



E.I.D.- PARRY (INDIA) LIMITED

# Better choices. **Brighter future.**

ANNUAL REPORT 2023-24



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### Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make and contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information.

# Better choices. Brighter future.

We are the outcome of the choices we make.

At EID Parry, we made a decisive change in our business direction a few years ago.

We resolved to progressively eliminate our exposure to the commodity end of the wholesale sugar market, which had been our largest revenue earner.

We chose to transition to the retail end of the value-added sweetener segment.

This change warranted a shift in the mindset, priorities, investments and strategic direction.

We made this shift with the singular perspective of securing our prospects, enhancing multi-year business sustainability.

This reimagination of the Company was introduced and implemented for two reasons that have since become the core of a reimagined EID Parry.

*Better choices.*

*Brighter future.*



Corporate snapshot

## E.I.D.- Parry (India) Limited.

Across the decades, the Company promoted sustainable agricultural practices, striving to reverse climate change impact, and to improve farmers' outcomes.

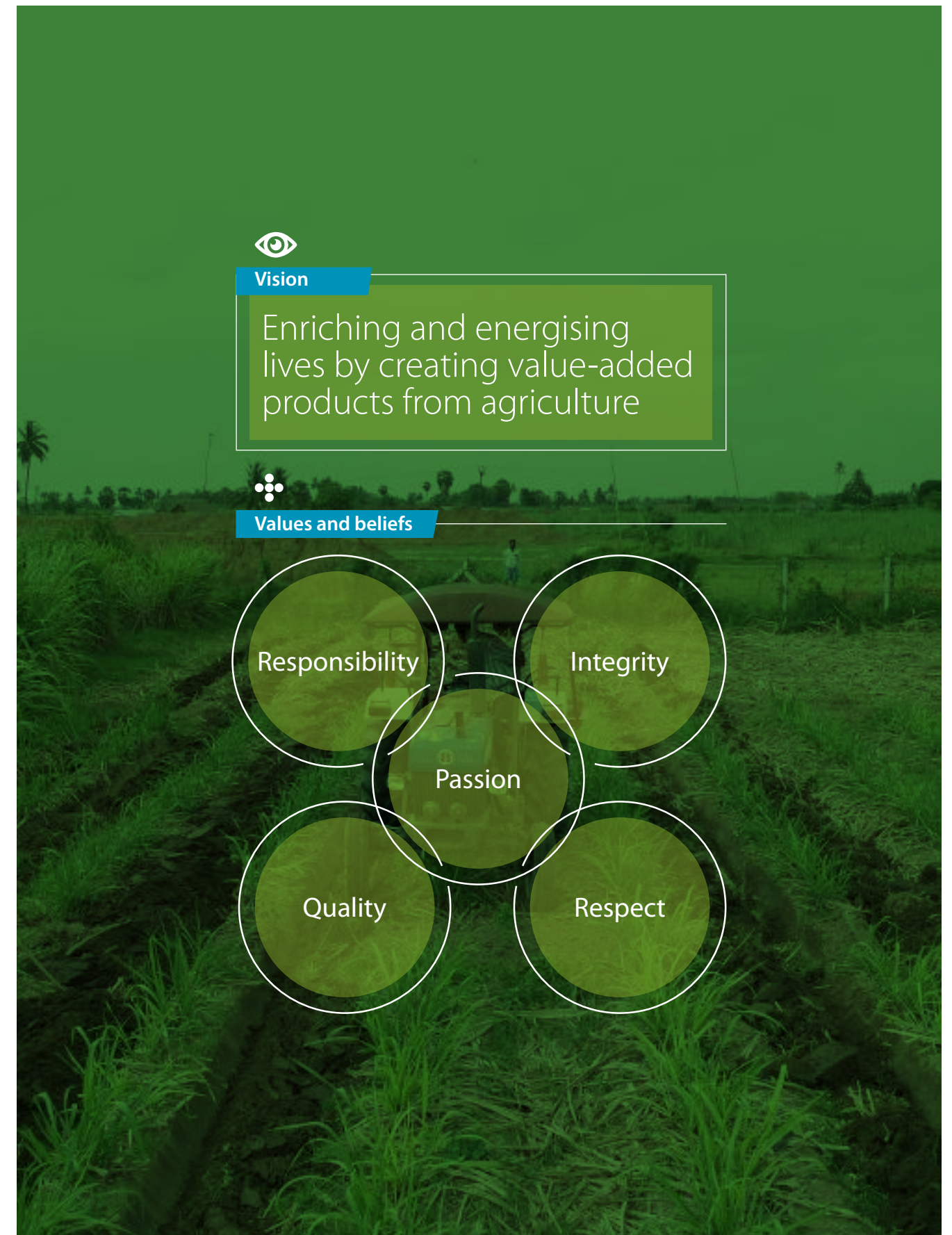
It redirected its strategy towards the institutional business to generate higher realisations.

It anchored the Parry's brand to widen its presence into the sweetener and staple segments.

It evolved its ethanol strategy in line with long-term government policies, achieving operational excellence across its multi-feed and multi-product distilleries.

It has been recognised as one of 'India's Leading Listed ESG Entities' by Dun & Bradstreet.

It empowered communities and restored water bodies through Project NANNNEER.





## Legacy

Established in 1788, EID Parry's product offerings comprise the food, staples and ethanol sector. Headquartered in Dare House, Parrys Corner, Chennai, the Company is part of the ₹742 Billion Murugappa Group, one of India's largest business conglomerates. EID Parry established India's first sugar plant at Nellikuppam in 1842 and continues to pioneer innovations across its business ventures.



## Pioneers

- First sugar company in India to manufacture sugar in 1842.
- First to start a distillery in India in 1843.
- First to start co-generation of green power using sugarcane bagasse.
- First to promote the fertiliser industry in India in 1953.



## Presence

EID Parry operates six sugar plants and one standalone distillery plant across South India. These facilities are located in Nellikuppam, Pugalur and Sivaganga in Tamil Nadu; Sankili in Andhra Pradesh; and Bagalkot, Haliyal, and Ramdurg in Karnataka. These state-of-the-art plants possess a combined sugarcane crushing capacity of 40,800 TCD, a co-generation capacity of 140 MW, and a distillery capacity of 417 KLPD. The Company's specialised manufacturing plants for the nutraceuticals business, focusing on microalgal production, are situated in Oonaiyur and Saveriyarpuram in Tamil Nadu.



## Customers

The Company is a preferred supplier to key specialty and critical industries, including pharmaceuticals, infant food, beverages, and confectionery. It also serves oil marketing companies (OMCs) nationwide and exports power to power distribution companies, third-party power providers, and power exchange platforms.



## Credit rating

The Company's long-term rating was reaffirmed at CRISIL AA (Stable outlook) in FY 2023-24 and short-term rating was maintained at A1+ (CRISIL and CARE), validating the business model, financial stability, promoter credibility, product quality and stakeholder relationships.



## Talent

The Company possesses a talented workforce. Over 15% of employees had been with the organisation for more than 20 years as on March 31, 2024. Their skillset encompassed agriculture, manufacturing, IT, research, finance and other areas. The Company houses employees comprises PhD holders, agri-specialists, engineers and industry experts. Total employees were 2,319 as on March 31, 2024.



## Business verticals

**Sugar:** EID Parry's sugar is distributed across commodity markets, large institutional customers, and retail consumers under branded sugar labels. The Company's six factories with a combined crushing capacity of 40,800 TCD, ensure a robust supply of quality sugar.

**Supergrains:** EID Parry ventured into the supergrains

segment with the launch of rice, millets and pulses in FY 2023-24. This launch was in line with the Company's strategy of transitioning from sugar to non-sugar retail.

**Power:** EID Parry's six sugar factories possess a power generation capacity of 140 MW. The integrated sugar

plants feature state-of-the-art cogeneration facilities, meeting the captive power needs of plants while selling surplus power to the state electricity grid and private energy players.

**Distillery:** EID Parry leverages its ethanol and Extra Neutral Alcohol (ENA) production capabilities to tap into the growing green energy sector.

The Company operated five distilleries with a total capacity of 417 KLPD, as on March 31, 2024. Following ongoing expansions of 165 KLPD at the Haliyal and Nellikuppam plants, which will be fully operational this year, the total capacity will be enhanced to 582 KLPD.



## Quality standards

EID Parry's products are compliant with global standards such as Bonsucro, FSSC 22000, ISO 9001, Halal, Kosher, high quality and customised grades of pharmaceutical sugar conforming to Indian Pharmacopoeia (IP), British Pharmacopoeia (BP), US Pharmacopoeia (USP), Japanese Pharmacopoeia (JP), European Pharmacopoeia (EP) and SMETA (Sedex Members Ethical Trade Audit).



## Listing

The Company's shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). On March 31, 2024, the Company was valued at ₹9,687 Crore on NSE.

## Key numbers

230+

Years, industry experience

40,800

TCD, cane crushing capacity

7

Plants

417

KLPD, Distillery capacity

## Key numbers

1,50,000+

Farmer partners

140

MW, co-generation capacity

2,319

Employees

23+

Lakh Acre, geographical command area

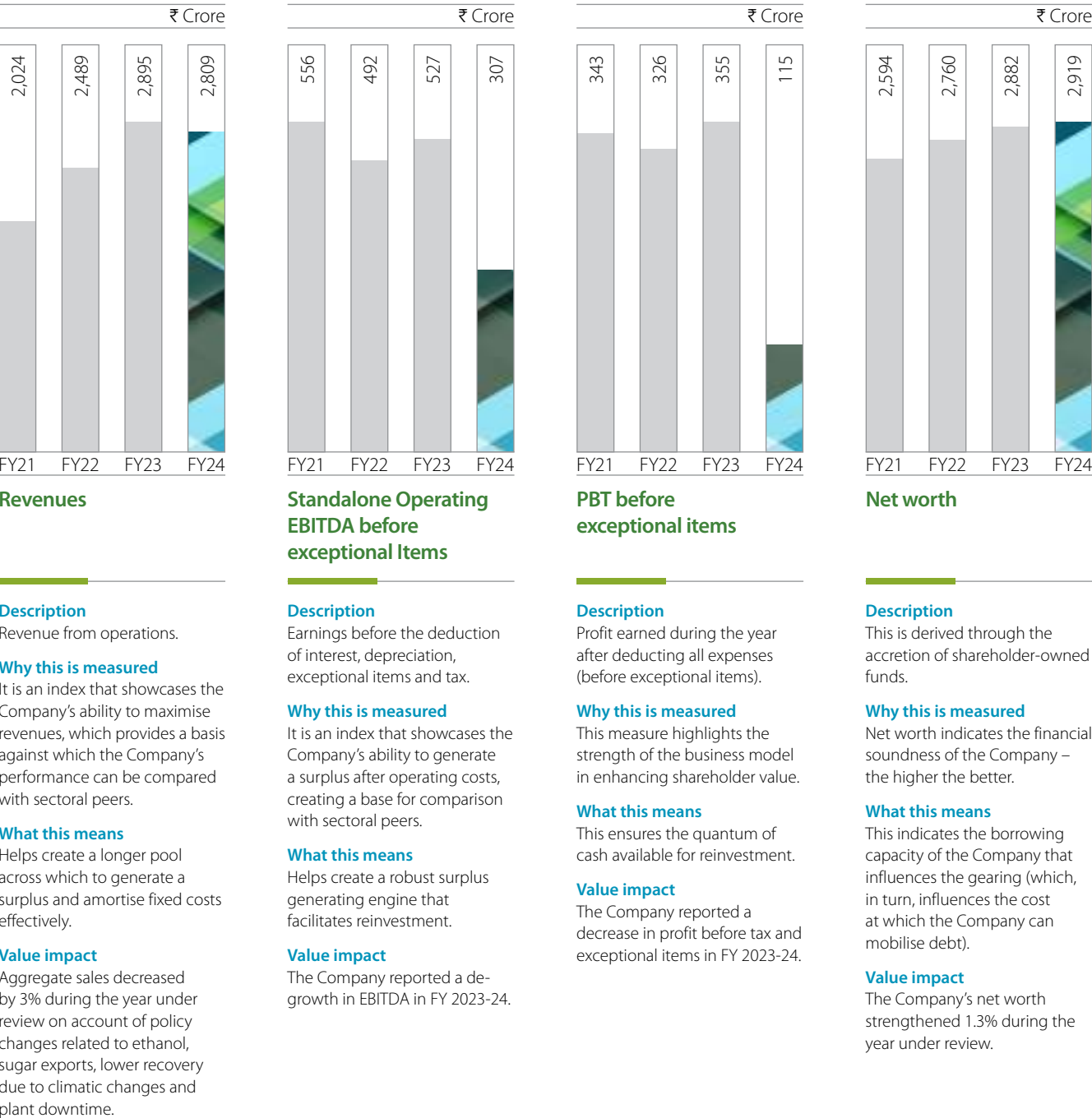


# Awards and recognition



- The only sugar brand to be conferred the SuperBrand status in India - a distinction it continues to hold since 2021.
- The Company received the FICCI Sustainable Agriculture Award 2023 in the distinguished category of 'Large Corporates' at the 3<sup>rd</sup> FICCI Sustainable Agriculture Summit held in New Delhi.
- The Nellikuppam unit received an award in the silver category from CII for Commitment to Excellence on EHS practices for FY 2023-24.
- EID Parry was recognised as the Best Sugar Plant in Private Sector at the Sugar and Ethanol International Awards (SEIA) 2024.
- The Company won the Silver Award in Arogya World Healthy Workplace Assessment.
- The Nellikuppam unit was awarded the 'Energy Efficient Unit' at the 23<sup>rd</sup> National Award for Excellence in the Energy Management contest held in New Delhi.
- Sankili unit won Gold Award for Best Technical Efficiency Sugar Plant, Gold award for Best Distillery plant, Silver award for the Best Cogen Plant from South India Sugar Cane and Sugar Technologies Association (SISSTA) and Bronze award on EHS – Excellence Category from CII.
- Haliyal unit received the Gold Award under the category of Best Cogeneration for FY 2022-23 by SISSTA, in Chennai.
- The Company was honoured with the 'Most Iconic Organisation Award' in May 2023, at Coimbatore Leadership Awards in appreciation of its best practices in HR strategy, promoting future-ready business practices, best employee recognition programs to retain talented resources, encouraging workplace diversity and inclusion and for being a responsible corporate citizen by implementing impactful CSR initiatives across its manufacturing facilities.
- The Parry Nutraceuticals unit in Oonaiyur and the Pugalur sugar factory were recognised by CII for contributions under Project NANNEER, a flagship project of the group's CSR arm, AMM Foundation.
- EID Parry was recognised for sustainability, environmental restoration and safety at the 16<sup>th</sup> CII Southern Region EHS Excellence Awards 2023. Gold awards were presented to the Pugalur and Oonaiyur units; silver awards were presented to the Nellikuppam, Ramdurg and Sankili units while the Bagalkot unit bagged the bronze award.
- EID Parry was recognised as one of India's Leading Listed ESG Entities by Dun & Bradstreet in its publication ESG Champions of India 2024.
- The Company received the Rising Star award from the India Food Forum for product innovation and retail partnership excellence.

# Our financial performance over the years



Chairman's overview

“ Our foray into the food and nutrition segment is underpinned by transformative trends in India's consumer landscape. ”



Dear shareholders,

Over the past few years, EID Parry has demonstrated commitment to our decisive transition from a singular focus on the manufacture of commodity sugar to a diversified portfolio encompassing food, bioenergy and nutrition.

This shift puts us firmly on a sustainable multi-year growth path, transforming from a single vertical to multiple verticals, with a range of offerings that make the Company a part of their consumer's everyday lives.

This strategic reimagining is not only a response to the prevailing market dynamics but also a proactive measure to ensure long-term business growth and sustainability and to add value to our customers. The increasing focus on non-sugar business has helped the Company to de-link from the tightly controlled and cyclical aspects of the sugar industry. The success that we are already seeing in terms of revenue from non-sugar businesses is evidence of our strong business model and capabilities.

As the fifth-largest economy in the world, India is experiencing one of its most dynamic economic growth periods, characterised by a consistent rise in disposable incomes, increasing urbanisation, and rising consumerism among young Indians who are willing to pay for superior quality. These realities coupled with continued government reforms are expected to make India the third-largest economy in 2027 with a GDP of USD 5 trillion. Your Company, with its expanding product portfolio, is well positioned to address this growing market. Moreover, undergoing economic transformation has also given your Company the opportunity to reduce its dependence on the unpredictable and highly regulated sugar market and gradually transition to high-demand segments such as biofuel and consumer

retail, which is expected to witness significant growth in the coming years.

However, this transition was not without its challenges. In FY 2023-24, the decline in Indian cane production, was caused by the global climate phenomenon El Niño. Additionally, government restrictions led to the suspension of ethanol production from sugar syrup and B-heavy molasses starting mid-December 2023. Despite the policy affecting our biofuel growth, your Company views this policy as a temporary setback as we expect a change in this policy soon in favour of meeting the 20 percent ethanol blending target by 2030.

**Your Company is well on the way to realising growth from the strategic transformation in our business model, and we are laying a robust foundation for the next phase in EID Parry's journey. By expanding our range of food products and leveraging our established brand and extensive distribution networks, we aim to capture a larger share of household spending.**

Despite these headwinds in FY 2023-24, we remained steadfast in our commitment to strategic objectives as we ventured into the food segment. Our foray into the food and nutrition segment is underpinned by transformative trends in India's consumer landscape.

The heightened focus on health and wellness is driving the demand for reliable and quality food products. Growing consumer awareness of food hygiene and safety has led to an increasing preference for staples and nutritional products from trusted brands. Additionally, the busy lifestyles of consumers resulted in a growing demand for convenient, packaged foods. With more households seeking ready-to-eat and easy-to-prepare options, this trend presents a promising opportunity

for branded packaged food products from credible national companies like ours.

Your Company is well on the way to realising growth from the strategic transformation in our business model, and we are laying a robust foundation for the next phase in EID Parry's journey. By expanding our range of food products and leveraging our established brand and extensive distribution networks, we aim to capture a larger share of household spending.

As we embark on this sustainable growth journey, our goal is clear: to enrich the lives of our customers by offering innovative products that meet their evolving needs.

Whether through sustainable bioenergy solutions, nutritious food products, or quality sweeteners, we are committed to becoming an indispensable part of our customers' daily lives, providing them with 'Better Choices for a Brighter Future'.

**M. M. Venkatachalam**  
Chairman



Managing Director's strategic direction

“During the foreseeable future, when the work-in-progress to reimagine our business begins to show results, the improvement in the Company's long-term prospects will be increasingly visible.”

The two operative words at EID Parry are 'Predictably sustainable.'



### Overview

This statement may come as a surprise, given that the Company reported declining revenues, surplus and margins during the last financial year. The decline resulted from a convergence of setbacks in policy and climate, the effects of which were experienced in lower performance, but these were not unanticipated. The fact that profitability in the sugar business was largely dependent on climate and policy was recognised by your Company some years ago. As a result, it conceived a business strategy where it caters to diverse segments up to its full potential, without being limited by the challenges that is characteristic of the sugar business. The non-sugar offerings comprise food, nutrition and biofuel – segments that are core to the economic growth of the country.

By the close of the last financial year, your Company witnessed the benefits of walking down the road less travelled - the long-term initiatives we set out to pursue are seeing traction in and relevance in the market, taking up a larger share in our bottom line. We continue to dedicate resources and efforts to these critical initiatives, seeing them as the most effective means to deepen profitability, responsibility and sustainability.

During the foreseeable future, when the work-in-progress to reimagine our business begins to show results, the improvement in the Company's long-term prospects will be increasingly visible.

### Rationale for change

The Company's commitment to walk the road less travelled is derived from an overriding commitment to moderate the influence of variables and progressively graduate the business model from the cyclical to the predictably stable.

The four principal variables in our business comprise an excessive dependence on proprietary cane, exposure to the government's sugar sector policies, vulnerability to climate change and undue reliance on free market sugar realisations.

Several analysts following the prospects of the sugar sector have concluded that this is one sector where there is no element of predictability – let alone the question of certainty – in estimating what is likely to happen in our Company a few months down the road. This 'play it by ear' sentiment has affected stakeholder confidence and corresponding valuation.

At EID Parry, we recognised the pressing need to change the direction of our ship a few years ago with the singular objective of growing our business in a predictably sustainable manner. We took the decision to expand into several allied yet non-

can be extrapolated with a reasonable assuredness to outcomes, enhancing our capital efficiency.

During the last few years, the Company reimaged its business model. Even as the business had existed for more than 200 years (making it one of the oldest organised businesses in the country), there was a recognition that the business would progressively decline into insignificance if the management did not review the operating model. What transpired after that represented a large ship's decisive and courageous turn, re-imagining the business in relation to market risks, based

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core business sectors including food and nutrition, and bioenergy. Continuing with commitment down this road, your Company has taken several steps towards re-aligning our operations towards the future vision.

The below overview offers an appraisal of how we performed during the last financial year, and shares information on the growing relevance of the directional change in our business, and how the green shoots of change are beginning to realise.

### Becoming predictably sustainable

The two operative words at EID Parry are 'Predictably sustainable.'

The above statement implies a capability and commitment to keep growing year-on-year by making our business model predictable enough so that the inputs

on the strengths of the Company. Among these strengths, is the enduring and trusted household brand that is Parrys, our vast footprint in distribution and expertise in back-end integration and manufacturing. These strengths form a robust foundation for the Company's foray into FMCG and bio-fuels. Accordingly, over the past year, initiatives have continued to put us on the path to reduce dependence on sugar and put us on the path towards new horizons.

Your Company discontinued operations in sub-optimal sugar manufacturing facilities in Tamil Nadu, guided the affected farmers towards alternative crops, relocated one manufacturing facility to Karnataka and embraced a voluntary organisational decline in crushing capacity. This first decisive step towards sustainability increased the role of our Karnataka plants. The Company's Pugalur manufacturing

facility once generated virtually no cane, but today, it accounts for 10 Lakh Tonnes of crushing each season.

The Company selected to pare its excessive dependence on free market sugar sold in the open market and vulnerable commodity price movements.

The Company also embarked on branding the unbranded; what was earlier sold loose would now be packaged; what had been sold wholesale through traders would now be retailed.

The Company proceeded to market sugar away from wholesale intermediaries to prominent food and beverage institutions in exchange for consistently better realisations.

The Company capitalised effectively on favourable government policies (National Biofuel Policy 2018) to increase its distillery capacity and enhance the proportion of revenues derived from ethanol.

By the close of the last financial year, these initiatives had deepened. But for these initiatives, the FY 2023-24 performance of our Company would have been more challenging, validating the turning of the ship.

Right business, right time

At EID Parry, we are confident that we are at the right place at the right time.

India is passing through one of its most buoyant economic growth phases, marked by a sustained increase in disposable incomes. The modern Indian consumer is younger, better exposed and less price sensitive. Besides, Indian families are turning nuclear; consumers are seeking to buy online and are more receptive to health and nutrition trends. These trends frame the opportunity to transform the Company from a sugar company to become a more integral part of Indian households by becoming a sweetener and food consumer company.

Discerning the market

At EID Parry, a pivotal recognition of our need to transform our business model was

that retail sugar accounted for around 1% of the homemaker's monthly shopping basket. While this indicates that sugar played, at best, a nominal role within monthly kitchen essentials, it also posed an attractive headroom in how we could increase this share if we graduated the role of sugar from taste to a role that comprised taste, health and well-being. The result was that we were not only seeking to extend the role of the sweetener as it had existed for centuries; but we were also endeavouring to reimagine the role of sugar in our lives.

The Company recognised that if the manufactured sugar could be re-branded and re-presented in different consumer

for a company that has grown over the last 200 years, this represents a platform for sustainable growth across the next century. With the increase in the range of food products that can be retailed through the Company's brand and distribution platforms, the Company will be able to garner a larger share of the homemaker's monthly spending. The combination of an increase in the homemaker's monthly procurement budget coupled with an increased share of that growing spend represents the fundamental aspiration of the Company's business model – and the basis of its ‘no growth limits’ proposition.

Competently placed

At EID Parry, we are under no illusions that

The modern Indian consumer is younger, better exposed and less price sensitive. Besides, Indian families are turning nuclear; consumers are seeking to buy online and are more receptive to health and nutrition trends.

convenience packs, it would serve a range of consumers' needs. This approach would also result in improving the sugar realisations. Instead of fighting for 1% of the homemaker's monthly budget, EID Parry would now aim to seek a larger share of the consumer basket.

At EID Parry, we always think beyond. In the last couple of centuries, the Company was engaged in the direct manufacture of sugar and hence was a conventional commodity sugar company. However, by graduating to packaged and branded sweeteners (arising out of its proprietary sugar production), the Company would now be transforming into a retail-driven sweetener personality.

This evolution is crucial for the Company's sweetener business from an overall strategic standpoint. We are taking that decisive leap as a FMCG company by establishing an extensive pan-India retail distribution network. This transformation in the Company's business model is helping create the next evolution in its existence;

transitioning from a manufacturing-driven commodity business into a retail-driven branded foods business will be easy. The transition will be challenging as we move from a manufacturing to a retail business. However, we are confident that we are placed to make the transition seamless based on the strengths of your Company and the legacy of the Group.

The Company possesses access to rich strategic capability by being a part of the ₹742 Billion Murugappa Group. The Company possessed a net worth of ₹2,919 Crore and a debt-equity ratio of 0.36 as of March 31, 2024. The Company has approached this synergic diversification in incremental stages without compromising returns from the ongoing business. The Company continues to retain its position as an employer of professional talent. Complementing these realities decisively empowers the Company to build its new business responsibly, profitably and sustainably.

Transition in action

While the Company transitions to non-sugar, we must emphasise that we have not entirely given up on our sugar business. Rather, we are reimagining ways to optimise our sugar business through new variants in the institutional and retail sectors. The realisation of the sugar will create a base for the Company to introduce other FMCG products as well.

The Company presently sources all its sugar from proprietary manufacture; in the future, the Company could outsource sugar from other companies with the objective of onward processing into customised sweeteners that can be retailed.

The Company's business model is presently asset-heavy, marked by complete ownership of all manufacturing or processing capacities; in the future, the Company may license the manufacture of specific products to quality-driven manufacturers, transforming its approach towards asset-lightness.

The Company was conventionally driven by a need to moderate costs, especially in an environment where realisations (beyond its control) could not be predicted; in the future, the Company's growing priority would be to maximise realisations through a coming together of superior research, product development, retail and branding competencies.

The Company marketed sugar that was either wholesaled to traders or sold to institutional buyers; in the future, the Company will eliminate its open market sales on the one hand and widen the basket of branded cum packaged sugar cum food products on the other.

The Company grew its sugar business by addressing the customers' need for taste, crystal clarity, and crystal uniformity; in the future, the Company will widen the unique selling proposition of its products to include health and hygiene.

The Company's sugar sales in the commodity market and to institutional customers were restricted by prevailing

commodity realisations (influenced in turn by diverse variables); in the future, the Company's retail-driven business will empower the Company to price at a premium, in line with product customisation and brand perception.

The Company was conventionally factory-facing ('How much did we produce today?'); in the future, the Company will be increasingly market-facing ('How much did we sell at what realisation today?'), catalysing a culture of value-addition.

The Company had been selling sugar in conventional bulk form of 50 Kilogram bags; in the recent past, the Company has developed the capability to market a family of branded products in the sweetener

The Company marketed sugar that was either wholesaled to traders or sold to institutional buyers; in the future, the Company will eliminate its open market sales on the one hand and widen the basket of branded cum packaged sugar cum food products on the other.

range, thereby evolving possibilities for upselling and cross-selling.

The Company has been operating in a mature market with limited scope for product innovation and customisation; in the future, the Company will address emerging research-led opportunities in nascent but increasingly relevant product segments, making it possible to grow the market and capitalise on market growth.

The Company grew its sugar presence through business-to-business engagements; in the future, it expects to expand its business through a combination of business-to-business and business-to-consumer engagements.

During FY 2023-24, the Company entered the super grain segment with pulses, rice and millet. A few of our products are currently in their development stage and will be launched in the near future.

Outlook

At EID Parry, we are broad basing our operational platform to generate a growing proportion of non-commodity revenues.

The impact of the various ground-level improvements may take time to be visible in the numbers, but they are strengthening the businesses from within. The Company established a Centre of Excellence for new product development, which is expected to sustain our growth pipeline. The Company is recruiting subject matter experts and professionals who will navigate the next round of the Company's growth into a retail-driven enterprise. The Company is deepening a habit-forming engagement with retail consumers. The Company is

also widening the distribution coverage of branded products.

The outcomes of these initiatives should start becoming visible 12 quarters from now, initiating a cycle of business sustainability that translates into sizable, scalable and profitable growth.

This validates our belief in 'Better Choices for a brighter future'.

S. Suresh  
Managing Director



Chief Executive Officer's business review

“India’s consumption revolution is evident across its public places from downtown stores, malls, and markets to airports and railway stations.”



### Overview

India is amid an unprecedented transformation journey, with the country’s gross domestic product (GDP) expected to grow from around USD3.5 trillion to around USD7 trillion by the end of this decade. This will make India one of the fastest-growing major global economies. This economic transformation also brings myriad opportunities driven by trends such as increasing personal consumption, preference for value-added products, and growing demand and respect for locally manufactured products. India’s consumption revolution is evident across its public places from downtown stores, malls, and markets to airports and railway stations. At the same time, sustainability remains a key imperative given the Government’s stated commitment to meet 50% of India’s energy requirements from renewable sources by 2030 and achieve a target of net zero emissions by the year 2070.

In the words of Thomas Alva Edison, ‘*Good fortune is what happens when opportunity meets with planning.*’

Your Company took cognizance of these trends and recognised their immense potential quite early. To align with the nation’s growth trajectory, we embarked on a strategic business transition from commodity sugar to the combination of food-fuel-nutrition during the last financial year. I am pleased to share that the Company continued to stay this strategic course during the year under review, notwithstanding headwinds in our core business. As Sigmund Freud famously said, ‘*Out of your vulnerabilities will come your strength.*’ We firmly believe that staying committed to these strategic efforts is crucial to bolstering our long-term vision

with a broad-based presence across the food-fuel-nutrition foundation. These efforts will be valuable to enhance the Company’s performance predictability, smoothen its growth curve, and enhance margins above the prevailing sectorial average. In addition, they also serve to strengthen the corporate brand and deepen long-term sustainability.

your Company is amongst the largest ethanol manufacturers in South India. Expansion into this segment also enables us to play a responsible role in addressing climate change by contributing to Sustainable Development Goals (SDGs) as enunciated by the United Nations. We see the prospects of long-term offtake predictability, attractive realisations,

**An important pillar of our strategic growth path includes expansion into the manufacture of biofuels. The National Biofuel Policy announced by the Government recommends blending 20% ethanol with petrol. For EID Parry, this presents an appealing opportunity since molasses are an important by-product for your Company’s large sugar production operations. The molasses serves as the raw material for ethanol.**

### Investing in biofuels

An important pillar of our strategic growth path includes expansion into the manufacture of biofuels. The National Biofuel Policy announced by the Government recommends blending 20% ethanol with petrol.

For EID Parry, this presents an appealing opportunity since molasses are an important by-product for your Company’s large sugar production operations. The molasses serves as the raw material for ethanol.

The Company successfully enhanced its ethanol manufacturing capacity to 417 KLPD, with further expansion of 165 KLPD at the Haliyal and Nellikuppam plants on the anvil, the total capacity will be enhanced to 582 KLPD. With this scale,

quicker remuneration cycles, and higher profitability across prevailing market cycles. Going ahead, we foresee an increase in our ethanol revenues, both in absolute terms and as a proportion of our overall revenues. We also expect that this restructuring of our revenue mix will increase revenues, moderate working capital outlay, and enhance overall profitability.

### Enhancing our Food and Nutrition play

One of the most pervasive trends, especially in the wake of the pandemic, has been a growing awareness about the importance of nutrition. Consumers today seek healthier alternatives and are willing to pay a premium for products considered healthy and safe for consumption, a tailwind for branded products.

At EID Parry, our commitment to graduate to this segment will work favourably across various levels. One, it will provide the Company with the opportunity to graduate from commodity sugar that would have been sold at prevailing realisations outside the Company’s control to value-added sweeteners; two, it will provide the Company with the opportunity to customise commodity sugar around specific health outcomes; three, the manufacture of customised sweeteners will help the Company create a market that is very nascent in our country.

There is also a growing preference for branded foods at a time when food hygiene has emerged as a relevant subject in most homes. There is also growing traction for packaged foods that can be bought off a supermarket shelf or online, at the click of a button. Given this, we see an encouraging future for branded packaged food products from credible companies like ours. In this direction the Company entered the under branded staples segment with a launch in Q4 into the Rice, Dal and Millets categories. We are currently developing several new products with straight grains and value-added categories such as ready-to-cook health mixes and millet-based idly/dosa batters amongst others. In the foreseeable future, the Company seeks to leverage the power and potential of its retail distribution network, present at 110,000+ storefronts at the close of the last financial year.

At the right place at the right time

For any company to build a sustainable competitive advantage, proactivity, coupled with the ability to identify market trends, is crucial. A proactive approach enables us to stay ahead of the curve. It not only allows us to launch the business with relatively low competition but also sustain competitiveness across market cycles. Astute trend spotting provides the empowering sectorial tailwind.

We believe that our food and nutrition businesses will address the need for enhanced hygiene and well-being, thus generating brand loyalty and progressive inelasticity to price increases. By making better choices today, we pave way for a brighter future. This strategy will empower us to move up the value chain and explore superior price points that kickstart a positive cycle of enhanced surplus, reinvestment, and business sustainability.

This aligns us with evolving customer preferences and will help us broad base the business and moderate our excessive dependence on cyclical commodity

Given this, we see an encouraging future for branded packaged food products from credible companies like ours. In this direction the Company entered the under branded staples segment with a launch in Q4 into the Rice, Dal and Millets categories. We are currently developing several new products with straight grains and value-added categories such as ready-to-cook health mixes and millet-based idly/dosa batters amongst others. In the foreseeable future, the Company seeks to leverage the power and potential of its retail distribution network, present at 110,000+ storefronts at the close of the last financial year.

products. It will also enhance revenue visibility and predictability and empower your Company to leverage the equity of its enduring brand.

Operational review

While your Company made great strides in its strategic realignment efforts, the performance of the Company during the year under review was affected on account of a convergence of challenges. These were primarily related to failure of monsoons, operational delays in new distillery commissioning and changes

in government policy related to ethanol production

Revenues stood at ₹2,809 Crore, EBITDA at ₹307 Crore and profit after tax at ₹107 Crore. As the outcome of our business investments made in the last financial year come to fruition in the upcoming fiscal, we are optimistic about the Company’s performance.

Outlook

Following investments in biofuel manufacturing capacity addition, your Company’s four-year capital expenditure programme is largely coming to a close

during the current financial year, barring any line balancing which may need to be done. Looking ahead we will continue to focus on the growth of the FMCG business with the intent of building the same into a strong and growing vertical.

Muthu Murugappan  
Chief Executive Officer



# Power of proteins in every meal.

## Introducing Parry's healthy dal range







SELECT GRAINS



HYGIENICALLY PROCESSED



BEST QUALITY UNADULTERATED

Introducing a range of high quality protein rich dals from Parry's



# Financial highlights - our ten years' performance at a glance

₹ in Lakh except ratios

Year	FY15	FY16#	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
<b>Profitability Items</b>										
Gross Income	2,26,504	2,78,559	2,63,121	2,28,169	2,04,644	2,01,557	2,40,965	2,77,222	3,15,295	2,98,774
Gross Profit (PBDIT)	38,918	15,751	50,867	39,240	37,905	23,518	64,030	49,182	52,650	30,672
Depreciation & Amortisation	10,193	11,200	11,211	11,446	11,377	11,956	20,436	12,011	13,505	14,749
Profit/(Loss) before Interest & Tax	28,725	4,551	39,656	27,794	26,528	11,562	43,594	37,171	39,145	15,923
Finance costs	15,127	16,710	13,991	11,290	11,343	13,566	9,272	4,609	3,603	4,405
Exceptional Items	0	0	0	(8,719)	3,516	0	71,517	(1,373)	(11,091)	0
Profit/(Loss) Before Tax	13,598	(12,159)	25,665	7,785	18,701	(2,004)	1,05,839	31,189	2,4451	11,518
Tax	(1,227)	(2,948)	(2,696)	(2,316)	2,388	(2,187)	19,353	2,839	4,769	809
Profit/(Loss) after Tax	14,825	(9,211)	28,361	10,101	16,313	183	86,486	28,350	19,682	10,709
<b>Balance Sheet Items</b>										
Net Fixed Assets	1,49,968	1,57,806	1,48,816	1,39,584	1,33,561	1,37,771	1,29,535	1,30,303	1,35,513	1,67,096
Investments	68,293	77,432	78,575	87,831	97,851	1,00,341	1,01,018	1,11,887	99,185	1,07,378
Net Current Assets	83,987	25,359	8,539	31,370	17,705	29,465	96,810	60,541	1,19,943	1,38,425
Total Capital Employed	3,02,248	2,60,597	2,35,930	2,58,785	2,49,117	2,67,577	3,27,363	3,02,731	3,54,641	4,12,899
Shareholders' Funds	1,36,408	1,28,276	1,47,746	1,63,813	1,71,350	1,71,375	2,59,409	2,76,014	2,88,217	2,91,940
Borrowings	1,60,211	1,31,941	94,346	1,01,800	83,229	1,03,499	55,436	10,424	50,786	1,03,871
Deferred Tax Liability/ (Asset)	5,629	380	(6,162)	(6,828)	(5,462)	(7,297)	12,518	16,293	15,638	17,088
<b>Total</b>	<b>3,02,248</b>	<b>2,60,597</b>	<b>2,35,930</b>	<b>2,58,785</b>	<b>2,49,117</b>	<b>2,67,577</b>	<b>3,27,363</b>	<b>3,02,731</b>	<b>3,54,641</b>	<b>4,12,899</b>
<b>Ratios</b>										
Book Value per share (₹)	78	73	84	93	97	97	146	156	162	164
EPS (₹)	8.43	(5.21)	16.03	5.70	9.21	0.10	48.86	16.00	11.09	6.03
Dividend on Equity %	300	-	400	300	300	-	-	1,100	950	400

# regrouped based on Ind AS.

Notes:

1. Sadashiva Sugars Limited was merged, effective from April 1, 2013.
2. Parry Phytoremedies Private Limited was merged, effective from April 1, 2014.
3. Parrys Sugar Industries Limited was merged, with effective from April 1, 2016.



Hyper localisation in our rice portfolio – tailored to region specific tastes and preferences.



Presenting the newly launched range of Parry's millets

We have embarked on a journey to transform from principally a sugar company with a commodity market exposure into a foods company with a growing kitchen share

EID Parry is expected to strengthen its fundamentals arising out of this transformation

**Overarching message:** The principal financial message that the Company seeks to communicate is that it reported a decline in its financial performance during the last financial year, partly arising out of an interruption in the ethanol blending policy, coupled with other developments. When seen from a multiyear perspective, the decline in the Company's performance during the last financial year represented a temporary interruption in its multi-year approach to transform its DNA from a principal focus on directly manufactured sugar into a food organisation.

**Performance:** In FY 2023-24, the Company reported its first growth decline in four years. Even as revenues declined by a mere 3%, EBITDA declined 42% and the Company's profit after tax declined 46%. This decline was accompanied by business development expenses incurred to create a stronger base for the Company's prospective business, the full effects of which will be reflected in the foreseeable future.

**Performance decline rationale:** The Company experienced a marginal decline in topline, as well as a substantial decline in EBITDA and profit after tax during the year under review. This downturn was significantly influenced by a number of factors such as changes in the national ethanol blending policy, which restricted sugar manufacturers from generating ethanol directly from cane syrup, moderating the EBITDA margin by an estimated 4,200 basis points. Reduced cane volumes led to a lower quantity of power available for export, adversely impacting the profitability of the cogeneration business. Overall sugar sales also decreased from 5.2 LMT to 4.60 LMT, which was largely due to a restriction of sugar exports, affecting the Company's current year profitability. This, combined with a corresponding decline in recoveries and cane costs, translated into a lower sugar business profitability. The overall cane crush declined from 51.81 LMT in FY 2022-23 to 50.09 LMT in FY 2023-24. The standalone Nutraceuticals Division registered a loss during the year due to certification issues in Europe.

**Credit rating:** During FY 2023-24, the long-term credit rating of the Company was maintained at CRISIL AA and short-term rating was maintained at A1+ by CRISIL and CARE. This rating endorsed the Company's long-term prospects, pedigree of the promoter, and evolving business model towards retail cum value-addition.

**Capital efficiency:** During the last year, the Company's capital efficiency was affected by a decline in revenues, ethanol policy change and decline in the profitability of the sugar business. Besides, the capital efficiency was affected by the Company's sustained investment in synergic business diversification that is expected to generate a financial upside only after the business has achieved critical scale a few years down the road. The Company's capital investments encompass the expansion of distillery capacities and other initiatives aligned with a sustainable growth strategy. EBITDA margin weakened 4,200 bps to 42%. Return on Capital Employed declined 400 bps to 4% and RoE dropped from 9% to 4% in FY 2023-24.

Going ahead, the Company intends to reverse the decline in capital efficiency through the increased use of net worth in business investments, greater exposure across non-sugar businesses, entry into sweetener and food segments with multi-decade potential, increased asset lightness and progressive graduation to words asset-light approaches investments.

Year	FY22	FY23	FY24
EBITDA margin %	18	17	10
RoCE %	12	8	4
RoE %	12	7	4

**Liquidity:** The Company's liquidity orientation is structured around the conviction that it would be better to grow slowly, but surely and sustainably, rather than aggressively, with stretched liquidity. In the last ten years, the Company restructured its sugar manufacturing business with this perspective: it relocated plant and equipment to a cane-rich Karnataka location, focused on



sustainable cane output growth (corresponded by increased crushing), focused investments in distillery expansion, sweetener retail, and wider product mix (value-added sugar variants).

