MSME	372.07	-	-	-	372.07
ii) Others	2,890.07	27.87	20.01	130.01	3,067.96
iii) Disputed dues -MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	10.54	10.54
	<b>3,262.14</b>	<b>27.87</b>	<b>20.01</b>	<b>140.55</b>	<b>3,450.57</b>

# Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## 25 OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unclaimed Dividends	117.08	96.48
Taxes payable (GST & TDS)	1,304.16	1,381.17
Interest accrued but not due on Fixed Deposits	444.38	455.97
	<b>1,865.62</b>	<b>1,933.62</b>

## 26 REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
SALES (*)		
Starches	58,634.29	60,096.88
Starch Derivatives	47,296.67	45,549.58
By-products & Misc Sales	31,603.57	39,010.77
	<b>1,37,534.53</b>	<b>1,44,657.23</b>

(\*) Net of discounts / rebates / shortages

## 27 OTHER INCOME

(₹ in Lacs)

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Interest Received	199.19	73.01
Profit/(Loss) on sale of Assets/Units	629.39	97.87
Other Income (*)	140.23	133.58
	<b>968.81</b>	<b>304.46</b>

(\*) Includes Rent Received of ₹ 5.64 lacs (P.Y. ₹ 5.66 lacs)

## 28 COST OF MATERIALS CONSUMED

(₹ in Lacs)

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Opening Stock of Basic Raw Material	9,192.11	4,994.90
Purchase of Basic Raw Material	96,403.81	1,02,048.14
	1,05,595.92	1,07,043.04
Less Closing Stock of Basic Raw Material	12,360.88	9,192.11
Effective consumption of Basic Raw Material	93,235.04	97,850.93
Packing Materials Consumed	3,407.62	3,566.60
	<b>96,642.66</b>	<b>1,01,417.53</b>

## 29 CHANGES IN INVENTORIES OF FINISHED GOODS & STOCK IN PROCESS

(₹ in Lacs)

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Opening Stock of Finished Goods	4,764.29	2,351.39
Opening Stock of Work In Progress	1,377.45	1,306.54
	6,141.74	3,657.93
Closing Stock of Finished Goods	6,337.90	4,764.29
Closing Stock of Work In Progress	1,889.37	1,377.45
	8,227.27	6,141.74
<b>Change in Inventories</b>	<b>(2,085.53)</b>	<b>(2,483.81)</b>

# Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31,2024

## 30 EMPLOYEE BENEFIT EXPENSES

(₹ in Lacs)

Particulars	For year ended March 31,2024	For year ended March 31,2023
Wages & Salaries	5,679.84	5,507.62
Cont. to PF, ESI, Superannuation & Other Funds	361.54	347.05
Workmen & Staff Welfare	199.26	206.19
	<b>6,240.64</b>	<b>6,060.86</b>

## 31 FINANCIAL COSTS

(₹ in Lacs)

Particulars	For year ended March 31,2024	For year ended March 31,2023
Interest Expense	3,120.01	2,655.96
Interest on Lease Liability	136.66	127.50
Bank Charges	44.86	44.17
	<b>3,301.53</b>	<b>2,827.63</b>

Interest capitalised during the year in pursuance to Ind AS 23 is ₹ 109.54 lacs (PY ₹ 22.05 lacs)

The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 8.70 % PA(PY 8.50 %PA)

## 32 OTHER EXPENSES

(₹ in Lacs)