#### Cash and cash equivalents

Year	FY22	FY23	FY24
Cash and cash equivalents (₹ Crore)	30.91	9.42	1.32

#### Interest cover

Year	FY22	FY23	FY24
Interest cover (EBITDA/ interest outflow)	10.37	11.53	6.96

**Revenue mix:** The Company is diversified across revenues (sugar, distillery, co-generation and nutraceuticals). The Company attempted to moderate its exposure to the open sugar market in FY 2023-24 on the one hand and to the sugar business on the other, while deepening revenues across the retail and distillery businesses. This directional trend is increasingly visible: in FY 2017-18, the Company generated 71.70% of revenues from sugar, which declined to 66.41% in FY 2023-24; distillery revenues grew from 15% of revenues to 28% during this period and co-generation revenues were 3.61% and 4.03% respectively. What is important is that the Company shifted the centre of gravity of its business - non-sugar revenues increased from 18% of the overall turnover in FY 2017-18 to 33% in FY 2023-24.

At EID Parry, there is a growing recognition of the need to moderate exposure to direct sales. Around 46% of the sugar produced by the Company was sold to institutional businesses (making it possible to generate a premium in realisations over the open market average) in FY 2023-24; 20% revenues were derived from the retail sales of sugar in the form of value-added sweeteners.

Revenues from ethanol increased from 3.17% of the Company's revenues in FY 2017-18 to 16.01% in FY 2023-24. The Company had hoped to shift some sugar production to ethanol in FY 2023-24 through a conscious sugar sacrifice in return for a higher compensatory ethanol realisation (and margin) but this was restricted by the government during the year under review with the objective to moderate sugar realisations and control inflation. The Company could not export any sugar during FY 2023-24 due to restrictions imposed by the Government. However, around 1.10% of the Company's revenues were derived from sweetener exports (based on quotas allocated by the government) in FY 2022-23.

#### Non-sugar revenues

Year	FY22	FY23	FY24
Non-sugar revenues as a % of overall revenues	26	30	33

#### Exports

Year	FY22	FY23	FY24
Export as a % of revenues	19	5.78	1.10

**Realisations:** The Company generated a 4.74% increase in sugar realisation per Tonne, 3.04% increase in distillery revenues per litre and 10% decrease in co-generation realisations per unit.

#### Average realisation

Year	FY22	FY23	FY24
Average realisation per MT of sugar (₹)	34.50	35.97	37.67
Average realisation per litre of distillery output (₹)	57.10	60.39	62.22
Average realisation per unit of cogenerated power (₹)	4.35	5.26	4.73

**Capital expenditure:** The Company continued to invest selectively in its business (distillery in FY 2023-24). Our capex was directed towards enhancing the capacities of our facilities, allowing for both multi-feed distillery and the production of a diverse range of products. The Company expended ₹258 Crore in capex during the year under review, a 69% growth over the previous financial year.

#### Capital expenditure

Year	FY22	FY23	FY24
Capital expenditure (₹ Crore)	251.77	152.97	257.98

**Debt management:** The Company seeks to moderate long-term debt. The Company evolved its business away from market-facing sugar and enhanced its exposure to ethanol, which helped moderate working capital outlay (and hence short-term debt). The Company did not make fresh investments in enhancing its crushing capacity. The only debt mobilised was on account of the Company's investment in incremental distillery capacity.

The Company's total debt slightly increased from ₹1,018 Crore in FY 2017-18 to ₹1,039 Crore in FY 2023-24. 24.43% of the aggregate debt was at a concessional rate through the interest subvention provided by the government. The funds are utilised to increase the distillery capacities.

The average cost of total debt on the Company's books was 5.51% in FY 2023-24 (the debt mobilised to commission distillery expansion available at 3.75%). The average cost of short-term debt was 7.31% in FY 2023-24.

#### Debt repayment

Year	FY22	FY23	FY24
Debt repaid (₹ Crore)	121	21	56

#### Average debt cost

Year	FY22	FY23	FY24
Average debt cost %	3.35	4.34	5.51

#### Concessional cost

Year	FY22	FY23	FY24
Concessional debt as a % of overall long-term debt	100	100	100

#### Gearing

Year	FY22	FY23	FY24
Debt-equity ratio	0.04	0.18	0.36

**Working capital management:** In a business that generates ₹2,809 Crore in annual revenue from four business verticals (sugar, distillery, co-generation and nutraceuticals), there is a need to manage working capital with efficiency and effectiveness. The Company is committed to progressively moderate working capital drawal (other than sanctioned by lenders). In FY 2023-24, the Company drew 15% of sanctioned short-term loans, assuring liquidity.

**Way forward:** The Company seeks to enhance the proportion of non-sugar revenues in its business, insulating the Company from commodity sugar realisations. This is expected to enhance revenue and surplus visibility while reducing debt.

The Company is evolving its personality from market-facing sugar, and is expected to enhance realisations and margins. The distillery segment could generate a relatively short payback while the

sweetener retail or food branded retail businesses could have a longer payback.

This shift is expected to graduate EID Parry into a food-centric organisation, which could provide asset-light outcome as the food products could be outsourced and branded under the 'Parry' corporate brand.

This could translate into a second wind – a multi-year growth journey combining branded food products (sweeteners being one) with distillery products. This evolution could progressively moderate the Company's exposure to government policies (sale timing, realisations and resource cost) and leverage intrinsic competitiveness funded largely through accruals.

The sweetener distribution increased from almost 20,000 outlets in FY 2020-21 to 110,000 outlets in FY 2023-24, largely across South India, and projected to grow to half a Million outlets across the medium-term. The sweeteners portfolio is likely to widen beyond jaggery or Amrit, with the launch of Amrit Gold etc., these products helping the Company spread pan-India.





# Our ESG commitment



Solar dryer to upkeep the containers used in the powder processing unit in the Oonaiyur facility

## Overview

As a leading entity in the sugar industry in India, our Company is committed to sustainable development and responsible business practices. Our dedication to Environmental, Social, and Governance (ESG) principles drives strategy and operations across our diverse portfolio, including sugar production, cogeneration, ethanol/distillery, and nutraceuticals. We outlined our key ESG initiatives and

achievements for 2023-24, aligning with the United Nations Sustainable Development Goals (UNSDGs) and encompassing facets of our diverse portfolio, which included initiatives in shifting towards 'green' energy, sourcing practices, employee management, CSR initiatives, and collaborations with external stakeholders.

## Environmental commitment

Our environmental strategy focuses on reducing our ecological footprint and promoting sustainable resource use. Our key initiatives in FY 2023-24 included:

### Sustainable agriculture

**Soil health and fertility:** Amidst challenges posed by the high cost of sugarcane cultivation and labour shortages, farmers are increasingly opting for faster-yielding crops such as paddy and maize. In response, our Company devised sustainable sugarcane farming practices that optimised water use, reduced a reliance on fertilisers and pesticides, and managed cultivation costs effectively.

**Regenerative agriculture:** We promoted regenerative agriculture in our command area to restore the soil's organic balance and enhance agricultural productivity. Soil mapping, testing facilities and soil health guidance were provided to farmers.

**Protray seedling plantation:** An innovative approach involving chip bud seedlings emerged where the buds are carefully chipped from sugarcane using efficient cutting machines and nurtured under controlled conditions for 20 to 30 days, utilising shade nets

and the protray technique. When these seedlings are transplanted into fields, the overall harvesting time is reduced by approximately one month. The Company identified and produced these protray seedlings through the farmer entrepreneur model at centres in Nellikuppam, Pugalur and Haliyal. We are also planning to double the cultivation area by 10,000 acres in three years.

**Wider row plantation technique:** The Company encourages farmers to grow inter-crops (gram, vegetables and hemp). These crops provide interim economic upsides and green manure. Intercrops reduce weed problems; legume crops fix the atmospheric nitrogen in the soil to increase fertility. The Company plans to increase cultivation from 5,000 to 35,000 acres in three years.

**Water conservation:** Adoption of drip irrigation in our sugarcane fields and rainwater harvesting techniques coupled with the water efficiency in our production processes has reduced water use, aligning with our goal to minimise water stress in the regions where we operate.

### Renewable energy and energy efficiency

**Cogeneration plants:** Our cogeneration facilities convert bagasse, a by-product of sugarcane processing, into renewable energy. Last year, we exported 2,182 Lakh units of power to the grid.

**Energy efficiency measures:** Implementation of advanced technology through smart manufacturing initiatives and energy management systems in our production processes have led towards reduced energy consumption.

### Waste management and circular economy

**Zero waste initiatives:** We are marching towards a zero-waste target in our distillery operations by converting all by-products into value-added products like bio-compost and cattle feed.

**Recycling programmes:** Our facilities comprise robust recycling programs for paper, plastic, and metal waste, ensuring that operational waste is recycled or repurposed. We are looking to ensure that all our operational waste is recycled or repurposed in the years to come.

## Social initiatives

Our social responsibility agenda focuses on community development, employee welfare, and fostering inclusive growth. Our key social initiatives for FY 2023-24 comprised:

### Community engagement and development

**Health and wellness programs:** We have launched rural health camps and mobile medical units, providing healthcare services

to the community residing around our manufacturing facilities and command areas. During the year under review, eye camps, 'wellness on wheels' for elderly and poor people, door-step healthcare



services, and drug awareness campaigns were conducted which benefitted around 71,500+ people.

**Educational Support:** Scholarships and educational materials were provided to over 4200 students. We partnered local schools to improve infrastructure and learning outcomes.

Employee welfare and development

**Training and Development:** Following the introduction of our Learning and Development tool, our comprehensive training programs reached permanent employees, focusing on skill enhancement, safety protocols, understanding of business, governance and corporate policies and career development. Last year, we introduced a leadership program to nurture future leaders within the Company.

**Diversity and inclusion:** We strengthened our diversity policies, ensuring equal opportunities for all employees regardless of gender, ethnicity, or disability. EID Parry plans to raise the representation of women to 5% of its entire workforce.

**Workplace safety:** We prioritise the health and safety of our employees. Numerous programmes were designed to ensure employee health and safety, such as behavior-based safety, leading safety, process safety, fire safety, and road safety. Our safety plan is based on the following pillars: infrastructure, safety processes, systems and culture and capability. Under these pillars, the Company launched projects which include addressing fire and gravity risks, transport safety, machine safety, fire safety, and electrical safety. Initiatives such as management of change (MOC), mechanical integrity (MI), permit to work (PTW), and lock out and tag out (LOTO) were carried out under the safety

process pillar. The Company upheld a zero-harm vision for employees and the environment, striving to achieve this across all locations.

Farmer empowerment

**Fair pricing and support:** We ensure fair pricing for our sugarcane suppliers and provide them with access to financial services, agricultural training, and inputs like seeds and fertilisers.

**Sustainable farming practices:** Our extension services trained over 6,100+ farmers in sustainable agricultural practices, enhancing their productivity and livelihoods. Practices covered nursery management, ratoon management, micro-irrigation, soil health improvement, pest and disease management, farm mechanisation, best practices and new technologies etc.

Our alignment with United Nations Sustainable Development Goals

Our ESG initiatives are closely aligned with the UNSDGs, ensuring that our operations contribute positively to global sustainable development. The table below summarises our key contributions:

UNSDG	Contribution
UNSDG 1 – No Poverty 	<ul style="list-style-type: none"><li>Community development through our CSR initiatives</li><li>Farmer empowerment by providing financial assistance, timely payment for crop harvested etc.</li></ul>
UNSDG 2 – Zero Hunger 	<ul style="list-style-type: none"><li>Sustainable agriculture</li><li>Fair pricing for farmers</li></ul>
UNSDG 3 – Good Health and Well-being 	<ul style="list-style-type: none"><li>Health and wellness programs for employees and workers</li><li>Working towards producing healthier sweeteners</li><li>Introduction of fibre-rich and nutritious kitchen staples like rice, dals, millets</li><li>Sanitation initiatives as part of our CSR initiatives</li><li>A central medical council has been set up where occupational health experts connect with site doctors and the Human Resource department. The Company inducted an expert consultant to improve its plant occupational health centres and train factory medical officers in enhancing employee wellbeing.</li></ul>
UNSDG 4 – Quality Education 	<ul style="list-style-type: none"><li>Educational support through our CSR initiatives</li><li>Infrastructure improvement including provision of laptops to schools in villages</li></ul>
UNSDG 5 – Gender Equality 	<ul style="list-style-type: none"><li>Diversity and inclusion policies</li><li>Women workforce participation</li></ul>
UNSDG 6 – Clean Water and Sanitation 	<ul style="list-style-type: none"><li>Water conservation and community watershed management initiatives through our flagship Project NANNEER.</li></ul>
UNSDG 7 – Affordable and Clean Energy 	<ul style="list-style-type: none"><li>Cogeneration, renewable energy projects</li><li>Consumption and shifting towards green energy (solar energy) across our manufacturing plants</li></ul>
UNSDG 8 - Decent Work and Economic Growth 	<ul style="list-style-type: none"><li>Employee welfare training programs through our learning and development tool</li><li>Farmers support through our Farmers Connect mobile application</li><li>An inclusive employee health, safety and environment framework that meets both international and national standards</li></ul>

Governance initiatives

Our governance framework ensures transparency, accountability, and ethical conduct across all levels of our organisation. Our key governance initiatives for FY 2023-24 included:

Ethical business practices

**Anti-corruption measures:** We have a zero-tolerance policy towards corruption and bribery, with stringent internal controls and regular audits. All permanent employees underwent training on ethical business practices and anti-corruption policies.

**Supply chain integrity:** Our supply chain management includes a rigorous vetting of suppliers and contractors to ensure compliance with our ethical standards. This exercise was done followinf a formal vendor assessment before onboarding a vendor.

Transparency and accountability

**Stakeholder engagement:** We maintain open and regular communication with all stakeholders, including shareholders, employees, customers, and local communities. Our annual general meetings and stakeholder forums provide platforms for dialogue and feedback. We also hold analyst/institutional investors/public shareholder meets every quarter that provide an opportunity for our investors to stay in touch with the senior management. We regularly interact with our institutional customers to address their requirements.







**Reporting and Disclosure:** Our commitment to transparency is reflected in comprehensive and timely disclosures on financial performance, ESG metrics, and corporate governance practices. We published our maiden sustainability report earlier last year, which adopted the Global

Reporting Initiative (GRI) standards for enhanced reporting; the same was assured by an independent audit firm.

Board diversity and independence

**Board composition:** We comprise a diverse and independent Board of Directors, with a strong representation of women and Independent Directors. Our Board’s composition reflected our commitment to diverse perspectives and independent oversight.

**Governance policies:** Our governance policies, including those on Board evaluation, executive remuneration, and risk management, were regularly reviewed and updated to align with best practices and regulatory requirements.

UNSDG	Contribution
<p>UNSDG 9 - Industry, Innovation, and Infrastructure</p> 	<ul style="list-style-type: none"> <li>Energy efficiency, and adopting advanced technology with the introduction of our smart manufacturing initiatives</li> <li>Building green infrastructure across our manufacturing units</li> <li>Innovating newer products in the sweetener belt like Amrit Gold and Low GI Sugar</li> </ul>
<p>UNSDG 10 – Reduced Inequalities</p> 	<ul style="list-style-type: none"> <li>Diversity policies and fair employment practices</li> <li>Bridging the gender pay gap</li> </ul>
<p>UNSDG 12 – Responsible Consumption and Production</p> 	<ul style="list-style-type: none"> <li>Waste management and circular economy initiatives</li> <li>Engaging in recycling of plastic waste through Extended Producer Responsibility (EPR) initiatives</li> </ul>
<p>UNSDG 13 – Climate Action</p> 	<ul style="list-style-type: none"> <li>Moving towards the consumption of renewable energy</li> <li>Production of green energy through co-generation</li> <li>Sustainable farming practices to reduce water intensity and working towards soil upgradation to ensure crop production efficiency</li> </ul>
<p>UNSDG 15 – Life on Land</p> 	<ul style="list-style-type: none"> <li>Engaging in bird monitoring through Project NANNNEER. As a result of this project, wetlands are being restored and ecological functions enriched.</li> </ul>
<p>UNSDG 16 – Peace, Justice, and Strong Institutions</p> 	<ul style="list-style-type: none"> <li>Ethical business practices with the help of detailed policies</li> <li>Board transparency and independent oversight</li> <li>Transparency in operations and sales</li> </ul>

# Our Integrated Value Creation Report



Sugar and Co-generation Plant at Pugalur generating 4800 TCD, 22MW

### Overview

The ability to enhance value for all stakeholders is becoming increasingly important. Consequently, value enhancement now includes not only traditional measures like revenue or profit growth but also intangible measures that contribute to holistic value creation. Additionally, the definition of a stakeholder has widened from merely a shareholder

to anyone impacted by the Company's operations. Thus, stakeholder value creation has become a comprehensive approach to evaluating the effectiveness of modern organisations.

The Integrated Value Creation Report incorporates various elements (financial data, management commentary, governance, remuneration, and sustainability reporting) to illustrate how

value is enhanced for different stakeholders (employees, customers, suppliers, business partners, local communities, legislators, regulators, and policymakers).

The detailed inputs and outcomes demonstrate why and how an enterprise is designed for holistic sustainability throughout market cycles. This made the inclusion of the Integrated Value Creation Report in this annual report essential.



## Our value creation scorecard

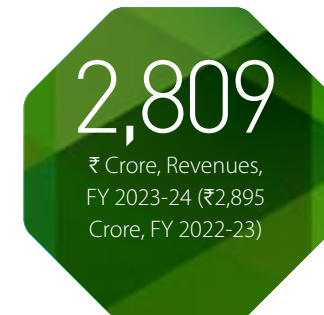
### Employee value



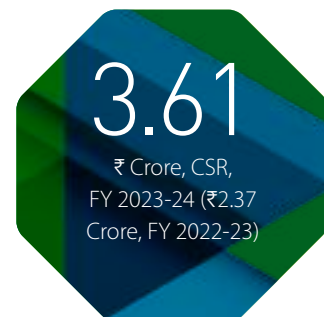
### Shareholder value



### Customer value



### Community value



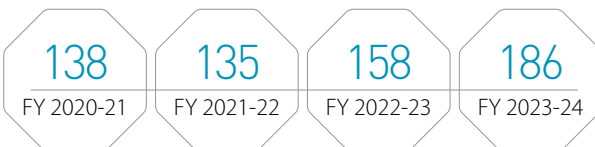
### Vendor value



### Exchequer value

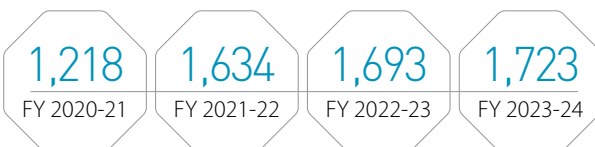


### Employee value (₹ Crore)



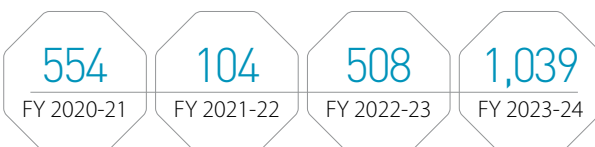
The Company has consistently focused on fulfilling its role as a responsible employer.

### Cane procurement (₹ Crore)



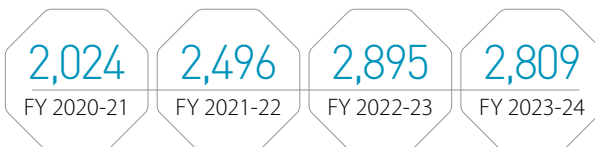
The Company has enhanced cane procurement, improving local incomes.

### Loans (₹ Crore)



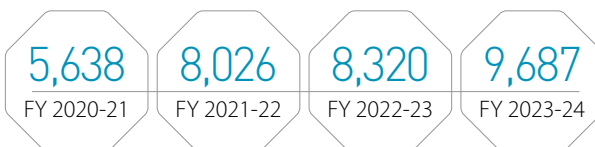
The Company has earned the trust of debt providers, enabling them to provide funds for asset creation and working capital.

### Customer value / revenues (₹ Crore)



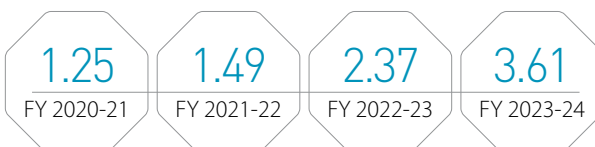
The Company has been stable in its revenues, augmenting value delivered to customers.

### Shareholder value/market capitalisation (₹ Crore)



The Company increased shareholder value through effective strategy, reinvestment of earnings, strengthening its presence in the value chain, and efficient cost management.

### Community value/CSR expenditure (₹ Crore)



The Company invested in various CSR programs that have enriched communities in the regions where it operates.

## EID Parry's value creation framework

### #1 Enhanced cane availability and quality

- The Company established sugar factories in regions with abundant cane supply across three states.
- The Company remunerated farmers according to a set schedule, incentivising them to plant more cane.
- The Company supported farmers by providing agricultural technology advice and subsidised crop nutrients, acting as a friend, philosopher and guide.

### #2 Enhanced digitalisation

- The Company transitioned from manual processes to digital systems.
- The Company built a scalable infrastructure, enabling increased productivity with the same resources.
- Digitalisation provided better data access, leading to informed decision-making.
- Automation and digitalisation improved efficiencies in manufacturing, finance, and administration.

### #3 Balanced resource integration

- The Company invested in integrated operations, including sugar, ethanol, cogeneration, sweeteners, and related products.
- The Company balanced capacity by aligning downstream by-product processing capacities with cane availability.
- The Company focused on manufacturing value-added products, stabilising revenues and reducing exposure to commodity sugar.
- The Company maximised resource utilisation, enhancing EBITDA per Tonne of cane.

### #4 Enhancing profitable distillery operations

- The Company invested ₹394 Crore in ethanol manufacture in the three years ending FY 2023-24
- The Company produced ethanol from cane syrup and B-Heavy molasses
- The Company consciously sacrificed sugar production to enhance ethanol output, strengthening profitability
- The Company increased the proportion of organisational revenues derived from ethanol manufacture

### #5 Net worth-driven

- The Company's distillery business became cash-accretive, boosting organisational liquidity.
- The Company reinvested earnings, reducing reliance on working capital debt.
- A rebalanced debt-to-equity ratio is anticipated to improve medium-term interest coverage and liquidity.
- The Company invested in new ventures with promising long-term returns.

### #6 Broad-based revenues

- The Company diversified its business across sugar, distillery, retail, and innovative product segments.
- The Company reduced its direct exposure to commodity sugar through institutional sales and the retail of value-added variants.
- The Company aims to increase revenues from food products, including customised sweeteners.
- The Company is investing in non-sugar sectors to enhance value addition.

### #7 Research intensive enterprise

- The Company is making long-term investments in the food business.
- These investments are supported by proactive, science-based research and strategic alliances.
- The Company aims to fill gaps in the market characterised by high potential demand and changing lifestyles.
- The reduction in commodity sugar exposure is expected to be offset by an increased exposure to value-added variants, including institutional sugar sales, sweetener and food retail, and enhanced distillery output.

EID Parry's value enhancement blueprint

Strategic focus	Vendor focus	Customer focus	Community focus	Shareholder focus	Employee focus	Government focus
Key enablers	<p>EID Parry is witnessing an increasing demand for cane from its operational areas.</p> <p>The Company's diverse business operations offer a reliable long-term procurement base.</p> <p>The Company compensates farmers promptly and offers subsidised seeds and crop nutrients.</p>	<p>EID Parry continues to be a reliable supplier, leveraging the longstanding trust associated with the Parry's brand.</p> <p>The Company is recognised for its capability to produce customised grades of sugar and sweeteners for institutional and retail customers.</p> <p>Investments have been made in modern research, processing, and testing infrastructure.</p> <p>The Company is dedicated to develop niche markets within larger commoditised segments.</p>	<p>EID Parry is dedicated to fulfilling its role as a responsible community partner.</p> <p>This commitment is formalised in the Company's CSR Policy, ensuring consistent engagement and expenditure.</p> <p>The Company is actively involved in initiatives focused on education, women's empowerment, agriculture, skill development, environmental conservation, social awareness, and healthcare.</p> <p>It spent ₹3.61 Crore in CSR activities in FY 2023-24.</p>	<p>EID Parry prioritises governance, operational excellence, cost efficiency, and transparency in information.</p> <p>It expanded non-sugar revenues, thereby bolstering margins.</p> <p>The Company aims to increase shareholder returns by focusing on value-added strategies, cash flow management, large markets, and unmet consumer demands.</p>	<p>EID Parry employs over 1250 permanent non-seasonal professionals, providing stability.</p> <p>The Company's approach is characterised by delegation, empowerment, trust, and accountability.</p> <p>A significant portion of EID Parry's workforce, operations, and procurement is based in rural areas, positively impacting the regions where it operates.</p> <p>Approximately 6.6% of the revenue was allocated to employee remuneration.</p>	<p>EID Parry consistently fulfills its tax obligations punctually and completely, fosters local employment, adheres to regulations, and enhances the standard of living of communities in which it operates.</p> <p>In FY 2023-24, it incurred a total tax expense of ₹8.09 Crore.</p> <p>The Company's policies are in line with national priorities.</p>
Material issues/ addressed	Active engagement with farmers is crucial to improve their income by enhancing the viability of cane planting through modern agricultural technologies.	Producing top-quality products promptly to enhance reliability.	Addressing unmet social needs with sensitivity and professionalism.	Investing in a business strategy that improves long-term sustainability and enhances liquidity on the Balance Sheet.	Fostering a professional yet passionate culture characterised by careful recruitment, comprehensive training, clear career paths, retention efforts, and a commitment to excellence.	Operating within a robust compliance culture, fulfilling statutory obligations, and contributing to national strength.

Excellence driver

# How we deepened a culture of cane management and development at EID Parry



Farm workers spraying fertilisers to improve cane yields in Nellikuppam sugarcane fields.

## Overview

Cane development and management account for a large part of the Company's raw material costs. Even moderate improvements or efficiencies in cane management can have a substantial impact on the financial health of the Company. This makes cane management not just an operational task; it is a strategic priority that influences the bottom line.

Given the critical importance of cane, EID Parry considers cane development and management integral to business and sustainability goals. This holistic approach ensures that the Company can access stable and cost-effective cane supply, essential for consistent production and building a competitive advantage.

To strengthen cane management, EID Parry made proactive investments in research

and development - one of its kind in the Indian sugar industry - underscoring the Company's commitment to innovation and excellence. The research facility focuses on developing new cane varieties resistant to disease, offering high yields, adapting to diverse climatic conditions, and providing superior recovery during crushing. By enhancing these outcomes, EID Parry aims to sustain high operational efficiency and productivity.



Engagement: Cane development

- Source support:**  
 The Company possessed a dedicated nursery that cultivated seedlings around characteristics like disease resistance, high yield and early maturity. These seedlings were distributed to farmers, resulting in superior yields and recovery.
- Precision farming:**  
 The Company was among the first sugar manufacturers in India to introduce 'precision farming' in command areas. This need-based application of water, soil nutrients and biopesticides was influenced by crop needs, ensuring optimal water use and timely intervention.
- Lab-to-land programme:**  
 The Company equipped farmers with innovative crop management technologies and advanced farming practices. These practices included nursery management, ratoon management, micro-irrigation, soil health improvement, pest cum disease control, farm mechanisation, best practices, and new technology introduction. The Company conducted over 315 training programmes, benefiting 6,100+ farmers.
- Smart irrigation:**  
 The Company adopted the smart irrigation practice, a novel soil monitoring system consisting of soil moisture and plant growth sensors. This approach helped farmers monitor crop growth and soil health, coupled with timely action in the Tamil Nadu command areas. The system ensured the supply of irrigation water based on crop needs, minimising human intervention on the one hand and enhancing yield and sucrose accumulation on the other.

Engagement: Cane management

- Cane purchase centres:**  
 The Company established cane purchase centres in Andhra Pradesh to overcome cane supply challenges from marginal farmers (holding land <0.5 acres) on account of low labour availability and high harvesting costs. These centres near cane cultivation areas helped reduce cane transportation tenures.
- Farmer Connect app:**  
 The Company's EID Farmer Connect app strengthened relationships with farmers by providing real-time updates on harvesting schedules, payments, and other essential information. This enhanced trust, convenience, and transparency. The Company's call center provided updates on schemes in local languages and served as a helpful intermediary in addressing urgent issues.
- Financial support:**  
 The Company established crop loan agreements in partnership with nationalised and co-operative banks. A total of ₹215.46 Crore was disbursed, benefiting 18,119 farmers.
- Insurance:**  
 The Company provided insurance coverage to all farmers, reinforcing its reputation as a caring and responsible partner. Plots were insured under the Farmer Crop Insurance Scheme, which permitted claims without needing government declarations. This enhanced confidence and trust, encouraging more farmers to grow cane. The crop insurance coverage for planted sugarcane included an insurance amount of ₹1,416 per acre for the plant crop and ₹1,239 per acre for the ratoon crop. This initiative benefited 6434 farmers, with a total claimed amount of ₹151.81 Lakh.

iCMS and Farmers Connect App, covering village meetings, skill development cum training programs, entrepreneurship development



- Strengths**
  - The Company enjoys a rich cane development legacy, tracing roots to the establishment of South Asia's first sugar factory in 1842. This illustrious history endowed the Company with knowledge of soil properties, cane varieties and weather patterns, facilitating informed decision-making.
  - The Company sourced cane from approximately 100,000 farmers, many of whom comprised long-standing partners. This stable long-term engagement improved the predictability of cane supply for the Company and steadied farmer incomes. The Company guaranteed timely farmer payments within 7 to 12 days, enhancing their cash flows and providing better returns over competing crops.
  - The Company invested in advanced scientific research in the area of cane development. It was the only company in South India with a sugarcane varietal breeding program dedicated to creating new cane varieties to replace existing ones. The success of this programme was attributed to the Company's ability to develop in-house seedlings in its tissue lab, covering 2% of its total command area. The Company's dedicated nursery farm distributed clean seeds to farmers, including three proprietary seedlings, suitable for various agro-climatic conditions.
  - The Company is devoted to sustainable farming practices, preferring biocontrols over chemical pesticides. This strategy preserves soil nutrient quality and ensures sustainable cane yields, securing the Company's cane supply.

- Challenges and counter-initiatives**

*Low yield owing to incidences of pest root grub disease and yellow leaf diseases*

The Company supported farmers with incentive schemes to promote the large-scale adoption of yield improvement activities (Abda, humic acid application, micronutrient application, gap filling and trash shredding).
- Depleting ground water level affected irrigation in the Pugalur command area.*

The Company introduced water conservation through Project NANNEER. Drought conditions in Karnataka resulted in a lower cane supply

The Company registered more cane area to mitigate yield loss
- Poaching of cane by other factories in Karnataka was noticed at the beginning of the sugar season*

By December 15, 2023, the Company harvested good and average quality cane on priority; it engaged in inter-unit diversion, reducing cane poaching possibilities

- Highlights, FY 2023-24**

Increased farmer connectivity through village meetings held by cane officers, highlighting sustainable agricultural practices

  - Crushed 50.09 LMT of canes across units, a de-growth by 3.32%
  - Paid farmers within 14 days of last load supply from the registered plots.
  - Launched office support for farmers, enhancing farmer engagement
  - Released three new in-house varieties, accounting for 2% command area
  - Around 67% of the command area used the ratoon crop

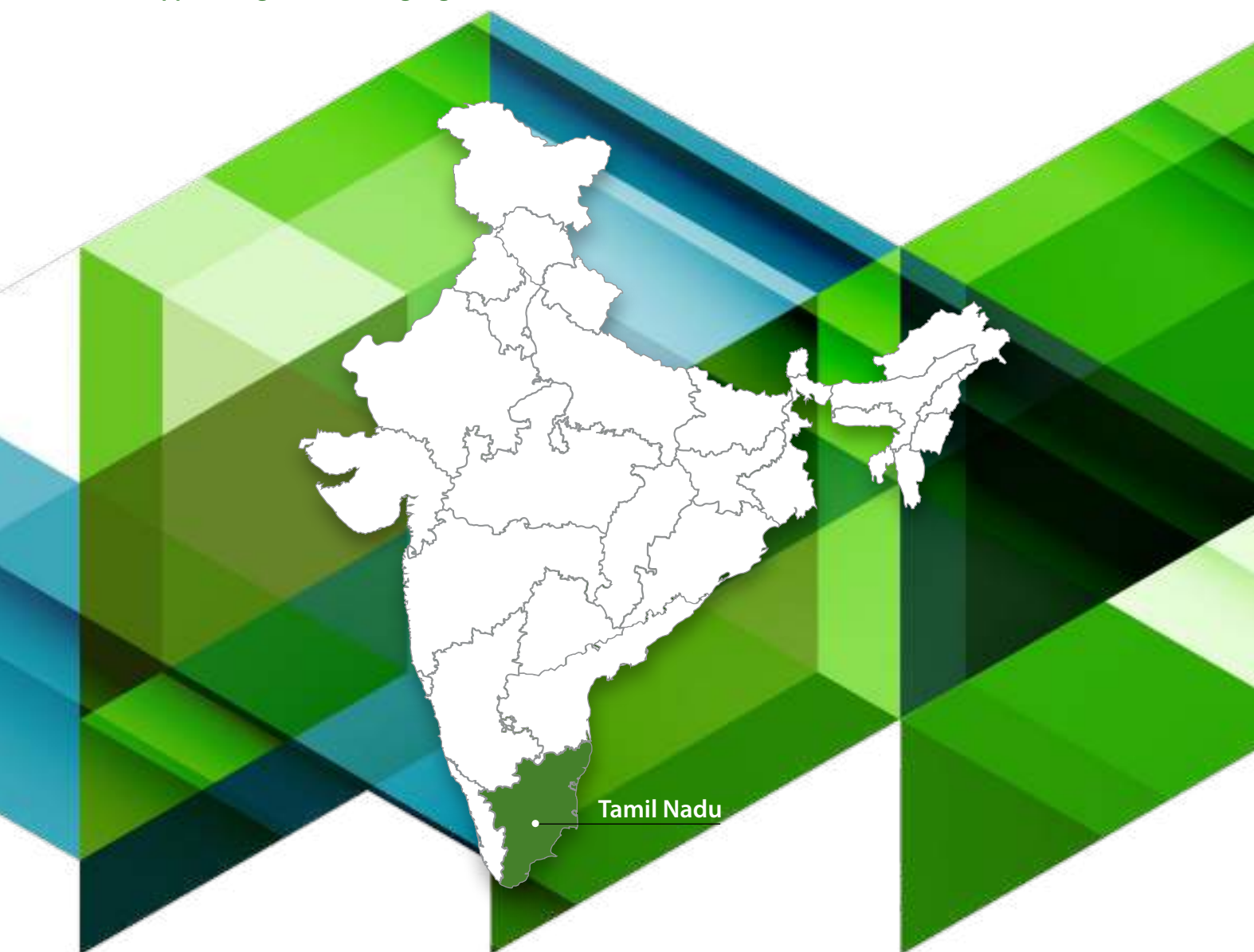
- Outlook**

The Company will continue to on-board new cane farmers and find ways to leverage digital tools that help enhance cane yield. The Company aims to increase in-house varieties to cover 25-30% of total command area. The Company will promote mechanical harvesting to reduce harvesting and transportation charges.

Cane development

# Tamil Nadu

Nellikuppam, Pugalur and Sivaganga units



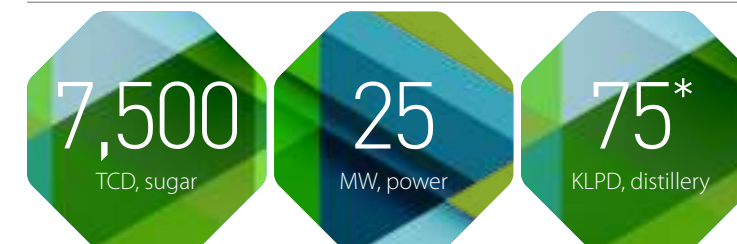
## Achievement overview, FY 2023-24

- Increased cane crushed to 22.82 LMT in FY 2023-24 as against 22.60 LMT in FY 2022-23
- Average recovery was 8.50% as against 9.33% in FY 2022-23

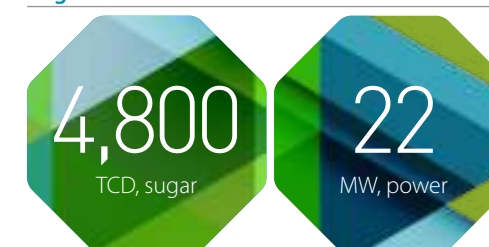
- Replaced existing varieties with improved varieties created in-house, resulting in higher and disease-free yield
- Achieved highest cane crushing in a decade in Pugalur at 9.30 LMT

## Our operating capacities

### Nellikuppam



### Pugalur



### Sivaganga



\*Expanded to 120 KLPD

## Business-strengthening initiatives, FY 2023-24

- Initiated the delivery of yield improving farm inputs at the farmer's door through agri service providers
- Initiated humic acid application for yield improvement
- Established eight new shade net seedling centers initiated through a scheme funded by International Finance Corporation
- Developed 20 small type tippers for cane transportation in wet lands.
- Achieved 2.0 LMT highest tonnage of cane harvest through a mechanical harvester

## Value procurement

703

₹ Crore, value of cane crushed, FY 2022-23

740

₹ Crore, value of cane crushed, FY 2023-24

## Volume procurement

10,22,625

Acres, geographical command area

22.82

LMT, quantum of cane crushed, FY 2023-24

22.60

LMT, quantum of cane crushed, FY 2022-23

14

%, proportion of cane area under modern varieties

## Potential area for sugarcane

1,08,191

acres

## Cane cultivation

50

% of the potential area that can be converted to sugarcane

## Cane cut-to-crush

12

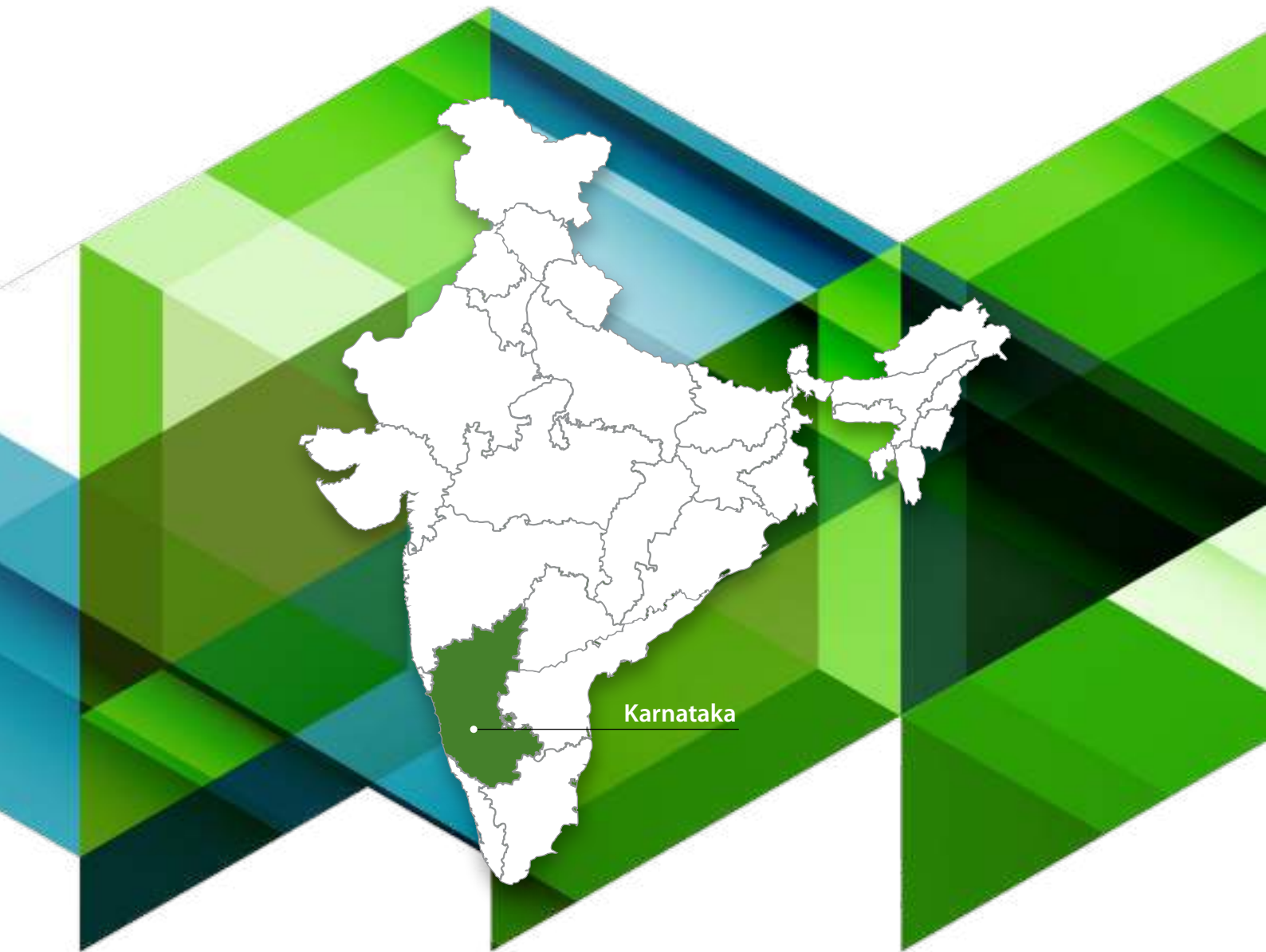
Hours consumed for 100% of the cane to be crushed



Cane development

# Karnataka

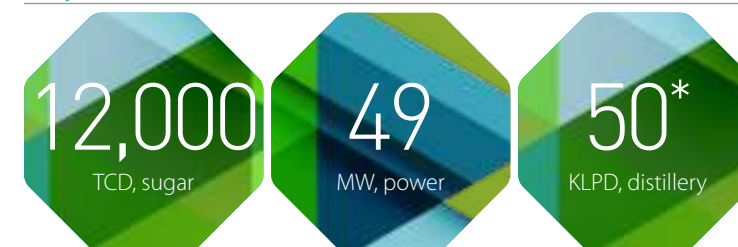
Haliyal, Bagalkot and Ramdurg units



% , Proportion of cane area covered by modern varieties		
55.95	26.42	9.26
CO 92005	CO 86032	COM0265
4.78	3.59	
PI 001110	Other varieties	

## Our operating capacities

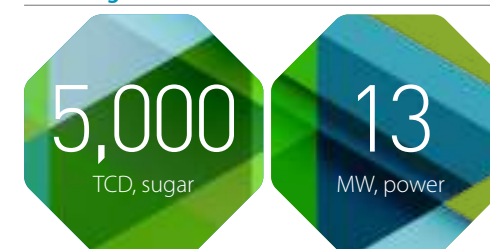
### Haliyal



### Bagalkot



### Ramdurg



\*Expanded to 170 KLPD

## Business-strengthening initiatives, FY 2023-24

- Exceeded cane crushed from a targeted 22.70 LMT to 22.94 MT
- Recovered 100% advance paid to the harvesting and transportation groups, resulting in zero dues
- Facilitated the inter-unit diversion of cane to control the poaching of cane by competing factories

## Value procurement

839.63  
₹ Crore, value of cane crushed, FY 2023-24

840.33  
₹ Crore, value of cane crushed, FY 2022-23

## Volume procurement

8,76,134 22.94 24.57

Acres, geographical command area LMT, quantum of cane crushed, FY 2023-24 LMT, quantum of cane crushed, FY 2022-23

## Potential area for sugarcane

5,72,318  
acres

## Cane cultivation

45  
% of the potential area that can be converted to sugarcane

## Cane cut-to-crush

13  
Hours taken for 100% of the cane to be crushed

Cane development

# Andhra Pradesh

Sankili unit



## Our operating capacities

Sankili



## Business overview, FY 2023-24

- Cane crushed decreased to 4.34 LMT in FY 2023-24 as against 4.63 LMT in FY 2022-23.
- Average recovery was 9.02% as against 10.19% in FY 2022-23.
- Authorised to develop cane in NCS Sugars Private Limited, Bhimasinghi command area, for the next three seasons.
- Desilted three river canals with the Company's contribution being ₹8.5 Lakh; retained 2400 acres of standing cane.
- Produced 92 Lakh pro tray seedlings and allocated 30% to fresh planting.
- Introduced micro nutrient-drone spray with subsidy, covering around 1276 acres of command area.
- Wider row spacing picked up to 47%.

## Value procurement

144.08

₹ Crore, value of cane crushed, FY 2023-24

150.01

₹ Crore, value of cane crushed, FY 2022-23

## Volume procurement

4,63,880

Acres, geographical command area

4.34

LMT, quantum of cane crushed, FY 2023-24

4.63

LMT, quantum of cane crushed, FY 2022-23

9

%, proportion of cane area under modern varieties

## Potential area for sugarcane

35,585

acres

## Cane cultivation

50

%, percentage of the potential area that can be converted to sugarcane

## Cane cut-to-crush

6.52

Hours (Average yard waiting hours) for 100% of the crushed cane



Excellence driver

# How an enduring quality commitment has helped enhance our efficiency



Quality control testing at Nellikuppam



## Overview

In India, sugar is available in branded and unbranded forms. EID Parry became a major supplier to prominent national and international brands on account of rigorous standards, quality consistency, benchmarking, and product customisation. As a direct outcome, institutional sales increased from 34% in FY 2021-22 to

46% of the Company's sugar revenues in FY 2023-24.

The Company invested in defined Standard Operating Procedures (SOPs) across all its manufacturing processes. These SOPs ensure that every step - raw material procurement to final product packaging - adhered to the highest quality cum safety standards.

The Company produced diverse quality sugar grades to address a diverse customer base - large industrial clients to individual consumers. This portfolio flexibility allowed the Company to address the specific needs of different market segments, enhancing its reputation for customisation and dependability.

## Strengths

The Company achieved ISO:22000 (Food Safety Management) and ISO:9001 (Quality Management) certifications for its plants supplying to institutional customers, validating process integrity.

The Company addresses national and international quality standards, including those of the Pharmacopeia of India, US, Britain, Japan, and Europe, as well as SMETA and Good Manufacturing Practice

(cGMP). It operates within stringent institutionalised parameters. The Company was the first in Asia (and among few globally) to be awarded the Bonsucro International Certification for sustainable sugarcane production.

## Our quality norms

**Bureau of Indian Standards and FSSAI :** Provides specifications for product quality, reliability, and safety.

**Pharmacopoeia License:** Ensures a compliance with the pharmacopoeias of India, the US, Britain, Japan, and Europe.

**Supplier Ethical Data Exchange (SEDEX):** Online platform where suppliers can record and share data on ethical and responsible practices. It also includes SMETA audits to help businesses improve working conditions and environmental performance throughout their supply chain.

**Good Manufacturing Practices license:** Provides an independent verification that

fundamental manufacturing practices and prerequisites comply with excipient regulations.

**Bonsucro:** Promotes sustainable farming practices through stringent environmental and social requirements to protect cane fields and factory workers

## Initiatives

The Company secured an FSSAI license for its non-sugar product basket (rice, dal and millets)

It implemented quality checks like quality calendar, monthly reviews, quality lead and lag indicators, quality walk, market visits, vendor development etc.

It digitised some of its quality control where quality deviations were notified, recorded and reviewed

Through vendor development programs, It improved the quality of packaging, preventing product contamination from external sources. It engaged with qualified vendors, strengthening the integrity of the ecosystem.

As a result of these initiatives, customer complaints declined by 50% from the previous financial year.

## Outlook

The Company will continue to enhance quality practices to produce benchmark products that address international standards and become integral to customer success. Efforts will include team training and rigorous audits to ensure continuous improvement.



People

# Our talent competitiveness



Fostering a competitive and dynamic workplace to lead the industry

Our People vision

Enriching organisational capability through a collaborative culture and by infusing digital solutions on the people process to reach superior business performance.

### Overview

Our people have shown exemplary resilience in the past few years to steer the Company through tough times, driving innovation and sustainability to create a differentiated presence. Their expertise, and commitment are vital for achieving operational efficiency and sustainable growth. As of March 31, 2024, the number of EID Parry employees was 2319.

Our endeavour is to ensure that our people are future ready and geared to creating significant value for shareholders, and society. Our people practices have helped create an environment of collaboration and connect, helping achieve industrial harmony. The impetus now is to take the legacy forward, while the intent is to bring in new practices and keep ahead of the changing demography and needs of the

workforce. Employee safety and health are a priority.

The Company has been a front-runner in people policies and contemporary human resource practices focusing on three key imperatives: Capability Development, Employee Experience and Business HR & IR.

### Talent focus areas

<b>Capability Development:</b> A platform to upskill employees and raise team expertise.	<b>Employee Experience:</b> Initiatives to enhance employee experience and provide a happy ecosystem.	<b>Business HR &amp; IR:</b> Build a productive and harmonious workplace.
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### Initiatives

#### Re-launch of our signature rewards program

In line with the philosophy of rewarding performers, we relaunched our signature reward programs of Spot Recognition and Employee of the month across all categories of employees. We recognised 1077 employees through these programs during the FY 2023-24. We continued to reward and recognise excellence, the personification of the Company's values, through our organisation-wide recognition program Shine Award.

#### Customised Talent Wellness programs

During the year, we conducted several wellness webinars focused on mental, emotional, physical, and financial health. We continued counselling services for employees and dependents. Our Factory Medical Officers designed customised wellness programs like yoga, meditation, marathon training etc.

#### Investing in young talent

We remained committed to expand our young talent pool through targeted hiring initiatives. Promising postgraduates from renowned premier institutes were hired and equipped with the necessary skills for roles. Our TRANSFORM journey is a one-year structured learning cum

talent development intervention that will transform and enable our GETs to grow. This programme strengthened our organisation and laid the foundation for a vibrant and sustainable future by investing in young talent.

#### Self-discovery workshop

With the objective to enhance professional growth, decision making, improved relationships and balanced living, a transformative program on the topic Self-Discovery Workshop on Governing Business & Relationships was organised for the middle management team in partnership with Vedanta Institute, Pune.

#### 'Did You Know?' series

We launched the 'Did You Know?' series to share snippets on important people policies in VIVA engage to all employees and create awareness.

#### Highlights, FY 2023-24

- Over 15% of the Company's employees had been with the organisation for more than 20 years as of March 31, 2024.
- 82% of permanent workers were unionised, empowering them for a larger workplace influence.
- During the year, the Company onboarded 339 new talents.

- 2.49% of people turnover comprised permanent workers.
- 0.38% of total revenue comprised well-being measures.

### Outlook

The Company introduced Parrys School of Excellence - A Holistic Learning Journey. Our commitment to employee development extends across digital and traditional realms. Through a blend of online and offline interventions, we tailor programs to meet individual needs. Our goal is to continuously enhance capability and foster a well-rounded workforce.

We seek to introduce THRIVE - A Talent Assessment & Development Center (TADC), that provides a detailed evaluation of individual skills, to diagnose developmental needs, and to groom potential employees for future roles. The Company will assess employees through a Competency Framework that describes behavioural and leadership excellence of our organisation that benefits the mid and senior management employees.



# Deepening our EHS commitment



Strengthening our EHS protocols to ensure a safe and harmonious environment

Overview

Environmental, Health, and Safety (EHS) is critical to EID Parry's existence, reflecting its commitment to employee health and welfare. The Company's consistent success has been built around the support of its people. As technologies and legal requirements evolve, continuous compliance with health and safety standards is essential to mitigate risks and ensure business continuity. Failing to comply with EHS standards can pose downsides, including reputational

risk, business continuity risk and legal implications.

The Murugappa Group's national and international reputation is based on ethical values and a sustainable business model. EHS compliance is crucial to upholding these values. Moreover, transgressions in EHS can disrupt the supply chain, invite legal actions and fines, which could even result in business closure. Legal implications of non-compliance include show cause notices, court proceedings, hefty fines and penalties, all of which negatively impact

the Company's reputation and financial stability.

EID Parry possesses a comprehensive health, safety, and environment framework that meets both international and national standards. The Company's commitment to this framework is a fundamental part of its operations, ensuring that its processes and products are responsible and safe for employees, society and other stakeholders. During the year under review, the Company undertook 2,278 workplace inspections across all units.

EHS initiatives, FY 2023-24

The Company engaged in the following initiatives during the year under review:

- Re-engineered the safety organisation structure, ensuring the allocation of adequate safety experts across all factories and shifts
- Enabled digital governance across all units, closing gaps and enhancing accountability

- Conducted department-wise tiered accountability to enhance synergy, and ensure safety conversations promoted employee engagement and a speak-up culture
- Improved reporting lead indicators (behavior coaching, unsafe condition closure, training, and kaizens) at the units through adequate safety staffing and safety programmes like Behavior Based Safety tunnels, monthly safety

- campaigns, safety coaching and awareness drives.
- Conducted weekly management reviews on safety metrics across all factories, engaging unit heads, functional heads and department heads.
- Identified and mitigated infrastructural gaps in fire safety, fall & gravity, traffic safety, machine safety and electrical safety, achieving a 76% mitigation rate.

Safety enhancement via digital governance

EID Parry implemented the Gensuite benchmark safety tool to enhance the digital governance of EHS data with five modules:

**Safety observation:** Reports unsafe actions/behaviours on-site.

**Concern reporting:** Allows reporting of unsafe actions at respective units, with tracking for closure.

**Inspection tool:** Assigns area inspection checklists, including triggers and misses, to the concerned functional and safety heads every month.

**Action tracking system:** Assigns open and unsafe points to the responsible

person, including the target date and priority; tracks points for closure and sends reminders if target dates are missed.

**Injury and illness module:** Enables the logging of near-miss, work-related, and non-work-related safety incidents at respective sites, along with injury classification and investigation reports.

Achievements, FY 2023-24

- The Nellikuppam health workplace programme won the Silver award in Arogya World.
- The Pugalur unit won the Appreciation Award on Occupational Health, Safety

and Environment Awards 2023 from the National Safety Council.

- The Company implemented the ISO45001 -2018 management system surveillance audit across manufacturing units.

Outlook

The Company plans to implement improvements for Environment, Safety, Statutory (OTEESS) projects for FY 2024-25 and carryover projects of FY 2023-24.



Culture transformer

# Enhancing a culture of innovation at EID Parry



Farmers engaged in watering of sprouts at Nellikuppam

## Our digital transformation journey



## Overview

EID Parry’s digitalisation initiatives is driven by a commitment to improvement and innovation, to result in superior financial outcomes and long-term competitiveness. The Company invested in cutting-edge technologies to enhance its cane development, crushing operations, quality, product range and environmental initiatives. These efforts aim to result in

superior cane yields, high sugar recovery, increased non-sugar proportion of revenues and higher institutional sales. Besides, digitalisation reinforced the Company’s image as forward-thinking, attracting talent and enhancing competitiveness.

During the year under review, the Company’s investments focused on SaaS-based solutions, IoT for manufacturing

and cloud services, shifting from in-house IT infrastructure. The Company made significant improvements by identifying and implementing business solutions, adhering to SOPs, and digitising functions for enhanced productivity. The adoption of manufacturing solutions and a centralised compliance system enhanced process efficiency and ensured compliance with norms, transforming and empowering the organisation.

## EID Parry’s digital advancements

**Integrated Cane Management System (ICMS):** This centralised application contains comprehensive data on cane management, accessible to stakeholders anytime, anywhere. ICMS includes data on cane registration with digital area mapping (geo-tagging of cane fields), monitoring of cane growth stages, yield estimation, harvesting plans, cane supply, standing cane availability, automated cane weighment, centralised cane payments and consolidated reports and dashboards.

**EID Farmers Connect app:** This multi-lingual (Tamil, Telugu, Kannada, and English) application provides farmers with

conveniences like plot demarcation, crop monitoring, payment and loan status updates, and grievance redressal. Over 4,000+ farmers used the app.

**Smart Cane Harvesting with AI:** Leveraging crop data, meteorological data, ground truthing data, and remote sensing satellite imagery, AI-based algorithms in digital technology solutions improve sugar recovery and yield. A standardised harvesting schedule based on crop maturity is enhancing sugar content recovery across our mills. The Company is transitioning from manual yield estimation to AI and data-based analysis for better yield forecasting and crushing day planning.

**Doctor App:** This comprehensive mobile app empowers farmers with knowledge and tools for crop management, sustainable practices, pest and disease management, and access to agricultural inputs and seeds.

**Autonomous irrigation:** Field sensors capture crop data to determine irrigation needs, ensuring optimal water use and reducing overall consumption.

**Dashboard:** Automation streamlines operations using digital tools like SAP, iCMS, and data visualisation tools. This enhances data accessibility across the Company, promoting transparency and informed decision-making.

## Enabling digital governance in Safety

EID Parry implemented the Safety tool to enhance the digital governance of EHS data with five modules: **Safety observation, Concern reporting, Inspection tool, Action Tracking System, Injury and Illness Module**

## Challenges and counter-initiatives

Finding the right digitisation solutions provider based on our requirements proved difficult

The Company implemented proof-of-concept (POC) with use cases as per business requirements and finalised a partner for implementing the solution

Cyber security is a major threat cutting across industries

The Company monitored vulnerable areas and took necessary action to upgrade

infrastructure and minimise the scope of cyber-attacks.

## Highlights, FY 2023-24

- Implemented Industry 4.0 solution for plant maintenance covering all factory locations
- Introduced e-learning module to promote upskilling across the Company
- Digitised legal operations, ESG framework and compliances covering labour and establishment domain, financial control domain, environment,

head and safety domains across all locations

- Smart manufacturing solution for our bio-fuel business

## Outlook

With multiple systems in place and centralised data capturing processes, the Company is poised to develop an enterprise analytics platform. This platform will enable better decision-making across all functions, including operational and strategic areas, enhancing efficiency and competitiveness.



# How we are deepening our research and development commitment



Sugarcane tissue culture multiplication in clean room at our Pugalur R&D facility

## Overview

In a business that is sensitive to consumer well-being, research at EID Parry occupies a strategic priority. The Company focuses on developing sugarcane varieties suited to its diverse terrain, utilising sophisticated breeding processes that incorporate genetic traits from wild cane relatives. This effort extends to manufacturing quality products, exploring adjacent products and addressing significant under-served opportunities.

This dedicated R&D effort is not just about incremental improvements; it has the potential to create a cascading effect of enhancements across business verticals. For example, better cane varieties can lead to higher sugarcane recovery rates, lower production costs and more consistent quality, which, in turn, can enhance product offerings and market competitiveness. Additionally, disease-resistant varieties can reduce a dependence on chemical applications, contributing to sustainable agricultural practices.

By investing in cutting-edge research and innovation, the Company aims to maintain leadership in the sugar industry and ensure that it can address challenges or opportunities with robust and adaptable solutions.

EID Parry, established the integrated R&D centers within our manufacturing facilities. These R&D centers have been recognised by the Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology, Government of India.

## Strengths

**Genetic improvement:** The Company's R&D initiatives helped enhance sugarcane varieties through introgression, integrating genetic traits from wild relatives to improve adaptability and water stress resistance.

**Collaborations:** The Company entered partnerships with national and international research institutions to develop crop models, conduct trials, and empower rural entrepreneurs.

**Tissue culture:** The Company deployed tissue culture techniques to provide disease-free planting material, supporting farm productivity.

## Key highlights and achievements

**Hybridisation and varieties:** The Company is operating state-of-the-art sugarcane hybridisation programmes in its Haliyal unit with elite germplasm. In collaboration with the Indian Council of Agricultural Research, the Company conducts the All India Coordinated Research Project scheme, where new sugarcane varieties from government research stations are tested in R&D farms and suitable varieties are recommended to improve cane yields.

**Farmer engagement:** The Company trains small, marginal, and women farmers in advanced sugarcane cultivation technologies using a state-of-the-art mobile van (Mobile Village Theatre), a pioneering concept in the Indian sugar industry.

**Artificial intelligence:** The Company's R&D employs advanced AI algorithms, integrating crop data, meteorological information and satellite imagery to forecast cane yields accurately. By analyzing these diverse data sources, the AI system optimises harvest schedules, ensuring that cane is harvested at the ideal time to maximise sugar content.

**Agreement:** The Company entered into an agreement with International Finance Corporation (IFC) in implementing climate-smart agricultural interventions that enhance supply chain efficiency, farm yields and land management. The 50-month arrangement (until December 2026) across Nellikuppam and Pugalur, benefited around 15000 small-holder farmers and 30 entrepreneurs.

**Biocontrol agents:** The Company liberated in-house talent from the responsibility of producing and distributing biocontrol agents to farmers by delegating responsibilities to third party agents, saving time and costs.

## Outlook

The Company is dedicated to advancing sugarcane research, fostering innovation, and collaborating with stakeholders to develop sustainable practices. This commitment includes optimising input costs and supporting farmers to achieve enhanced productivity.

Business enabler

# Our supply chain efficiency

## Overview

At EID Parry, we value a stable and consistent supply chain. Our focus is on improving manufacturing predictability, ensuring feedstock availability, managing costs, enhancing profitability, and nurturing customer engagement.

The sugarcane supply chain comprises an inclusive agri-industrial eco-system designed to grow, harvest, transport and process sugarcane. Over the years, the Company centralised its resource sourcing program leading to uniform procurement practices and superior efficiency across six manufacturing units, one subsidiary refinery, and five distilleries.

## Strengths

The Company established standard operating protocols for every supply chain management component, enhancing transparency and ensuring uniform application.

Its robust supply chain framework ensures proactive and preemptive raw material procurement, preventing operational shortages.

Our vendor assessment process, prior to onboarding a new vendor, helps us to identify and address ESG risks.

Its long-standing relationship with suppliers secures preferential trade terms.

Its credible track record of fair and timely remuneration makes it a preferred customer.

## Challenges and counter-initiatives

*The Karnataka Government, under Section 11 of the Electricity Act 2003, imposed restrictions for electricity export, and reduced the sale price of power to the government from ₹5.20/unit to ₹4.86/unit.*

Through South Indian Sugar Mills Association (SISMA), the Company appealed to the Karnataka government for better power sale realisations.

*There was a shortage in the supply of polypropylene bags and salt owing to heavy rain in Tamil Nadu.*

The Company engaged with a supplier from Gujarat to ensure the supply of PP bags and salt to its units in spite of the price volatility and heavy rains in the Tamil Nadu region.

*Food Corporation of India's rice supply to the Sankili distillery was suspended, affecting distillery operations.*

The Company arranged maize as an alternative feedstock.

## Highlights, FY 2023-24

- The Company onboarded 1874 new suppliers across the country
- It sacrificed 44,171 MT of sugar in favour of enhanced ethanol output
- It purchased 79,376 mt of molasses for all distilleries.

## Outlook

The Company plans to engage with other mills and jaggery producers for the enhanced insourcing of sugar and sweeteners. It will engage in co-packing arrangements close to new markets. This will enhance packing and supply chain effectiveness, coupled with enhanced volumes.

Business enabler

# The broad-basing of our sales footprint

## Overview

In India, sugar sales are dominated by loose and unbranded packaging, with the overall branded offtake accounting for less than 20%. There is now a gradual shift in the consumer preference from the loose and unbranded to the packaged and branded. This strategic shift has provided the Company a significant opportunity to earn consumer trust. Our packaged products adhere to stringent quality and hygiene standards, providing customers with confidence in product safety and consistency.

There is also a shift in the consumers interests. Consumers are choosing to consume from 'green' brands and are intrigued about a company's sustainability agenda. They spend more time on knowing about what is behind the label, driving corporates to take steps to gain consumer trust and loyalty.

EID Parry is positioned to capitalise on the growing trend towards packaged, high-quality, and sustainable products. With a diverse portfolio of sugar and non-sugar offerings, the Company addresses increasing consumer demand for healthier, specialty options.

## Strengths

- The Company is a pioneer in the branded sugar segment with a range of products that offer alternative sweeteners like SweetCare Low GI Sugar, Amrit Brown

Sugar, Jaggery, Amrit Gold etc., catering to the needs of a large group of varied tastes and preferences.

- The Company reduced its reliance on the commoditised sugar segment by diversifying into retail and institutional sales, moderating the influence of government controls on its business.
- The Company's packaging and branded sweeteners address an underpenetrated market where only less than 20% are represented by branded sugar and sweetener equivalents.
- The Company is a trusted supplier of customised sugar to established national/multinational players in the food and beverages segment.
- The Company provides pharma-grade sugar to prominent companies in the pharmaceuticals sector and retails sugar to consumer outlets, (kirana stores and e-commerce platforms).
- The Company engages with international research organisations/startups to explore new technologies in the field of sugar substitutes.

## Highlights, FY 2023-24

The Company reported a healthy post-pandemic rebound in the B2B sugar segment, the segment growing 10%.

It exhibited dominance in the modern trade channels, especially in the quick commerce platforms.

It conducted trials for rice, dal and millets in select locations and strategically diversified its portfolio beyond sweeteners with the launch of these staples.

It grew retail revenues by 41.5% and was present in 1.10 Lakh outlets, largely in South India.

## Outlook

The Company is on a journey of growth and reimagination as it expand into new geographies, categories, and business units with a focus on 'Better Choices, Brighter Future.'

With the success story of the sweetener business in expanding distribution, we are confident that we can replicate this success and make Parry's omnipresent across South Indian households as we expand our reach and product offerings. From fiber-rich rice to protein-rich dals and superfood millets, Parry's commitment is to make our customer diets more balanced and address inherent nutritional gaps in the traditional Indian diet. Our promise for better grains and better health focuses on enhancing the nutritional quality of daily meals.

The Company aims to target a larger share of the grocery market, enabled by increased distribution and marketing spends.



# Our sugar business



A wide range of sweetener products catering to the varied needs of the modern consumers

### Overview

Sugar, EID Parry's primary revenue driver, is critical to the Company's brand and visibility. The Company manufactures sugar in six state-of-the-art facilities across three South Indian States. The Company is a preferred vendor, servicing the needs of major, specialty, and critical downstream industries like pharmaceuticals, infant food, beverages and confectionery.

The Company has progressively evolved its product mix towards nutrition: it was the first to launch pure brown sugar under the Amrit brand, containing six vital nutrients.



### Strengths

- The Company is one of the largest sugar manufacturers in South India.
- Its diffuser system has increased the extraction of Pol (sucrose in juice) in the sugar output.
- Its flexibility to produce sugar across six facilities that enhanced market responsiveness.
- It produces customised pharmaceutical sugar grades that address the standards of Indian Pharmacopoeia (IP), British Pharmacopoeia (BP), US Pharmacopoeia (USP), Japanese Pharmacopoeia (JP) and European Pharmacopoeia (EP).
- It has a sugar refinery capacity across two units to serve institutional customers.

### Highlights, FY 2023-24

Total cane crushed was 50.09 Lakh Tonnes with an average recovery of 9.06% in FY 2023-24 compared to 51.81 Lakh Tonnes with an average recovery of 9.53% in FY 2022-23.

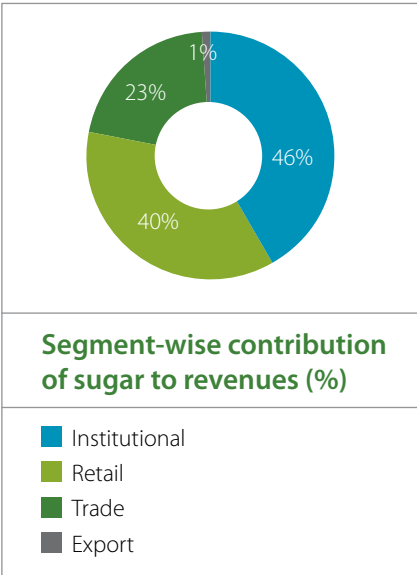
All cane payments to farmers were made on time and on par decided by the Government of India.

The Company's sweetener distribution increased from 20,000 outlets to 1.1 Lakh outlets

The Company carried a sugar closing stock of about 2.40 LMT at the end of March 2024.

### Outlook

The Company will continue to moderate its exposure to the vulnerable commodity sugar segment by enhancing its footprint in the retail and institutional segment.



### Cane capacity (TCD)

Unit	FY24	FY23
Nellikupam	7,500	7,500
Pugalur	4,800	4,800
Haliyal	12,000	12,000
Bagalkot	6,500	6,000
Ramdurg	5,000	5,000
Sankili	5,000	5,000

### Cane crushed (LMT)

Unit	FY24	FY23
Nellikupam	13.52	13.32
Pugalur	9.30	9.27
Haliyal	10.16	10.52
Bagalkot	6.67	7.33
Ramdurg	6.10	6.74
Sankili	4.34	4.63

### Sugar produced (LMT)

Unit	FY24	FY23
Nellikupam	1.11	1.17
Pugalur	0.82	0.84
Haliyal	1.07	1.23
Bagalkot	0.65	0.68
Ramdurg	0.65	0.76
Sankili	0.25	0.25

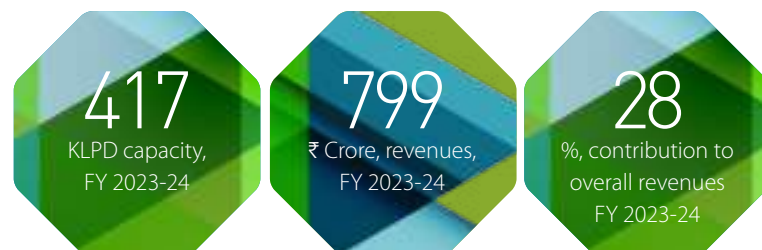
### Key numbers



# Our ethanol business efficiency



Our standalone distillery plant at Sivaganga



## Overview

EID Parry's five distillery units are located in Tamil Nadu, Karnataka, and Andhra Pradesh. The ethanol manufactured is respected for its quality and is the preferred choice of demanding brands. As on March 31, 2024, the Company's distillery capacity was 417 thousand liters per day (KLPD); during the course of the current year, this capacity is being raised to 582 KLPD.

## Strengths

- The Company operates in locations without major competition.
- The Company possesses cutting-edge equipment aimed at boosting productivity and manufacturing high-quality products.
- The Company has access to quality raw material 5-6 months in advance.
- The Company enjoys cordial relations with OMC offices and depots, enabling effective decantation.
- The Company has access to grain (maize and rice) at competitive prices, liberating it from government price constraints.

## Challenges and counter-initiatives

On December 7, 2023, the Government of India imposed restriction on using B-heavy molasses and cane juice as feedstock for ethanol production for the Ethanol Supply Year 2023-24.

Subsequently, arising out of a court ruling, the Company was allowed to sell ethanol sourced from B-heavy molasses and cane-based juice produced prior to the restriction date.

## Highlights, FY 2023-24

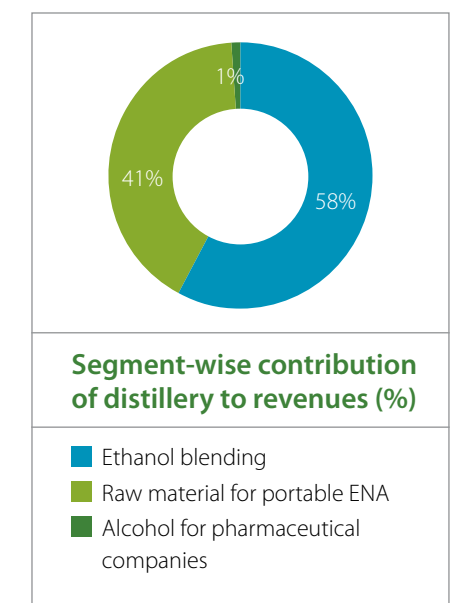
The Company generated ₹799.10 Crore in revenues in FY 2023-24 from this business compared to ₹644.44 Crore in FY 2022-23, a 24% growth.

The Company supplied 12.42 Crore bulk litres of Alcohol in FY 2023-24 compared to 10.44 Crore bulk litres in FY 2022-23, a 18.96% growth.

The Company sacrificed 44,171 MT of sugar in FY 2023-24.

## Outlook

The Company's 165 KLPD expansion in its Haliyal and Nellikuppam distilleries is expected to be operational by Q1FY 2024-25, where ethanol will be produced with dual feed options in the Sivaganga distillery.



## Distillery capacity (Kilo liters per day)

Unit	FY24	FY23
Haliyal	50	50
Sankili	168	168
Bagalkot	60	60
Nellikuppam	75	75
Sivaganga	64	64
Total	417	417



Business segment

# Our co-generation business



Our state-of-the-art co-generation facility at Bagalkot, operating at 16 MW

## Overview

The Company's six cogeneration units, located across three sites, possess a combined capacity of 140 MW. The power generated by these units meets the Company's energy needs, with the surplus being exported.

## Highlights, FY 2023-24

The Company generated 43.43 Crore units of power in FY 2023-24 compared to 50.26 Crore units in FY 2022-23.

The Company exported 21.82 Crore units of electricity in FY 2023-24 compared to 27 Crore units in FY 2022-23.

## Outlook

The Company will prioritise steady and reliable power generation, ensuring uninterrupted energy supply to address growing demands.



Commitment

# Our CSR commitment



Our CSR initiative in progress at Panchayat Union Middle School, Eithanur, Nellikuppam

## CSR vision

An enduring endeavour to improve and empower lives, support and protect livelihood, serve and care, and create self-sustaining communities





Overview

At EID Parry, ethical and responsible business practices are central to business. The Company contributes to society and nurtures positive relationships with communities.

Corporate social responsibility (CSR) is integrated into the EID Parry culture. The Company involves stakeholders, integrating corporate social responsibility (CSR) considerations into its decision-making processes, while monitoring and reporting progress. This approach has generated a positive correlation between CSR investments and financial performance, enhanced employee engagement, risk mitigation and sustained stakeholder trust.

Over the last half-decade, our Company has directed its CSR efforts towards key areas: supporting rural students for higher education, sports development, ensuring basic medical care reaches rural communities through the ‘Wellness on Wheels’ initiative, and enhancing rural infrastructure.

During the year under review, the Company invested ₹3.61 Crore in various CSR activities.

CSR focus areas



CSR initiatives - Highlights

- Reached 50,000 villagers across locations through various development initiatives
- Conducted a maiden eye camp and sponsored cataract surgery for 600 villagers and provided free spectacles to more than 2,000 villagers across four locations
- Granted higher education scholarships to 400 under-privileged students
- Provided drinking water facilities at seven villages and enabled access to clean drinking water to more than 2,300 families
- Initiated the After School Education project to enhance rural educational efficiency.
- Initiated the Rural Health Center Project to provide basic health care at doorstep.
- Initiated the Sports for Development Project to usher social change among rural youth.

Alliances with NGOs and institutions

Engaging NGO partners is crucial as they possess the skills, expertise, resources and experience to drive change within communities. EID Parry collaborated with dependable NGO partners to undertake CSR projects. The Company's CSR partnerships are operational in Nellikuppam, Sivagangai, Sankili and Haliyal. Implementing CSR efforts through professional NGOs has enhanced its social image and reputation.

Project NANNNEER

The Murugappa Group, in its commitment to sustainable, responsive and impactful social initiatives, prioritises water sustainability. The AMM Foundation and EID Parry launched Project NANNNEER, showcasing their commitment.

Project NANNNEER is a landmark CSR initiative aimed at rejuvenating and enhancing the retention capacity of water bodies. These vital water bodies are crucial for farmers, as agriculture in these arid regions relies extensively on monsoonal rains.

**Phase I (FY 2022-23):** In the districts of Sivagangai and Pudukkottai, seven lakes and ponds were desilted across 250 acres, increasing water holding capacity by 750 Million liters. This project unlocked 1,250 acres for agricultural activities, benefiting nearly 2,000 farming families.

**Phase II (FY 2023-24):** The project expanded to Tiruppur, Erode, and Cuddalore districts to rejuvenate and conserve water sources within the command areas of E.I.D.-Parry (India) Ltd's Sugar Division, Pugalur and Nellikuppam units.

In the Pugalur cane command area, nine ponds spanning 45 acres were rejuvenated, increasing their water-holding capacity

from 107 to 193 Million liters, an increase of 86 Million liters. This impacted over 1,450 acres of cane cultivation area. These ponds reach full capacity during the monsoons, recharging groundwater, and allowing cane farmers to cultivate with confidence.

At Nellikuppam-Cuddalore, the project focused on desilting a substantial tank area of 68.13 acres, with a water spread area of 63.46 acres. This initiative aims to unlock a cultivable potential of 4,410 acres.

One of the most significant outcomes is the substantial benefit to sugarcane farmers. Initially, 639 acres benefited; this number could double, with cane cultivation expected to expand to 425 acres, promising increased agricultural yield and a brighter economic outlook for the local farming community.

**Overall impact:** Through Phase I and II of NANNNEER, nearly 1,100 Million liters was made accessible for farming, drinking and groundwater recharge. The Company's goal is to achieve ten Billion liters of water-holding capacity through NANNNEER by 2026.

**Biodiversity impact:** To understand Project NANNNEER's impact on biodiversity, a bird-watching study was conducted from June 2023 to May 2024 in collaboration

with the Salem Ornithological Foundation. Ornithologists observed and recorded bird species, uploading findings to the eBird and iNaturalist databases. The latest report reveals 148 bird species and 120 species of flora and fauna across all rejuvenated water bodies in the Oonaiyur, Pudukkottai and Sivagangai districts.

The rejuvenated Vadakudippatti Kanmai ranks second only to the Vettangudi Bird Sanctuary, with 113 bird species recorded, making it a hotspot in the Sivagangai district on eBird. Vadakudippatti Kanmai holds ecological potential and could receive legal recognition, such as being designated as a Biodiversity Heritage Site. Birds play a crucial role in seed dispersal and natural insect control. By supporting bird populations, Project NANNNEER not only rejuvenates water bodies but also fosters healthier and more resilient ecosystems, promising a brighter future for the environment.

**Plans:** In FY 2024-25, Project NANNNEER will extend to Karnataka. The project is seeking suitable ponds and collaborating with proficient partners for renovation projects around the Haliyal plant and urban areas. These initiatives can significantly benefit cane farmers and urban communities.



Panangudi Kanmai, Pudukkottai



Lesser whistling duck



# Board of Directors



**Mr. M. M. Venkatachalam**  
Chairman

Mr. M. M. Venkatachalam is a Graduate from the University of Agricultural Sciences, Bangalore and also holds an MBA Degree from the George Washington University, USA. He serves on the Boards of Parry Agro Industries Ltd, Parry Sugars Refinery India Private Limited, a subsidiary of EID Parry, Ambadi Investments Ltd, and USV Private Ltd. He has a keen interest in conservation and volunteers time to The Nature Conservation Foundation and to the Madras Crocodile Bank Trust.



**Mr. S. Suresh**  
Managing Director

Mr. S. Suresh is an Executive, Non-Independent Director and has been associated with the Murugappa Group since August 2014. He is a Mechanical Engineering Graduate with a Post Graduate Diploma in Industrial Engineering and a MBA with a specialisation in Finance. He has 28 years of experience across different industries in the areas of Sales, Marketing, Manufacturing, Industrial Relations, Supply Chain, Management of Special Projects, Industrial Engineering and business turnarounds. He serves on the Board of Parry Infrastructure Company Private Ltd. He is also the Managing Director of Parry Sugars Refinery India Private Limited, a subsidiary of EID Parry.



**Mr. Muthiah Murugappan**  
Whole-time Director and CEO

Mr. Muthiah Murugappan is an MBA from The London Business School, and a B.Sc. in Management Sciences from the University of Warwick. He commenced his career in 2004 at FMCG major Cavin Kare Pvt Ltd, wherein he served as a Brand Manager. He joined Carborundum Universal (CUMI) in 2007. He joined EID Parry in September 2015 to head the Nutraceuticals Business of EID- Parry (India) Ltd and in 2020 took additional charge as Head of Strategy at the Company. Later, he was appointed as the Whole-time Director and Chief Executive Officer of E.I.D. - Parry (India) Limited in 2022. Mr. Muthiah Murugappan has more than 17 years' of experience in Brand Management, General Management, Financial Planning & Analysis, Strategy, Sales and Marketing. He is a Director on the Board of Mahindra and Mahindra Ltd.



**Mr. Ramesh K B Menon**  
Director

Mr. Ramesh K B Menon is a Science Graduate from Jaihind College, Mumbai and an alumnus of XLRI, Jamshedpur. He joined the Murugappa Group in July 2013, moving from Madura Coats, where he served as a Director - HR, in South Asia. His experience with Madura Coats spanned 27 years where he handled several HR leadership assignments including HR Head for South Asia & Africa regions. He is a director on the board of Parry Agro Industries Ltd.



**Mr. Sridharan Rangarajan**  
Director

Mr. Sridharan Rangarajan, Director, is a Graduate in Commerce from the Madurai University, a member of the Institute of Chartered Accountants of India, and the Institute of Cost Accountants of India. Has over 34 years of multinational work experience in finance, manufacturing, service & distribution, banking and contracting industries, having worked in companies like ABB, IDBI, LG Electronics, METITO, Trane Inc., USA and Timken. He is a Director on the Boards of Wendt India Limited, Cholamandalam Financial Holdings Limited, Cholamandalam MS General Insurance Company Ltd, Parry Agro Industries Ltd, and Net Access India Ltd. He is also on the Board of Carborundum Universal Limited as the Managing Director and had earlier served as Group CFO of the Murugappa Group.



**Mr. Ajay B Baliga**  
Director

Mr. Ajay B Baliga is an Independent Director. He is a B.Tech in Chemical Engineering from the University of Madras. He is a veteran supply chain and manufacturing professional having over 38 years of experience in the Alco Beverages Industry. He is a director on the boards of Ramco Industries Ltd, Ramco Systems Ltd and Global Spirits Ltd.



**Mr. S. Durgashankar**  
Director

Mr. S. Durgashankar is an Independent Director. He is a Chartered Accountant and an Alumni of Harvard Business School where he had completed an Advanced Management Program. Post his retirement from Mahindra & Mahindra (M&M) Limited, he was overseeing the financial functions of the Aerospace, Defence and Agri businesses of the M&M Group as Chief Financial Officer. In his 38 years of work experience at M&M, Mr. Durgashankar has handled a wide spectrum of roles as President - Group Contoller of Finance & Accounts, Member of the Group Executive Board, including as Head of M&A, Financial Planning & Analysis, Corporate Finance, Investor Relations & Secretarial functions. He was the recipient of the CFO 100 Awards in 2010, 2013 and 2014 for his contribution to Corporate Finance in the area of M&A and also the recipient of the CFO India League of Excellence Award in March 2015. He is a director on the boards of Mahindra EPC Irrigation Ltd, and Seshasayee Paper and Boards Ltd.



**Mr. T. Krishnakumar**  
Director

Mr. T. Krishnakumar, an Independent Director, is a BE (Hons) from the College of Engineering, Guindy, and holds a Post Graduate Diploma in Management from IIM, Bangalore. He has over 39 years of rich experience with leading companies like Asian Paints, Henkel India, Murugappa Group, IFFCO Group (Tiffany) UAE, Johnson & Johnson and Hindustan Coca-Cola Beverages Pvt. Ltd in various spheres including General management, strategy, marketing, sales, distribution, supply chain, team building and governance. He was the Chairman and CEO of Hindustan Coca-Cola Beverages Pvt. Ltd., India and also the Chairman of Coca Cola India Pvt Ltd. He is a director on the boards of Reliance Consumer Products Ltd, Lotus Chocolate Company Ltd and KSL Media Ltd.



**Ms. Meghna Apparao**  
Director

Ms. Meghna Apparao, an Independent Director and an MBA, is currently Director – E-Commerce in Meta (formerly Facebook). Prior to her current assignment, she was Chief Business Officer at Licious, Chief Marketing Officer at Godrej Consumer Products Limited (GCPL), Director - Amazon Pantry and Global Marketing Director, Laundry, at Unilever. Ms.Meghna Apparao has over 24 years of work experience in marketing, sales and business operations, handling a wide spectrum of roles as Chief Business Officer, Chief Marketing Officer and Global Marketing Director.



**Dr. Rca Godbole**  
Director

Dr. Rca Godbole is an Independent Director. She is a trained plant molecular biologist with a Post Graduate degree in Bio-Chemistry from University of Bombay and a PhD from Freiburg, Germany. She had been a Post Doctorate Scientist at the Heidelberg Institute of Plant Sciences and TU Munich and had worked as a scientist with Syngenta Seeds (India) Limited from January 1999 till March 2002 and was involved in various research aspects of the seed business. She is a co-founder of a Biotech firm SaliCrop in Israel, commercialising technology which enables crops to cope with abiotic stresses better. She joined the Board of E.I.D.- Parry (India) Limited in November 2015.