Particulars	For year ended March 31,2024	For year ended March 31,2023
<b>a) MANUFACTURING EXPENSES</b>		
Power and Fuel	14,643.00	15,008.81
Stores & Other Consumables	2,793.82	3,621.95
Machinery Repair	933.09	873.54
Building Repair	290.72	299.33
	<b>18,660.63</b>	<b>19,803.63</b>
<b>b) ADMINISTRATIVE, SELLING &amp; DISTRIBUTION EXPENSES</b>		
Printing & Stationery	20.20	21.52
Professional/ Legal Expenses	118.78	84.37
Directors' Fee	3.56	4.33
Travelling Expenses	248.07	234.65
Auditors' Remuneration	8.31	8.03
Rent Paid	29.20	31.53
Elec. & Water Charges	28.48	24.16
Entertainment	3.83	4.64
Postage & Telephones	17.50	20.03
Advertisement	14.33	10.13
Subscription	26.06	25.01
General Charges	19.23	15.75
Insurance Expenses	172.68	163.91
Other Repairs & Maintenance	123.94	147.01
Commission & Brokerage	898.76	948.05
Provision for Bad debts/ written off	29.43	11.73
Other Govt. Taxes, Levies & Fees	45.16	50.01
Directors' Commission	78.82	96.16
Corporate Social Responsibility Expenditure	156.00	132.19
Carriage & Forwarding charges	3,231.61	3,116.81
	<b>5,273.95</b>	<b>5,150.03</b>
	<b>23,934.58</b>	<b>24,953.66</b>

# Notes on Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

1. Figures for the previous year have been recast / regrouped, wherever necessary.

## 2. CONSOLIDATED FINANCIAL RATIOS :-

Sr. No.	Ratios	Numerator	Denominator	2023-24	2022-23	Variance (in %)
1	Current Ratio	Current Assets	Current Liabilities	1.31	1.31	-
2	Debt-Equity Ratio	Long Term Debt	Shareholder's Equity	0.21	0.27	(22.22)
3	Debt Service Coverage Ratio	Profit before Tax + Dereciation + Interest	Current Maturity of Long Term Borrowings + Interest	2.05	2.66	(22.93)
4	Return on Equity Ratio	Net Profit after Tax	Avg. Equity	10.32%	14.43%	(28.48)
5	Inventory Turnover Ratio	Net Sales	Avg. Inventory of Finished goods	24.78	40.66	(39.06)
6	Trade Receivable Turnover Ratio	Net Sales	Avg. Receivables	17.18	19.54	(12.08)
7	Trade Payable Turnover Ratio	Net Purchases	Avg. Trade Payables	26.46	33.95	(22.06)
8	Net Capital Turnover Ratio	Net Sales	Avg. working Capital	14.34	20.42	(29.78)
9	Net Profit Ratio	Net Profit	Net Sales	3.63%	4.38%	(17.12)
10	Return on Capital employed	Profit before Interest & Tax	Avg.Cap.Employed (Equity + Non Current Liab.)	15.17%	17.61%	(13.86)
11	Return on Investment Unquoted (Units of Mutual Funds)	Income from Investment	Time weighted Avg Investments	8.26	4.93	67.55
	Unquoted (Fixed Interest bearing Debentures)	Income from Investment	Time weighted Avg Investments	7.84	-	-

## Notes on Variation

Sr. 2	Due to increase in Net Worth & decrease in Long Term Debt
Sr. 3 & 4	Due to lower profits
Sr. 5	Due to lower sales & higher inventory
Sr. 6	Due to lower sales
Sr. 7	Due to lower purchases in last quarter of the year
Sr. 8	Due to higher working capital
Sr. 9	Due to lower margin on sales
Sr. 10	Due to lower profits

# Notes on Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## 3. Fair value measurement

### I) Financial Instruments by Category

(₹ in Lacs)

Particulars	31 <sup>st</sup> MARCH 2024		31 <sup>st</sup> MARCH 2023	
	FVTOCI	Amortised Cost	FVTOCI	Amortised Cost
<b>Financial Assets</b>				
Investments				
Short Term Mutual Funds & Bonds	8281.10		7751.62	
Trade receivables		7937.70		8070.61
Other Financial assets		535.52		831.50
Cash and Cash equivalents		191.64		158.69
Fixed Deposits		1061.61		827.50
Other Bank balances		302.77		274.72
Other Current assets		1919.74		1513.27
	<b>8281.10</b>	<b>10029.24</b>	<b>7751.62</b>	<b>10163.02</b>
<b>Financial Liabilities</b>				
Trade Payables		7540.17		5785.40
Other financial liabilities		2764.03		2709.82
		<b>10304.20</b>		<b>8495.22</b>

### II) Financial assets measured at fair value - (recurring fair value measurements) :-

(₹ in Lacs)

Particulars	Level 1	Level 2	Level 3	TOTAL
<b>2023-24</b>				
Investments				
Short Term Mutual Funds & Bonds	8281.10		-	8281.10
Investment Property (land)		1991.11	-	1991.11
	<b>8281.10</b>	<b>1991.11</b>	-	<b>10272.21</b>
<b>2022-23</b>				
Investments				
Short Term Mutual Funds & Bonds	7751.62		-	7751.62
Investment Property (land)		1830.06	-	1830.06
	<b>7751.62</b>	<b>1830.06</b>	-	<b>9581.68</b>

### III) Fair value of financial assets measured at amortised cost :-

(₹ in Lacs)

Particulars	31 <sup>st</sup> MARCH 2024		31 <sup>st</sup> MARCH 2023	
	Carrying Cost	Fair value	Carrying Cost	Fair value
Investment Property (land)	1643.34	1991.11	1643.34	1830.06

## 4. Contingent Liabilities not provided for include :

### (i) LCs / Bank Guarantees / Corporate Guarantee / Bond :

- The Company has issued LCs / Bank Guarantees for ₹ 10.22 Crores (Previous Year ₹ 10.18 Crores) in favour of West Bengal State Electricity Board & Himachal Pradesh State Electricity Board for power connection of Malda unit & Gurplah unit & for import of machinery / machinery parts etc.
- The Company has given a Corporate Guarantee(s) of ₹ 40 crores (Previous Year ₹ 40 Crores) to Yes Bank Ltd. for availing the Term Loan by its wholly owned subsidiary M/s Sukhjit Mega Food Park & Infra Ltd. for setting up the Mega Food Park. The outstanding balance of the term loan appeared at ₹ 10 Cr. as on 31.03.2024 (₹ 18 Cr. as on 31.03.2023). There is no any other Guarantee / third party Guarantee / security given / provided by the Company.



# Notes on Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

- (c) The Company has executed a common Bond of ₹ 9 Crores (Previous year ₹ 9 Crores) in favour of Assistant Commissioner of Customs/ Customs & Excise for availing concessional rate of duty against import of machinery under EPCG scheme. The Company is fulfilling the export obligation under EPCG scheme of the Central Government against import of capital goods at concessional rates. The pending Export obligation appeared at ₹ 77.09 Crores as on 31.03.2024 (Previous year ₹ 62.28 Crores) to be fulfilled in the period of next 3 years. The exports of the company appeared at ₹ 6.12 Crores during the current year (PY ₹ 12.59 Crores). The Company is in the process of increasing the production of exportable goods to achieve higher export turnover in the coming years.

**(ii) Disputed Liabilities not acknowledged as debt / not provided for as an expense in the accounts :-** (₹ in Crores)

	Current Year	Previous Year
Central Excise Duty (*)	28.93	28.93
GST(**)	2.19	2.19
A.P. Northern Power Distribution Company Ltd (***)	2.81	2.81
Income Tax(****)	3.03	3.61

- (\*) ₹ 28.93 Crores is the disputed Central Excise Duty (excluding penalty & interest) demand raised by the Central Excise Dept. since 01/04/1997 alleging the sale of Maize Starch as that of Modified Starch. The Company has been manufacturing Maize Starch by following the standard Wet Milling Process for the last many decades and the product is sold and accepted by the market as Maize Starch. The product has been repeatedly got tested by the Department from the Central Revenue Laboratory of the Central Excise Deptt. and found Maize Starch against the claim of the Revenue Deptt. So, the company does not foresee any liability to crystallize on this account. The matter is pending with Hon'ble commissioner, Goods & Service Tax, Jalandhar.
- (\*\*) ₹ 2.19 Crores include demand raised by Assistant commissioner (Hqrs. Prev.), CGST, Commissionerate Shimla for ₹1.22 Crores and by Assistant Commissioner, CGST Nizamabad Division for ₹0.97 Crores, by alleging one of our products (Cattle Feed) to be taxable under GST Act. The matter was under appeal as on 31<sup>st</sup> March, 2024 for ₹ 1.22 Crores with Commissioner (Appeals) at Chandigarh and has been decided in our favour in the running year after balance sheet date. The matter for ₹ 0.97 Crores is under appeal with Joint Commissioner State Tax, Hyderabad. However, it has been proved to the satisfaction of the Deptt. that the product has been sold and used as cattle feed being fully exempt under the relevant chapter of the GST. So, there does not appear any liability to crystallize on this front.
- (\*\*\*) ₹ 2.81 Crores has been wrongly levied for R&C measures by A.P. Northern Power Distribution Company Ltd., Nizamabad against exemption enjoyed by the unit. Our petition has been duly admitted by the Hon'ble High Court of Andhra Pradesh on merits and the demand has been stayed accordingly.
- (\*\*\*\*) ₹ 3.03 Crores include ₹ 2.51 Crores as the demand raised by the Assessing officer by wrongly disallowing the expense(s) duly allowable u/s 43B of the Income Tax Act, 1961, without appreciating the factual position and balance ₹ 0.52 Crores by disallowing our claim for an item against the law settled by the Hon'ble Supreme Court. The company has filed appeals and both the matters are pending before Hon'ble CIT (Appeals).