# Corporate Information

## BOARD OF DIRECTORS

**Venkatachalam M.M.**, Chairman

**Suresh S.**, Managing Director

**Muthiah Murugappan**, Whole Time Director & CEO

**Ramesh K B Menon**, Director

**Sridharan Rangarajan**, Director

**Ajay B Baliga**, Independent Director

**Durgashankar S.**, Independent Director

**Krishnakumar T.**, Independent Director

**Meghna Apparao**, Independent Director

**Rca Godbole**, Independent Director

## COMPANY SECRETARY

Biswa Mohan Rath

## CORPORATE MANAGEMENT TEAM

**Suresh S.**, Managing Director

**Muthiah Murugappan**, WTD & CEO

**Abul Hakeem Ashiq J.**, Chief Operating Officer\*

**M Balaji** - VP & Head - Manufacturing

**Balaji Prakash**, EVP -Consumer Product Group

**Biswa Mohan Rath**, Sr. VP - Legal & Company Secretary

**Baburaj L K**, VP, Value Added Agri Products  
and Business Head - Nutraceuticals

**Jayasanckar R**, VP & Head EHS

**Kannan T**, Sr. VP – Commercial

**A Sridhar** - EVP - Strategic Programs

**Stephen Francis A.**, Sr. AVP – HR & IR

**V Vasudevan** - VP - IT

**Y Venkateshwarlu**, Chief Financial Officer\*\*

\* w.e.f. May 27, 2024

\*\* w.e.f. September 1, 2023

## REGISTERED OFFICE

'Dare House', Parrys Corner, Chennai - 600 001.

CIN : L24211TN1975PLC006989

## BANKERS

Axis Bank

Federal Bank Limited

HDFC Bank

ICICI Bank Limited

State Bank of India

Union Bank of India

## AUDITORS

Price Waterhouse Chartered Accountants LLP  
Chennai

## INVESTOR CONTACTS

### Registrar and Transfer Agent

KFin Technologies Limited

Unit : E.I.D.- Parry (India) Limited

Selenium Building, Tower-B, Plot No 31 & 32,  
Financial District, Nanakramguda, Serilingampally,  
Hyderabad, Rangareddy,  
Telangana - 500 032.

Tel. : +91 - 40 - 6716 2222

Toll free: 1800-309-4001

E-mail : einward.ris@kfintech.com

## COMPANY

Secretarial Department

Tel : +91 - 44 - 2530 6789

E-mail:investorservices@parry.murugappa.com

Website : www.eidparry.com



# Notice

Notice is hereby given that the Forty Ninth Annual General Meeting ("AGM") of the Members of E.I.D.- Parry (India) Limited will be held on Wednesday, August 14, 2024, at 3:30 PM Indian Standard Time ("IST") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") to transact the following business:

## ORDINARY BUSINESS:

### 1. Adoption of Standalone Financial Statements

To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

**RESOLVED THAT** the audited standalone financial statements of the Company for the financial year ended March 31, 2024, and the reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted.

### 2. Adoption of Consolidated Financial Statements

To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

**RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2024, and the report of the Auditors thereon be and are hereby received, considered and adopted.

### 3. Confirmation of Dividend

To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

**RESOLVED THAT** the interim dividend of ₹4.00/- on the outstanding equity shares of Re.1/- each, declared by the board of directors on November 8, 2023 for the financial year 2023-24, and paid to those equity shareholders whose names appeared in the register of members and to the beneficial holders of the dematerialised shares as per the details provided by National Securities Depository Limited and Central Depository Services (India) Limited, as on November 21, 2023, being the record date fixed for this purpose be and is hereby confirmed.

### 4. Re-appointment of Director

To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Sridharan Rangarajan (DIN: 01814413), who retires by rotation and being eligible for re-appointment, be and is hereby reappointed as a Director of the Company liable to retire by rotation.

## SPECIAL BUSINESS:

### 5. Payment of Commission to Non-Wholetime Directors

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

**RESOLVED THAT** pursuant to the provisions of Section 149, 197 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act"), the Rules made thereunder and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof for the time being in force, the Directors of the Company (including the alternate Directors), who are neither in the wholetime employment of the Company nor the Managing Director(s) of the Company, be paid in respect of each of the financial years of the Company, on and from the financial year commencing from April 1, 2024 upto the year ending March 31, 2029, remuneration by way of commission not exceeding an amount equal to one percent (1%) or such other percentage of the net profits of the Company in a financial year as may be specified under the Act, from time to time and computed under Section 198 of the Act.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to decide, from time to time, the quantum and manner of distribution of the amount of commission to one or more Directors within the limits prescribed and in terms of the Act.

**RESOLVED FURTHER THAT** the aforesaid commission shall be exclusive of the fees payable to such Directors for attending the meetings of the Board and the Committees thereof.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution.

## 6. Remuneration of Cost Auditors

To consider and if deemed fit, to pass 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 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration of ₹10,00,000/- (Rupees Ten Lakhs only) (plus applicable taxes and reimbursement of out-of-pocket expenses) payable to M/s. Narasimha Murthy & Co., Cost Accountants (Firm Registration Number: 000042) for conduct of audit of the cost records of the Company for the financial year ending March 31, 2025, as approved by the Board of Directors of the Company, be and is hereby ratified.

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

Registered Office:

'Dare House', Parrys Corner,  
Chennai - 600 001.

CIN: L24211TN1975PLC006989

Tel.: +91-044-25306789

Fax.: +91-044-25306930

E-mail: [investorservices@parry.murugappa.com](mailto:investorservices@parry.murugappa.com)

Website: <https://www.eidparry.com/>

By Order of the Board  
For **E.I.D.-Parry (India) Limited**  
**Biswa Mohan Rath**  
*Company Secretary*

Place: Chennai  
Date: May 24, 2024



## Notes :

1. The Ministry of Corporate Affairs ("MCA") vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022 and September 25, 2023 (collectively referred to as ("MCA Circulars") and Securities and Exchange Board of India (SEBI) vide its circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023 and October 7, 2023 (collectively referred to as "SEBI Circulars") has permitted for holding the Annual General Meeting through VC /OAVM without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), MCA circulars and SEBI circulars, AGM of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depository Participant(s) unless any member has requested for a physical copy of the same. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website at <https://www.eidparry.com>, website of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and also on the website of National Securities Depository Limited (NSDL) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
3. Company has appointed National Securities Depository Limited (NSDL), to provide Video Conferencing facility for the AGM and the attendant enablers for conducting the AGM.
4. Generally, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. As per the provisions under the MCA Circular, members attending the e-AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Corporate / Institutional Members (i.e., other than Individuals, HUF, NRI etc.,) are required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutiniser through email ID: [rsaevoting@gmail.com](mailto:rsaevoting@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). The scanned image of the above- mentioned documents should be in the naming format "EID Parry-49<sup>th</sup> AGM". They can also upload their board resolution / authorisation etc., by clicking on "Upload Board Resolution / Authority letter" displayed under e-voting tab in their login. Corporate Members are encouraged to attend the meeting through VC.
7. Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Item No. 5 & 6 to be transacted at the AGM as set out in the Notice, is annexed hereto.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, August 7, 2024 to Wednesday, August 14, 2024 (both days inclusive).
9. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force and the businesses set out in the Notice will be transacted through such voting. Information and instructions including details of user id and password relating to e-voting are provided in the Notice.
10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote through remote e-voting.
11. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized 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 / ISR - 5, the format of which is available on the Company's website at <https://www.eidparry.com> and RTA, KFin Technologies Limited's ("Kfintech") website <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
12. The Company has transferred the unpaid or unclaimed dividends upto the financial year 2016-17 from time to time to the Investor Education and Protection Fund (IEPF) established by the Central Government. Details of dividends so far transferred to the IEPF Authority are available on the website of the IEPF Authority and same can be accessed through the link [www.iepf.gov.in](http://www.iepf.gov.in). The members whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by

making an online application to the IEPF authority in web Form No. IEPF-5 available at [www.iepf.gov.in](http://www.iepf.gov.in).

13. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on March 31, 2024 on the website of the Company ([www.eidparry.com](http://www.eidparry.com)).
14. Information as required under the Listing Regulations and the Secretarial Standard on General Meetings (SS-2), issued by the Institute of Company Secretaries of India, in respect of reappointment of director is furnished and forms part of the notice. The Director has furnished the requisite consent/declaration for his appointment.
15. As per the provisions of Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014, shareholders holding shares in physical form may file nomination in the prescribed SH-13 with Kfintech. 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 <https://www.eidparry.com/shareholder-assistance/> and Kfintech's website <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>. In respect of shares held in demat form, the nomination form may be filed with the concerned Depository Participant(s).
16. **Dispute Resolution Mechanism at Stock Exchanges:** SEBI, vide its circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/76 dated May 30, 2022, provided an option for arbitration as a Dispute Resolution Mechanism for investors. As per this circular, investors can opt for arbitration with Stock Exchanges in case of any dispute against the Company or its Registrar and Transfer Agent on delay or default in processing any investor services related request. In compliance with SEBI guidelines, the Company had sent communication intimating the said Dispute Resolution Mechanism to all the Members holding shares in physical form.
17. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant(s) with whom they are maintaining their dematerialised accounts. Members holding shares in physical form can submit their PAN details to Kfintech.
18. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE\_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website at <https://www.eidparry.com/smart-odr/>.
19. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Act, certificate of Statutory Auditor under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 relating to Company's ESOP Scheme / Plan and relevant documents referred to in the proposed resolutions will be available for inspection by the members electronically during the meeting. Members seeking to inspect such documents can send an email to [investorservices@parry.murugappa.com](mailto:investorservices@parry.murugappa.com).
20. The details of unclaimed fractional share proceeds pursuant to the Scheme of Arrangement (Demerger) between Parrys Sugar Industries Limited and the Company and Scheme of Amalgamation of Parrys Sugar Industries Limited with the Company are provided in the General Shareholder Information forming part of this annual report.
21. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
22. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For details regarding prescribed rates for various categories, please refer to the Income Tax Act, 1961 and the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their valid PAN with the DPs (if shares held in dematerialised form) and the Company / Kfintech (if shares are held in physical form).
23. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/ 15H, to avail the benefit of non-deduction of tax at source by submitting the documents in accordance with the provisions of the Income Tax Act, 1961 and the Finance Act, 2020, at <https://ris.kfintech.com/form15>. Shareholders are requested to note that in case their PAN is not registered or having invalid PAN or a Specified Person as defined under section 206AB of the Income-tax Act, 1961, the tax will be deducted at a higher rate prescribed under section 206AA or 206AB of the Income-tax Act, 1961, as applicable.
24. **Procedure for registering the email addresses and obtaining the Annual Report, AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories (in case of**



**shareholders holding shares in Demat form) or with RTA (in case the shareholders holding shares in physical form):**

Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically by following the procedure given below:

- a) Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.
- b) Members holding shares in physical form and who have not registered their email address and mobile number, are requested to update by sending from their e-mail ID to be registered, Form ISR-1 duly filled (Form for registering PAN, KYC details, Mobile Number or changes / updation thereof) to Kfintech at Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana - 500 032 or by e-mail to - einward.ris@kfintech.com or investorservices@parry.murugappa.com for receiving the AGM documents electronically.
- c) In case of any queries, shareholder may write to einward.ris@kfintech.com.
- d) Those members who have registered their e-mail address, mobile nos., postal address and bank account details are

requested to validate/update their registered details by contacting the Depository Participant in case of shares held in electronic form. Members holding shares in physical mode are also requested to update their e-mail addresses, advise any change in their address, bank mandates by writing to Kfintech, Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana - 500 032 quoting their folio number(s).

**25. The instructions for members for remote e-voting and joining General Meeting**

The remote e-voting period begins on Saturday, August 10, 2024 (9.00 a.m. IST) and ends on Tuesday, August 13, 2024 (5.00 p.m. IST). The e-Voting module shall be disabled 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., August 7, 2024, Wednesday, 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 August 7, 2024.

The e-voting Event Number (EVEN) for E.I.D.- Parry (India) Limited is 129305.

The process to vote electronically on NSDL e-voting system consists of two steps

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

**A) Login method for e-Voting and joining virtual meeting 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>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 or joining virtual meeting &amp; voting during the meeting.</li> <li>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> </ol>

Type of shareholders	Login Method
	<p>3. 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 held 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 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 or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><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 style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<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 use 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 or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</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 e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
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 or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at 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.com">evoting@nsdl.com</a> or call at 022 - 4886 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 and joining virtual meeting 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 along with our communication dispatching the notice of the meeting. 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.**
  - d) 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.com](mailto:evoting@nsdl.com) 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 and join General Meeting on NSDL e-Voting system.**

How to cast your vote electronically and join General Meeting 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 and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
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.

## **26. Process for those shareholders whose email IDs are not registered with the depositories or with the RTA (in case the shareholder holding shares in physical form) for procuring user ID and password and registration of e mail IDs for obtaining Annual Report, AGM Notice and 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 [investorservices@parry.murugappa.com](mailto:investorservices@parry.murugappa.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 [investorservices@parry.murugappa.com](mailto:investorservices@parry.murugappa.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 and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user ID and password for e-voting by providing above mentioned documents.
4. 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.

## **27. The instructions for members for e-voting on the day of the AGM are as under: -**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the



day of the AGM shall be the same person mentioned for Remote e-voting.

5. Members who need assistance before or during the meeting, can contact NSDL on [evoting@nsdl.com](mailto:evoting@nsdl.com) +91 22 48867000 or contact Ms. Pallavi Mhatre, Sr. Manager - NSDL at [evoting@nsdl.com](mailto:evoting@nsdl.com).

## 28. General Guidelines for shareholders

1. Mr. R. Sridharan, M/s. R. Sridharan & Associates, practising Company Secretaries, Chennai is appointed as a scrutinizer to scrutinise the remote e-voting and voting at the AGM in a fair and transparent manner.
2. In case a person (individual holding shares in physical mode/ non individuals) has become a member of the Company after dispatch of AGM Notice but on or before the cut-off date for e-Voting, he/she may obtain the User ID and Password by writing to NSDL at [evoting@nsdl.com](mailto:evoting@nsdl.com) or to the Company at [investorservices@parry.murugappa.com](mailto:investorservices@parry.murugappa.com) requesting for user ID and password. On receipt of user ID and password, the steps mentioned in Note 25 above should be followed for casting of your vote.
3. The scrutiniser's decision on the validity of the vote shall be final.
4. Once the vote on a resolution stated in this notice is cast by Member through remote e-voting, the Member shall not be allowed to change it subsequently and such e-vote shall be treated as final.
5. The scrutinizer after scrutinizing the votes cast at the meeting and through remote e-voting, within 2 working days of conclusion of the meeting, shall make a consolidated scrutinizer's report and submit the same to the Chairman / Director / Company Secretary / or to any person authorised by the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the company <https://www.eidparry.com> and on the website of NSDL, <https://www.evoting.nsdl.com/>. The results shall simultaneously be communicated to the stock exchanges.
6. Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting, viz., August 14, 2024.
7. 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 [rsaevoting@gmail.com](mailto:rsaevoting@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). 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.

8. 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.
9. 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: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Sr. Manager - NSDL at [evoting@nsdl.com](mailto:evoting@nsdl.com).

## 29. Instructions for members for attending the EGM/AGM through VC/OAVM are as under:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members will be permitted to participate in the AGM on first come first serve basis (FCFS), as the participation through video conferencing is limited to 1,000 members only. The members can login and join 15 minutes prior to the scheduled time of the AGM on FCFS basis and the window for joining will be kept open till expiry of 15 minutes after the scheduled time of AGM.
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/have questions with regard to the financial statements or any other general queries may send their questions in advance mentioning their name demat account number/folio number, email ID, mobile number at [investorservices@parry.murugappa.com](mailto:investorservices@parry.murugappa.com). The same will be replied by the company suitably.
7. Shareholders holding shares as on cut-off date may post their queries/views/questions, mentioning their name,

demat account number/folio number, email ID, mobile number by sending email to [investorservices@parry.murugappa.com](mailto:investorservices@parry.murugappa.com). The questions/queries received by the Company till 5:00 PM IST on Monday, August 12, 2024 shall only be considered and responded during the AGM.

8. **Speaker Registration before AGM:** Shareholder who wish to register as speakers are requested to send email to [investorservices@parry.murugappa.com](mailto:investorservices@parry.murugappa.com) mentioning the name, demat account number / folio number, city, email id, mobile number and register yourself as speaker on or before Monday, August 12, 2024, 5:00 PM IST. Those members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.



## Statement pursuant to Section 102 of the Companies Act, 2013 ("Act")

### Item No. 5:

Non-whole time directors play a crucial role in good corporate governance by bringing diverse perspectives, independent judgment, and specialized expertise to the board. They are also instrumental in holding management accountable for their actions and decisions, thereby safeguarding shareholders' interests by providing strategic guidance, monitoring executive decisions and ensuring that the company acts in the best interest of its stakeholders.

Furthermore, their diverse background and experience enhance the board's ability to address complex issues, identify opportunities, and mitigate risks effectively. By fostering a culture of accountability, integrity and ethical conduct, non-whole time directors contribute significantly to building and sustaining trust among stakeholders, ultimately enhancing the company's reputation and long-term viability.

The role of non-whole time Directors is significant in achieving good performance and establishment of good governance. The responsibility of the non-whole time Directors has increased considerably over the years. In view of the dynamic changes in Company law and the corporate governance norms, there is a greater demand on the non-whole time Directors in terms of time and preparation for the Board and Committee meetings. Keeping in view the requirement in terms of time and quality on the part of the nonwhole time Directors, it is necessary to remunerate them appropriately.

Taking into account the role and responsibilities of the Directors as stated above, it is proposed that, the Directors of the Company (including alternate Directors), who are neither in the whole-time employment of the Company nor the Managing Director(s) of the Company, be paid for each of the five financial years, commencing from April 1, 2024 up to the financial year ending March 31, 2029, a remuneration by way of commission not exceeding one percent per annum or such other percentage of the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013 and applicable Rules, if any, thereunder. This remuneration will be distributed amongst the Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Companies Act, 2013 and the Rules thereunder. This remuneration shall be in addition to fee payable to the Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever, as may be decided by the Board.

At the 44<sup>th</sup> Annual General Meeting held on July 29, 2019, the members had approved the payment of remuneration to the non-whole time Directors of the Company, by way of commission not exceeding 1% or such other percentage of the net profits of the Company, as may be specified under the Act, for a period of five financial years with effect from April 1, 2019 till March 31, 2024, in such manner as the Board of Directors may from time to time determine. Fresh approval of the Members is sought by way of a Special Resolution for the payment of commission to non-executive directors under the applicable provisions of the Companies Act, 2013, the Rules thereunder and Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board recommends the Special Resolution at Item No.5 for approval by the Members.

All the directors except Mr. S. Suresh, Managing Director and Mr. Muthiah Murugappan, Whole-Time Director and Chief Executive Officer are concerned or interested in the above resolution to the extent of the commission that they may receive. None of the Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at 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. Narasimha Murthy & Co., Cost Accountants as the Cost Auditors to conduct 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 has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2025. The Board recommends the Ordinary Resolution at Item No. 6 for approval by the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

Registered Office:

'Dare House', Parrys Corner,  
Chennai - 600 001.

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E-mail: [investorservices@parry.murugappa.com](mailto:investorservices@parry.murugappa.com)

Website: <https://www.eidparry.com/>

By Order of the Board  
For **E.I.D.-Parry (India) Limited**  
**Biswa Mohan Rath**  
*Company Secretary*

Place: Chennai

Date: May 24, 2024

Annexure to the Notice dated May 24, 2024

## Details pertaining to directors as required under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings

Particulars	Mr. Sridharan Rangarajan
DIN	01814413
Date of Birth	16.03.1966
Date of first appointment on the Board	04.10.2021
Qualifications	Commerce graduate, an associate member of the Institute of Chartered Accountants of India and graduate member of the Institute of Cost Accountants of India.
Brief Resume / Experience	He has over 3 decades of overall experience in various fields like banking, manufacturing, contracting, service and distribution businesses besides strategy, technology, general management.
Expertise (including expertise in specific functional area)	
Terms and Conditions of the Appointment / Re-appointment	As per the resolution at Item No.4 of the Notice convening the Annual General Meeting on August 14, 2024, read with explanatory statement thereto, Mr. Sridharan Rangarajan is proposed to be appointed as a Non-Executive and Non – Independent Director liable to retire by rotation.
Remuneration last drawn (including sitting fees, if any)	13.00 Lakhs*
Remuneration proposed to be paid (except sitting fees and commission)	Nil
Shareholding in the Company as on May 30, 2024	Nil
No. of meetings of the Board attended during the year	6
Directorship in other Board as on May 24, 2024	Carborundum Universal Limited - Listed Wendt India Limited - Listed Cholamandalam Financial Holdings Limited - Listed Sterling Abrasives Limited Murugappa Morgan Thermal Ceramics Limited Pluss Advanced Technologies Limited Net Access India Limited Parry Agro Industries Limited Cholamandalam MS General Insurance Company Limited



Particulars	Mr. Sridharan Rangarajan
Chairman/Member of the Committees of the Boards of which he is a Director	<p><b>Carborundum Universal Limited</b></p> <ul style="list-style-type: none"> <li>» Stakeholder Relationship Committee – Member</li> <li>» Investment Committee – Member</li> <li>» Corporate Social Responsibility Committee – Member</li> <li>» Risk Management Committee – Member</li> </ul> <p><b>Cholamandalam Financial Holdings Limited</b></p> <ul style="list-style-type: none"> <li>» Audit Committee – Member</li> <li>» Stakeholder Relationship Committee – Member</li> <li>» Risk Management Committee – Member</li> </ul> <p><b>Wendt (India) Limited</b></p> <ul style="list-style-type: none"> <li>» Audit Committee – Member</li> <li>» Stakeholder Relationship Committee – Chairman</li> <li>» Corporate Social Responsibility Committee – Member</li> <li>» Risk Management Committee – Member</li> <li>» Nomination and Remuneration Committee – Member</li> </ul> <p><b>Cholamandalam MS General Insurance Company Limited</b></p> <ul style="list-style-type: none"> <li>» Audit Committee – Member</li> <li>» Policyholders' Protection Committee – Member</li> <li>» Management Committee – Member</li> <li>» Investment Committee – Member</li> <li>» Business Committee – Member</li> <li>» Risk Management Committee – Member</li> </ul>
Listed entities from which the Director has resigned in the past three years	Nil
Inter-se relationship with any Director / Key Managerial Personnel	Nil

\*includes commission to be payable after approval of the financial statements at the ensuing AGM.

# Board's Report and Management Discussion and Analysis

To  
The Members of  
**E.I.D.-Parry (India) Limited**

*Dear Shareholders,*

Your directors take pleasure in presenting the forty-ninth Annual Report together with the audited financial statements for the year ended March 31, 2024.

(₹ in Crore)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	2,808.60	2,894.92	29,413.11	35,243.80
Gross Revenue	2,987.74	3,152.95	29,716.92	35,283.02
Profit Before Interest and Depreciation (EBITDA)	306.72	526.50	2,891.43	3,194.72
Depreciation	147.49	135.05	420.78	376.47
Earnings Before Interest and Tax (EBIT)	159.23	391.45	2,470.65	2,818.25
Finance Charges	44.05	36.03	295.43	298.20
Exceptional Gains/(Losses)	NA	(110.91)	NA	44.20
Net Profit Before Tax	115.18	244.51	2,175.22	2,564.25
Tax Expenses	8.09	47.69	557.65	736.51
Net Profit After Tax Before Minority Interest	107.09	196.82	1,617.57	1,827.74
Non - Controlling Interests	NA	NA	717.90	880.26
Net Profit After Tax and Minority Interest	107.09	196.82	899.67	947.48

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which these financial statements relate and the date of this report.

## RESERVES

Your Company has not transferred any amount to the reserves for the year ended March 31, 2024.

## SHARE CAPITAL

The paid-up Equity Share Capital of your Company as on March 31, 2024, was ₹17,75,17,591 consisting of 17,75,17,591 equity shares of Re. 1 each.

During the year, your Company did not allot any ESOPs under any of the existing Employee Stock Option Scheme.

## DIVIDEND

The Board of Directors of the Company had declared an interim dividend of ₹4 per equity share on a face value of Re. 1 per equity

share for the year ended March 31, 2024. Total outgo on the interim dividend was ₹71.01 Crore. The Board has not proposed any final dividend for the Financial Year ended March 31, 2024 and accordingly, the interim dividend paid during the year shall be treated as final dividend.

## CONSOLIDATED OPERATIONS

Consolidated Revenue from operations for the year was ₹ 29,413 Crore, as against ₹35,244 Crore in the previous year. Overall expenses for the year was ₹27,514 Crore as against ₹32,725 Crore (excluding exceptional items) in the previous year. Operating Profit (EBITDA excluding exceptional items) was ₹2,891 Crore as against ₹3,195 Crore in the previous year. Profit after Tax and minority interest for the year was ₹900 Crore, as against ₹947 Crore in the previous year.



## STANDALONE OPERATIONS

Standalone Revenue from your Company's operations for the year under review was ₹2,809 Crore as against ₹2,895 Crore in the previous year. Operating Profit (EBITDA) was ₹307 Crore, as against ₹527 Crore in the previous year. Profit after Tax for the year was at ₹107 Crore as against ₹197 Crore in the previous year.

As a leading player in the Indian sugar industry, your company has navigated through challenges, demonstrating resilience and commitment to its stakeholders. In the face of complex encounters and evolving market dynamics, your company has exhibited pliability, and unwavering commitment to sustainable growth.

The year 2023-24 witnessed significant shifts in the Indian sugar industry, including the ban on exports of sugar, prohibition of syrup usage and restriction on usage of B-Heavy molasses for production of ethanol. This development introduced necessitated strategic recalibration of our operational and marketing strategies.

Further, the agricultural landscape was profoundly influenced by erratic climate conditions. The effect of El Nino and the prevalence of poor rainfall in key sugarcane growing regions adversely affected crop yields, recovery and necessitated meticulous resource management practices to mitigate the impact of cane availability. In addition to the climatic vagaries, regulatory reforms and policy interventions continued to disrupt the operating environment of the sugar industry. Despite these challenges, your company remained steadfast in its commitment to sustainable agricultural practices, leveraging advanced irrigation technologies and precision farming techniques to optimize resource utilization and minimize environmental impact.

In a thought-out move to diversify our portfolio and expand our horizons and recognizing the imperative to fortify our market position amidst intensified competition, we undertook enterprising measures to enhance product differentiation, optimize distribution networks, and strengthen customer engagement initiatives. Through proactive engagement with regulatory authorities and industry stakeholders, we endeavoured to navigate the regulatory landscape adeptly, ensuring adherence to statutory requirements while capitalizing on emerging opportunities for value creation which was marked notably by our entry to the Fast-Moving Consumer Goods (FMCG) segment. Leveraging our existing distribution network, brand reputation, and market insights, we have launched an array of consumer-centric products which includes pulses, rice and millets. With our targeted marketing campaigns and innovative product offerings, we endeavoured to reinforce brand loyalty and expand our consumer base, thereby moderating the impact of new market entrants.

Looking ahead to the year 2024-25, we maintain a guarded yet optimistic outlook, underpinned by strategic investments in technology, innovation, and operational excellence using the power of data analytics and automation to enhance operational efficiencies, optimize supply chain management, and drive continuous improvement across our business processes. We remain committed

to fostering a culture of innovation and sustainability, exploring opportunities to diversify our product portfolio, starting with our range of pulses, rice and millets, optimize resource utilization, and reduce environmental footprint throughout our value chain.

Furthermore, the year 2024-25 presents compelling opportunities for growth and expansion, fuelled by favourable macroeconomic trends, evolving consumer preferences, and increasing demand for sustainable and ethically sourced products.

As we navigate the complexities of an ever-evolving industry landscape, we remain firm in our commitment to delivering sustainable value and driving long-term growth and remain focused on innovation, quality, and responsible business practices. Our commitment to creating value for all stakeholders continues to drive our endeavours.

## ECONOMY & INDUSTRY SCENARIO

### Global economy

As per the International Monetary Fund's World Economic Outlook (WEO), the risks to global growth are broadly balanced and a soft landing is a possibility with the global growth projected at 3.1% in 2024 and 3.2% in 2025, with the 2024 forecast 0.2% higher than the previous WEO released in October 2023, on account of greater-than-expected resilience in the United States and several large emerging market and developing economies, as well as fiscal support in China. The forecast for 2024-25 is, however, below the historical (2000-19) average of 3.8%, with elevated central bank policy rates to fight inflation, a withdrawal of fiscal support amid high debt weighing on economic activity, and low underlying productivity growth.

World trade growth is projected at 3.3% in 2024 and 3.6% in 2025, below its historical average growth rate of 4.9%. In emerging market and developing economies, growth is expected to remain at 4.1% in 2024 and to rise to 4.2% in 2025.

An upward revision of 0.1% for 2024 since October 2023 reflects upgrades for several regions.

India, being an emerging market and developing economy itself, is projected to remain strong at 6.5% in both 2024 and 2025, with an upgrade of 0.2% points for both years, reflecting resilience in domestic demand.

Source: World Economic Outlook, January 2024

### Indian economy

Amongst the G20 grouping of large nations, India is steering to be the fastest growing economy. After rapid economic growth of 7.2% in the 2022-23 fiscal year, India's GDP growth rate in the fiscal year 2023-24 was forecasted to be 6.9%.

S&P Global Ratings during their Asia-Pacific sector roundup "Slowing Dragons, Roaring Tigers", reported that economic growth prospects are shifting from the East to the South. According to the

report, economic growth of Vietnam, New Zealand, Singapore, South Korea, Philippines, India, Thailand and Malaysia could speed up. The prospects for industries also differ, with export-centric manufacturing faring worse. Amongst the Asian- Pacific countries, the growth momentum remains especially robust in relatively domestic demand-led emerging market economies where India continues to lead the pack.

The Ministry of Statistics and Programme Implementation (MoSPI) in its second advance estimates has raised India's GDP growth estimate to 7.6%, up from 7.3% in its first advance forecast. Whereas the Reserve Bank of India's GDP growth estimate for FY24 is 7%, the International Monetary Fund's forecasts 6.7%. According to RBI, the total cost of private corporate projects sanctioned by major banks and financial institutions stood at ₹2.4 lakh crore which was up 23% annually during the April- December period as compared with the same period a year earlier, suggesting that the private capital expenditure cycle is gaining steam. The RBI further in its report, circled back to agriculture, where the projections for the year 2024-25 look favourable.

The Ministry of Finance vide their press release has stated that the Indian economy demonstrated resilience and maintained healthy macroeconomic fundamentals, despite uncertainty from adverse geopolitical developments.

The Indian economy has continued to perform well exceeding expectations which has caused various rating agencies, institutions raise the growth estimate. In a significant step towards achieving India's ambitious Net Zero objectives by the year 2070, Interim Budget 2024-25 has introduced a comprehensive strategy towards a more sustainable and environmentally conscious future. This forward-thinking approach underscores a deep commitment to fostering a cleaner, greener future.

Sources: S&P Global Asia Pacific sector roundup, Livemint, RBI Bulletin, February 2024 and Government Press Releases

## Global sugar

According to S&P Platts, global demand supply surplus for 2023-24 increased to 5.58 MMT, the second highest since 2017-18. Significant increase in production in Brazil (highest ever at around 43 MMT), EU and Turkey more than offset lower production in Thailand, Mexico and Russia. Raw sugar prices were quite volatile during the year, climbing upto 28 c/lb (highest in 12 years) in November 2023 and later fell to 20 c/lb in December 2023.

S&P Platts projects a Demand Supply deficit for 2024-25 of 0.28 MMT. This is mainly due to lower production estimates for Brazil and Mexico. Though cane production is estimated to fall by 6-8% year on year due to dry weather, Brazilian mills are expected to maximise their sugar production to around 41 MMT, as sugar realisations are higher compared to ethanol. Better monsoon prospects will help India to maintain production levels a bit lower than of last year. Higher realisation of cane over cassava has incentivised higher

cane planting in Thailand which is poised for a significant recovery in production from 8 MMT in 23-24 to 11 MMT. S&P projects sugar consumption in 24-25 to increase by 1.4% over 23-24.

Due to tight supply situation in refined sugar, white premiums are holding at elevated levels of 110-140 USD/MT. This scenario is expected to prevail in the first half of 2024-25. The evolution of white premium in the second half will be determined by the production levels in EU and Thailand, which are the low-cost producers of refined sugar.

## Indian sugar market

Next to Brazil, India is the largest global producer of sugar. In India, sugarcane is produced majorly in nine states, viz., Uttar Pradesh, Maharashtra, Karnataka, Punjab, Andhra Pradesh, Bihar, Gujarat, Haryana, and Tamil Nadu. It is one of those important agro-based industries that impacts the rural livelihood of many. Demand for cane and sugar is increasing in India because of their extensive use in applications like food and beverages, bakery, confectionery, and others.

According to a Reuters report, India's forecast of sugarcane produce was 31.6 million tonnes for the current 2023-24 (October-September) sugar season and is expected to move down to 29 million tonnes in the upcoming 2024-25 season.

Sucden analyst Olivier Crassard informed that the projected sugar production for India in the 2024-25 season is anticipated to decline to 28 million tonnes. Notably, there is no indication of any diversion to ethanol in this outlook. The decrease in reservoir levels has adversely impacted cane plantings, particularly in Southern India.

Sources: Reuters, Chinimandi

## Sugar exports and imports

The Central Government continued to prohibit sugar exports this season (October 2023 to September 2024) after a drop in production due to lack of rain.

The Government in January 2024 notified exports of 8,606 MT of raw cane sugar under tariff-rate quota (TRQ) to the US for 2024. The Directorate General of Foreign Trade (DGFT) in a public notice said that this quantity has been notified under the TRQ scheme from October 1, 2023-September 30, 2024, which will be operated by Agriculture and Processed Food Products Export Development Authority (APEDA).

Shipments under the TRQ enjoy lower customs duty. Post the completion of the quota, a higher duty is imposed on additional imports. In July 2023, the Office of the US Trade Representative had announced the country-specific (including from India) and first-come, first-served in-quota allocations of the TRQs on imported raw cane sugar, refined and specialty sugar, and sugar-containing products for the sugar season 2023-24.

Sources: Government Press Releases



## Sugar production

Sugar production has reached 302.20 LMT till March of the current season against 300.77 LMT of the previous season. The industry body Indian Sugar and Bio-Energy Manufacturers Association (ISMA) is expecting a normal to above normal southwest monsoon for the year 2024 based on the reports from weather forecasting agencies. Consequently, a moderate crushing season is expected in the 2024-25 season. It has also revised the sugar production estimate for 2023-24 upwards to 340 LMT; up by 2.9% from its earlier estimate of 330 LMT issued in January 2024.

The ISMA has urged the government to allow an additional 1.8 LMT of sugar to be diverted to ethanol production in the current ethanol supply year (ESY).

The sugar output for the 2023-24 season was at 340 LMT, which includes 20 LMT diverted towards ethanol production. Considering an opening stock of 55 LMT on October 1, 2023, and domestic consumption projected at 285 LMT, ISMA has projected a 'comfortable' opening stock of around 90 LMT in the beginning of next season on October 1, 2024.

The industry body stated that closing stock will be sufficient enough to cater around three months into next season (2024-25). In its report/statement, it stated that the recent weather conditions have been favourable for the standing cane crop, and cane commissioners of major states like Uttar Pradesh, Maharashtra and Karnataka have done an upward revision of around 5-10% in their sugar production estimates for the 2023-24 season.

Sources: ISMA, Chinimandi

## Sugar consumption

India's annual per capita sugar consumption, according to some industry players, of around 21kg, is modest compared to other major economies. The United States' consumption is around 33 kg, Brazil's 40 kg, Russia's 34.18 kg and Mexico's 34.15 kg. Most sugar in the developed and western world is consumed in the form of beverages, energy drinks, fruit juices and confectionery.

The projections, made in a report by a working group of the NITI Aayog, said that sugar supply overtook demand by 3 million tonnes in 2011-12 and will continue at that level till 2035-36. By 2047-48, sugar and related products' supplies will outstrip demand by nearly 6 million tonnes. The NITI Aayog's assumptions are based on a 'Business as Usual' scenario where overall food demand grows at an annual rate of 2.44 per cent by 2047-48. Demand is projected to expand to 3.07 per cent if economic growth accelerates. Meanwhile the Department of Food and Public Distribution (food ministry) has projected domestic sugar consumption at around 27.5 MT for the current season.

The Cabinet Committee on Economic Affairs approved the Fair and Remunerative Price (FRP) of sugarcane for Sugar Season 2024-25 at ₹340/quintal at sugar recovery rate of 10.25%. This price of

sugarcane is about 8% higher than FRP of sugarcane for current sugar season 2023-24. The revised FRP will be applicable w.e.f. October 2024. Following the Central Government's decision to raise the Fair and Remunerative Price (FRP) for sugarcane 2024-25 season, associations and other sugar millers have come together and represented the Government to increase the Minimum Support Price (MSP).

Sources: Business Standard, Press Information Bureau

## Government of India - Policies relating to Sugar Industry

### I. Fixation of Fair and Remunerative Price (FRP) payable by sugar factories for Sugar Season 2024-25:

Pursuant to Clause 3 of the Sugarcane (Control) Order, 1966 issued under the Essential Commodities Act, 1955, the Department of Food & Public Distribution, Ministry of Consumer Affairs, Food and Public Distribution, Government of India has vide Notification No. 3(1)/2023-SP-I dated February 27, 2024 determined the FRP of sugarcane payable by sugar factories for Sugar Season 2024-25 as under:

- i. FRP of sugarcane for sugar season 2024-25 has been fixed at ₹340 per quintal for a basic sugar recovery rate of 10.25%;
- ii. A premium of ₹3.32 per quintal is to be given for every 0.1 percentage point increase above 10.25% in the sugar recovery;
- iii. Reduction in FRP is to be made proportionately by ₹3.32 per quintal for every 0.1 percentage point decrease in recovery, in respect of those factories whose recovery is below 10.25% but above 9.5%.
- iv. However, for sugar factories having recovery of 9.5% or less, FRP is fixed at ₹315.10 per quintal.

### II. Fixation of Ex-factory price of Potash Derived from Molasses (PDM):

The Department of Food & Public Distribution, Ministry of Consumer Affairs, Food and Public Distribution, Government of India has vide its letter no. F.No. 12/11/2023-(BP&E) dated March 11, 2024, addressed to ISMA and National Federation of Cooperative Sugar Factories Limited stated that sugar mills can also claim the subsidy for PDM over and above the model price of ₹4263/ Ton (as fixed by the Government) under the Nutrient Based Subsidy (NBS) Scheme of the Department of Fertilizers notified rates. The sugar mills shall adhere to the Guidelines issued by Department of Fertilizers vide OM dated 12.07.2022 for claiming subsidy relating to PDM under NBS Scheme and a letter dated April 17, 2023, regarding the technical inspection and annual audit of PDM units. The DFPD has accordingly requested ISMA and National Federation of Cooperative Sugar Factories Limited that all the member sugar mills may be encouraged to install integrated PDM granulation units to

claim the NBS subsidy and get the technical inspection done as per the guidelines.

### **III. Compulsory use of jute bags for packing sugar under the Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987 Act**

The Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987 (JPM Act) mandates that sugar be packed only in jute bags and specifies the percentage of commodities to be packed mandatorily in the jute packaging material.

Vide Notification No. INSPF-1(3)/2007/VOL. I dated January 16, 2024, the DFPD, Ministry of Consumer Affairs, Food and Public Distribution prescribed that 20% of the total production of sugar to be mandatorily packed in the Jute packaging material. Keeping in view the sugar mills' reluctance and practical difficulties to comply with the directions of the Government for various reasons already expressed by the mills to the Government, the notification goes on further to state that the quota for the sale of sugar in domestic market for the month of January 2025 onwards shall only be issued to sugar mills who have placed the indent/purchase orders for procurement of jute bags for packaging of 20% of sugar produced during the sugar season 2024-25.

### **IV. Amendments to Energy Conservation Act, 2001 designating Sugar as an Energy Intensive Industry**

Pursuant to Ministry of Power Circular No. S.O. 2523(E) dated June 6, 2023, the Central Government in consultation with the Bureau of Energy Efficiency upon reviewing the list of energy intensive industries and other establishments specified in the schedule to the Energy Conservation Act, 2001 has specified certain other users of energy as 'designated consumer' in the said Order. Accordingly, Sugar, Chemicals, Ceramic, Zinc, Copper, Glass, Port Trust, Dairy, Automobile Assembly Unit, Tyre Manufacturer, Forging, Foundry, Refractories units having specified energy consumption have been included as designated consumers for the purposes of said Act. With respect to Sugar industry, units of sugar plants or establishment producing sugar and its variants such as white sugar, brown sugar and liquid sugar, having energy consumption of 10,000 metric tonne of oil equivalent per year or above are covered.

As per clause 14A (2) of the Energy Conservation Act 2001, the designated consumer whose energy consumption is more than the prescribed norms and standards shall be entitled to purchase the energy savings certificates to comply with the prescribed norms and standards. The Central Government, in consultation with the Bureau of Energy Efficiency, has made further amendments under the provisions of the Energy Conservation Act, 2001. The amendments specify additional energy intensive industries and establishments as designated consumers, thereby subjecting them to energy efficiency regulations.

### **V. Environmental Clearance – Splitting and Transfer**

Pursuant to a notification issued by the Ministry of Environment and Forests (MoEF) dated April 21, 2023, a clarification on explicit provision for splitting an Environmental Clearance (EC) and transferring it to more than one legal person has been provided, in furtherance to the erstwhile notification dated September 14, 2022, mentioning on transfer of prior Environmental Clearance (EC) from one legal person to another legal person during the validity period.

Accordingly, the following provision has been added:

A prior Environmental clearance granted for a specific project, except mining projects may be split amongst two or more legal persons, entitled to undertake the project and transferred during the validity to another legal person on application made by the transferor in the format specified on PARIVESH portal to the concerned Regulatory authority along with requisite documents. The concerned Regulatory authority shall split and transfer the prior-Environmental clearance, on recommendation of the concerned Expert Appraisal Committee to the other legal persons for the respective projects.

### **VI. Central Procurement of sugar by Army Purchase Organization (APO) for consumption of troops (2024-25)**

On April 4, 2024, the Directorate of Sugar, Ministry of Consumer Affairs, F&PD, vide Notification No. F. No. 5-5(A.P.O.)/2018-Sugar Control, directed that central procurement of sugar by A.P.O. for consumption of troops for the Consumption Year 2024-25 is to be carried out on Government e-Marketplace (GeM).