**(iii) Estimated value of contracts remaining to be executed on capital account and not provided for (net of Advances) :**  
₹ 9.50 Crores (Previous year ₹ 10.25 Crores)

**5. Earnings per share :**

	Current Year	Previous Year
(a) Net profit (after tax) available for Equity shareholders (₹ in Lakhs)	4996.20	6,336.32
(b) Weighted average number of Equity Shares having face value of ₹ 10/- each outstanding during the year (No. of shares)	1,56,22,000	1,56,22,000
(c) Basic earnings per share of ₹ 10/- each (₹) (a/b)	31.98	40.56
(d) Diluted earnings per share of ₹ 10/- each (₹) (a/b)	31.98	40.56

**6. Managerial Remuneration paid/payable to the:**

	Current Year	Previous Year
Executive Directors		
(i) Salaries	110.17	123.29
(ii) Commission	35.30	45.70
(iii) Contribution to retirement benefit funds	6.69	8.19
(iv) Perquisites	12.78	15.23

# Notes on Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## 7. DISCLOSURE UNDER IND AS- 24 ON RELATED PARTY TRANSACTIONS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024 (Pursuant to Regulation 23(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

### RELATED PARTIES

#### A Trusts :

Maa Ambay Girls School  
Arya Institute of Management & Technology  
Blood Donors Council (Regd.)  
Arya Model Sr. Sec. School

#### B Directors & KMPs :

Smt. Manjoo Sardana, Non Executive Chairperson  
Sh. Kuldip Krishan Sardana, Managing Director  
Sh. Madan Gopal Sharma, Executive Director (Fin) & CFO  
Sh. Tarsem Singh Lally, Non Executive - Independent Director  
Sh. Ranbir Singh Seehra, Non Executive - Independent Director  
Sh. Saravjit Singh Hothi, Non Executive - Independent Director  
Sh. Vikas Uppal, Non Executive- Independent Director  
Smt. Shalini Chablani, Non Executive Director  
Sh. Aman Setia, Vice President (Finance) & Company Secretary

#### C Directors & KMPs of Subsidiary Companies :

Sh. Dhiraj Sardana, Non Executive Director  
Sh. Bhavdeep Sardana, Non Executive Director  
Sh. Ajit Singh, Non Executive Director  
Sh. V.K. Suri, Non Executive Director  
Sh. S.D. Patel, Non Executive Director  
Sh. Raman Narang, Non Executive Director  
Sh. Saurabh Sethi, DGM (Finance) & CFO  
Ms. Pallavi Dora, Company Secretary

#### D Relatives of Directors & KMPs of Holding & Subsidiary Companies :

Sh. Pankaj Sardana  
Ms. Rohini Sardana  
I K Sardana (HUF)  
Smt. Suman Sardana  
Sh. Puneet Sardana  
Smt. Dipti Sardana  
Smt. Sona Sardana  
Master Veer Partap Sardana  
Ms Kudrat Sardana  
Ms Tejasvi Sardana  
K K Sardana (HUF)  
Smt. Uma Sharma  
Sh. B D Vashisth  
Sh. Sandeep Sharma  
Smt. Shakuntla Sankhyan