- i. Procurement of sugar by Army Purchase Organization (APO) for FY 2024-25 will be carried out through Government e-Marketplace and under self-certification wherein quality check will be carried out by NABL Labs.
- ii. Successful bidding sugar mills supplying sugar to APO will be exempted from monthly stock holding limit for the quantity of sugar finalized by the APO for the consumption year 2024-25 over and above the monthly release quota in the subsequent months.
- iii. In the view of the above, all sugar mills ought to register themselves on GeM and participate in bidding process for supply of sugar to APO.

### **VII. CPCB Notice – under the Plastic Waste Management Rules, 2016**

The Ministry of Environment, Forest and Climate Change had notified guidelines on Extended Producer Responsibility for plastic packaging vide Fourth Amendment to Plastic Waste Management Rules on February 16, 2022. Accordingly, Producers, Importers and Brand Owners (PIBOs) and Plastic Waste Processors (PWP) are required to register on centralised EPR portal developed by Central Pollution Control Board (CPCB)

to fulfil their EPR liability as per the notified EPR Guidelines. The PIBOs are required to obtain registration from CPCB if operating in more than two States/UTs and from concerned SPCB/ Pollution Control Committee if operating in one or two States/UTs only. Also, PWWs are required to obtain registration from the concerned SPCBs/PCCs.

CPCB has issued a notice (F.No. CP-20/8/2024 – UPC-II-HO-CPCB-HO) on March 14, 2024 requesting all Producers, Importers and Brand Owners (PIBO's) handling plastic packaging to obtain the registration on the CPCB Portal as per the Rules and those who have not applied have been directed to submit the application by the March 31, 2024, failing which closure and compensation proceedings may be initiated.

### VIII. E-Waste (Management) Rules 2022

The E-waste (Management) Rules, 2016 have been superseded by the E-waste (Management) Rules, 2022, notified through G.S.R. 801(E) dated November 2, 2022, and are applicable from April 1, 2023.

These Rules apply to various entities involved in the manufacture, sale, transfer, purchase, refurbishing, dismantling, recycling, and processing of e-waste or electrical or electronic equipment listed in Schedule 1 of these rules, including their components, consumables, parts, and spares that make the product operational. While the Sugar Industry may not fall under the categories of producers, manufacturers, or recyclers of electrical or electronic items, there are certain considerations to be aware of:

- i. It is imperative that e-waste is handed over to approved vendors by users of electronic and electrical equipment.
- ii. Registration with the CPCB is required to be obtained if members are involved in dismantling Electrical or Electronic equipment.
- iii. For entities involved in importing used electronic and electrical equipment, it is mandatory to be registered on the CPCB portal and to ensure that imports do not contain the notified hazardous chemicals. Additionally, compliance with EPR Certificates is required by the importers.

### IX Ethanol Notifications

The Ministry of Consumer Affairs, Food and Public Distribution (DFPD), in exercise of powers conferred under the Essential Commodities Act, 1955, and clauses 4 and 5 of the Sugarcane (Control) Order, 1966 issued a notification no. F.No. 3(2)/2023-SP dated December 7, 2023, directing all sugar mills and distilleries not to use Sugarcane Juice/Sugar Syrup for Ethanol manufacturing for the ESY 2023-24 with immediate effect.

Supply of ethanol from B-Heavy Molasses for the existing offers received by OMCs was permitted. In continuation to the Order dated December 7, 2023, a subsequent notification no. F. No. 3(2)/2023-SP dated 15.12.2023 was issued by the DFPD;

- (i) instructing OMCs to issue a revised allocation of Sugarcane Juice and B-Heavy Molasses based ethanol for ESY 2023-24 to each distillery and to place revised contracts;
- (ii) sugar factories and distilleries were directed to supply ethanol strictly as per the revised quantity of ethanol from SCJ & BHM so allocated by OMCs;
- (iii) prohibiting diversion of sugarcane juice and B-Heavy molasses for production of Rectified Spirit/Extra Neutral Alcohol and;
- (iv) directing all molasses based distilleries to produce ethanol from C Molasses..

### Sugar Industry – Adjacencies:

#### Ethanol

Molasses is a viscous by-product obtained from raw sugar during the manufacturing process. Cane-based ethanol can be produced in three different ways – directly from cane juice, and from B-heavy and C-heavy molasses. The end products (cane sugar and the molasses) could be used to produce ethanol. The difference lies in the quantity of ethanol produced. One tonne of cane can produce 10.8 litres of ethanol if it is produced from molasses. On the other hand, the same cane can produce 84 litres of ethanol, if used directly as an input.

The Central Government has been focusing on reducing the country's dependence on imported crude oil while minimising the environmental impact resulting from pollution and emissions. The Government has been actively promoting the production and blending of ethanol with petrol and has targeted 20% blending through Ethanol Blended Petrol (EBP) Programme or EBP20 by 2025-26. EBP20, which was earlier targeted by 2030, was advanced in December 2020, reaffirming the Government's focus and commitment towards biofuels. EBP20 will lead to numerous benefits, such as saving of ₹30,000 crore of foreign exchange per year, lower carbon emissions, self-reliance, use of damaged food grains, increased farmers' incomes, and better investment opportunities.

#### Indian Ethanol Industry Overview

India has achieved an average ethanol blending rate of 11.60% in the first four months of 2023-24 Ethanol Supply Year (ESY) that started from November, against the 15% target set by the government for the whole year. The government decided to advance the targets of 20% ethanol blending in petrol from 2030 to ESY 2025-26. The Roadmap for Ethanol Blending in India 2020-25, prepared by an inter-ministerial Committee, estimated ethanol requirement of 1016 crore litres to achieve 20% blending targets in ESY 2025-26.

The government had in December last year banned the use of sugar syrup and B Heavy molasses for making ethanol in the ESY 2023-24. However, the government believes that this ban would not cast a shadow on the blending target.

The Ethanol Blended Petrol (EBP) Programme has multiple objectives including reducing import dependence, savings



in foreign exchange, providing boost to domestic agriculture sector and for associated environmental benefits. Under the EBP Programme, Public Sector Oil Marketing Companies (OMCs) have saved approximately 509 crore litres of petrol on account of ethanol blending during the ESY 2022-23 resulting in savings of more than ₹24,300 crore of foreign exchange and expeditious payment of about ₹19,300 crore to farmers, bolstering the agriculture sector.

The current ethanol production capacity of 1364 crore litres are spread across most of the states of the country including in the ethanol surplus states of Uttar Pradesh, Maharashtra & Karnataka. In line with the roadmap for EBP, Oil Marketing Companies have achieved 10% ethanol blending during ESY 2021-22 and 12% during ESY 2022-23.

The Government has taken several measures to meet the ethanol blending targets which includes expansion of feedstock for production of ethanol; administered price mechanism for procurement of ethanol under the Ethanol Blended Petrol (EBP) Programme; lowered GST rate to 5% on ethanol for EBP Programme; amendment in Industries (Development & Regulation) Act for free movement of ethanol across states for blending; interest subvention scheme for enhancement and augmentation of ethanol production capacity in the country; regular floating of Expression of Interest (EoI) by Public Sector Oil Marketing Companies (OMCs) for procurement of ethanol.

According to a report published by the Indian-Asian News Service, the Indian Ethanol Market is expected to witness high growth due to the increasing demand for biofuels. Ethanol is a renewable source of energy and is primarily used as a feedstock for biodiesel production. The growing concern for energy security and environmental sustainability is driving the demand for biofuels in India. Additionally, the government initiatives and policies promoting the use of biofuels, such as the National Policy on Biofuels, are further powering the growth of the ethanol market in India.

India's Ethanol Market is anticipated to witness a CAGR of 15.9% during the forecast period 2023-2030, owing to the growing demand for ethanol in industrial applications. On the basis of the end-use segment, the fuel segment is expected to hold a dominant position, driven by the need for cleaner and less toxic fuels in various industries.

### Co-generation

Bagasse is the fibrous matter that remains after sugarcane stalks are crushed to extract their juice and is a by-product generated in the process of manufacture of sugar. It can either be sold or be captively consumed for generation of steam. It is currently used as a biofuel and in the manufacturing of pulp and paper products and building materials. The bagasse produced in a sugar factory is however used for generation of steam which in turn is used as a fuel source and the surplus generation is exported to the power grids. For every 10 tonnes of sugarcane crushed, a sugar factory produces nearly 3 tonnes of wet bagasse. Since bagasse is a by-product of sugarcane, the quantity of bagasse production in the country is in proportion to the quantity of sugarcane produced. The power produced through co-generation substitutes the conventional

thermal alternative and reduces greenhouse gas emissions. In India, interest in high-efficiency bagasse-based co-generation started in the 1980s when electricity supply started falling short of demand. High-efficiency bagasse co-generation was perceived as an attractive technology both in terms of its potential to produce carbon-neutral electricity as well as its economic benefits to the sugar sector. In the present scenario, where fossil fuel prices are skyrocketing and there is a shortage, co-generation appears to be propitious. The thrust on distributed generation and increasing awareness for cutting greenhouse gas emissions increases the need for co-generation. The electricity production through co-generation in sugar mills in India is an important avenue for supplying low-cost, non-conventional power. However, several financial, regulatory and technical challenges are required to be overcome for realizing this potential.

The Indian Government has been actively promoting co-generation as a means to increase energy efficiency and reduce emissions. Policies such as the National Mission on Sustainable Agriculture aim to boost the adoption of biomass-based co-generation technologies. The sector has seen advancements in co-generation technologies, including improvements in efficiency and reliability. Integration of advanced control systems and automation has enhanced the performance of co-generation plants, making them more competitive in the market.

Recognising the significant potential and role of biomass energy within the Indian context, the Ministry of New and Renewable Energy (MNRE) has launched numerous initiatives to promote efficient technologies across various sectors, aiming to maximise benefits derived from biomass utilisation.

Among these initiatives, particular emphasis has been placed on bagasse-based co-generation in sugar mills and biomass power generation under the Biomass Power and Co-generation Programme. This initiative primarily aims to foster the adoption of technologies that optimise the utilisation of the country's biomass resources for grid power generation.

As of January 31, 2024, the total installed capacity in the biomass power and co-generation sector stands at 10,789.66 MW, comprising 584.05 MW of waste-to-power and 10,205.61 MW of biomass co-generation capacity, encompassing both bagasse and non-bagasse sources.

India is also creating a viable market for bioproducts like biomass pellets and briquettes. The country hosts approximately 230 biomass pellet manufacturers and around 1,030 briquette manufacturers across various states. These products are supplied to power plants and industries. Additionally, the government has established a national mission on the use of biomass in Thermal Power Plants (TPPs) under the Ministry of Power. This initiative aims to address air pollution caused by farm stubble burning and reduce the carbon footprint of thermal power generation.

According to the latest data of the MNRE, India has added a record renewable energy capacity of 18.48 GW in 2023-24, which is over 21% higher than 15.27 GW a year ago. However, industry experts said there is a need to add at least 50 GW of renewable energy

capacity annually for the next six years to meet the ambitious target of 500 GW of renewables by 2030. With the government's policies together with the relevant regional and international agencies and initiatives in the bio-energy space, India is transitioning towards a tomorrow where all the curves run in green energy.

Source(s): Powerline, Economic Times

## BUSINESS OVERVIEW

### Sugarcane

The success of the sugar business depends on the sugarcane availability and sugarcane quality. During the year, the sugarcane availability in Tamil Nadu (TN) units was better compared to the previous year. The thrust on cane development activities initiated by your Company, including encouraging the farmers in various ways in all command areas, helped to increase the sugarcane availability. In TN, there was an improvement in cane crushed at 22.82 LMT as against 22.60 LMT in the previous year due to increased cane availability. The average recovery recorded was at 8.50% as against 9.33% in the previous year. The lower recovery was due to the climate change, which led to lesser rain fall. In addition to the above, high temperature was witnessed both during day and night, which was prevalent across the state.

During the year, the units in Karnataka reported lower crushing at 22.94 LMT compared to 24.57 LMT in the previous year due to drought and early closure of the crushing season. The average recovery was at 11.55% as against 11.89% in the previous year. Priority on harvesting good quality cane followed by average cane helped to control diversion across all three units. The centralized Harvesting and Transportation (H&T) planning and execution for all the three units of KN facilitated smooth inter-unit movement of gangs and cane, reduced yard balance, vehicle waiting hours and ensured continuous cane supply. This also helped to increase the number of crushing days of Bagalkot and Ramdurg unit. The lower recovery was on account of plant down time, sub-optimal crushing and dryness of cane.

With respect to the Andhra Pradesh (AP) unit, the cane crushed was 4.34 LMT as compared to 4.63 LMT in the previous year. The average recovery was at 9.02% as compared to 10.19% in the previous year. The lower recovery was on account of the climate change, plant down time and early commencement of the factory due to labour unavailability.

### Our Farmers

Your company's mission revolves around more than just profit margins; it is deeply rooted in the well-being of the farmers who form the backbone of our operations. For decades, we have worked tirelessly to uplift and empower them, recognizing their invaluable contributions to our success. Our commitment to their prosperity is unwavering, and every decision we make as a company is guided by this principle.

One of the keyways we support our farmers is through prompt payment. We understand the challenges they face in cultivation. We strive to offer competitive prices for their produce, ensuring that

their hard work is adequately rewarded. By maintaining transparent pricing structures and engaging in fair trade practices, we foster trust and cooperation within the farming community.

In addition to fair pricing, we believe in investing in the long-term sustainability of agricultural practices. Our farmers are stewards of the land, and we recognize the importance of preserving natural resources for future generations. Through initiatives such as sustainable farming techniques, soil conservation programs, crop protection from various pests and diseases by adopting scientific methods, and water management strategies, we aim to minimize environmental impact while maximizing yield and profitability for our farmers.

The Company through structured sugarcane development initiatives, timely sugarcane payments, and close relationship with the farmer community will strive to improve in key operational metrics, such as area under sugarcane, sugarcane crush, yields, recovery etc.

Education and training are also central to our approach. We provide comprehensive training programs covering a range of topics, from crop management to financial literacy. By equipping our farmers with the knowledge and skills they need to succeed, we empower them to make informed decisions and adapt to changing circumstances. Furthermore, we leverage technology to enhance efficiency and productivity on the farm, whether through the adoption of precision agriculture techniques or the use of our i-Cane Management System (iCMS) mobile application for real-time data monitoring.

Financial support is another crucial aspect of our farmer-centric approach. We understand that access to credit and capital is essential for agricultural development, especially in rural areas where traditional banking services may be limited. We offer financial assistance programs tailored to the specific needs of our farmers, whether through low-interest loans, grants for infrastructure improvements, or crop insurance schemes to mitigate risk.

But our commitment to farmers goes beyond the confines of the farm gate. We recognize that thriving rural communities are essential for sustainable agricultural development. We invest in community development projects through our Corporate Social Responsibility (CSR) framework, aimed at improving infrastructure, healthcare, and education in the areas where our farmers live and work. By fostering economic growth and social cohesion, we create an environment where farmers can flourish both professionally and personally.

The Company with the support from AMM Foundation, Murugappa Group's charitable arm, has initiated an ambitious water conservation initiative under Project NANNNEER. In Tamil Nadu units to increase the holding capacity of the water bodies and recharge aquifers. This project increases the ground water availability to the rural folks and to sustain the agriculture. In the coming years, company has planned to extend this project in Karnataka and Andhra Pradesh units' area to support the farmers and community.

Looking ahead, we are constantly seeking ways to innovate and improve our support for farmers. This includes harnessing the power of data analytics and artificial intelligence to optimize agricultural

practices. Smart agriculture leverages advanced technology to the advantage of agricultural practices. The cloud-based and Internet of Things (IoT)-based solutions can be used for monitoring, automating, analysing farming operations. We are also committed to promoting inclusivity and diversity within the agricultural sector, ensuring that all farmers, regardless of background or circumstance, have equal access to resources and opportunities.

Over the years, due to urbanization and better opportunities, the next generation of farmers are indifferent towards farming. The average landholding size in India has been on a decreasing trend and now has reached a level of almost 1.08 Hectares for a family, it seems that nuclear farming may not yield adequate income to the farmer. Since average landholding size in India has been on a decreasing trend, the government should encourage community cultivation (like has been proven to be successful in Jalgaon, Maharashtra) and also allow leased cultivation through land aggregation. In these models, a larger aggregated farm size enables lower costs and better farm interventions leading to higher earnings for the growers and the farmer gets his/her share based on the quantum of his landholding size. Land aggregation is expected to provide other multiple benefits like reduction in agricultural cost, lower water intake (60% reduction) and propagation of scientific way of agriculture.

Our farmers are more than just suppliers; they are partners in our journey towards a sustainable and prosperous future. By prioritizing their well-being and investing in their success, we believe we can build a stronger, more resilient business model that benefits everyone involved. Together, we are not just growing sugar; we are cultivating communities, fostering innovation, and shaping a better world for generations to come.

### **Manufacturing operations**

Your Company's sugar units strictly adhere to best-in-class manufacturing processes and quality benchmarks. Amongst the leading sugar manufacturers in India, EID Parry's 6 sugar plants and one standalone distillery are spread across South India. Our state-of-the-art plants with a total sugarcane crushing capacity of 40,800 TCD, co-generation capacity of 140 MW and distillery capacity of 417 KLPD across units are located at Nellikuppam, Pugalur and Sivaganga in Tamil Nadu, Sankili in Andhra Pradesh and Bagalkot, Haliyal and Ramdurg in Karnataka. The units are equipped with latest technological equipment and analytical labs to ensure the highest levels of product quality in a safe, healthy, and clean environment as the Company supplies sugar to major multinational soft drink companies, leading confectionery manufacturers, and pharmaceutical companies. The Company continues its journey towards achieving manufacturing excellence by a focused thrust on creating a customer-centric sugar factory complex that blends low-cost production with premium quality products, while prioritizing safety, sustainability, profitability, and exceptional customer services. An accelerated drive across the value chain to improve operational efficiencies, reduce cost and eliminate wastage has been adopted across functions and processes to raise execution excellence metrics.

Your Company's manufacturing facilities are eco-friendly and meet emission and discharge norms. Water and energy conservation

efforts have been taken to continually improve performance. The plants have safety and environment management systems and periodic performance assessments take place to ensure sustenance. Proactively, all factories have obtained ISO 14001 Environment system certification and are equipped with state-of-the-art pollution control measures such as an incineration facility to manage spent wash from Distilleries as stipulated by regulatory authorities. All 7 sites have obtained ISO 45001:2018 Environment Health & Safety which provides an internationally recognized framework for managing occupational health and safety risks.

The Company continued to pursue its strategies to optimize efficiencies, reduce costs, eliminate wastage, and achieve stretch targets for growth. Even as our Company continues to focus on capacity and efficiency enhancement, it aims to ramp up the diversification of the sugar portfolio.

### **Challenges**

During the year, the manufacturing operations faced a number of challenges, which were mitigated by suitable measures.

In TN there were cane supply challenges which were mitigated by sourcing harvesting teams from different parts of state which supported the timely harvesting. We encouraged more entrepreneurs in to mechanical harvesting in both the plants.

In KN the initial start up challenges due to Government regulations were addressed and the initial teething troubles in Haliyal plant was corrected on a war footing.

### **Distillery**

- During the year, there were change in the government policies with regard to Syrup and utilisation of B Heavy Molasses which hampered the plan. In spite of this, we could do better volumes compared to previous years.
- Due to the change in Ethanol policy Sankili Unit had challenges and immediate measures were taken to convert in to Maize based Ethanol production. This restricted the Ethanol plant capacity to 100 KLPD. New proposals are in progress to augment the grain facility.

### **Cogen**

- The Cogen plant was operated together with our sugar operations and accordingly, there were both generation and export of power. Various measures have been taken up in reducing the steam consumption across all factories. Flash heat recoveries and vapour bleeding system modifications carried out at various plants for steam economy.

### **Achievements**

- All the plants got ISO 45001 certification
- Rectified Spirit (RS) redistillation process carried out to utilize the capacities
- Amrit plant erection completed at Pugalur
- Jaggery production stabilized at Pugalur
- 120 KLPD distilleries stabilized at Sankili



- 120 KLPD distillery erection completed at Haliyal
- 45 KLPD Distillery erection in progress and nearing completion at Nellikuppam
- Maintwitz tool implemented across all plants for effective maintenance monitoring and control

## Sales and marketing

In today's competitive business landscape, achieving and maintaining optimal sales and marketing performance is essential for organizational growth and success. With ever evolving consumer preferences, technological advancements, and market dynamics, businesses must adapt and innovate their strategies to stay ahead.

Consumers are shopping through varied channels; smaller local brands as well as digital first brands are increasingly entering the market. In these times, your Company needs to continue remaining agile to enhanced brand propositions and marketing investments to increase adoption in underpenetrated categories. Your company is a market leader in packaged sugar segment in South India, marketing its products under its iconic brand 'Parrys'. Your Company is poised to significantly scale its retail business with a pervasive distribution network, increasing the volume proportion sold in the institutional and retail segments.

Your Company continued its strong performance in the Retail and Institution segment with stringent quality systems, global certifications, high standards of hygiene and process and robust ability to customize products for the customers. Your Company continues to hold the leadership share in many customer segments and today supplies to industries operating in various categories like beverages, foods, confectionery, dairy, bakery, and pharmaceuticals. Your Company's premium brand 'Parry' instils confidence and trust among consumers and continues to drive volumes. Going forward, the Company proposes to maximize growth by prioritizing the focus areas and ramping up availability of products and brand presence across categories and population.

The trend towards healthy eating was accentuated in the last few years as the pandemic enveloped the country. In response to this, your Company focused on providing healthy eating options through its Low GI sugar called 'SweetCare'. With the power of seven herbal

extracts, Sweet Care is a clinically tested Low GI Sugar (Glycemic Index < 55) that supports a healthier diet.

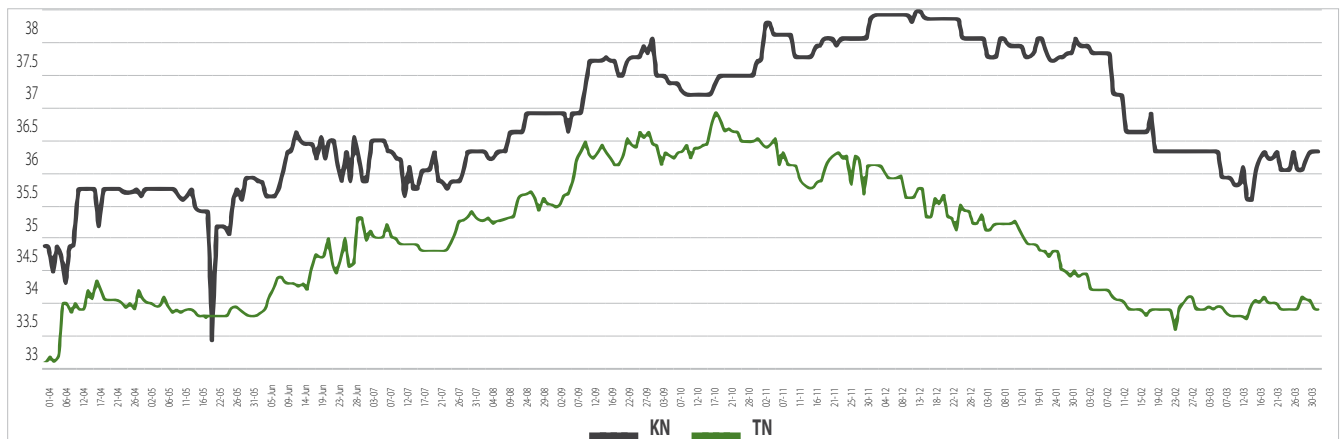
Your Company signed a commercial partnership agreement with food technology company, Nutrition Innovation Singapore Pte Ltd ("Nutrition Innovation") to create innovative sugar solutions like Nucane™ Low GI Sugar. This low GI brown sugar utilises natural occurring polyphenols in cane sugar that have been scientifically proven and independently tested to consistently lower the glycemic response of sucrose. The partnership with Nutrition Innovation provides the Company unique access to Nucane Low GI Sugar technology to produce a new specification of naturally low glycemic brown sugar which complements and extends the existing range of products and supports the growing global trend for less processed, less refined, brown sugars. The Company launched its new brand Amrit Gold Brown Sugar during the first quarter of 2024-25 using the Nucane Low GI Sugar technology for the health conscious consumers.

Your Company has been conscientiously working on evolving several approaches to meet the changing aspirations of the consumers and customers, which will ultimately lead to increasing the volumes sold in institution/retail segments, de-risking from the cyclicity of the sugar business. The Company's focus in strengthening its presence in the retail market in branded sugar is going to pay dividend in terms of benefit from higher and more stable pricing with healthy long-term prospects and a more stable realization for its sugar.

Fostering a culture of innovation and continuous improvement within the sales and marketing teams while encouraging feedback from consumers and internal stakeholders to identify areas for enhancement, the organization has set its vision on new product categories that can be scaled up in the future. The new goals of the organization require us to stay agile and adaptable, ready to pivot strategies in response to changing market conditions.

The organization has enhanced its sales and marketing approach that encompasses market understanding, targeted campaigns, effective sales strategies, technological integration, performance measurement, and continuous improvement. By implementing these strategies, businesses can drive sustainable growth, build lasting customer relationships, and stay ahead in today's dynamic marketplace.

## FY 2023-24 Price Trend



## Quality

During the year, the Quality function underwent significant development to align with the company's strategic focus on Sweeteners, non-Sweeteners, Alcohol, Staples, and Value-added products. Some of the key developments are highlighted below:

### 1. Jaggery Plant Accreditation:

- The Jaggery plant at Pugalur and the Jaggery production section of the Nellikuppam plant achieved certification for food safety management systems.
- The certifications included ISO 22000:2018, ISO/TS 22002-1:2009, and additional FSSC 22000 for the first time.

### 2. Re-accreditation and External Audits:

- The Units at Nellikuppam, Haliyal, Bagalkot, and Sankili faced either announced or unannounced audits and were re-accredited with FSSC 22000 version 5.1 by the DNV Certification Body.
- The Units at Nellikuppam and Haliyal also underwent external audits and were recertified for ISO 9001:2018 Quality Management System.

### 3. Ethical Trade and Halal/Kosher Certifications:

- Nellikuppam, Haliyal, Bagalkot, and Pugalur retained their membership in SEDEX and were re-certified for MUI Halal and Kosher.
- Additionally, SMETA 6.0 (Sedex Members Ethical Trade Audit) certification was obtained by the Units.

### 4. Pharma Grade Sugar Manufacturing:

- The Nellikuppam Refinery Unit renewed its Current Good Manufacturing Practices (cGMP) license in compliance with government excipient guidelines for drug manufacturing customers and continues to manufacture pharma grade sugar.

### 5. Integrated Management System Certification:

- The Sankili Unit faced audits for Integrated Management System Certifications, including Quality Management System ISO 9001:2015, and was recertified for the same.

### 6. Establishing Facilities for production of Consumer Product Group (CPG) Products:

- The Company has recently launched a range of Consumer Products which includes rice, pulses, and millets. The Quality function played a pivotal role in establishing facilities for the manufacture and procurement of CPG products from Third Party Units (TPUs).
- This involved developing specific Standard Operating Procedures (SOPs) and organizing Food Safety training for the TPUs. Our focus was on ensuring the highest quality standards for the products and adherence to cGMP in their facilities.

### 7. Annual Quality Meet:

- In a first, an Annual Quality Meet for the Company was organized during the year. This included engagement in discussions aimed at elevating the quality of our processes, products, and facilities.

### 8. World Quality Week:

- In November 2023, our Units participated in World Quality Week with the theme of 'Realizing Your Competitive Potential'. This concept, introduced by the United Nations in 1990, aims to raise global awareness about the significant role quality plays in a nation's and an organization's growth and prosperity.

### 9. Customer-Centric Approach:

- Your company places great emphasis on Customer Care. To meet our customer expectations and enhance our value proposition, we actively involve our customers in our improvement processes.
- As part of this commitment, we conducted a Customer Satisfaction survey during the year to identify our best practices and consistently improve the quality of service provided to the consumers.

### 10. Market Visits and Best Practices:

- Cross Functional Teams (CFTs) from our manufacturing units conducted several market visits. These visits allowed us to directly understand product performance and identify opportunities for improvement based on feedback from Retail Customers.
- Additionally, our CFTs visited Customer Units to learn about the best practices followed by our customers.

These initiatives reflect our dedication to quality, continuous improvement, and customer satisfaction.

## Research & Development (R&D) and Extension Services

R&D at EID Parry is a pioneer in developing new sugarcane varieties to improve the productivity of the farmers and this journey has been continuing for the past three decades. Our varietal development program is well recognized, and it is one of the centre for evaluating national level sugarcane varieties from various research stations. Farmers are readily cultivating new "Parry" sugarcane varieties which are proven for pest & disease resistance and superior in cane yield. The new 'Parry' high sugar/high yielding varieties are being multiplied in Tamil Nadu, Karnataka and Andhra Pradesh units. Our R & D produces quality clean seed cane from the captive farm nurseries and distributing to the farmers for nursery planting. We also run a state of art tissue culture facility at Pugalur to produce disease free, clean seed of commercial varieties and supporting for faster multiplication of new varieties. It is one of the unique facilities in the sugar industry to increase the cane yields in the farmers' fields.

Over the last two and half decades, we are implementing integrated borer management in sugarcane cultivation using biocontrol agents like Trichogramma produced by rural entrepreneurs and inhouse production of Tetrastichus & pheromone as eco-friendly agriculture practices. Production of biocontrol agents and distribution are managed through Agri Service Providers (ASPs) to reach out more farmers. New pests viz., Crown mealy bug and Pokkah boeng disease caused severe damage to the crop in Tamil Nadu which effectively managed through appropriate control measures and thereby saving the crop and losses to our farmers.

Initiatives like augmenting the soil nutrients, revised nutrient packages and improved cultivation practises were popularised among the sugarcane farmers. Drones were effectively used for Micro Nutrition spray and weedicide application in sugarcane fields. This new intervention in sugarcane cultivation were well accepted by the farmers across the states.

We are also collaborating with international partners to empower the rural entrepreneurs particularly women on sugarcane cultivation and improve the standard of living of village level women entrepreneurs. Our sustainability project with IFC (International Finance Corporation) provides support to produce a large number of pro-tray seedlings and distribution to farmers for hassle free sugarcane planting.

Farm mechanisation in sugarcane cultivation involves various machineries and equipment's to ease out the workforce dependability. Your company's R&D evaluated various implements and introduced a new set of tractors drawn implements for sugarcane farming to increase the efficiency, reduce labour dependency and improve overall productivity. All the field operations for the sugarcane farmers are routed through ASPs to get the service at the right time with reasonable cost.

Innovative technology in autonomous irrigation system in sugarcane fields involves the use of advanced technologies, sensors, and control panels to automate the irrigation without human intervention. This autonomous irrigation regulated through soil moisture sensors, could reduce the substantial amount of irrigation water quantity in sugarcane cultivation and improve the water use efficiency.

## Sugar division performance

### Operational performance

#### Sugar

Particulars	2023-24	2022-23
Cane Crushed (LMT)	50.09	51.81
Cane Cost (Landed)	3,439	3,268
Gross Recovery %	9.94	10.62
Net Recovery % (Net of Sugar diverted for BHM* and Syrup)	9.06	9.53
Sugar Produced (LMT)	4.55	4.93
Sugar sold (LMT)	4.64	5.19

#### Distillery:

Particulars	2023-24	2022-23
Alcohol Produced	1,261	1,073
Alcohol Produced from BHM* (Lakh Litres)	331	256
Alcohol from Syrup ( Lakh Litres)	136	178
Alcohol Produced from CHM** (Lakh Litres)	630	693
Alcohol Produced from grain (Lakh Litres)	161	0
<b>Total Production Volume</b>	<b>2,519</b>	<b>2,200</b>
Total Sales Volume	1,242	1,044
% Ethanol to total sales volume	58%	62%
% Ethanol sales produced from B-heavy Molasses	27%	33%
% Ethanol sales produced from grain	13%	0
Average Realization Price of Alcohol ₹/litre	62.22	60.39

\*BHM - B-Heavy Molasses

\*\*CHM - C-Heavy Molasses

#### Co-generation:

Particulars	2023-24	2022-23
Power Generated (Lakh Units)	4,343	5,026
Power Exported (Lakh Units)	2,182	2,700

## Financial Performance

₹ in Crore

Particulars	Sugar		Cogen		Distillery		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Revenue	1,865	2,025	190	253	799	644	2,854	2,922
EBITDA**	106	219	-43	12	99	60	162	291

\*\* Earnings before interest, tax, depreciation and amortization

The sugar segment constituted the largest share of the Company's revenues. The segment contributed 66% of the Company's turnover during FY 2023-24, as against 70% during FY 2022-23. Revenues from the sugar segment during FY 2023-24 were ₹1,865 Crore as against ₹2,025 Crore in FY 2022-23.



## Segment-wise Performance & Operational Highlights

### Sugar

The Company has six sugar plants spread across Tamil Nadu (TN), Karnataka (KN) and Andhra Pradesh (AP). During the year, the total cane crushed in Tamil Nadu plants was marginally higher at 22.82 LMT as against 22.60 LMT in the previous year. The average gross recovery was at 8.50 % as against 9.33% in 2022-23, a decrease of 9% over the previous year. The lower recovery was on account of climatic changes characterised by lower rain fall and unusual high temperature both during day and night, which was prevalent throughout Tamilnadu. The cane availability was lower due to lower yield affected by rain fall as well as yellow wool pest disease.

Crushing in the Company's Sankili plant at AP was marginally lower at 4.34 LMT as compared to 4.63 LMT in the previous year. The average gross recovery was at 9.02 % as against 10.19% in the previous year, a decrease of 11% over the previous year. The lower recovery was on account of the climatic changes, plant down time and early commencement of the factory due to labour unavailability. The Cane availability in Sankil was a challenge as the farmers shifted to other competitive crops like paddy and maize, which gave them higher returns than sugarcane.

The total cane crushed by the units in KN was lower at 22.93 LMT as against 24.57 LMT in the previous year. The average gross recovery was at 11.56 % as against 11.89% in the previous year. In KN, the Ramdurg and Bagalkot unit reported a higher recovery of 11.98 % and 11.84% respectively, whereas the recovery in Haliyal was lower at 11.10%. The lower recovery was on account of plant down time, sub-optimal crushing and dryness of cane. The cane availability was lower due to lower rain fall as well as drought like condition prevalent across Karnataka which was also compounded by competition among mills to poach sugarcane.

The overall cane crushed by the Company was 50.09 LMT in 2023-24 as against 51.81 LMT in the previous year.

The Sugar recovery net of sugar sacrifice under syrup and B-heavy/ syrup route for the year stood at 9.06 % as against 9.53% in the previous year.

During 2023-24, your Company produced 4.55 LMT and sold 4.64 LMT of sugar as against 4.93 LMT and 5.19 LMT respectively in the previous year.

### Power co-generation

Your Company possesses an aggregate co-generation capacity of 140 megawatts. Your Company exports nearly 54% of the power generated. The co-generation segment accounted for 7% of your Company's revenues. Power generated during the year stood at 4,343 Lakh units as compared to 5,026 Lakh units in previous year, a decrease of 14%, which was due to lesser operating days at KN units and direct sale of Bagasse (instead of generating power).

### Tamil Nadu

The units in Tamil Nadu generated 2,108 Lakh units and exported 1,064 Lakh units of power during the year as against 2,099 units and 1,085 Lakh units respectively in the previous year.

### Karnataka

The power generated and exported by the Karnataka plants stood at 1,913 Lakh units and 1,040 Lakh units as against 2,485 Lakh units and 1,473 Lakh units respectively in the previous year.

### Andhra Pradesh

The unit in Sankili generated 322 Lakh units and exported 78 Lakh units as against 443 Lakh units and 198 Lakh units respectively during the last year.

### Distillery

At the beginning of FY 2023-24, the Company had five distilleries located at Sankili, Haliyal, Nellikuppam, Bagalkot and Sivaganga, engaged in the production of industrial alcohol and ethanol with a cumulative capacity of 417 KLPD.

The entire distillery capacity of the Company is dedicated towards production of ethanol & ENA (Extra Neutral Alcohol). During the year, the Company commenced activities for setting up added capacity of 120 KLPD distillery at the existing location at Haliyal. The plant was commissioned and became fully operational during the first quarter of the FY 2024-25. The Company also proposed to add further capacity of 45 KLPD at Nellikuppam. With this, the total Distillery Capacity of the Company will be increased to 582 KLPD.

The distillery segment contributed 28 % of the Company's revenue as against 22% in FY 2022-23. The Company's distillery segment delivered stable performance during the year. The Company produced 1261 LL of alcohol during the year as compared to 1073 LL during the previous year. Higher production was attributable to better capacity utilisation. Revenues from the distillery segment during FY 2023-24 stood at ₹799 Crore as against ₹644 Crore in FY 2022-23.

Ethanol sales during the year produced from B-heavy molasses stood at 338 LL at an average realisation of 60.71 as compared to 357 LL at an average realisation of 59.46 in previous year.

Ethanol sales from molasses produced from C-heavy route stood at 82 LL at an average realisation of 57.34 as compared to 44 LL at an average realisation of ₹53.21 in previous year.

Ethanol sales from syrup route was 147 LL at an average realisation of 65.28.

Similarly, Ethanol sales from grain route was 156 LL at an average realisation of ₹64.65. Though the Company proposed to produce and sale Ethanol produced from Syrup and B-Heavy molasses route with an intent to sacrifice higher quantity of sugar, the Ethanol sales from Sugar Syrup and molasses produced from B-heavy route was

lower in the current year due to the restrictions imposed by the Government.

The Company's strategy includes expanding existing distillery capacities and establishing new ones to enhance the revenue from the ethanol stream, contingent upon the continued availability of molasses.

### Performance Analysis, Opportunity & Threats

India is the second largest producer and largest consumer of sugar in the world. Indian Sugar Industry is highly fragmented with private sector, Government undertakings, co-operatives, and unorganized players. The sugarcane crushing period varies from region to region beginning in October/ November and goes on till April/ May in all states except in Tamil Nadu where it continues till July/ August. In domestic context, sugar is the second largest agro based industry supporting over 50 million farmers along with indirect employment to rural population. It is estimated that about 7.5% of the rural population in India is involved with the sugar industry.

Despite a stable domestic sugar production, the government's cautious approach has led to a virtual ban on sugar exports since October 2022. The fixed minimum support price (MSP) for sugar, which has remained unchanged since February 2019, is dampening market sentiment. Additionally, the restrictions in late 2023-24 on diversion of sugar syrup/ B- Heavy Molasses for ethanol production has affected the performance of mills. The sugar industry in India has been facing a myriad of challenges and opportunities, influenced by both internal and external factors. In this section, we delve into the performance, opportunities, and threats encountered by the Company, focusing on key factors such as policy changes, operational issues, and market dynamics that was faced during the year under review.

### Performance Analysis:

The Company is a large integrated sugar producer and possesses one of the largest sugar manufacturing capacities in South India with aggregate crushing capacity of 40,800 TCD, Co-generation plant of 140 MW and distillery at 417 KLPD at the close of the year under review. The sugar business was the largest within the Company, generating value for downstream segments like ethanol and co-generation. The Company operates seven manufacturing plants in Tamilnadu, Karnataka and Andhra Pradesh, proximate enough to generate economies of cane procurement and by-product utilization. Further, large scale, integrated operations with the power and distillery business along with nutraceuticals provide moderate cushion from cyclicity in the sugar business.

Apart from plantation white sugar, the Company also manufactures refined sugar, which currently constitutes approximately 26 % of the total sugar production and realises a premium over normal crystal sugar realisation. The Company also produces different grades of pharmaceutical (pharma) sugar that can be customised as per the user requirements. Such refined and pharma sugar are supplied to high grade end-users, thereby creating a niche customer profile for the Company. The Company also produces different value added sweeteners like jaggery powder, low GI Sugar and Brown Sugar

and supplies high quality crystal sugar to large institutions, which fetches it a premium. The Company is the largest branded sugar player in the Indian Sweetener Market offering a range of products. All the sugar units of the Company are FSSC 22000 certified and strictly adhere to best-in-class manufacturing processes and quality benchmarks. The Company supplies sugar to major multinational soft drink companies, leading confectionery manufacturers, breweries, pharmaceutical companies, dairies, top ice cream producers, etc.

The Company has established market position in the sugar business, derived from integrated nature of operations with diversified revenue profile, average and adequate financial risk profile, and superior financial flexibility which is derived from being the holding company of Coromandel International Limited. These strengths are partially offset by the susceptibility of its business performance to downturn in the sugar business and to regulatory changes in the sugar and distillery sector.

EID Parry's business risk profile remained stable despite changes in the regulatory environment for sugar and sugar allied products since November 2023. Amount of sugar cane crushed was 50.09 LMT in the current fiscal despite lower sugar cane production in Karnataka due to EID Parry's strong relationship with the sugar cane producers and better availability of sugar cane from Tamil Nadu. The impact of restrictions on diversion of sugar for ethanol production by the government felt from the fourth quarter of 2023-24 and will also fall in the next FY. Other business segments (co-generation, nutraceuticals etc) generated stable revenue.

The Company's financial risk profile remained steady, with debt protection metrics viz interest coverage, gearing and TOL/TNW (total outside liability/total tangible net worth) ratios remained adequate. Interest coverage was 6.96 times in FY 2023-24. Gearing and TOL/TNW remained 0.36 times and 0.60 respectively despite addition of capex related debt. The Company incurred capex of ₹284 Crore in FY 2023-24, which involved spending of ₹86 crore towards the grain-based distillery. The other routine modernization capex were funded mainly from accruals. The Company's liquidity is adequate with sufficient cash accruals and modest repayment obligations.

During the year, the revenue from operations stood at ₹2,809 crore in FY 23-24 as compared to 2,895 crore in FY 22-23. The Profit after tax stood at 107 crore in FY23-24 as compared to 197 crore in FY 22-23, reflecting a decline of 46%. The revenue and profitability from distillery and other segment improved over the previous year except for the sugar business, wherein revenues and profitability declined due to a number of factors ranging from policy change on ethanol production, plant down time and lower recovery, which was partially offset by a stable Distillery performance.