# Notes on Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

Sh. G D Setia  
Smt. Pooja Setia  
Aman Setia (HUF)  
Smt. Parveen Setia  
Ms. Shreya Setia  
Sh. Vikram Vijay Suri  
Smt. Shaliza Suri  
Smt. Taruna Wadhawan  
Sh. Sahil Wadhawan  
Smt. Poonam Narula  
Sh. Pramod Kumar Narula  
Sh. Divyang Patel  
Sh. Meeta Diyang Patel  
Divyag Shankerlal Patel (HUF)  
Sh. Nilesh Patel  
Nilesh Shankerlal Patel (HUF)  
Smt. Varsha Nilesh Patel  
Sh. Suresh Kumar Sethi  
Master Aarav Sethi  
Master Aadish Sethi  
Ms. Saloni Sethi  
Smt. Shalvi Sethi  
Smt. Anju Sethi  
Sh. Rahul Dora

## E Transactions entered during the year ended 31<sup>st</sup> March, 2024 :

(₹ in Lacs)

Particulars	Trusts	Executive Directors	Non-Executive Directors	KMP's excluding Directors	Directors of Subsidiary Co.	KMPs of Subsidiary Companies excluding Directors	Relatives of Directors & KMPs of Holding & Subsidiary Co.*
Rent Paid	--	0.10 (1.20)	--	--	12.00 (12.00)	--	12.00 (12.00)
Rent Received	--	5.58 (5.58)	--	--	--	--	--
CSR Expenditure	31.61 (56.33)	--	--	--	--	--	--
Remuneration (inc Retirement Benefits)	--	129.64 (146.71)	--	40.31 (37.55)	302.75 (326.42)	20.54 (18.17)	243.03 (221.85)
Commission	--	35.30 (45.70)	43.52 (50.46)	--	--	--	--
Sitting Fees	--	--	3.06 (3.78)	--	0.50 (0.59)	--	--
Dividend	--	119.25 (119.02)	145.65 (143.71)	--	154.84 (154.25)	--	240.63 (239.68)

# Notes on Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lacs)

Particulars	Trusts	Executive Directors	Non-Executive Directors	KMP's excluding Directors	Directors of Subsidiary Co.	KMPs of Subsidiary Companies excluding Directors	Relatives of Directors & KMPs of Holding & Subsidiary Co.*
Fixed Deposits Received	--	12.90 (25.00)	10.00 (0.10)	--	230.55 (63.63)	6.30 (0.50)	374.48 (209.14)
Fixed Deposits Repaid	--	10.00 (15.00)	10.00 (6.31)	--	48.29 (71.21)	-- (2.00)	240.47 (138.50)
Interest on Fixed Deposits	--	4.23 (2.32)	0.00 (0.01)	--	27.58 (14.94)	0.51 (0.18)	66.63 (25.68)

## F Balance Outstanding - Payable on 31<sup>st</sup> March, 2024 :

(₹ in Lacs)

Particulars	Executive Directors	Non-Executive Directors	Key Management Personnel excluding Directors	Directors of Subsidiary Co.	KMPs of Subsidiary Companies excluding Directors	Relatives of Directors & KMPs of Holding & Subsidiary Co.*
Amount Receivable	--	--	--	--	--	--
Remuneration	9.92 (8.32)	--	3.64 (3.57)	6.88 (14.41)	2.15 (2.13)	9.39 (6.13)
Commission	35.30 (45.70)	43.52 (50.46)	--	--	--	--
Fixed Deposits Payable	58.40 (55.50)	--	--	500.95 (324.99)	8.70 (2.40)	912.22 (778.21)
Interest on Fixed Deposits Payable	2.20 (1.93)	--	--	14.10 (11.46)	0.47 (0.17)	41.38 (53.57)