Total expenses was ₹2,872.56 crore in 2023-24 as compared to ₹2,797.53 crore in 2022-23. Raw material costs accounted for a 69% share of the Company's revenue from operations, which was increased due to a higher FRP announced by the Government of India. Employee expenses accounted for a 7% share of the Company's revenues from operations and increased by 17.75% from ₹157.93 crore in 2022-2023 to 185.97 crore in 2023-24. The

increase in employee cost was due to project expansion and the commencement of consumer product group (CPG) with foray into staple business. The repair & maintenance expenses accounted for a 5% share of the Company's revenues from operations.

During the year, the performance of the company was characterized by various challenges and opportunities. Despite encountering hurdles, the company has maintained stability in key areas such as power generation and export, while grappling with issues affecting its core operations. As discussed earlier, some of the major reasons for the modest performance include the change in Ethanol Policy of the Government with the ban on manufacturing ethanol from sugar syrup and B Heavy Molasses, which has significantly impacted the performance, particularly due to its substantial investments in distillery infrastructure for ethanol production. Further, the delay in commissioning the Haliyal 120 KLPD Distillery has hindered the company's ability to capitalize on ethanol production, impacting its revenue streams.

There were operational challenges leading to lower recovery in two of the company's plants in Tamil Nadu and Karnataka which contributed to reduced productivity and profitability. The stabilization and down time issues faced by the plants at Haliyal resulted in lower crushing rates, which compounded with cane poaching further exacerbated the company's operational woes. In addition, the cane poaching in Karnataka has led to early closure, while capacity utilization issues at the Sankili multi-feed distillery have been compounded by raw material availability and stabilization challenges.

The absence of export or release order quotas has led to significant issues in government policy, particularly concerning the halt in directing grains to sugar companies for distillation. This has resulted in production halts in areas like Sankili. Additionally, high temperatures have led to dry cane, further impacting production. The downtime in Haliyal has markedly decreased our profitability. However, the setting up of the new 120 KLPD at Haliyal, and 45 KLPD at Nellikuppam are poised to augment alcohol sales next year, potentially mitigating some of the losses incurred this year.

The Company's business risk profile remained stable in the near to medium term despite changes in the regulatory environment for sugar and sugar allied products starting from November 2023.

The Indian Sugar and Bio-Energy Manufacturers Association (ISMA) has urged the government to allow 20 lakh tonnes of sugar exports in the current marketing year ending September as shipments of surplus sweetener would boost liquidity of millers enabling them to make cane payments to farmers on time. For the current 2023-24 marketing year (October- September), the government has not allowed sugar exports to boost domestic supply and control retail prices, as against an export around 60 lakh tonnes of sugar in the previous year. According to ISMA, production has reached about 314 lakh tonnes as of the end of April 2024.

The net sugar production stood at 340 LMT during the 2022-23 marketing year with a diversion of 20 LMT of sweetener for

ethanol-making from sugarcane juice and B-heavy molasses. Taking into account an opening stock of approximately 55 LMT and a forecasted domestic consumption of 285 LMT for the season, ISMA has projected a significantly higher closing stock of 90 LMT by September 30, 2024.

ISMA also expects a moderate crushing season in 2024-25 due to several factors, including the early announcement of an increased Fair and Remunerative Price (FRP) for sugarcane, favourable pre-monsoon rainfall, and forecasts indicating an above-normal monsoon. These factors are further expected to lead to a higher stock in the coming year.

Sugar worldwide is trading at the highest prices since 2011, mainly due to lower global supplies after unusually dry weather damaging harvests in India and Thailand, the world's second- and third-largest exporters. This is another blow for developing nations already coping with shortages in staples like rice and embargos on food trade that have added to food inflation. This has contributed to food insecurity because of the combined effects of the naturally occurring climate phenomenon El Nino.

The United Nations Food and Agriculture Organization predicted a 2% decline in global sugar production in the 2023-24 season, compared with the previous year, translating to a loss of about 3.5 million metric tons (3.8 million U.S. tons). Increasingly, sugar is being used for biofuels like ethanol, due to which global reserves of sugar are at their lowest since 2009. India endured its driest August in over a century, and crops in the western state of Maharashtra and the southern states, which accounts for more than a third of its sugarcane production, were stunted during the crucial growing phase. India being one of the biggest consumers of sugar and is now impeding sugar exports due to the restricted growth of cane amidst other challenges owing to the shortened monsoons.

### **Opportunities:**

Despite the challenges, several opportunities existed for the company during the year under review, to enhance its performance and competitiveness by exploring opportunities for diversification beyond traditional sugar production, such as value-added products or alternative revenue streams. The Company has recently set its footprint in the FMCG space with the introduction of a wide range of staples viz., rice, millets, and pulses.

The Company is actively engaged in leveraging technological advancements and use of information technology in various facets of its business such as smart manufacturing, digital agriculture to augment raw material availability and production, improve operational efficiency, reduce costs, and enhance product quality. The Company is exploring new markets for sugar and its by-products, capitalizing on changing consumer preferences and global demand trends. Despite policy changes, ethanol production remains a viable opportunity, especially with the growing emphasis on renewable energy and sustainable practices.

The Company is continuously making the best use of the byproducts of sugar production, such as bagasse, for renewable



energy generation, contributing to our sustainability goals and thereby creating additional revenues. The Company has invented a process to manufacture a soilless growing medium called Green Grow Media (GGM) from sugarcane bagasse that can be used in CEA (Controlled Environment Agriculture) or Hitech agriculture. Soil, which is a mixture of minerals, organic matter, water, and air, is the most common 'growth medium' for crops. With urbanisation, the practice of growing crops in containers above ground using soilless growing media by ensuring optimal levels of nutrients, water and oxygen started gaining momentum. GGM once made at industrial scale catering to relevant quality parameters and standards would provide an immense opportunity for the Company in future. At EID Parry, we believe that the investment on Research and Development acts as a harness in the consumer's expectations and company's products. Our R&D is focused on innovative sugar-based products tailored to changing consumer preferences and dietary trends which would help us open up new markets and increase competitiveness. Our Cane R & D is focussed on sustainable agriculture practices to enhance the productivity of farmers and efficiency in cane cultivation ensuring a sustainable supply of Sugarcane. We believe that by adopting sustainable practices, harnessing technology and continuously monitoring market trends, consumer preferences, and regulatory changes to anticipate shifts in demand and adapt business strategies accordingly will help us stay competitive in a dynamic environment.

We differentiate our products which appeal to niche markets and command premium prices. Implementing advanced supply chain management practices, including logistics optimization and inventory management, help us in reducing costs and improve overall efficiency. Taking advantage of government incentives and subsidies for diversification, modernization, and sustainability initiatives would help us mitigate the impact of regulatory restrictions on the bottom line. Our investments in branding, and distribution channels has helped us build a strong brand presence domestically and internationally, fostering consumer loyalty and increasing market share.

We are investing in state-of-the-art manufacturing equipment for efficient production, waste reduction, and environmental sustainability which can improve competitiveness and compliance with regulations.

### Threats:

The Sugarcane prices are driven by the government and last few years saw an increase in FRP year after year. There has been no changes in the MSP for sugar since 2019, sugar prices are volatile and based on open market prices (which are dependent on the production levels) leading to volatility in Sugar Mills profitability. The government also regulates domestic demand-supply through restrictions on imports and exports, and stock holdings. Regulatory mechanisms and dependence on monsoons have rendered the sugar industry cyclical, partially offsets by the ethanol blending programme.

During the year under review, the policy reversals particularly pertaining to ethanol and sugar exports adversely affected the company's performance posing unexpected challenges to the company's operations and profitability. The operational challenges such as downtimes, plant stabilisation issues, delay in commencement of distillery project at Haliyal and raw material availability for the grain based distillery at Sankili posed a threat to the company's production and distribution capabilities, which has affected its overall operations.

The influence of El Niño and other environmental factors on sugar production and cultivation posed additional challenges with the weather anomalies disrupting agricultural cycles, affecting cane cultivation, harvesting, and sugar production. The volatility could cause vagueness in yield projections and operational planning for the company. The added obstacles in terms of water scarcity, exacerbated by climate change and environmental degradation could pose significant challenges in cane cultivation and irrigation practices, impacting the crop yields, increased production costs, affecting the company's bottom line. The availability of arable land for cane cultivation is another concern, particularly in regions facing urbanization, land-use changes, and competing agricultural activities. The continued changes and uncertainties in ethanol production policies created challenges for the company in long-term planning and investment decisions, impacting its operational strategies and revenue projections.

The interplay between government policies and environmental factors creates a complex operating environment for the company, necessitating a multifaceted approach to risk management and strategic planning. The Company's risk management framework is navigating through the evolving government policies while exploring alternative amidst India falling short of its ethanol blending target for the ESY 2023-24 due to the Government restrictions on using sugar feedstocks for production.

In conclusion, while the sugar industry in India faces various challenges, proactive measures such as diversification, technology integration, and market expansion can position the company for sustained growth and resilience in the face of evolving market dynamics and regulatory landscapes. By addressing operational issues, seizing opportunities, and mitigating threats, the company can navigate the complexities of the sugar industry and emerge stronger in the years ahead.

Incorporating insights from recent government policies on ethanol production and the effects of El Niño and environmental factors has enriched the ability of the company to analyse its performance, opportunities, and threats and has provided the Company a comprehensive understanding of the dynamic forces shaping the sugar industry landscape in India. By proactively addressing regulatory compliance, climate resilience, and stakeholder engagement, we believe that the company can enhance its adaptive capacity and competitiveness in the face of policy uncertainties and environmental risks, fostering sustainable growth and value creation for stakeholders.

## Company's performance and outlook

EID Parry is expected to crush above 50 Lakhs MT of sugar cane in FY 2024-25. The company is also expected to produce more than 1700 LL of ethanol next year despite restrictions on diversion of sugar for production of ethanol during Ethanol Year (ESY) 2024. The Company's distillery expansion by additional 120 KLPD, will be fully operational during 2024-25. However, utilization of the distillery facility may be lower in the near term due to restriction on diversion of sugar for ethanol production. Additionally, the Company proposed to augment its distillery capacity further at Nellikuppam (to be operational in 2024-25) and Sivagangai, which would provide a stable performance. The Government of India has showcased the intent to fasten the move to an ethanol-based economy, by advancing the 20% ethanol blending target (with petrol) to 2025 from 2030. Additionally, the government has made supplies profitable by raising ethanol prices every fiscal, in addition to differential pricing for B-Heavy and the direct cane juice route and providing interest sops on loans for setting up ethanol-based distilleries. The restrictions announced by government of India on diversion of sugar for ethanol production in ESY 2024 is expected to impact the profitability of the Company in near term. However, this is likely to be temporary and restriction expected to be lifted once sugar production normalizes in the domestic market. Since the sugar industry is highly regulated, any change in the regulatory stance and continuation of government support to sugar sector (including distilleries and ethanol pricing) are key monitorable.

Other business segments (co-generation, nutraceuticals etc.) expected to generate stable revenue. However, the larger impact of controlled production of ethanol for petrol blending and expected correction in international sugar prices will lead to some moderation in revenues in fiscal 2025. With increasing focus on distillery operations and with additional capacity becoming available in fiscal 2025, vulnerability of performance to volatile sugar production and prices is expected to gradually reduce over the medium-term considering normalization of ethanol policy and stable business environment.

During the year, the retail sales grew by 18% and stood at 1.3 MT as against 1.1 MT during the previous year. The retail sales would continue to maintain its momentum in the coming years. Your Company is planning to reach almost 200,000 retail outlets in South India by 2025. With the launch of our range of staples in the retail market, we are sanguine about the company's revenue prospects and provide us respite from the ongoing tower block in the form of the stringent government policies and export restrictions.

Operating profitability is expected to improve in FY 2024-25 and would remain rangebound, due to better profitability from sugar business, which would help partially offset impact, if any, of lower distillery volumes (higher margin) for ethanol blending.

## NUTRACEUTICALS DIVISION

### Industry overview

The global supplement market is forecasted to be around \$220 billion for FY 24, constituting functional foods (30%), functional beverages (40%), and dietary supplements (30%). Your Company operates in the Dietary supplement category under the segment of herbal and traditional medicines.

The US Nutraceutical market continues to hold the largest share, representing 35% of the global consumption while China, is the second largest supplement market accounting for nearly 15% of the global share. The Western EU market, which accounts for 12% of the global market had degrowth in demand due to war influenced inflationary trends.

The dietary supplement market faced recessionary trends in North America in FY 23 has started showing signs of revival in FY 24. European market driven by an ageing demographics and with trends preferring supplements for healthy aging is expected to have growth revival in the near future. Brain health, immunity, digestive health, plant-based, organic stewardship, renewable and sustainable sources are major trends. Consumers continue to prefer natural and botanical options over pharmaceutical as part of maintaining their healthy lifestyles.

The global nutraceutical ingredients sector in the Dietary supplements, where the Company is operating, is estimated to have a sale of \$12 billion in 2023. While the micro algae segment accounts for 4% at \$500 million, the plant botanical saw palmetto extract, where the Company has a strong presence, accounts for another 1% of the market at \$120 million. Both segments are showing signs of revival in FY 24 and are expected to return to healthy growth rates.

### Business review

The Company overcame recessionary trends in the Nutraceutical markets and retained its leadership position in the premium organic Spirulina market in the US. We continued enhancing the manufacturing infrastructure with technological innovations for improving productivity along with maintaining high quality standards. By achieving superior nutritional profile in Chlorella with better organoleptic features, we have successfully expanded our customer base for Chlorella in the US market.

We continued to make significant investments in science in the development and validation of benefit claims. The pioneering efforts in science validation of micro algae could enable us to consolidate and enhance our global leadership position as a premium organic Spirulina and Chlorella producer.

During the year, the business complied with all certifications and standard requirements for quality, safety and environmental systems. During the year, the annual USP Ingredient Verification Process and BRCGS Food safety programs were also completed. For

EU organic certification, the Company worked with new certifying bodies for their listing and this should enable the Company to resume the sales to the EU in FY 25.

The Company's wholly owned subsidiary, US Nutraceuticals Inc. (Valensa) maintained its market position in Saw Palmetto-based products by increasing sales with key customers and strengthening the supply chain operations.

Valensa has invested in science for claim validation in the emerging hair wellness segment which is expected to provide new platforms of growth for the Saw-palmetto based product portfolio.

### Outlook

As a result of increasing awareness on health, dietary supplements are increasingly seen as an integral part of human nutrition and this is expected to accelerate the market demand in the coming years. There is a substantial shift in the attitude of consumers towards natural products backed with scientific evidence in improving nutrition and wellness. There is significant growth in plant-based ingredients like super foods and protein blends catering to wide customer segments, including younger consumers. The products addressing specific consumer needs like protein, digestive health, microbiome support, immunity, energy etc. have found increasing traction.

Your Company, with its portfolio of plant-based ingredients and botanical extracts, is expected to do well in the future. To be a part of this exciting industry growth journey, investments in sustainable manufacturing and new product development with scientific claims are being made.

## COMPANY FINANCIAL PERFORMANCE (STANDALONE)

### Revenue

(₹ in Crore)

BUSINESS SEGMENTS	2023-24	2022-23
<b>Sugar</b>	1,865	2,025
Cogen*	190	253
Distillery	799	644
<b>Sugar Total</b>	2,854	2,922
Nutraceuticals	31	55
<b>Total</b>	<b>2,885</b>	<b>2,977</b>

\*This includes inter-segmental revenue.

## FINANCIAL OVERVIEW

### Networth

The Net worth as on March 31, 2024, was ₹2,919 Crore as against ₹2,882 Crore as on March 31, 2023. Capital Redemption Reserve remained unchanged during the year.

### Borrowings

The total borrowings of the Company increased from ₹508 Crore in 2022-23 to ₹1039 Crore in 2023-24. The Long-Term Debt is 0.07 times of equity as against 0.05 times of equity in the previous year. Working capital borrowing utilized was ₹745 Crore as on March 31, 2024, as against ₹353 Crore in previous year.

### Fixed Assets

During the year, the company incurred ₹258 Crore as additions to Fixed Assets as against ₹153 Crore during the previous year.

### Investments

The total investment of the Company as at March 31, 2024, was ₹1074 Crore as against ₹992 Crore in FY 202-23. The Increase was majorly on account of increase in fair value of investments.

### Rating

The Company's longterm rating was maintained at CRISIL AA (stable outlook) in 2023-24 and short term rating was maintained at A1+ (CRISIL and CARE).

### Book Value and Earnings per Share

Book Value of shares of the Company was ₹164 per share as on March 31, 2024 as against ₹162 per share as on March 31, 2023. Earnings per share was ₹6.03 per share for the year ended March 31, 2024, as against ₹11.09 per share for the year ended March 31, 2023.

### EBITDA

The Earnings before Interest, Depreciation, Tax and Amortization (excluding exceptional items) for the year was ₹307 Crore representing 11% of total revenue (excluding exceptional revenue) as against ₹527 Crore representing 18% of the total revenue in the previous year.

### EBIT

EBIT for the year was ₹159 Crore (excluding exceptional items) as against ₹391 Crore in the previous year 2022-23.

### Finance Charges

Finance Charges for the year 2023-24 was at ₹44 Crore as against ₹36 Crore in the previous year 2022-23.

### Depreciation

Depreciation for the year 2023-24 was at ₹147 Crore as against ₹135 Crore during the previous year 2022-23.

### PBT

Profit Before Tax for the year was at ₹115 Crore (including net exceptional loss of ₹Nil) as against ₹245 Crore (including net exceptional loss of ₹111 Crore) in the previous year 2022-23.



## PAT

Profit After Tax for the year was at ₹107 Crore as against ₹197 Crore in the previous year 2022-23.

## RATIOS

Particulars	2023-24	2022-23
<b>Key Financial Ratios</b>		
EBIDTA / Sales % (Operating Profit Margin)	10.94	14.42
PAT / Sales %	3.82	6.83
PAT / Average Equity % (ROE)	3.69	6.98
<b>Key Capital Structure Ratios</b>		
Net Debt / Equity Ratio	0.36	0.18
Outside Liabilities / Net worth	0.60	0.38
Net Fixed Assets / Net worth	0.57	0.47
Debt Service Coverage Ratio	3.89	13.01
Interest Service Coverage Ratio	6.96	11.53
<b>Liquidity Ratios</b>		
Current Ratio	1.37	1.68
Inventory Turnover Ratio (times)	1.80	1.96
Trade Receivables Turnover Ratio (times)	12.55	16.43
<b>Earnings and Dividend Ratios</b>		
Dividend %	400	950
Earnings Per share (₹)	6.03	11.09
Book Value Per share (₹)	164	162.36
P / E Multiple	90.50	42.26

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is required to give details of significant changes (change of 25% and more as compared to the immediately previous financial year) in key financial ratios.

Ratios where there has been significant change from the financial year 2022-23 to 2023-24:

- Decrease in Operating Profit Margin, PAT / Sales %, Return on Equity and Earnings per Share is mainly on account of decrease in profitability due to of policy changes on Ethanol, sugar exports, lower recovery due to climatic changes and plant down time in the current year.
- Increase in Debt Equity Ratio, Outside Liabilities / Net Worth ratio is due to higher borrowings for expansions and increased working capital.
- The decrease in Debt Service Coverage Ratio is due to higher repayments of borrowings and lower EBITDA and decrease in Interest Service Coverage Ratio is on account of lower EBITDA.
- Increase in Trade Receivables Turnover Ratio is due to change in sales channel mix and reduction in exports due to Government Policy.
- Increase in PE multiple is on account of reduction in EPS due to reduced profitability.

## RISK MANAGEMENT

The year commenced with the effect of El Nino looming over the Global monsoon. The overall sugar production volume coming down in the country, and changes to Government policy on diversion to Ethanol, meant that the Company had to be agile and adapt in the changing business landscape. The call for a resilient organization to withstand the onslaught, continue to reinvent itself and look out for opportunities to grow was never more needed.

A robust Risk Management Framework, across various levels of the organization, is in place and operating:

- to anticipate, measure and evaluate business risks & opportunities,
- identify & adopt mitigating strategies thereby achieving business objectives with minimum adverse impact. These are discussed with the Risk Management Committee on a periodic basis.

Risk Category	Risk	Mitigation Plan
Raw Material Availability	Due to the adverse weather conditions, non-availability of water, pests and diseases outbreak and farmers switching to alternate crops for higher remuneration, etc., availability of sugarcane may be impacted thereby diminishing profitability.	The Company connects with farmers continuously by educating them on scientific and sustainable sugarcane cultivation methods besides providing them high yielding sugarcane seeds / saplings that give better yield. The Company also promotes mechanized harvesting for timely harvesting and for making sugarcane a profitable crop by yield improvement. The Cane team is working on reducing the cost of cultivation and increasing the yield per acre, thereby enhancing the income for the farmer. The Company uses the 'Farmers Connect' app for better interaction and speedier support to the farmers. The Company enjoys a good brand value and trust amongst the farmer community by ensuring timely payments and regular interaction with farmers through village meetings, and personal care initiatives. The Company enjoys a preferred partner status with the farming community for sugarcane supply. The R&D initiatives of the Company provides control measures to mitigate and contain pests and diseases.

Risk Category	Risk	Mitigation Plan
Water availability and Management	<p>Water availability - Safe water resource management and groundwater recharge efficiency</p> <ul style="list-style-type: none"> <li>Non availability of water due to monsoon failure</li> <li>Ground water depletion</li> <li>Poor quality of ground water</li> </ul>	<p>Project NANNNEER was launched by the company with AMM Foundation, as a CSR initiative. As of February 2024, the project was able to rejuvenate water bodies in Pudukkottai, Sivagangai, Erode and Cuddalore Districts and bring biodiversity to life, benefiting over 20,000 farmers who now reap the rewards of cultivating their lands multiple times, thanks to the incremental 1.2 billion litres of water into the local ecosystem. The target is to achieve 10 Billion litres by 2026.</p>
Raw Material Pricing	<p>The Central and State Governments decide sugarcane prices in a manner that is not linked to sugar prices. Unviable sugarcane prices may impact the profitability of the Sugar division.</p>	<p>The Company works towards developing appropriate policy recommendations to represent the industry needs to the Government through its membership in Indian Sugar Mill Association (ISMA) and the South Indian Sugar Mills Association (SISMA).</p>
Sugar Price	<p>Increase in FRP without proportionate increase in MSP affecting profitability.</p>	<p>The Company has been increasing its sales volume in Institutional and Retail segment where Sugar is sold at a premium over the Trade channel. Coupled with selling value-added products such as Amrit and Jaggery at better realization, is helping us to improve our overall price realization despite no announcement of increase in MSP by the Government.</p>
Shortage of Harvesting Labour	<p>Non-availability of Migrant Labour for Cane harvesting.</p>	<ul style="list-style-type: none"> <li>Deployment of local harvesting labour and self harvesting.</li> <li>Farmers are being encouraged for wider row planting and for mechanized harvesting.</li> </ul>
Employee Health & Safety	<p>Unsafe practices and work environment leading to safety risks that threatens employee well being</p>	<p>The Company has earmarked funds dedicated for Environment, Health and Safety (EHS) and the said amount is periodically spent for improvement in EHS.</p> <ul style="list-style-type: none"> <li>Capability building exercises are carried out to improve behaviour safety at all levels.</li> <li>Safety Drive through Benchmarking tool is deployed at all units to govern different management systems like Action Tracking System (ATS), Incident &amp; Measurements, Inspection tool, Safety Observations &amp; Concern reporting</li> <li>Road map is laid out for all locations to elevate to Established levels by 2026-27.</li> </ul>
Investment	<p>The Company has invested in Parry Sugars Refinery India Private Limited, a wholly owned subsidiary. Any non- performance of the invested entities will have a risk of sub-optimal return on investment.</p>	<ul style="list-style-type: none"> <li>Periodical review mechanism is in place to monitor the investment risk of the portfolio of assets and to oversee the strategic decision.</li> <li>Greater focus on other possible revenue streams to mitigate from operational challenges.</li> </ul>
Cyber Security	<p>The Company may encounter non-availability of service or failure of multiple systems which may lead to disruption in business operations due to lack of adequate processes, cyber security, back-up and disaster recovery systems.</p> <p>Risks may be encountered during pandemic like COVID-19 scenario due to remote workforce, work-from-home options (WFH), unsecure platforms, network connectivity threats, risks due to increased VPN and mobile device usage for work, etc.</p>	<p>Information Systems, Backup and Disaster Recovery Policies and periodical review of the same are in place. Robust Firewall and Security Event Information Management Systems are in place to monitor all types of security breaches and take corrective measures. Further, user awareness about cyber security risks are being spread by periodical training/information through emails, etc.</p> <ul style="list-style-type: none"> <li>Provided rental / own device systems with adequate software installed.</li> <li>Secure connection (VPN – Virtual Private Network) is made mandatory for accessing applications from remote location.</li> <li>All servers are monitored through SIEM tool (Security Information and Event Management Tool). Logs are analyzed by Murugappa group information security team.</li> </ul>

Risk Category	Risk	Mitigation Plan
		<ul style="list-style-type: none"> <li>All meetings/conferences are being conducted through licensed secured collaboration tool (Microsoft Office 365). Blocked freeware tools like ZOOM, etc.</li> <li>Phishing emails are getting monitored by security team, if any such incidents are identified.</li> </ul>
Regulatory	The Company is required to comply with a number of laws such as Companies Act, SEBI Regulations and the laws pertaining to Contract labour, Taxation, Foreign Exchange, import & Export, Health, Safety and Environment etc. Failure to comply with these regulations could result in penalties and reputational damage. Pandemic like COVID-19 could bring about regulatory changes which could result in operational interruptions, business restrictions.	The Company has implemented a new E-Compliance tool covering legislations viz. Labour Laws, Factory acts, Environment, Health & Safety, Fiscal & Corporate compliances and Core Industry specific compliances. Periodical task trigger alerts, dashboards to users and Functional heads via mail has been configured for ensuring effective compliance.

## INTERNAL FINANCIAL CONTROLS

The Company has aligned its current system of Internal Financial Control (IFC) with the requirement under the Companies Act, 2013 (the Act). The Company has established a robust framework of IFC which includes entity level policies, processes, and operating level standard operating procedures. The Company has a well-established process and clearly- defined roles and responsibilities for people at various levels.

The Company's internal controls are adequate with the size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing consistent financial and operational information, complying with the applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization, and ensuring compliance with policies. Processes for formulating and reviewing annual and long-term business plans have been laid down. The Company uses a state-of- the-art enterprise resource planning (ERP) system SAP, as a business enabler to record data for accounting, consolidation, and management information purposes.

The Internal Audit of the Company is carried out by an external audit firm. In addition, a skeletal in-house team is engaged to carry out specific management assignments. The internal audit is conducted based on the annual audit plan which is reviewed and approved by the Audit Committee. The Internal Audit reports are presented to the Audit Committee on a quarterly basis for review and deliberation.

The Management has assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2024 and found the same to be adequate and effective. The Company carried out its internal audit with both in-house and outsourced Internal Audit teams thus leveraging the business knowledge and process

inherent within the organization while combining it with the expertise of the outsourced auditors in specialized areas.

## SUBSIDIARY COMPANIES

There has been no change in the business of the subsidiaries during the year under review. In accordance with Section 129(3) of the Act, the Company has prepared consolidated financial statements of the Company and all its Subsidiary Companies, which forms part of the Annual Report. A statement containing the salient features of the financial statements of the subsidiary companies, joint ventures and associates are given in **Annexure-A** to this Report.

In accordance with the provisions of Section 136(1) of the Act, the Annual Report of the Company containing the standalone and consolidated financial statements has been placed on the website of the Company, <https://www.eidparry.com/> Further, the audited accounts of the Subsidiary Companies and the related detailed information have also been placed on the website of the Company <https://www.eidparry.com/financials/>. The annual accounts of the Subsidiary Companies will also be available for inspection by any shareholder at the registered office of the Company during working hours up to the date of the Annual General Meeting. A copy of the annual accounts of the subsidiaries will be made available to shareholders seeking such information at any point of time.

### Parry Sugars Refinery India Private Limited (PSRIPL)

Increasing global refined sugar demand coupled with limited exports from India and Thailand, ensured that white premium remained at elevated levels during 2023-24. This enabled most toll sugar refiners to increase their operating rates in FY24. Refined sugar futures price remained inverted throughout the year indicating supply tightness.



PSRIPL continues to be globally renowned as an efficient re-export refiner of sugar, offering a range of quality products for international trade and institutions. PSRIPL recorded its highest ever sales of 8.3 LMT, which is 16% higher than sales of 7.18 L MT in FY 23. With increased customer base and better availability of containers, 23% of the total sale volumes was shipped through containers, which was also an all-time high. Higher sugar prices along with the sales volume growth increased FY 24 turnover to ₹4,384.10 Crores as against ₹2870.20 Crores of FY 23. Improved operating efficiencies and softening of energy and material costs helped PSRIPL to lower its refining cost in FY 24. Higher finance costs due to increase in interest rates and higher borrowings in first half of the year, impacted the bottom line. Stable white premium and consolidating on operational gains made during FY 24 will help PSRIPL to improve its financial performance in FY 25.

During the year, PSRIPL incurred a loss of ₹85 Crores due to higher finance cost and impairment charge on its investments in overseas subsidiary. Parry International DMCC, a wholly owned subsidiary of PSRIPL based out of Dubai recorded a trading revenue of AED 11 Million and a loss of AED 13 Million.

#### US Nutraceuticals Inc.

During the year, the Company's wholly owned subsidiary US Nutraceuticals Inc. achieved sales of US\$ 25 million and in the core Saw Palmetto Business, the company consolidated its market position by enhancing the product portfolio in the hair wellness segment. The approval of the joint health formulation in the Korean market with the backing of clinical research is expected to augment our joint health portfolio in the future. The investment in Science is expected to increase the Company's participation in the larger value pool of the US Dietary supplements market.

#### Alimtec SA

As informed to the Stock Exchanges vide communication dated August 9, 2023, since the operations of Alimtec SA were not viable, the Board approved the sale of assets and dissolution of Alimtec SA. The operations of Alimtec SA was discontinued in FY 24 and the assets including land were disposed off. Steps have been taken to dissolve Alimtec SA as per the applicable laws and regulations laid down in Chile.

#### Coromandel International Limited (CIL)

FY 2023-24 was marked by sub normal monsoon and falling reservoir levels in CIL's key operating markets resulting in lowering crop sowings and agri inputs consumption. Further, the drastic revision in nutrient based subsidy rates in fertilisers during 2<sup>nd</sup> half of the year and high channel inventories in agrochemical markets impacted the overall business performance. Despite the tough scenario, CIL has shown a resilient performance and has taken progressive steps to strengthen its operations during the year. This includes higher Plant capacity utilization, sales volume growth in crop protection, investment in backward integration projects, safe operations and technology adoption through new products & services introductions.

In addition to strengthening its core operations, CIL has forayed into new & adjacent business areas like drones, robotics, specialty chemicals and CDMO, which can be growth drivers for the organization in coming years and can help in diversifying its presence into newer customer segments.

During the year, fourteen new products were launched by CIL to meet the agricultural needs of farmers.

During the year, CIL made investment in robotics-based startup XMachines and acquired majority stake in a drone-based company Dhaksha.

During the year, CIL was ranked within the top 5 percentile of global chemical companies in the Dow Jones Sustainability Indices (DJSI) Corporate Sustainability Assessment (2023), a testament of its progress and commitment towards driving sustainable operations.

In terms of financial performance, CIL's consolidated total income declined by 25% to ₹22,058 Crore, EBITDA de-grew by 15% to ₹2,604 Crore, EBITDA margin was at 12% and net profit declined by 18% to reach ₹1,641 Crore for the year. Net debt-equity ratio stands at zero as of March 31, 2024.

#### Merger of Subsidiaries

The Board of Directors of the Company's Subsidiaries Parrys Investments Limited (PIL), Parrys Sugar Limited (PSL), Parry Agrochem Exports Limited (PAEL) and Parry Infrastructure Company Private Limited (PICPL) at their meetings held on September 5, 2022 had approved the Scheme of amalgamation of PIL, PSL and PAEL with Parry Infrastructure Company Private Limited (PICPL). During the year, the Scheme of Amalgamation of PSL, PAEL and PIL (Transferor Companies) with PICPL (Transferee Company) was approved by the NCLT, Chennai Bench on July 28, 2023 and September 20, 2023. Consequent to filing of the certified order copies along with the Scheme with the respective Registrar of Companies on October 10, 2023, the Scheme became effective from October 10, 2023.

#### JOINT VENTURE COMPANY

##### Algavista Greentech Private Limited (AGPL)

The Company's joint venture Algavista Greentech Private Limited (AGPL) developed various grades of Natural blue color (Phycocyanin) through specific manufacturing processes, enabling AGPL to cater to different product specification requirements of the market. With these efforts, AGPL enlarged its customer base and built business relations with major colour distributors and food manufacturing companies. In addition to the colors segment, Phycocyanin continued to be promoted as a nutraceutical ingredient based on its superior anti-inflammatory properties. To improve its manufacturing capability, AGPL has been constantly working to improve productivity with lower cost of production.

Over the years, AGPL has not been performing well due to the lower market price of phycocyanin. Originally, at the time of project initiation, AGPL had assumed a price of \$250 per Kg for Phycocyanin after benchmarking the market rate of \$250 to \$300 per Kg (in 2017-18). In the last couple of years, the market dynamics has changed in

terms of supply of Phycocyanin due to the entry of Chinese players who have extended their portfolio from Spirulina to Phycocyanin (downstream processing). As per the current market scenario, the supply of Phycocyanin is almost double i.e. 600 MT against a demand of 300 MT annually across the globe.

This huge gap in supply and demand created a surplus of Phycocyanin and therefore the market prices crashed from \$250 per Kg to nearly about \$100 per kg in the last couple of years. The current prices offered by majority of the companies from China to Color Houses is in the range of \$70 per Kg. This has adversely affected the operations of AGPL. AGPL incurred an accumulated loss of ₹48.33 Crore as on March 31, 2024.

Consequently, AGPL has re-assessed the extent of operations based on current market conditions, outlook and pricing patterns and it was decided to shut down the operations by closing hours of March 31, 2024, as its operations were no more viable. AGPL has also decided to sell its immovable properties as well as other assets like P&M, either on a consolidated or piecemeal basis and AGPL ultimately would be dissolved or sold to potential buyers.

## HUMAN RESOURCES

In line with the organizational imprint of leading a Happy and Energetic Company which works collaboratively with Focus, Transparency and Humility to consistently deliver business results on a sound foundation of ESG, leveraging human capital is a key business imperative and the principle of always putting people first guides the Company's policies. Our employees bring strength, dynamism, energy and innovative ideas to work every day. To achieve our goals, we prioritize the well-being and development of our employees. We provide them with a sense of purpose and invest in their professional growth. Parry's People vision of 'Enriching organizational capability through a collaborative culture and by infusing digital solutions on the people process to reach superior business performance' is delivered by a high level of policy deployment initiatives and contemporary HR practices focusing on three key imperatives: Capability Development, Employee Experience and Business HR.

The Company scales up capabilities across various functions by creating specialist knowledge / subject matter experts in sugar, distillery, co-generation and value-added products to enhance efficiencies. We have initiated partnerships with renowned content providers and new learning platforms to offer more choices to learners and enhance their upskilling experience. Interventions were carried out to enhance the capabilities of executives, especially the team, through individual development plans, etc. With these efforts and many more, almost the entire employee base was impacted through one or more learning interventions.

The Company is committed to providing a happy, nurturing ecosystem for the employees, an ecosystem that is not only empowering, but also builds capabilities to help them to meet the challenges of a fast changing, dynamic, world environment. As part of SMILE@WORK, the company's relaunched its signature program

of Rewards & Recognition - Employee of the month and Spot Recognition. The Company believes that a motivated employee with a passion for innovation in a given environment of learning and growth would engage and succeed in all initiatives.

As on March 31, 2024, the total number of permanent employees on the rolls of the Company stands at 2319.

Throughout the year, the Industrial Relations scenario was peaceful, and we continuously addressed union grievances. We successfully arrived at the Long-Term Wage Settlement at the Nellikuppam unit with the staff union.

## Prevention of Sexual Harassment at Workplace Policy

The Company has in place a policy on the prevention of sexual harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaint Committee is in place to redress the complaints received regarding sexual harassment. All employees are covered under this policy. During the year, two complaints were received and acted upon.

## AWARDS & ACCOLADES

During the year, the Company received the following Awards.

1. Best Sugar Plant in Private Sector at the Sugar and Ethanol International Awards (SEIA) 2024.
2. FICCI Sustainable Agriculture Awards 2023 in the distinguished category of 'Large Corporates' at the 3<sup>rd</sup> FICCI Sustainable Agriculture Summit held at New Delhi.
3. Best Employer Brand in Tamil Nadu for 2023
4. The Company won Silver Award in Arogya World Healthy Workplace Assessment held on July 19, 2023, Wednesday. Assessment conducted by Arogya's World. Arogya World is a NGO serving to build Healthy workplace around the world.
5. Nellikuppam Unit received the award in silver category from CII for Commitment to Excellence on their EHS Practices for the FY 2023-24, award received on May 15, 2024.
6. Bagalkot Unit received the SISSTA Best Technical efficiency Silver Award in the Karnataka region for the year 2022-23.
7. Haliyal unit received Gold Award under the category of Best Cogeneration for FY 2022-23 by SISSTA, at Chennai. Award was given on 30<sup>th</sup> September 2023.
8. Parry Nutraceuticals—Oonaiyur secured the Bronze Award at the esteemed 15<sup>th</sup> edition of the CII-SR EHS Excellence Award 2022, showcasing its commitment to excellence in EHS.
9. Parry Nutraceuticals—Oonaiyur received the 3<sup>rd</sup> position in the special category award in the category of Environment Restoration for sustainable water and raw material usage in manufacturing and Project NANNNEER initiatives beyond the boundary at the 15<sup>th</sup> edition of the CII-SR EHS Excellence Awards 2022.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per the provisions of Section 152 of the Act read with the Articles of Association of the Company, Mr. Sridharan Rangarajan (DIN: 01814413) Director, retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for reappointment. The requisite details in this connection are provided in the Notice convening the meeting.

The Board of Directors at their meeting held on February 6, 2024, on the recommendation of the Nomination and Remuneration Committee and the shareholders vide their resolution dated March 17, 2024, through postal ballot approved the reappointment of Mr. S. Suresh (DIN: 06999319) as a Managing Director, for the period from August 1, 2024, till April 15, 2026.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under section 149(6) of the Act and comply with Regulations 16 & 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Mr. S. Suresh, Managing Director, Mr. Y. Venkateshwarlu, Chief Financial Officer\* and Mr. Biswa Mohan Rath, Company Secretary, are the Key Managerial Personnel of the Company as per Section 203 of the Act. During the year, Mr. Sridhar A stepped down as the Chief Financial Officer of the company from the closing hours of August 31, 2023. There were no resignations of Directors or KMP during the year under review.

\*w.e.f. September 1, 2023

### Number of Meetings of the Board

Six Meetings of the Board of Directors were held during the year, the details of which are given in the Corporate Governance Report.

### Board evaluation

The performance of Committees of the Board and also the directors individually was evaluated in accordance with the Act and Listing Regulations. The manner in which the evaluation was carried out and the process adopted has been given in the Corporate Governance Report.

### Expertise of Independent Directors

In terms of the requirement of Listing Regulations, and Rule 8(5) (iia) of the Companies (Accounts) Rules, 2014, the Board has identified core skills, expertise and competencies of the Directors in the context of the Company's business for effective functioning and how the current Board of Directors is fulfilling the required skills and competences. This is detailed at length in the Corporate Governance Report.

## Policy on Directors' Appointment and Remuneration and Other Details

The Board has on the recommendation of the Nomination and Remuneration Committee (NRC), framed a policy for the selection and appointment of directors, senior management and the criteria for determining the qualifications, positive attributes and independence of directors, including fixing their remuneration.

The Remuneration Policy and criteria for Board nominations are available on the Company's website at <https://www.eidparry.com/wp-content/uploads/2023/02/Remuneration-Policy.pdf>

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) and 134(5) of the Act, your Directors, to the best of their knowledge, belief and according to information and explanations obtained from the management, confirm that:

- In the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed and there are no material departures therefrom;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the year ended on that date;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis;
- they have laid down proper internal financial controls to be followed by the Company and such controls are adequate and operating effectively and;
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## AUDITORS AND AUDITORS' REPORT

### Statutory Auditors

M/s. Price Waterhouse Chartered Accountants LLP, (FR No. 012754N/ N500016) Chennai, were appointed as Statutory Auditors of the Company by the shareholders at the 47<sup>th</sup> Annual General Meeting held on August 9, 2022, to hold office up to the conclusion of the 52<sup>nd</sup> Annual General Meeting. There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors on the financial statements in their report for the year 2023-24 except the following observations:



The Company uses two accounting software, SAP for maintaining its books of accounts and the iCMS for cane management.

Auditor's Observation	Management Response
<p>For one accounting software (SAP), the audit trail is not maintained at the application level for modification, if any, by the IT administrator with specific access and for direct database changes.</p>	<p>ERP – SAP HANA, which is the key accounting software implemented by the Company for maintaining books of account has feature of recording audit trail at transaction level. As per the Statutory Auditors, SAP HANA has no feature of the audit trail being maintained at the application level for modification, if any, by the IT administrator with specific access and for direct database changes. The Company discussed the matter with SAP and they have provided the following response.</p> <p>SAP software provides a full audit trail, logging and evaluating all changed data in the system. Accounting documents are recorded for all business transactions. To ensure a comprehensive audit trail, SAP provides the following standard functionality:</p> <ul style="list-style-type: none"> <li>▪ No posting without a document</li> <li>▪ Changes to the posted documents cannot be done</li> <li>▪ Unique identification of an accounting document</li> <li>▪ Authorization concept to ensure that only authorised users can make document postings.</li> <li>▪ Consistency checks in the software</li> <li>▪ General Ledger account master data which displays changes to keep control of the same.</li> <li>▪ Transport of changes on request basis to further track the changes performed in the system.</li> </ul> <p>To provide evidence of strong Internal Controls being implemented and operating, SAP Financial Compliance Management can be used for documenting the necessary controls environment, monitoring inconsistencies in operating procedures or policy; anything factually wrong; potential fraud; illegal activity; and demonstrating adoption of best practices across financial and operational processes.</p> <p>Though the said response was provided by SAP, the Company explored various avenues/alternatives, which could possibly be implemented to ensure audit trail at a database level as suggested by the Statutory Auditors. Some suggestions were also given to implement, where there could be a trigger for audit trail at the database level. However, there were certain limitations for such implementation as SAP HANA may withdraw the product support, if any such controls are implemented. The issue with the implementation of audit trail in the SAP HANA system at the database level is prevalent across the industry and the software vendor has yet to provide any solution as advised by the Statutory Auditors. The Company has further taken up the matter with SAP.</p>
<p>For another accounting software, (iCMS) the audit trail feature was enabled from January 30, 2024</p>	<p>This is an inhouse developed software for cane management called i-Cane Management System (iCMS). With the new requirement of audit trail, the said feature was developed and implemented and subsequently activated during the year.</p>

## Cost Auditors

In terms of Section 148 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, cost audit is applicable to company's businesses of sugar, distillery, and co-generation of power. The accounts and records for the above applicable businesses are prepared and maintained by the Company as specified by the Central Government under sub-section (1) of Section 148 of the Act.