(\*) The transactions with the Holding Company

## 8. Corporate Social Responsibility (CSR):

The details of the CSR activities of the Company during the F.Y. 2023-24:-

(A) Amount required to be spent by the Company during the year 2023-24	₹ 150.52 Lacs												
(B) Amount of expenditure incurred :	₹ 154.60 Lacs												
(C) Shortfall at the end of the year:	NIL												
(D) Total previous years shortfall :	NIL												
(E) Reason for shortfall :	N.A.												
(F) Nature of CSR activities :	<ul style="list-style-type: none"> <li>Preventive Healthcare &amp; Environment Sustainability</li> <li>Promoting Education including girl education (rural areas) &amp; employment enhancing vocation skills</li> <li>Livelihood enhancement projects</li> <li>Contribution to the National Defence Fund</li> </ul>												
(G) Details of related party transactions :	<table border="1"> <thead> <tr> <th>Trusts</th> <th>(₹ In Lacs)</th> </tr> </thead> <tbody> <tr> <td>• Maa Ambay Girls School</td> <td>2.50</td> </tr> <tr> <td>• Arya Institute of Management &amp; Technology</td> <td>5.00</td> </tr> <tr> <td>• Arya Model Sr Sec School</td> <td>19.52</td> </tr> <tr> <td>• Blood Donors Council (Regd.)</td> <td>5.09</td> </tr> <tr> <td><b>Total</b></td> <td><b>32.11</b></td> </tr> </tbody> </table>	Trusts	(₹ In Lacs)	• Maa Ambay Girls School	2.50	• Arya Institute of Management & Technology	5.00	• Arya Model Sr Sec School	19.52	• Blood Donors Council (Regd.)	5.09	<b>Total</b>	<b>32.11</b>
Trusts	(₹ In Lacs)												
• Maa Ambay Girls School	2.50												
• Arya Institute of Management & Technology	5.00												
• Arya Model Sr Sec School	19.52												
• Blood Donors Council (Regd.)	5.09												
<b>Total</b>	<b>32.11</b>												
(H) Provision for liability incurred by entering into a contractual obligation	N.A.												

# Notes on Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

## 9. Form AOC-1: Statement containing salient features of the Financial Statements of the subsidiary companies for FY 2023-24 (Pursuant to sec 129(3) of the Companies Act, 2013 read with rules 5 of the Companies (Accounts) Rules, 2014) :-

(₹ in Lacs)

Particulars	Sukhjit Mega Food Park & Infra Limited	Scott Industries Limited	Vijoy Steel & General Mills Co. Limited
Issued and Subscribed Share Capital	3391.03	440.14	23.06
Reserves & Surplus / (Accumulated Losses)	(1869.85)	(606.59)	12.43
Total Assets	13829.50	47.29	143.91
Total Liabilities	13829.50	47.29	143.91
Investments	--	--	--
Revenue from Operations	5958.64	--	236.77
Profit / (Loss) before taxation	(718.76)	(21.27)	14.27
Provision for taxation - Deffered tax	1.62	--	(2.47)
Profit / (Loss) after taxation	(556.46)	(21.27)	11.80
Proposed Dividend (if any)	Nil	Nil	Nil
%age of shareholding	100%	99.97%	96.17%

## 10. Additional Information, as required under schedule III to the Companies Act, 2013

Name of Entity	Net Assets i.e. total assets minus total liabilities		Share in Profit or loss	
	As % of consolidated net assets	Amount (in lacs)	As % of consolidated profit or loss	Amount (in lacs)
<b>Parent</b>				
The Sukhjit Starch & Chemicals Limited	104.89	52727.72	111.33	5561.76
<b>Subsidiaries (Indian)</b>				
--The Vijoy Steel & General Mills Co. Ltd.	(0.02)	12.43	0.24	11.80
-- Scott Industries Ltd.	(1.21)	(606.59)	(0.43)	(21.27)
-- Sukhjit Mega Food Park & Infra Ltd.	(3.70)	(1869.85)	(11.14)	(556.46)
Minority Interest in all subsidiaries/ Associates		1.52		0.44

## 11. Segment Reporting

The company's operating business are organized and managed separately according to the value of the product. Four primary segments are identified, starch & its derivatives, readymade garments, leasing & hire purchase financing and manufacturing of heavy machinery. Segment information is a pended hereto.