The Board of Directors, on the recommendation of the Audit Committee, have appointed M/s. Narasimha Murthy & Co., Cost Accountants, as the Cost Auditors to audit the cost accounting records maintained by the Company for the financial year 2024-25 on a remuneration of ₹10,00,000 (plus out of pocket expenses and applicable taxes).

A resolution seeking members' ratification for the remuneration payable to the Cost Auditor forms part of the notice convening the Annual General Meeting.

The cost audit report for the financial year 2022-23 has been filed with the Ministry of Corporate Affairs. The cost audit report for the financial year 2023-24 would be filed with the Ministry of Corporate Affairs as per the provisions of the Act.

## Secretarial Auditors

The Board has appointed M/s. R Sridharan & Associates, Practicing Company Secretaries, Chennai as the Secretarial Auditors to undertake the Secretarial Audit of the Company for the year 2023-24. The Report of the Secretarial Auditors is provided in **Annexure-B** to this Report.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Secretarial Auditors in their report for the year 2023-24.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's CSR Projects are focused on creating a positive impact on the lives of communities from less-privileged background living around the company's manufacturing facilities and cane command area. The following are key CSR initiatives undertaken during the last financial year.

### Healthcare

Under healthcare initiatives, the company's major purpose was to enable the rural populace receive quality basic medical care service at their individual villages, consequently projects were planned and implemented across the production sites. Wellness on Wheels and Rural Health Centre are key projects implemented under health care providing medical care to villagers throughout the year. In both projects a medical team comprising of a doctor, paramedic, pharmacist, and a social worker visited the targeted villages on a regular basis and provided medical diagnosis and treatment along with prescribed medicines at free of cost.

In addition to these two projects, specialized eye camps were conducted to sensitize the community on the importance of eye

care, extended support for cataract surgery, and provided spectacles at no cost.

### Education / Skill Development

Education remains an important CSR priority for the company, and it has developed CSR projects aimed at boosting education in the villages surrounding its production plants. The COVID 19 pandemic increased the grade level gap among kids attending government-run schools in rural areas, as most students did not receive proper education during the two-year pandemic. The Company through its CSR initiatives established evening study centres in select areas, providing after-school education help to kids in grades one through ten. Through this effort, rural kids received additional training to understand and learn about ordinary academics, as well as coaching in science, mathematics, and english through engaging specialist tutors. Furthermore, to stimulate and encourage rural pupils, special workshops on arts and crafts were held at these evening study centres.

With the aim of improving the quality of infrastructure at rural schools, the Company continued to support by providing educational aids like computers & accessories, lab equipment, smart boards, renovated classrooms, and constructed rest rooms for the students. To facilitate the rural students to continue their higher education, the Company provided scholarship for deserving students from less-privileged background.

### Rural Development & Eradicating Hunger

The Company has always played an important role in aiding communities. During the year, food and groceries were distributed to the people affected by the sudden and incessant rains causing floods in Tamil Nadu, affecting livelihood. Community development projects were also carried out in the villages near and around the units. As part of its Rural Development program, the Company renovated village infrastructure in nearby villages, enabling people to have access to excellent drinking water year-round by creating RO facilities, repairing existing drinking water sources, and building water storage tanks.

### Sports for Development

Through this project, we used sports as a medium to motivate and encourage rural youth and to bring social change among them. Sports are no longer considered as a leisure activity: rather, they are regarded as an important aspect in molding an individual's personality. Youth from villages around the units were on nationally recognized sports by engaging specialist coaches and further facilitated them to compete in state and national level tournaments. In addition, support was extended to the development of sports training facilities, kits, and training materials. Along with sports training, these young adults were taught life skills, to help them to lead successful lives in all aspects.

### Project NANNNEER

The Company embarked on an innovative community water resource management initiative called Project NANNNEER. With support from the Murugappa group's charitable arm, AMM

Foundation, and assistance from Siruthuli, a Coimbatore-based Non-Government Organization, the project aims to transform water conservation efforts.

In the first phase, seven lakes and ponds in the Oonaiyur area (Pudukkottai and Sivagangai districts) were desilted across 250 acres (with depths of 1-3 meters). The excavated soil was used to strengthen the bunds, and excess soil was utilized to create islands. The second phase extended to twelve lakes and ponds in the Erode and Tiruppur districts. Approximately 1100 million litres of water were conserved in Phase I and II, benefiting directly and indirectly more than 21000 farmers. Bio-fencing was established through local planting, watering, and maintenance. A feasibility study is underway to expand this initiative to states like Andhra Pradesh and Karnataka.

Given the increasing anthropogenic pressures on habitats, wetlands are disappearing, making their conservation critical for biodiversity and humanity. Project NANNNEER contributes to wetland restoration and enhances ecological functions. The company collaborated with the Salem Ornithological Foundation to facilitate year-round birdwatching around rejuvenated water bodies in Oonaiyur-Pudukkottai and Sivagangai districts. Species richness and abundance were calculated using the total count method, and bird observations were uploaded to eBird—an international citizen science repository for ornithological data. Additionally, a new biodiversity collection project was proposed in the iNaturalist database to document non-avian species observations. Notably, a month of bird monitoring yielded valuable insights at Vadakudipatti Kanmai, Chettiyan Kanmai (Sivagangai), Kanapettai Kanmai, Panangudi Kanmai, and Oonaiyur Big Tank (Pudukkottai).

The Company constituted a CSR Committee in accordance with Section 135 of the Act. The CSR Committee has formulated and recommended to the Board a CSR Policy indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy can be accessed on the Company's website at <https://www.eidparry.com/wp-content/uploads/2023/03/CSR-Policy.pdf>.

As per the provisions of the Act, the Company was required to spend ₹1,16,99,333/- towards CSR for the year 2023-24. The Company has been actively involved in various CSR initiatives and an amount of ₹3,60,89,848/- was spent towards CSR activities during the year 2023-24. The Annual Report on CSR activities is given in **Annexure-C** to this Report.

## RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered into by the Company during the financial year with the related parties were on arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with promoters, directors, key managerial personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

During the year, the Company has not entered into any contracts or arrangements with related parties as referred to in sub-section (1) of Section 188 of the Act.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2023-24 and hence does not form part of this report.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained on a yearly / quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are placed on a quarterly basis before the Audit Committee for their review.

The policy on Related Party Transactions as approved by the Board is available at the web link: <https://www.eidparry.com/wp-content/uploads/2024/02/RPT-Policy-website.pdf>

## EMPLOYEE STOCK OPTION SCHEME

The Company had in the past approved an Employee Stock Option Scheme 2007 (ESOP Scheme 2007), under which employees were granted Options. The Company made grants under the said Scheme from 2007 to 2011. There were no vested options outstanding at the end of the financial year, and there will be no grants issued under the ESOP Scheme 2007.

The Company has introduced Employee Stock Options Plan, 2016 (ESOP 2016) during the year 2016-17. The ESOP 2016 was approved by the Board at its meeting held on November 7, 2016, and by the shareholders of the Company by way of a special resolution through a Postal Ballot on January 21, 2017. The Shareholders had authorised the Board/ Nomination and Remuneration Committee (NRC) to issue to the employees, such number of Options under the ESOP 2016, as would be exercisable into not exceeding 35,17,000 fully paid-up equity shares of Re. 1/- each in the Company. NRC is empowered to formulate the detailed terms and conditions of the ESOP 2016, administer and supervise the same. The specific employees to whom the Options are granted and their eligibility criteria is determined by the NRC. Further, the NRC is empowered to determine the eligible subsidiary companies, whether existing or future, whose employees will be entitled to stock options under this Scheme. Options granted under this ESOP 2016 would vest on or after 1 (one) year from the date of grant but not later than 4 (four) years from the date of grant of such Options or any other terms as decided by the NRC.

During the year 1,34,818 options were granted and the total number of options unvested, vested and outstanding as at March 31, 2024, was 8,50,544. The details of Options granted upto March 31, 2024, and other disclosures as required under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is available on the Company's website at <https://www.eidparry.com/financials/>.

The Company has received a certificate from the Secretarial Auditors of the Company that the above referred Scheme had been implemented in accordance with the Securities and Exchange board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolutions passed by the Members in this regard.



## CORPORATE GOVERNANCE

The report on corporate governance along with certificate from a practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under the Listing Regulations is annexed to this Report. The report also contains details required to be provided on the board evaluation, remuneration policy, implementation of risk management policy, whistle-blower policy / vigil mechanism, etc.

The Managing Director and the Chief Financial Officer have submitted a certificate to the Board regarding the financial statements and other matters as required under Regulation 17(8) read with Schedule II of Part B of the Listing Regulations.

## TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) all dividends, which remains unpaid or unclaimed for a period of seven years are required to be transferred by the Company to the IEPF established by the Central Government. Further, according to the IEPF Rules, the shares in respect of which dividend has not been encashed by the shareholders for seven consecutive years or more are also required to be transferred to the Central Government (Demat account created by the IEPF Authority).

Accordingly, the Company has transferred the unclaimed and unpaid dividends as well as the corresponding shares as per the requirements of the IEPF Rules, details of which are provided on our website, at <https://www.eidparry.com/unpaid-unclaimed-dividend/>

During the year, the Company has not transferred any amount to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has transferred an amount of ₹96,28,152 on April 22, 2024 being the unclaimed dividend (interim) for the year 2016-17 to the IEPF. The Company has also transferred 274,021 Equity Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more as enunciated under Section 124 (6) of the Companies Act, 2013.

## DISCLOSURES

### Audit Committee

The Audit Committee comprises of Mr. S. Durgashankar, Independent Director as the Chairman, Dr. (Ms) Rca Godbole, Independent Director, Mr. Ajay B. Baliga, Independent Director and Mr.M.M. Venkatachalam, Non-Executive, Non-Independent Director as members.

### Corporate Social Responsibility (CSR) Committee

The CSR Committee comprises of Mr. M. M. Venkatachalam, Non- Executive, Non-Independent Director, as the Chairman,

Mr. T. Krishnakumar, Independent Director and Mr. S. Suresh, Managing Director as members.

### Stakeholders Relationship Committee

The Stakeholders Relationship Committee (SRC) comprises of Mr. M.M. Venkatachalam, Non-Executive, Non-Independent Director as the Chairman, Mr.T.Krishnakumar, Independent Director, Mr. S. Suresh, Managing Director and Mr. Ramesh K B Menon, Non-Executive Non- Independent Director as members.

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) comprises of Mr. Ajay B. Baliga, Independent Director, as the Chairman, Dr. (Ms) Rca Godbole, Independent Director and Mr. Ramesh K B Menon, Non-Executive, Non-Independent Director as members.

### Risk Management Committee

The Risk Management Committee comprises Mr. S. Durgashankar, Independent Director, as the Chairman, Mr. S. Suresh, Managing Director, Mr. Ajay B. Baliga, Independent Director and Mr. M. M. Venkatachalam, Non-Executive, Non-Independent Director as members.

### Vigil Mechanism & Whistle Blower Policy

The Company has a Vigil Mechanism for directors and employees to report genuine concerns and grievances which provides necessary safeguards against victimisation of employees and directors.

The Audit Committee reviews on a quarterly basis the functioning of the Whistle Blower and vigil mechanism. The Vigil Mechanism and Whistle Blower Policy have been posted on the Company's website at [www.eidparry.com/wp-content/uploads/2023/02/Whistleblower-Policy-and-Vigil-Mechanism.pdf](http://www.eidparry.com/wp-content/uploads/2023/02/Whistleblower-Policy-and-Vigil-Mechanism.pdf) and the details of the same are given in the Corporate Governance Report.

### Business Responsibility and Sustainability Report (BRSR)

Pursuant to Regulation 34(2)(f) of the Listing Regulations and SEBI circular no. SEBI/LAD-NRO/GN/2021/2 dated May 5, 2021, and SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, your Company provides the prescribed disclosures in Environmental, Social and Governance ("ESG") parameters called the Business Responsibility and Sustainability Report ("BRSR") which includes performance against the nine principles of the National Guidelines on Responsible Business Conduct and the report under each principle which is divided into essential and leadership indicators.

### Dividend Distribution Policy

Pursuant to Regulation 43A of Listing Regulations, the top 1000 listed Companies are required to formulate a Dividend Distribution Policy. The Company's Dividend Distribution Policy as approved by the Board is available on the Company's website at [www.eidparry.com/wp-content/uploads/2023/02/Dividend-Distribution-Policy.pdf](http://www.eidparry.com/wp-content/uploads/2023/02/Dividend-Distribution-Policy.pdf)

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

The particulars relating to conservation of energy, technology absorption, research and development, foreign exchange earnings and outgo as required to be disclosed under Section 134 (3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure - D** to this Report.

## Loans, Guarantees and Investments

During the Financial Year, the Company has given loans, guarantees to subsidiaries within the limits as prescribed under Section 186 of the Act. Details of Loans and Guarantees are given in **Annexure - E** to this Report.

## Particulars of Employees and Related Disclosures

The information relating to employees and other particulars as required under Section 197 of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members, excluding the information on employees, particulars of which are available for inspection by the Members at the Registered Office of the Company during the business hours on all working days of the Company upto the date of the forthcoming Annual General Meeting. If any member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in the said regard.

The disclosure with regard to remuneration as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached and forms part of this Report as **Annexure - F**.

## Insolvency and Bankruptcy Code

During the year 2021-22, an application was filed under section 9 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016) (IBC) against the Company before the National Company Law Tribunal (NCLT), Chennai. The Petitioner had claimed that it had not received payment from the farmers for the alleged supply and installation of irrigation systems to the farmers in the Company's Command area during the year 2010-11, for which the Company stood as a guarantor. The NCLT, Chennai, vide its order dated July 11, 2023, has dismissed the said application. The petitioner has now filed an appeal before the National Company Law Appellate Tribunal. No application under IBC was initiated by the Company as on March 31, 2024.

There was no instance of one-time settlement with any Bank or financial institutions.

## Annual Return

In terms of Section 92 of the Act, the Annual Return of the Company in Form MGT-7 is placed on the website of the Company and can be accessed at <https://www.eidparry.com/shareholders-meeting/>

## Compliance of Secretarial Standards

The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government as required under Section 118(10) of the Act.

## GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOP referred to in this Report.

The Managing Director of the Company does not receive any remuneration or commission from any of Company's subsidiaries.

No significant or material orders were passed by the Regulators or Courts or Tribunals, which impact the going concern status of the Company and its operations in future. There are no material changes and commitments, affecting the financial position of the Company which have occurred between March 31, 2024, and the date of this report.

## ACKNOWLEDGEMENT

The Board places on record, its appreciation for the valuable support and cooperation received from bankers, business associates, lenders, financial institutions, shareholders, various departments of the Government of India, as well as the State Governments, the farming community and all our other stakeholders. The Directors acknowledge and would like to place on record the commitment and dedication on the part of the employees of your Company for their continued efforts in achieving optimum results.

On behalf of the Board

Place: Chennai  
Date: May 24, 2024

**M.M.Venkatachalam**  
Chairman  
DIN: 00152619

## Annexure – A to the Board's Report

Statement containing salient features of the financial statements of subsidiaries, joint ventures and associates pursuant to Section 129(3) read with Rule 5 of Companies (Accounts) Rules, 2014.

### PART A - SUBSIDIARIES

₹ in Lakh except Exchange Rate

S.No	Name of subsidiary company	Reporting Currency	Reporting period	Exchange Rate	Share Capital	Reserves & Surplus	Total Liabilities <sup>^</sup>	Total Assets #	Total Income (incl. other income)	Profit/ (Loss) Before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend (Incl. Dividend Tax)	Investments (included in Total Assets)	Percentage of shareholding
1	Coromandel International Limited	INR	Mar 31, 2024	-	2,944	9,37,379	6,27,854	15,68,177	2,230,830	227,248	55,323	171,925	17,667	111,824	56.19
2	Coromandel Chemicals Limited	INR	Mar 31, 2024	-	4,553	1,761	18,981	25,295	549	(798)	-	(798)	-	15,660	56.19
3	CFL Mauritius Ltd	USD	Mar 31, 2024	82.18	10,281	(10,189)	15	107	*	(31)	-	(31)	-	7	56.19
4	Coromandel Brasilia Ltda	BRL	Mar 31, 2024	15.66	471	(554)	189	106	498	97	22	75	-	25	56.19
5	Coromandel Technology Limited	INR	Mar 31, 2024	-	25,005	5,725	1,554	32,284	16	(182)	3	(185)	-	31,885	56.19
6	Coromandel Australia Pty Ltd	AUD	Mar 31, 2024	54.97	41	(42)	2	1	8	(2)	-	(2)	-	1	56.19
7	Sabero Organics America S.A.	BRL	Dec 31, 2023	16.24	928	(878)	3	52	91	(24)	-	(24)	-	-	56.18
8	Sabero Argentina SA	ARS	Mar 31, 2024	0.39	17	(17)	1	-	-	-	-	-	-	-	53.38
9	Parry Infrastructure Company Private Limited	INR	Mar 31, 2024	-	757	1,844	845	3,446	258	114	28	86	-	2,356	100.00
10	Parry America Inc	USD	Mar 31, 2024	82.18	38	2,254	4,289	6,581	5,036	77	6	71	-	-	56.19
11	US Nutraceuticals Inc	USD	Dec 31, 2023	83.35	9,653	(6,979)	13,862	16,536	17,858	2,114	19	2,095	-	-	100.00
12	Labelle Botanics LLC	USD	Dec 31, 2023	83.35	677	2,941	132	3,750	5,431	276	-	276	-	-	100.00
13	Parry Sugars Refinery India Private Limited	INR	Mar 31, 2024	-	34,559	(87,847)	2,20,737	1,67,449	4,41,531	(8,452)	-	(8,452)	-	401	100.00
14	Alimtec S A	CHP	Mar 31, 2024	0.09	5,176	(5,148)	788	816	1,089	20	-	20	-	-	100.00
15	Parry International DMCC	AED	Dec 31, 2023	22.69	3,000	(8,678)	8,669	2,991	26,846	(2,906)	-	(2,906)	-	-	100.00
16	Coromandel Agronegocios De Mexico S A De CV.	MXN	Dec 31, 2023	4.56	29	223	21	272	199	13	-	13	-	-	56.19
17	Dare Ventures Limited	INR	Mar 31, 2024	-	5,172	2,095	25	7,292	195	151	(46)	197	-	2,982	56.19
18	Coromandel International (Nigeria) Limited	Naira	Dec 31, 2023	0.18	23	(34)	33	22	79	(21)	-	(21)	-	-	56.18
19	Coromandel Mali SASU	CFA	Mar 31, 2024	0.14	7	0	-	7	-	*	-	*	-	-	56.19
20	Dhaksha Unmanned Systems Private Limited	INR	Mar 31, 2024	-	1	3,153	9,735	12,889	4,141	(239)	(528)	289	-	-	28.66
21	Coromandel Solutions Limited*	INR	Mar 31, 2024	-	50	(1)	-	49	-	(1)	-	(1)	-	-	56.19

<sup>^</sup> (Non-current liabilities + Current liabilities)

# (Non-current assets + Current Assets)

\* Less than a Lakh



## PART B: JOINT VENTURE & ASSOCIATES

Name of the Entity	Yanmar Coromandel Agrisolutions Pvt. Ltd.	Algavista Greentech Private Limited	Sabero Organics Philippines Asia Inc.	Baobab Mining and Chemicals Corporation, S.A.
Relationship	Joint Venture	Joint Venture	Associate	Associate
Latest audited/unaudited balance sheet	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
Number of shares held	1,60,00,000	2,97,00,000	4,212	2,25,000
Amount of Investment (₹ in Lakh)	160	2,970	*	15,660
% of shareholding	22.00	50.00	22.48	25.29
Networth attributable to the Company (₹ Lakh)	995	554	5	5,834
Profit/(loss) considered in consolidation (₹ Lakh)	58	(141)	(8)	(2,594)

\*less than a Lakh

Notes:

1. All the joint ventures/associates have been considered for consolidation.
2. In case of Sabero Organics Philippines Asia Inc., an Associate there is significant influence due to percentage of voting share capital.

## Annexure – B to the Board's Report

## Secretarial Audit Report

### For the financial year ended 31<sup>st</sup> March, 2024

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended]**

The Members,

**E.I.D.- PARRY (INDIA) LIMITED**

CIN: L24211TN1975PLC006989

"Dare House" Parrys Corner,

Chennai – 600001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **E.I.D.-PARRY (INDIA) LIMITED** [Corporate Identification Number: L24211TN1975PLC006989] (hereinafter called "the Company") for the financial year ended 31<sup>st</sup> March, 2024. 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 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 31<sup>st</sup> March, 2024 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 31<sup>st</sup> March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Company has complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment. There was no Foreign Direct Investment and External Commercial Borrowings during the year under review;
- (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; (Not applicable during the year under review);
  - e) The Employee Stock Option Plan, 2016 approved under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 & the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable during the year under review);
  - f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable during the year under review);
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable as the company is not registered as Registrar to an Issue and Share transfer Agent during the year under review);
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable during the year under review); and
  - i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (Not applicable during the year under review);
- (vi) The Management has identified and confirmed the following Laws as being applicable to the Company –

- The Factories Act, 1948;
- Acts and Rules relating to Sugar industries including The Sugarcane (Control) Order, 1966, Sugar (Control) Order, 1966, and The Sugar (Packing and Marking) Order, 1970;
- Labour Laws and other incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, dispute resolution welfare, provident fund, insurance, compensation etc;
- Industries (Development and Regulation) Act, 1951;
- Acts relating to consumer protection including The Competition Act, 2002;
- Acts and Rules relating to prevention and control of pollution;
- Acts and Rules relating to Environmental protection and energy conservation;
- Acts and Rules relating to Electricity, motor vehicles, explosives, Boilers etc.;
- Acts relating to protection of IPR;
- The Information Technology Act, 2000;
- The Legal Metrology Act, 2011;
- The Food Safety and Standards Act, 2006;
- Land revenue laws and
- Other local laws as applicable to various plants and offices;

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance of laws as mentioned above.

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

- i. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) (Revised effective from October 1, 2017) and the Guidance Note on Meetings of the Board of Directors and General Meetings (revised) issued by The Institute of Company Secretaries of India.
- ii. The Uniform Listing Agreement entered with BSE Limited and National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (here in after referred as "Listing Regulations")

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

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors,

Non-Executive Directors, Woman Independent Directors and Independent Directors. The changes in the composition of the Board of Directors pertaining to re-appointment of Independent Director that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice is given to all directors before schedule of the Board/ Committee 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. Meetings which are convened at shorter notice and agenda/ notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Meeting of the Board of Directors are complied with.

During the year under review, Directors/ Members have participated in the Board/ Committees meetings through video conferencing, such meetings were in compliance with the provisions of Section 173 (2) of the Act read with Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors/ Committee Members and no Director/ Members of the Committee dissented on the decisions taken at such Board/ Committee Meetings. Further, in the minutes of the General Meetings, the numbers of votes cast against the resolution(s) by the members have been recorded.

**We further report that** based on review of compliance mechanism established by the Company and on basis of the Compliance certificates issued by the Chief Financial Officer and Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws.

**We further report that** the above mentioned Company being a listed entity this report is also issued pursuant to Regulation 24A of the Listing Regulations as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> February, 2019 issued by Securities and Exchange Board of India.

**We further report that** as per the information and explanations provided by the Management, the Company does not have any Material Unlisted Subsidiary(ies) Incorporated in India as



defined in Regulation 16(1)(c) and Regulation 24A of the Listing Regulations as amended during the period under review.

We further report that during the audit period, the Company has:

1. Obtained approval of Board of Directors at their meeting held on 9<sup>th</sup> August, 2023 for sale of assets and dissolution of Alimtech SA, Wholly owned subsidiary of the Company.
2. Obtained approval of Board of Directors at their meeting held on 9<sup>th</sup> August, 2023 for Issuance of Corporate Guarantee to State Bank of India for borrowing of ₹650 crores by Parry Sugars Refinery India Private Limited.
3. Obtained approval of Board of Directors at their meeting held on 6<sup>th</sup> February, 2024 for borrowings made through commercial paper of ₹950 crores and short term unsecured loans of ₹1200 crores.
4. Obtained approval from the Board of Directors at their meeting held on 6<sup>th</sup> February, 2024 for reclassification of certain persons belonging to the Promoters/Promoter Group of the Company to "Public" Category pursuant to family arrangement.

Place : Chennai  
Date : - May 24, 2024

For **R. SRIDHARAN & ASSOCIATES**  
COMPANY SECRETARIES

**CS R. SRIDHARAN**

CP No. 3239

FCS No. 4775

PR NO: 657/2020

UIN: S2003TN063400

UDIN: F004775F000407892

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

## 'Annexure -A' to the Secretarial Audit Report

The Members,

**E.I.D.- PARRY (INDIA) LIMITED**

CIN: L24211TN1975PLC006989

"Dare House" Parrys Corner,

Chennai – 600001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records as per the Auditing Standards (CSAS-1 to CSAS-4) and Guidance Notes on ICSI Auditing Standards and Guidance Note on Secretarial Audit issued by The Institute of Company Secretaries of India. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be filed by the company under the specified laws.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Chennai

Date : - May 24, 2024

For **R. SRIDHARAN & ASSOCIATES**

*COMPANY SECRETARIES*

**CS R. SRIDHARAN**

CP No. 3239

FCS No. 4775

PR NO:657/2020

UIN: S2003TN063400

UDIN: F004775F000407892

## Annexure – C to the Board's Report

## Annual Report on Corporate Social Responsibility (CSR) Activities

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

To positively impact the lives of the disadvantaged by supporting and engaging in corporate social responsibility activities

**2. Composition of CSR Committee:**

S. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	M. M. Venkatachalam	Chairman	2	2
2	S. Suresh	Member	2	2
3	T. Krishnakumar	Member	2	2

**3. Provide the weblink(s) where Composition of CSR committee, CSR policy and CSR projects approved by the board are disclosed on the website of the company:**

CSR Policy : <https://www.eidparry.com/wp-content/themes/eid/pdf/pc/CSR-Policy.pdf>

CSR Committee : <https://www.eidparry.com/about-us/committees-of-the-board/>

CSR Reports : <https://www.eidparry.com/csr/>

**4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.**

Not Applicable

**5.**

(a) Average net profit of the company as per section 135(5)	58,49,66,667
(b) Two percent of average net profit of the company as per section 135(5)	1,16,99,333
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
(d) Amount required to be set off for the financial year, if any	NIL
(e) Total CSR obligation for the financial year (b + c – d).	1,16,99,333

**6.**

<b>(a) Amount spent on CSR Projects:</b>	
(i) On going Project	89,05,542
(ii) Other than On going Project	2,71,84,306
<b>(b) Amount spent in Administrative Overheads.</b>	-
<b>(c) Amount spent on Impact Assessment, if applicable.</b>	-
<b>(d) Total amount spent for the Financial Year [ (a)+(b)+(c) ].</b>	3,60,89,848

**(e) CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (in ₹)	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 the Fund	Amount	Date of transfer
3,60,89,848	14,10,152*	-	-	-	-

\* As per section 135(3) of the Companies Act, 2013, the Company is required to spend ₹1,16,99,333/- in pursuance of its Corporate Social Responsibility Policy in areas specified in Schedule VII to the Companies Act, 2013. However, as per the recommendation of the CSR Committee, the Board has approved a CSR Budget of ₹3,75,00,000/- for the financial year 2023-2024 and as on March 31,



2024, the company has spent an amount of ₹3,60,89,848/-. Accordingly, the unspent amount of ₹14,10,152/- has been transferred voluntarily to the Unspent CSR Account on April 29, 2024.

**(f) Excess amount for set off, if any – Not Applicable**

S. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	1,16,99,333
(ii)	Total amount spent for the Financial Year	3,60,89,848
(iii)	Excess amount spent for the financial year ((ii)-(i))	2,43,90,515
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Not Applicable
(v)	Amount available for set off in succeeding financial years ((iii)-(iv))	2,43,90,515

**7. Details of Unspent CSR amount for the preceding three financial years:**

S. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance amount in unspent CSR amount under section 135(6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per section 135(5), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	2020-21	NIL						
2	2021-22	NIL						
3	2022-23	NIL						

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

No

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

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

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

Not Applicable

Date: May 24, 2024  
Place: Chennai

**S. Suresh**  
Managing Director  
DIN: 06999319

**M.M.Venkatachalam**  
Chairman, CSR Committee  
DIN: 00152619

## Annexure – D to the Board's Report

## Particulars of Conservation of Energy, Technology Absorption, Foreign Exchange earnings and Outgo required under the Companies (Accounts) Rules, 2014

### A. CONSERVATION OF ENERGY:

#### Energy Conservation Initiatives:

The Company's focus on energy and resource conservation has made its Co-gen and the sugar factories the best in its class with respect to efficiency and environment friendly operations. Various energy conservation projects has been carried out across the plants like:

- Solar project initiated at Nellikuppam, Pugalur, Haliyal and Sankili which will come into line by FY 2024-25.
- CO2 Plant augmentations in Nellikuppam and Haliyal.
- PAQUES water treatment system incorporated in Haliyal and Nellikuppam Distilleries for effective use of condensate water

#### Nellikuppam:

- Incineration Boiler at Nellikuppam Distillery for effective usage of Spent wash
- Pilot trial at Nellikuppam for ETP water treatment for making portable water.

#### Haliyal:

- ESP field corrections in Haliyal

#### Bagalkot:

- CO2 capturing in Bagalkot Distilleries which will come into effect from FY 24-25.

### B. TECHNOLOGY ABSORPTION:

The efforts made towards technology absorption and benefits derived

- Maintwiz IT portal is a digital maintenance platform used in all units for plant maintenance, operations, condition monitoring and generating reliability analytics to upkeep machinery availability
- Gensuite tool utilization for effective control on Safety
- Smart manufacturing made ready for Bagalkot and Sivaganga Distilleries to monitor and track the operating conditions effectively.

### C. EXPENDITURE INCURRED IN RESEARCH AND DEVELOPMENT :

(₹ in Lakh)

	2023-24	2022-23
R&D Revenue Expenditure	638	579
R&D Capital Expenditure	-	12

### D. FOREIGN EXCHANGE EARNINGS AND OUTGO :

(₹ in Lakh)

	2023-24	2022-23
Foreign exchange earned	3,813	40,240
Foreign exchange outgo :		
(i) Towards expenditure	223	278
(ii) Towards dividend	7	10

## Annexure – E to the Board's Report

# Particulars of Loans, Guarantees and Investments under Section 186 of the Companies Act, 2013

## DETAILS OF LOAN GIVEN

(₹ in Lakh)

Name of the entity	Parry Sugars Refinery India Private Limited
Loans outstanding as on 1 <sup>st</sup> April, 2023	20000
Loan given during the year	-
Loans repaid including foreign exchange difference during the year	-
Converted into Equity Shares during the year	-
Converted into Preference Shares	-
Loans outstanding as on 31 <sup>st</sup> March, 2024	20000
Purpose for the loan given	For repayment of external loans and for general corporate purposes.

## DETAILS OF GUARANTEES PROVIDED

Name of the entity	Particulars	Amount (₹ Lakh)	Purpose
US Nutraceuticals LLC.	Standby Letter of Credit / USD 15.50 Million to SBI New York, USA	12,919	Working Capital Requirement
Parry Sugars Refinery India Private Limited*	Guarantee for ₹650 Crore given to State Bank of India	54,185	Working Capital Requirement

\*The Company has provided Letter of Comfort to various lenders amounting to ₹2,550 crore in connection with the financing facilities availed by Parry Sugars Refinery India Private Limited.

## DETAILS OF INVESTMENTS

The details of investments made by the Company have been given in Note No. 5A, 5B & 6 of the Annual Accounts



## Annexure – F to the Board's Report

## Particulars of Employees

**Disclosure of Remuneration under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014**

The details of remuneration during the financial year, 2023-24 as per Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as amended, are as follows:

1. The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24:

Name of Director	Designation	Ratio <sup>#</sup>
Mr. Venkatachalam. M. M	Chairman	4.46
Mr. Suresh. S	Managing Director	57.76
Mr. Muthiah Murugappan	WTD & CEO	72.04
Mr. Ajay B Baliga	Director	4.18
Mr. Ramesh K B Menon	Director	3.48
Dr. (Ms) Rca Godbole	Director	3.90
Mr. T. Krishnakumar	Director	3.38
Mr. Sridharan Rangarajan	Director	3.03
Mr. S. Durgashankar	Director	4.43
Ms. Meghna Apparao	Director	2.80

Note: Remuneration including sitting fees

<sup>#</sup> Number of times the median remuneration

2. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2023-24:

Name of the Director	Designation	% Increase in remuneration
Mr. Venkatachalam M M	Chairman	(2.05)
Mr. Suresh S	Managing Director	7.01 <sup>++</sup>
Mr. Muthiah Murugappan	WTD & CEO	20.57 <sup>+</sup>
Mr. Ajay B Baliga	Director	(8.21)
Mr. Ramesh K B Menon	Director	(12.35)
Dr. (Ms) Rca Godbole	Director	(8.74)
Mr. T. Krishnakumar	Director	(4.61)
Mr. Sridharan Rangarajan	Director	(7.14)
Mr. S. Durgashankar	Director	1.37
Ms. Meghna Apparao	Director	26.22
Mr. Biswa Mohan Rath	Company Secretary	11.79 <sup>++</sup>
Mr. Y. Venkateshwarlu	Chief Financial Officer	NA

<sup>++</sup> There is no Stock Perk exercised during the year 2023-2024.

<sup>+</sup> Stock Perk is not applicable for WTD & CEO.

NA - Resigned or Appointed during the year, hence not comparable.

The remuneration to the Non-Executive Directors comprises of sitting fees paid for attending the Board / Committee meeting and Commission paid on adoption of accounts.

3. The percentage increase in the median remuneration of employees in the financial year: 8.64%
4. The number of permanent employees on the rolls of Company: 2319

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and comparison with the percentile increase in the managerial remuneration and justification thereof. Whether there are any exceptional circumstances for increase in the managerial remuneration

Parameters	
Average % increase in the salaries of employees other than managerial personnel viz., Managing Director and Whole Time Director in the financial year, 2023-24	8.15%
Average % increase in the managerial remuneration in the financial year, 2023-24 viz., Managing Director / Whole Time Director remuneration <sup>@</sup>	14.14%
Remarks	The Managing Director and Whole Time Director's remuneration comprises of fixed and variable component. The annual increment in salary is determined by the Nomination & Remuneration Committee on the basis of Company financials, level of responsibility, experience and scales prevailing in the industry.

@Managerial remuneration includes the remuneration of the MD and WTD&CEO who were on the board as Directors for the year 2023-2024. The remuneration of the Whole Time Director & CEO is considered for 10 months for the year 2022-2023 as he was appointed with effect from May 17, 2022.

#### 6. Affirmation:

The Company affirms that the remuneration paid to the employees during the financial year 2023-24 is as per the Remuneration Policy of the Company.

#### Notes:

1. The nature of employment of all employees above is whole time in nature and terminable with 3 months' notice on either side.
2. Remuneration as shown above includes salary, allowances, leave travel assistance, Company's contribution to Provident Fund, Superannuation Fund and Gratuity Fund. Medical facilities and perquisites valued in terms of actual expenditure incurred by the Company in providing the benefits to the employees excepting in case of certain expenses where the actual amount of expenditure cannot be ascertained with reasonable accuracy, and in such cases, notional amount as per income tax rules has been adopted.
3. Remuneration as shown above does not include amount attributable to compensated absences as actuarial valuation is done for the Company as a whole only.
4. The deemed benefit on exercise of options under Company's ESOP Scheme has not been considered as there is no Cost to the Company.
5. The above-mentioned employees are not relatives (in terms of the Companies Act, 2013) of any Director of the Company.

# Report on Corporate Governance

**Pursuant to Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ["Listing Regulations"] as amended.**

*Good Corporate Citizenship, Corporate Governance and Good Personal Conduct.*

EID Parry (the "Company") is built around the core values enshrined in the Five Lights of its corporate philosophy, namely Integrity, Passion, Quality, Respect and Responsibility.

The Company has developed a corporate governance framework which ensures effective board governance procedures, strong internal control systems, accountability and transparency. The Company has implemented various codes and policies to ensure best corporate governance practices at all levels. By upholding these practices, the Company aims to create an efficient and sustainable environment that benefits its stakeholders in the long run. The Company is committed in seeking opportunities for improvements on an ongoing basis.

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

EID Parry, a member of the Murugappa Group of Companies, believes in high standards of governance and adheres to good corporate practices and is constantly striving to improve them and adopt the best practices.

The basic elements of the governance policy of the Company are:

- Adherence to business ethics,
- Transparency in dealings with all stakeholders,
- Adequate and timely disclosure of information and
- Commitment to corporate social responsibility

The Board recognizes that governance expectations are constantly evolving and it is committed to its standards of transparency and dissemination of information to meet both letter and spirit of the law and its own demanding levels of business ethics.

## 2. BOARD OF DIRECTORS

### 2.1 Composition and Changes during the Year

As on March 31, 2024, the Board of Directors of the Company ("Board") had an optimum number of Executive, Non Executive Directors and Non Executive Independent Directors having expertise in the fields of business strategy, finance, marketing and business management. All the Independent Directors satisfy the criteria of independence specified under the Companies Act, 2013 ("Act"), Regulation 16 (1) (b) of the Listing Regulations and meet the criteria for appointment as

formulated by the Nomination and Remuneration Committee ("NRC") and approved by the Board.

NRC has formulated a policy on criteria for Board Nominations. It ensures diversity of qualification, experience, expertise and gender in the composition of the Board. The board members are appointed through a transparent process. The Independent Directors are issued appointment letters and the format of the appointment letter with terms and conditions of their appointment have been disclosed on the website of the Company <https://www.eidparry.com/about-us/independent-directors/>. Each independent director is familiarized with the Company, business, industry, roles and responsibilities, the details of which are available on the website of the Company <https://www.eidparry.com/about-us/independent-directors/>

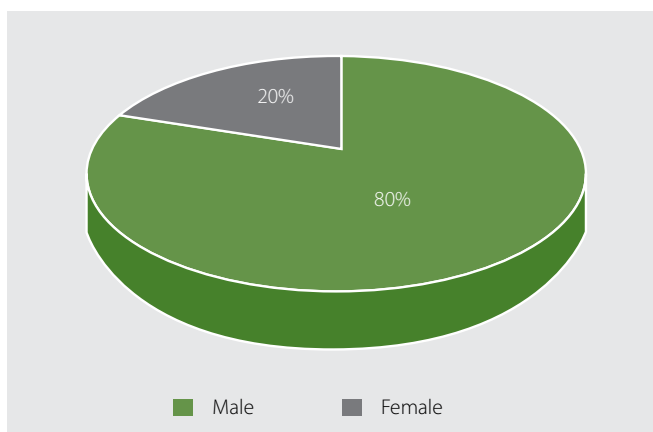
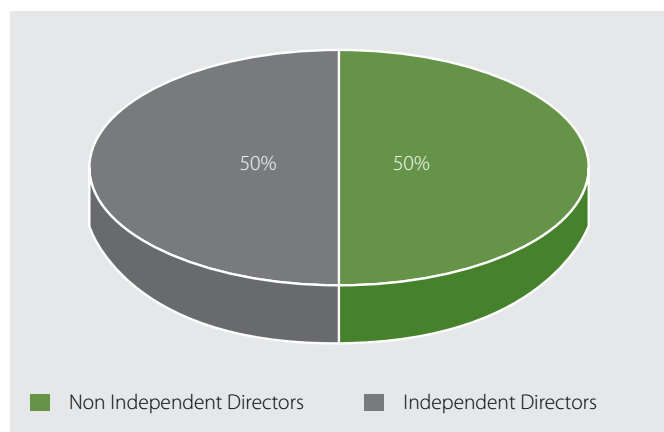
Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs.

Independent Directors are appointed for a specific term by the board based on the recommendations of the NRC and the members at their respective meetings. Non Independent Directors are appointed as per the provisions of the Act and Listing Regulations. The profiles of Directors can be found on <https://www.eidparry.com/about-us/board-of-directors/>

The strength of the Board as on March 31, 2024 was ten directors, consisting of one Non-Executive Non- Independent Chairman, a Managing Director, a Whole-time Director, two Non Independent Directors and five Independent Directors including two woman directors. The composition of the Board is in conformity with the Act and Listing Regulations. There is no change in the Board Composition during the year.





The Composition of the Board, the number of directorship, membership and chairmanship held by each Director on the Board/ Committees of the Board of other Companies as on March 31, 2024 were as under:

Sl. No	Name of the Directors	DIN	Category	Position	No. of Directorships & Committee Membership in Public Companies (excluding EID Parry)				Directorship in other Listed Entity	Category of Directorship
					Board*		Committee**			
					Director	Chairman	Chairman	Member		
1.	Mr.M.M. Venkatachalam	00152619	NE, NI, Promoter	Chairman	6	2	2	2	1. Ramco Systems Limited#	NE,I
									2. The Ramco Cements Limited#	NE,I
									3. Coromandel International Limited®	NE,NI
2.	Mr. S. Suresh	06999319	E	Managing Director	2	-	-	-	-	-
3.	Mr. Muthiah Murugappan	07858587	E Promoter	Whole-time Director	2	-	-	1	Mahindra and Mahindra Limited	NE, I
4.	Mr. Ramesh K B Menon	05275821	NE, NI	Director	1	-	-	2	-	-
5.	Mr. Sridharan Rangarajan	01814413	NE, NI	Director	9	-	1	5	1. Carborundum Universal Limited	NE, NI
									2. Cholamandalam Financial Holdings Limited	NE,NI
									3. Wendt (India) Limited	NE, NI
6.	Mr. T. Krishnakumar	00079047	NE, I	Independent Director	3	-	-	-	Lotus Chocolate Company Ltd.	NE, NI
7.	Dr. (Ms) Rca Godbole	07306268	NE, I	Independent Director	-	-	-	-	-	-
8.	Mr. Ajay B Baliga	00030743	NE,I	Independent Director	3	-	1	2	1. Ramco Industries Limited	NE, I
									2. Globus Spirits Limited	NE,NI
									3. The Ramco Cements Limited	NE,I
9.	Mr. S. Durgashankar	00044713	NE,I	Independent Director	4	-	3	2	1. Mahindra EPC Irrigation Limited	NE,NI
									2. Seshasayee Paper and Boards Limited	I
10.	Ms. Meghna Apparao	09201659	NE, I	Independent Director	-	-	-	-	-	-

**Note :**

\* Excludes directorship in Foreign companies, Private companies and Section 8 companies.