### M.G. SHARMA

Executive Director (Finance) & CFO

### Aman Setia

Vice President (Finance)  
& Company Secretary

### K.K.SARDANA

Mg. Director

As per our separate report of even date

For **Y K SUD & CO**

Chartered Accountants

### (Y K SUD)

Proprietor

Memb. No. 16875

Firm Reg. No. 000047N

Peer Review Certificate No. 014348

Date: 29/05/2024

Place: Phagwara

DIRECTORS

Manjoo Sardana  
Tarsem Singh Lally  
Ranbir Singh Seehra  
Saravjit Singh Hothi  
Vikas Uppal

# Notes on Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2024

Primary Segment Information

(₹ in Lacs)

Particulars	Starch & its Derivatives		Readymade Garments		Mega Food Park		Heavy Machinery		Elimination		Consolidated Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>1 Segment Revenue</b>												
External Revenue	1,37,875.27	1,43,631.73	-	-	411.17	1,234.10	216.89	95.86	-	-	1,38,503.34	1,44,961.69
Internal Revenue	38.67	65.30	-	-	5,547.46	5,314.34	19.88	19.86	(5,606.01)	(5,399.50)		
<b>Total Revenue</b>	<b>1,37,913.94</b>	<b>1,43,697.03</b>	-	-	<b>5,958.63</b>	<b>6,548.44</b>	<b>236.77</b>	<b>115.72</b>	<b>(5,606.01)</b>	<b>(5,399.50)</b>	<b>1,38,503.33</b>	<b>1,44,961.69</b>
<b>2 Segment Result</b>												
Profit Before Taxation	7,712.02	9,273.62	(21.27)	(21.26)	(718.72)	(638.42)	14.27	8.35	-	-	6,986.19	8,622.29
Provision for Taxation	(2,150.26)	(2,260.00)	-	-	162.29	(24.04)	(2.47)	(2.17)	-	-	(1,990.44)	(2,286.21)
<b>Profit after Taxation</b>	<b>5,561.76</b>	<b>7,013.62</b>	<b>(21.27)</b>	<b>(21.26)</b>	<b>(556.43)</b>	<b>(662.46)</b>	<b>11.80</b>	<b>6.18</b>	-	-	<b>4,995.76</b>	<b>6,336.08</b>
<b>3 Segment Assets &amp; Liabilities</b>												
Segment Assets	98,733.31	90,482.58	47.29	68.15	13,829.86	14,296.02	144.40	153.03	(10,585.18)	(9,673.85)	1,02,169.68	95,325.93
Segment Liabilities	42,150.44	39,002.28	213.74	213.33	11,485.20	11,437.09	108.77	129.20	(5,626.95)	(4,919.57)	48,331.20	45,862.33
Capital Expenditure	3,951.20	3,573.01	-	-	305.16	205.69	0.00	3.14	-	-	4,256.36	3,781.84







## PUNJAB

### **The Sukhjit Starch & Chemicals Ltd.**

Sarai Road, Phagwara. Distt. Kapurthala. Punjab-144 401,India  
T: +91 1824 468800, 260314 | F: +91 1824 261669 | E: [sukhjit@sukhjitgroup.com](mailto:sukhjit@sukhjitgroup.com)

### **Sukhjit Corn Products**

Rehana Jattan, Teh. Phagwara,  
Distt. Kapurthala, Punjab-144 407, India  
T: +911824 468800 | F: +911824 261669 | E: [scp@sukhjitgroup.com](mailto:scp@sukhjitgroup.com)

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## HIMACHAL PRADESH

### **Sukhjit Agro Industries**

Village Bathu (Gurplah), Una, Himachal Pradesh, India  
T: +91 98166 49399 | E: [sukhjitagro@gmail.com](mailto:sukhjitagro@gmail.com)

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## TELANGANA

### **Sukhjit Starch Mills**

P.O. Box No. 32, Armour Road, Mubarak Nagar, Nizamabad, Telangana 503 003, India  
T: +91 8462 297622 | F: +91 8462 239330 | E: [sukhjit.starch@gmail.com](mailto:sukhjit.starch@gmail.com)

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## WEST BENGAL

### **Sukhjit Starch Industries**

WBIIIDC Growth Centre, N.H. 34, Narayanpur. Malda, West Bengal 732 141. India  
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