\*\*Represents memberships of Audit and Stakeholders Relationship Committees in Public Limited Companies & Private Limited Companies which are subsidiaries of Public Limited Companies.

# Retired from the Board with effect from March 31, 2024

@ Retired from the Board with effect from April 25, 2024

None of the directors on the board is a member of more than 10 committees or chairman of more than 5 committees across all the Companies in which he / she is a director as required under Regulation 26 (1) of Listing Regulations.

None of the Independent Directors on the board is an Independent Director in more than seven Listed Companies as required under Regulation 17A (1) of Listing Regulations.

None of the directors are related to each other in terms of the definition of relatives under the "Act"

Non-Executive ("NE"), Executive ("E"), Non-Independent ("NI") and Independent ("I")

## 2.2 Board Process

The Board meets at least once in each quarter to review, the matters specifically reserved for its attention to ensure that it exercises full control over significant strategic, financial, operational and compliance matters. Additional board meetings are held to approve the Business Plan of the Company and for other specific purposes. The board is regularly briefed and updated on the key activities of the business and is provided with presentations on operations, quarterly financial statements, subsidiary performance, and other specific matters concerning the Company.

The venue of attending the Board / Committee meetings is informed well in advance to all the Directors. Every Director is expected to attend the meetings in person. The Company effectively uses video-conferencing facility to enable the participation of Directors who are not able to attend the meetings in person.

The maximum time gap between two meetings does not exceed 120 days. The schedule of the board meetings and board committee meetings is communicated in advance to the directors to enable them to attend the meetings. The Company has a web-based portal i.e., Digiboard accessible to all the directors which contains notice, board agenda, detailed notes on agenda of each board meeting, minutes and presentations in compliance with Secretarial Standard on Meeting of the Board of Directors (SS-1) issued by The Institute of Company Secretaries of India.

The board periodically reviews compliance reports of all laws applicable to the Company, as prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances. The Board is also free to recommend inclusion of any matter for discussion in consultation with Chairman. The Board has no restriction to access any information and employees of the Company.

All the discussions and decisions taking place in every meeting of the board are entered in the Minute Book. The draft minutes are circulated within the specified time to the board and suggestions or comments for changes, if any, are suitably incorporated in the minutes and the minutes are signed by the Chairman of the same meeting or by the Chairman of the succeeding meeting within the prescribed time period. The important decisions taken at the board meeting are communicated to the concerned department of the Company and an action taken report is placed at each board meeting.

The guidelines for Board and Committee meetings facilitate an effective post meeting follow up review and reporting process for the decisions taken by the Board and Committee(s) thereof. The important decisions taken at the Board / Committee meetings are promptly communicated to the concerned

departments / divisions. Action taken report on the decisions of the previous meeting(s) is placed at the subsequent meetings of the Board / Committee(s) for information and review by the Board / respective Committee(s).

Meetings are governed by the structured agenda. The agenda for each Board / Committee meeting is circulated in advance to the Directors. The agenda items are backed by the comprehensive background information. All material information is incorporated in the agenda facilitating meaningful and focused discussions in the meeting. Every Director is free to suggest items for inclusion in the agenda. Also, the Company has adopted a web-based application for transmitting Board / Committee Agenda(s).

The Directors are provided free access to communicate with the officers and employees of the Company. Management is encouraged to invite the Company personnel to any Board / Committee(s) meeting at which their presence and expertise would help the Board to have a full understanding of the matters being considered.

The process specified for the board meeting above are followed for the meetings of all the committees constituted by the board, to the extent possible. The minutes of the meetings of the committees of the board are placed before the board for noting. The minutes of the board meetings of the unlisted subsidiaries are also placed before the board.

Pursuant to the provisions of the Act and Listing Regulations, evaluation of the performance of the board, committees of the board and individual directors was carried out by the board for the year 2023-24. The questionnaires were prepared in a structured manner taking into consideration the guidance notes on board evaluation issued by the SEBI. The performance of each of the Individual Directors was evaluated on parameters such as attendance, level of participation in the meetings and contribution, independence of judgement, safeguarding the interest of the Company and other stakeholders, etc.

The performance evaluation of all the independent directors was done by the entire Board excluding the concerned independent director based on the criteria of performance evaluation laid down by the NRC.

The performance evaluation of the Chairman and the Non-Independent Directors were carried out by the independent directors.

## 2.3 Board meeting and attendance of directors

Six Board meetings were held during the year ended March 31, 2024 ("Year") i.e., April 10, 2023, May 30, 2023, August 9, 2023, November 08, 2023, February 06, 2024 and March 15, 2024 and the maximum gap between any two Board meetings did not exceed one hundred twenty days during the Year.

The attendance of Directors at Board Meeting ("BM") and last AGM were as under:

Sl. No	Name of the Directors	Position	Attendance <sup>#</sup>	
			BMs	AGM held on August 09, 2023
1	Mr. M.M. Venkatachalam	Chairman	6	Present
2	Mr. S. Suresh	Managing Director	6	Present
3	Mr. Muthiah Murugappan	Whole time Director	6	Present
4	Mr. Ramesh K B Menon	Director	5	Present
5	Mr. Sridharan Rangarajan	Director	6	Present
6	Dr. (Ms) Rca Godbole	Independent Director	6	Present
7	Mr. Ajay B Baliga	Independent Director	6	Present
8	Mr. T. Krishnakumar	Independent Director	6	Present
9	Ms. Meghna Apparao	Independent Director	4	Present
10	Mr. S. Durgashankar	Independent Director	6	Present

# includes attendance through video conference

## 2.4 Details of shares held by Non-Executive Directors as on March 31, 2024:

None of the Non-Executive directors hold any equity shares and convertible securities in the Company.

the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting. A meeting was held by Independent Directors on March 15, 2024 for the financial year 2023-24.

## 2.5 Meeting of Independent Directors

As per the requirement under Regulation 25 (3) of the Listing Regulations and Schedule IV of the Act, the independent directors of the listed entity shall hold at least one meeting in a year, without

## 2.6 Board Expertise:

The Board has identified the following skills / expertise / competence fundamental for the effective functioning of the Company, which are currently available with the Board.

Given below is a list of core skills, expertise and competencies of the individual Directors:

Skills description	Mr. M M Venkata-chalam	Mr. S. Suresh	Mr.Muthiah Murugappan	Mr. Ramesh K B Menon	Dr. (Ms.) Rca Godbole	Mr. Ajay B Baliga	Mr. Sridharan Rangarajan	Ms. Meghna Apparao	Mr. T. Krishnakumar	Mr. S. Durga-shankar
<b>Corporate Strategy, Business Strategy</b>  Ability to critically identify and assess strategic opportunities and threats and develop effective strategies in the context of long term objectives and the organizations' relevant policies and priorities.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Marketing, Sales, Supply Chain Management, Product Development and Branding</b>  Ability to analyze the market and technological impacts, developing strategies for brand awareness and brand building and enhancing market share.		✓	✓			✓		✓	✓	✓

Skills description	Mr. M M Venkata-chalam	Mr. S. Suresh	Mr.Muthiah Murugappan	Mr. Ramesh K B Menon	Dr. (Ms.) Rca Godbole	Mr. Ajay B Baliga	Mr. Sridharan Rangarajan	Ms. Meghna Apparao	Mr. T. Krishnakumar	Mr. S. Durga-shankar
<b>Operations</b> Ability to critically identify and assess strategic opportunities and threats and develop effective strategies in the context of long term objectives and the organizations' relevant policies and priorities.	✓	✓	✓	✓		✓	✓	✓	✓	✓
<b>Finance/ Financial Management</b> Wide ranging knowledge and financial skills, oversight for risk management and internal controls and proficiency in financial management and financial reporting processes.		✓	✓				✓			✓
<b>Leadership experience and understanding of significant organisations, their process, strategies, planning etc.</b> Innate leadership skills including the ability to represent the organization and set appropriate Board and organization culture. Demonstrated strengths in talent development, succession planning and bringing change and long-term future growth.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Auditing, Taxation, Risk Advisory</b> Wide ranging knowledge and financial skills, oversight for risk management and internal controls and proficiency in financial management and financial reporting processes.							✓			✓
<b>Governance Practices &amp; Compliance</b> Understanding of the various governance and compliance requirements under various applicable laws, supporting a strong broad base and management accountability, transparency, and protection of shareholder interests.	✓	✓	✓	✓	✓	✓	✓		✓	✓
<b>Agriculture</b> Ability to understand the industry in which the company operates and provide initiatives bearing the climate and industry risks.	✓	✓	✓		✓					



### 3. COMMITTEES OF THE BOARD

The Board has constituted different committees as required under the Act and Listing Regulations.

Details of the Committees and their terms of reference are given below.

During the year, all the recommendations made by the Committees were accepted by the Board of Directors.

The Company Secretary acts as the Secretary to the committees.

#### 3.1 Audit Committee

The Audit Committee has been constituted as required under Section 177 of the Act and Regulation 18 of the Listing Regulations.

##### 3.1.1 Brief Description of the Terms of Reference

- Oversight of the Company's financial reporting process and disclosure of financial information;  
  
Reviewing with the management, the quarterly / interim financial statements before submission to the Board for approval
- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval.
- Review and examination of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are accurate, sufficient and credible and evaluation of internal financial controls and risk management systems, to obtain reasonable assurance based on evidence regarding processes followed and their appropriate testing that such systems are adequate and comprehensive and are working effectively. The Audit Committee shall review with appropriate officers of the Company and the statutory auditors, the annual financial statements of the Company prior to submission to the Board or public release thereof.
- Evaluation of internal financial controls and risk management systems.
- Review with the statutory auditor and the internal auditor to the extent deemed appropriate by the Chairperson of the Committee, the adequacy of the Company's internal financial controls as defined in Section 134 of the Companies Act, 2013.
- Assist the Board in overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environmental risks;
- Review and approve the Risk Management Policy and associated framework, processes and practices;

- Assist the Board in taking appropriate measures to achieve a prudent balance between risk and reward in both ongoing and new business activities;
- Evaluating significant risk exposures including business continuity planning and disaster recovery planning;
- Ensure the implementation of and compliance with the objectives set out in the Risk Management Policy;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Recommend to the Board the appointment, re-appointment and if required, the replacement or removal of the statutory auditors, including filling of a casual vacancy, fixation of audit fee / remuneration, terms of appointment and also provide prior approval of the appointment of and the fees for any other services rendered by the statutory auditors. Provided that the statutory auditors shall not render services prohibited to them by Section 144 of the Companies Act, 2013 or by professional regulations.
- Monitoring the usage of funds from issue proceeds, to grant approvals for related party transactions which are in the ordinary course of business and on arms length basis.
  - 1) The statement in summary form of transactions with related parties in the ordinary course of business shall be placed periodically before the audit committee.
  - 2) Details of individual transactions with related parties, which are not in the normal course of business, shall be placed before the audit committee.
  - 3) Details of individual transactions with related parties or others, which are not on arm's length basis shall be placed before the Audit Committee together with the management justification for the selection of the related party and the price and other terms agreed.
  - 4) Approval or any subsequent modification of all transactions of the Company with related parties.
  - 5) On satisfying itself adequately regarding the reasons for the related party transactions undertaken and the terms and conditions agreed including price and the observation of the arms' length principle, with suitable explanations for any departures, the Committee shall periodically approve the related party transactions.

##### 3.1.2 Composition of the Committee and attendance

The Audit Committee comprises of four directors. The committee met five times during the year on May 29, 2023, August 8, 2023, November 7, 2023, February 6, 2024 and March 15, 2024. The details of the composition of the Committee and attendance of the members were as follows:

Name of the Directors	Position	Category	No. of Meetings attended
Mr.Durgashankar	Chairman	NE,I	5
Dr. (Ms) Rca Godbole	Member	NE,I	5
Mr. Ajay B Baliga	Member	NE,I	5
Mr.M.M. Venkatachalam	Member	NE,NI	5

The Managing Director, Internal Auditor, Chief Financial Officer, Senior Management team members and the Statutory Auditors are invited to attend all the meetings of the Committee. The Cost Auditors are invited to the meeting as and when required.

The committee members have separate discussions with the statutory auditors as well as internal auditors without the presence of the management team. During the year 2023-24, the Audit Committee had such a meeting on February 06, 2024 with the Statutory Auditors and on March 15, 2024 with the Internal Auditors of the company.

### 3.2 Nomination & Remuneration Committee

The Nomination & Remuneration Committee has been constituted as required under Section 178 of the Act and Regulation 19 of the Listing Regulations.

#### 3.2.1 Brief description of Terms of Reference

Formulation of the criteria for determining qualifications, positive attributes and independence of a director such as:

- » Highest personal and professional ethics, integrity and values
- » Shares the values and beliefs of the Company.
- » Inquisitive and objective perspective, practical wisdom and mature judgment
- » Demonstrates intelligence, maturity, wisdom and independent judgment
- » Self-confidence to contribute to board deliberations has a stature that other board members will respect his or her views

Recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees such as;

- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

- Recommend to the board, all remuneration, in whatever form, payable to senior management.

#### 3.2.2 Composition of the Committee and attendance

The Nomination & Remuneration Committee met four times during the year on May 29, 2023, August 8, 2023, November 7, 2023 and February 6, 2024. The details of the composition of the Committee and attendance of the members are as follows:

Name of the Directors	Position	Category	No. of Meetings attended
Mr. Ajay B Baliga	Chairman	NE,I	4
Dr. (Ms) Rca Godbole	Member	NE,I	4
Mr. Ramesh K B Menon	Member	NE,NI	4

Remuneration Policy for Directors, Key Managerial Personnel and other employees

The policy extends to:

- » Remuneration of Non-Executive Directors
- » Remuneration of Executive Director
- » Remuneration to Key Managerial Personnel / Other Employees

### 3.3 Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been constituted as required under Section 178 of the Act and Regulation 20 of the Listing Regulations.

#### 3.3.1 Brief description of the Terms of Reference

- Formulation of shareholders servicing policies and determining the standards for resolution of shareholders grievance;
- Review and redressal of investor grievances related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate share certificates, general meetings etc.,
- Approval / overseeing of issuance of duplicate certificates, demat requests, administering the unclaimed shares suspense account;
- Adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of measures taken for effective exercise of voting rights by shareholders;
- Performing other functions as delegated to it by the Board from time to time;

#### 3.3.2 Composition of the Committee and attendance

The Stakeholders Relationship Committee met four times during the year on May 29, 2023, August 8, 2023, November 7, 2023 and February 6, 2024. The details of the composition of the Committee and attendance of the members are as follows.

Name of the Directors	Position	Category	No. of Meetings attended
Mr. M.M. Venkatachalam	Chairman	NE,NI	4
Mr. Ramesh K B Menon	Member	NE,NI	4
Mr. S Suresh	Member	E	4
Mr. T Krishnakumar	Member	NE,I	3

Mr. Biswa Mohan Rath, Company Secretary is the compliance officer.

### 3.3.3 Number of complaints received and redressed during the year are given below:

Opening Balance	Received during the financial year 2023-24	Redressed during the financial year 2023-24	Closing Balance
0	9	6	3*

\* resolved during the month of April 2024.

## 3.4 Risk Management Committee

The Risk Management Committee has been constituted as required under Regulation 21 of the Listing Regulations.

### 3.4.1 Brief description of Terms of reference

- To formulate a risk management policy.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy including by considering the changing industry dynamics and evolving complexity;

### 3.4.2 Composition of the Committee and attendance

The Risk Management Committee met four times during the year on May 29, 2023, August 08, 2023, November 7, 2023 and February 5, 2024. The details of the composition of the Committee and attendance of the members were as follows:

Name of the Directors	Position	Category	No. of Meetings attended
Mr. Durgashankar	Chairman	NE, I	4
Mr. Ajay B Baliga	Member	NE, I	4
Mr. S. Suresh	Member	E	4
Mr. M.M. Venkatachalam	Member	NE, NI	4

## 3.5 Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee has been constituted as required under Section 135 of the Act.

### 3.5.1 Brief Description of the Terms of reference

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken as specified under Schedule VII of the Act.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the CSR Policy of the Company from time to time.
- To prepare a transparent monitoring mechanism for ensuring implementation of the projects / programmes/ activities proposed to be undertaken by the Company and to do all such acts, deeds and things as may be required in connection with the CSR activities.

### 3.5.2 Composition of the Committee and attendance

The Corporate Social Responsibility Committee met twice during the year on May 29, 2023 and March 15, 2024. The details of the composition of the Committee and attendance of the members were as follows:

Name of the Directors	Position	Category	No. of Meetings attended
Mr. M.M. Venkatachalam	Member	NE, NI	2
Mr. S Suresh	Member	E	2
Mr. T Krishnakumar	Member	NE,I	2

## 4. REMUNERATION OF DIRECTORS

### 4.1 Remuneration Policy

On the recommendation of the Nomination and Remuneration Committee, the Board has framed a Policy for the members of the Board of Directors, Key Managerial Personnel, Senior Management and other employees of the Company.

This Policy provides the framework for remuneration of the members of the Board of Directors, key managerial personnel and other employees. This policy reflects the remuneration philosophy and principles of the Murugappa Group and considers the pay and employment conditions with peers / competitive market to ensure that pay structures are appropriately aligned.

This Policy is guided by the principles and objectives as enumerated under Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations, to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long - term performance of the Company.

### 4.2 Remuneration of Non-Executive Directors

Non-Executive Directors ("NEDs") are paid remuneration by way of Sitting Fees and Commission. The remuneration/

commission / compensation to the NEDs is decided by the Board in accordance with the Remuneration policy and subject to applicable provisions of the Act and of the Listing Regulations.

As approved by the shareholders at the shareholders meeting, commission is paid at a rate not exceeding 1% per annum of the profits of the Company computed in accordance with the Provisions of Section 198 of the Act. The Commission paid is restricted to a fixed sum within the above limit annually and on the basis of their tenor in office during the financial year. The Payment of Commission to the NEDs is placed before the Board every year for its consideration and approval, subject to availability of profit as computed under Section 198 of the Act.

The sitting fee payable to the NEDs for attending the Board and committee meetings is fixed subject to the statutory ceiling.

The sitting fees / commission is reviewed periodically taking into consideration the various factors such as performance of the Company, time spent by the directors for attending to the affairs and business of the Company and the extent of responsibilities cast on directors under general law and other factors as may be relevant for the purpose.

Where the annual remuneration payable to a single Non-Executive Director exceeds 50% of the total annual remuneration payable to all Non-Executive Directors, the

approval of the shareholders in the manner as specified under applicable laws/ regulations is obtained.

During the year, the non-executive Directors of the company has no pecuniary relationship or transactions with the company other than sitting fee, commission & reimbursement of expenses, if any.

#### 4.3 Remuneration of Executive Director

The elements of the total compensation are approved by the Nomination and Remuneration Committee within the overall limits specified under the Act. The compensation paid to the Managing Director is within the scale approved by the Shareholders.

The fees or compensation payable to an Executive Director who is a Promoter or member of Promoter Group, shall be subject to the approval of shareholders in the manner as prescribed under the applicable regulations, if the annual remuneration payable to such Executive Director exceeds the threshold limits, and the approval so granted shall be valid till the expiry of the term of such Director.

Non- Executive Directors are not eligible to receive stock options under the employee stock option scheme/plan ("ESOP") of the Company.

Executive Directors will not be paid sitting fees/commission for any Board/ Committee meetings attended by them.

#### 4.4 The sitting fees and Commission paid to the non-executive directors during the year are given below:

(In ₹)

S. No	Name of the Directors	Category	Position	Sitting fees	Commission*
1.	Mr. M.M. Venkatachalam	NE,NI	Chairman	9,10,000	10,00,000
2.	Mr. Ajay B Baliga	NE,I	Independent Director	7,90,000	10,00,000
3.	Dr. (Ms) Rca Godbole	NE,I	Independent Director	6,70,000	10,00,000
4.	Mr. Ramesh K B Menon	NE,NI	Director	4,90,000	10,00,000
5.	Mr. Sridharan Rangarajan	NE,NI	Director	3,00,000	10,00,000
6.	Mr. T. Krishnakumar	NE,I	Independent Director	4,50,000	10,00,000
7.	Mr. S.Durgashankar	NE,I	Independent Director	7,00,000	12,00,000
8.	Ms. Meghna Apparao	NE,I	Independent Director	2,00,000	10,00,000
	<b>Total</b>			<b>45,10,000</b>	<b>82,00,000</b>

Sitting fee for Board and Audit Committee meetings was paid at ₹50,000 and for other Committees at ₹30,000.

\* Commission to be paid after approval of the financial statements at the ensuing AGM.

#### 4.5 The remuneration paid to the executive directors during the year are given below:

S. No	Name of the Directors	Category	Position	Salary, Allowances & Perquisites (₹)	No of Stock options granted
1.	Mr. S. Suresh	E,NI	Managing Director	2,47,56,557	-
2.	Mr. Muthiah Murugappan	E,NI	Chief Executive Officer	3,08,80,906	NA



#### 4.6 Disclosure with respect to remuneration:

- i. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of the Executive Directors is given below:

	Mr.S.Suresh		Mr.Muthiah Murugappan	
	2023-24 (in ₹)		2023-24 (in ₹)	
Salary				
Basic	99,86,085		94,14,300	
House Rent Allowance	29,95,830		47,07,150	
Other Benefits & Perks	37,28,770	1,67,10,685	71,81,225	2,13,02,675
Incentive	48,62,308	48,62,308	65,76,952	65,76,952
Retirement Benefits				
Contribution to Provident Fund	11,98,330		11,29,716	
Contribution to Superannuation Fund	14,97,913		14,12,145	
Contribution to Gratuity	4,87,321	31,83,564	4,59,418	30,01,279
<b>TOTAL</b>		<b>2,47,56,557</b>		<b>3,08,80,906</b>

- ii. Details of fixed component and performance linked incentives: As stated above.
- iii. Performance criteria for performance linked incentives: Criteria framed as per Company Rules read with policy and the performance against the same was evaluated by the Nomination and Remuneration Committee.
- iv. Service Contract – 3 years\* for Mr.S.Suresh & 5 years for Mr. Muthiah Murugappan
- v. Notice Period - 3 Months
- vi. Severance Fees - Nil
- vii. Number of stock option granted during the year – Nil
- viii. Whether the same has been issued at a discount as well as the period over which accrued and over which exercisable. – No

\* The 3 years tenure of the Managing Director is ending on July 31, 2024. Consequent to his re-appointment as the Managing Director of the Company, as approved by the members vide Postal Ballot dated March 19, 2024, the service contract was extended for a period of 1 year, 8 months and 15 days commencing from August 1, 2024 till April 15, 2026.

## 5. GENERAL BODY MEETINGS

### 5.1 The date, time and venue of last three Annual General Meetings (AGMs) and Extraordinary General Meetings ("EGMs") held were as follows:

Year ended 31 <sup>st</sup> March	Day	Date	Time	Location
2021	Thursday	September 16, 2021	3.30 p.m	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)
2022	Tuesday	August 09, 2022	10.30 a.m	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)
2023	Wednesday	August 09, 2023	3:30 p.m	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)

### 5.2 Details of Special Resolutions passed during the last three AGMs are given below:

Date of AGM	Particulars
September 16, 2021	Reappointment of Dr. (Ms) Rca Godbole as an Independent Director for a second term of five years w.e.f. August 05, 2021.
August 09, 2022	Appointment of Ms. Meghna Apparao as an Independent Director w.e.f. July 1, 2022 for a period of five years
August 09, 2023	NIL

### 5.3 Details of resolutions passed through postal ballot during the financial year 2023-24 and details of the voting pattern:

The Company sought the approval of shareholders through postal ballot notice dated February 6, 2024 for the Re-appointment of Mr. S. Suresh as Managing Director of the Company by way of ordinary resolution. The aforesaid resolution was duly passed and the results of e-voting was announced on March 19, 2024. Mr. R.Sridharan of M/s. R. Sridharan & Associates, Practicing Company Secretaries, was appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.

Resolution	No. of Votes Cast in Favour	No. of Votes Cast Against	% of Votes Cast in Favour on Votes Polled	% of Votes Cast Against on Votes Polled
Re-appointment of Mr. S. Suresh (DIN: 06999319) as the Managing Director of the Company for a period from August 1, 2024 till April 15, 2026	104438298	147660	99.8588	0.1412

#### Procedure for Postal Ballot

The postal ballot is conducted in accordance with the provisions specified in Section 110 and other applicable provisions, if any, of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The shareholders are provided the facility to vote through e-voting. As per the MCA Circulars, the Postal Ballot Notice was sent only through electronic mode to those Members whose email addresses are registered with the Company or depository / depository participant. Shareholders holding equity shares as on the cut-off date cast their votes through e-voting during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submits his report to the Chairman and the results of voting by postal ballot are announced within 48 hours of conclusion of the voting period. The results are displayed on the website of the Company ([www.eidparry.com](http://www.eidparry.com)), and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolutions, if passed by the requisite majority, are deemed to have been passed on the last date specified for e-voting.

## 6. MEANS OF COMMUNICATION

The quarterly and yearly audited financial results of the Company were published in newspaper in Business Standard (English) and in Dinamani (Tamil) within 48 hours of conclusion of the Board Meetings at which respective financial results were approved and results are placed on the Company's Website at [www.eidparry.com](http://www.eidparry.com)

Press releases are sent to stock exchange and posted on the company's website. Further, the shareholding pattern and other intimations to stock exchanges from time to time are also displayed on the website of the Company.

Details of investor / analysts / brokers meetings / concall transcripts, whenever held and official news releases are also posted on the Company's Website. The web link is <https://www.eidparry.com/investors-meet-analysts-call/>

The Company has a designated e-mail address, viz., [investorservices@parry.murugappa.com](mailto:investorservices@parry.murugappa.com) exclusively for investor services.

## 7. GENERAL SHAREHOLDER INFORMATION

A separate section has been included in the Annual Report furnishing details as required under the Listing Regulations.

## 8. OTHER DISCLOSURES & AFFIRMATIONS

### 8.1 Related Party Transactions

All related party transactions that were entered during the financial year were on arm's length basis and were in the

ordinary course of business. There were no materially significant related party transaction considered to have potential conflict with the interests of the Company at large.

As required under Regulation 23 of the Listing Regulations, the Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The policy is available on the web link <https://www.eidparry.com/wp-content/uploads/2023/02/Policy-on-Related-Party-Transactions.pdf>

### 8.2 Details of non-compliance, penalties and strictures imposed

There were no penalties, strictures imposed on the company by stock exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three except the following:

During the year the Stock Exchanges has imposed a penalty of ₹10,000/- each for delayed filing of Board Meeting notice for the Board Meeting dated May 30, 2023.

### 8.3 Whistle Blower Policy and Vigil Mechanism

The Company has established a whistle blower mechanism to provide an avenue for reporting concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy for the directors / employees / customers by providing adequate safeguards against victimisation of directors / employees / customers, who avail this mechanism and also for appointment of an ombudsperson to deal with the complaints received.

The Whistle Blower policy contains the process to be followed for dealing with complaints and in exceptional cases, also provides for direct access to the Chairperson of the Audit Committee. The Company affirms that no person has been denied access to the Audit Committee. The policy is available on the Company's website at

<https://www.eidparry.com/wp-content/uploads/2023/02/Whistleblower-Policy-and-Vigil-Mechanism.pdf>

#### 8.4 Compliance with mandatory requirements

The Company has complied with all mandatory requirements as laid down under the Listing Regulations.

#### 8.5 Compliance with Accounting Standards

The Company has followed the Guidelines of Accounting Standards as laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements and notes to accounts of this Annual Report.

#### 8.6 Loans and advances in the nature of loans to firms / Companies in which directors are interested

During the year, the Company did not extend any loans or advances to any firms / companies in which Directors are interested in terms of Section 184 of the Act.

#### 8.7 Disclosure from the Senior Management

Periodical disclosures from Senior Management relating to all material financial and commercial transactions, where they had or were deemed to have had personal interest, that might have had a potential conflict with the interest of the Company at large are placed before the Board.

#### 8.8 Commodity price risk and commodity hedging activities

The Company enters into Derivative Contracts such as Forwards, Swaps, etc., to hedge its foreign currency fluctuation risks for underlying assets / liabilities and high probable transactions at appropriate times, as per policy.

**8.9** During the year under review, the Company has not raised any funds from public issue, rights issue, preferential issue or through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations.

**8.10** A certificate has been received from R Sridharan & Associates, Practising Company Secretary, that none of the Director on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

**8.11** Total Fees for all services paid by the listed entity and its subsidiaries on a consolidated basis to the Statutory Auditor and all entities in the network firm/network.

S. No	Name of the Company	Fees (Including out of pocket expenses) (₹ in Lakh)
1.	E.I.D.- Parry (India) Limited	96.00
2.	Parry Sugars Refinery India Private Limited	12.69
Total Fees		108.69

#### 8.12. The List of Senior Management as on the date of this report is given below:

S. no	Name	Designation
1	A.Sridhar	EVP - Strategic Programs
2	Balaji Prakash	EVP & Head - Consumer Product Group
3	Biswa Mohan Rath	Sr VP - Legal & Company Secretary
4	T Kannan	Sr VP - Commercial
5	M Balaji	VP & Head - Manufacturing
6	V Vasudevan	VP - IT
7	Jayasanckar R	VP & Head - EHS
8	J. Venkata Rao	VP & Head- Cane and Corporate Affairs (KN)
9	L K Baburaj	VP - Value Added Agri Products & Business Head - Nutraceuticals
10	Y Venkateshwarlu	Chief Financial Officer
11	A Stephen Francis	Senior AVP - HR & IR
12	N Sankaralingam	Sr AVP - Cane (TN&AP)
13	S Raghu	AVP - Quality & Customer Engagement
14	K Shanmugha Sundaram	Sr General Manager & Head - R&D

#### During the year, the following changes took place in the Senior Management category:

1. Mr. Sridhar A, stepped down as the Chief Financial Officer of the Company from the closing hours of August 31, 2023.
2. Consequent to the above, Mr. Y. Venkateshwarlu was appointed as the Chief Financial Officer w.e.f. September 1, 2023.

## 9. SUBSIDIARY COMPANIES

The Audit Committee reviews the financial statements and in particular, the investments made by unlisted subsidiary companies. The minutes of the Board Meetings as well as statements of all significant transactions of the unlisted subsidiary companies are placed before the Board of the Company for their review. The Company has formulated a policy for determining material subsidiaries and the policy is available at the weblink <https://www.eidparry.com/wp-content/uploads/2023/02/Policy-on-Material-Subsidiaries.pdf>

## 10. PREVENTION OF INSIDER TRADING

The Company has formulated a Code of practices and procedures for fair disclosure of unpublished price sensitive information in accordance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and the same has been published on the Company's website <https://www.eidparry.com/wp-content/uploads/2023/02/Policy-on-Material-Subsidiaries.pdf>

## 11. COMPLIANCE WITH THE CODE OF CONDUCT

The Board has laid down a "Code of Conduct" (Code) for all the Board members and the Senior Management of the Company. Annual declaration regarding compliance with the Code is obtained from every person covered by the Code of Conduct. A declaration to this effect signed by the Managing Director form is part of this report. The Code is available on the Company's website at <https://www.eidparry.com/wp-content/uploads/2023/02/Code-of-Conduct-for-Directors-and-Senior-Management-Personnel.pdf>

The company has adopted a two-way approach in upholding the Company's Code of Conduct in letter and spirit – EID Parry's Code of Conduct and 'EID Parry's Guide to Business Conduct' (EGBC).

EID Parry's 'Code of Conduct' (COC) is applicable to all employees of EID Parry and its wholly owned subsidiaries. The framework of the code is derived from the three fundamental principles viz., Good Corporate Citizenship, Corporate Governance and Good Personal Conduct. The COC is available on the Company's website at [https://www.eidparry.com/wp-content/uploads/2023/12/PARRYS-CODE-OF-CONDUCT\\_Ver4-1.pdf](https://www.eidparry.com/wp-content/uploads/2023/12/PARRYS-CODE-OF-CONDUCT_Ver4-1.pdf)

The essence of EGBC is based on 'The Five Lights' of the Murugappa Group. The matters covered in the Code of Business Conduct are of utmost importance to the Company, its shareholders and business partners and are essential to the Company's ability to conduct its business in accordance with its stated values. The EGBC is available on the Company's website at [https://www.eidparry.com/wp-content/uploads/2023/12/Parrys\\_-\\_Guide-to-Business-Conduct\\_Online-Version-1.pdf](https://www.eidparry.com/wp-content/uploads/2023/12/Parrys_-_Guide-to-Business-Conduct_Online-Version-1.pdf)

## 12. COMPLIANCE WITH CORPORATE GOVERNANCE NORMS

The Company has complied with the Corporate Governance requirements as specified under Regulations 17 to 27 and Clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Listing Regulations and para C, D and E of Schedule V and Regulation 34 (3) of SEBI (LODR) Regulations, 2015 as amended from time to time.

M/s. R Sridharan & Associates, Company Secretaries have certified that the Company has complied with the conditions of corporate governance as stipulated under the Listing Regulations. The said certificate is annexed to this report and will be forwarded to the Stock Exchanges and the Registrar of Companies, Tamil Nadu, Chennai, along with the Annual Report.

## 13. NON-MANDATORY REQUIREMENTS

As regards the non-mandatory requirements, the following have been adopted.

### 13.1 Shareholder Rights:

The quarterly financial results are published in leading financial newspapers, uploaded on the Company's website and any major developments are covered in the press releases issued by the Company and posted on the Company's website. The Company has therefore not been sending the half yearly financial results to the shareholders.

### 13.2 There are no audit qualifications on the Company's standalone financial statements except the observations specified in the Director's Report.

### 13.3 The Company has separate persons for the post of Chairman and Managing Director.

On behalf of the Board

Place: Chennai  
Date: May 24, 2024

**M.M.Venkatachalam**  
Chairman  
DIN: 00152619



# Corporate Governance Certificate

The Members

**E.I.D- PARRY (INDIA) LIMITED**

"Dare House"

Parrys Corner

Chennai – 600001

We have examined documents, books, papers, minutes, forms and returns filed and other relevant records maintained by **E.I.D- PARRY (INDIA) LIMITED, (CIN: L24211TN1975PLC006989)** [hereinafter referred to as "the Company"] having its Registered Office at Dare House, Parrys Corner, Chennai – 600 001, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V and Regulation 34 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter called "SEBI (LODR) Regulations 2015") for the financial year ended 31<sup>st</sup> March, 2024. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the 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 on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied regarding the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V and Regulation 34 (3) of SEBI (LODR) Regulations, 2015 as amended for the financial year ended 31<sup>st</sup> March, 2024.

This Certificate 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.

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FOR **R SRIDHARAN & ASSOCIATES**  
COMPANY SECRETARIES

**CS R SRIDHARAN**

CP NO. 3239

FCS NO. 4775

PR NO.657/2020

UIN: S2003TN063400

UDIN: F004775F000407903

Place: Chennai

Date : May 24, 2024

# Certificate of Non-Disqualification of Directors

Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

The Members,

**E.I.D.-PARRY (INDIA) LIMITED**

CIN: L24211TN1975PLC006989

"DARE HOUSE",

Parrys Corner,

Chennai - 600001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of E.I.D.- PARRY (INDIA) LIMITED (CIN: L24211TN1975PLC006989) having its Registered Office at "Dare House", Parrys Corner, Chennai- 600001(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 Part-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal [www.mca.gov.in](http://www.mca.gov.in)) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as 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	DIN	NAME OF THE DIRECTOR	DESIGNATION	DATE OF INITIAL APPOINTMENT
1.	00152619	M M Venkatachalam	Non-Executive - Non Independent Director, Chairman	07/02/2018
2.	06999319	Srinivasan Suresh	Executive Director, MD	01/07/2016
3.	07858587	Muthiah Murugappan Muthiah	Executive Director, CEO	17/05/2022
4.	07306268	Rca Godbole	Non-Executive - Independent Director	01/11/2015
5.	05275821	Ramesh K B Menon	Non-Executive – Non-Independent Director	08/11/2017
6.	00030743	Ajay Bhaskar Baliga	Non-Executive - Independent Director	09/05/2018
7.	00079047	Thirumalai Krishnakumar	Non-Executive - Independent Director	06/05/2021
8.	01814413	Sridharan Rangarajan	Non-Executive - Non Independent Director	04/10/2021
9.	00044713	Subramaniam Durgashankar	Non-Executive - Independent Director	21/03/2022
10.	09201659	Meghna Apparao	Non-Executive - Independent Director	01/07/2022

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

Place : Chennai

Date : May 24, 2024

For **R.SRIDHARAN & ASSOCIATES**

COMPANY SECRETARIES

**CS R.SRIDHARAN**

CP No. 3239

FCS No. 4775

PR.NO.657/2020

UIN: S2003TN063400

UDIN: F004775F000407914

## Declaration regarding compliance by board members and senior management with the company's code of conduct

The Members,  
**E.I.D. - Parry (India) Limited,**  
Dare House,  
Parrys Corner,  
Chennai - 600 001.

This is to confirm that the Board has laid down a code of conduct for all Board members and Senior Management of the Company. The code of conduct has also been posted on the website of the Company.

It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2024 as required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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Place : Chennai  
Date: May 24, 2024

On behalf of the Board  
**S. Suresh**  
*Managing Director*  
DIN: 06999319

## General Shareholder Information

i.	<b>Annual General Meeting Day, Date, Time and Venue</b>	Wednesday, August 14, 2024 at 3.30 PM The AGM will be held through Video Conference (VC) / Other Audio Visual Means (OAVM). Deemed venue of the Meeting is 'Dare House', Parrys Corner, Chennai - 600 001.	
ii.	<b>Financial Year</b>	April 1, 2023 to March 31, 2024	
iii.	<b>Date of Book closure</b>	Wednesday, August 7, 2024 to Wednesday, August 14, 2024 (both days inclusive)	
iv.	<b>Dividend Payment Date</b>	During the year the Company declared Second Interim dividend for the financial year 2022-23 on April 10, 2023 which was paid on May 3, 2023 and declared Interim dividend for the financial year 2023-24 on November 08, 2023 which was paid on December 01, 2023.	
v.	<b>Listing on Stock Exchanges</b>	National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G. Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.
		Annual listing fees has been paid to the above Stock exchanges.	
vi.	<b>Stock Code</b>		
	<b>Name of the Stock Exchange &amp; Depository</b>	<b>Code / ISIN</b>	
	National Stock Exchange of India Limited (NSE)	EIDPARRY	
	BSE Limited (BSE)	500125	
	National Securities Depository Limited	INE126A01031	
	Central Depository Services (India) Limited	INE126A01031	
	ISIN	INE126A01031	

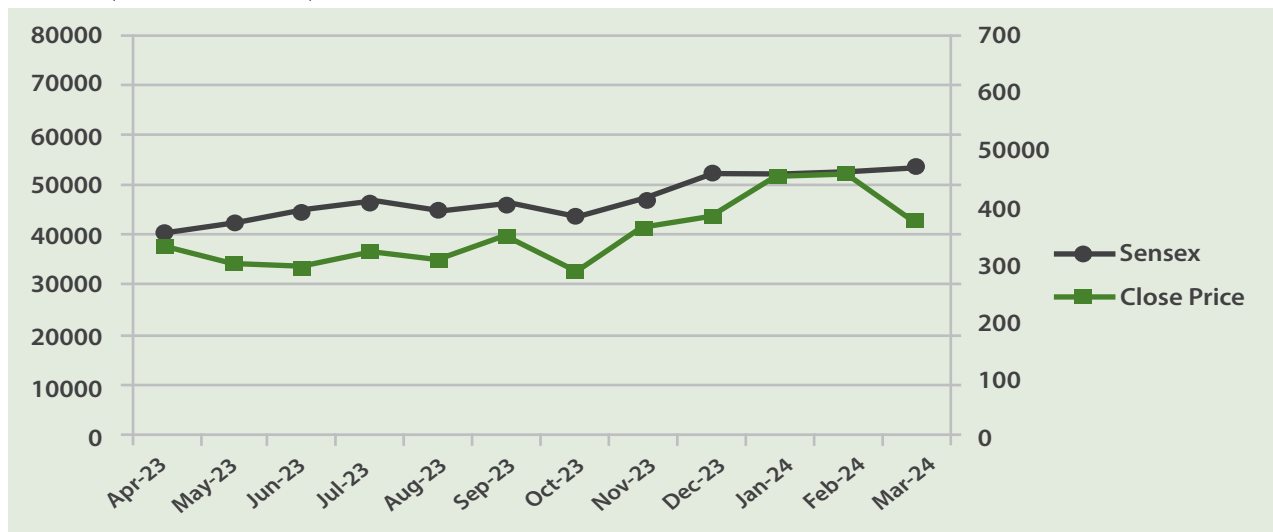
vii. **Market Price Data – Monthly High, Low and Trading Volume for Equity Shares**

Period	BSE Limited (BSE)			National Stock Exchange of India Limited (NSE)			(BSE & NSE)
	High	Low	Volume	High	Low	Volume	Total volume
	(₹)	(₹)	(No. of shares)	(₹)	(₹)	(No. of shares)	(No. of shares)
Apr-23	516.00	468.40	667037	516.40	468.05	3040737	3707774
May-23	533.90	469.25	243999	523.90	469.10	3706841	3950840
Jun-23	490.15	461.00	460572	490.95	460.00	5624649	6085221
Jul-23	504.50	452.75	707470	504.65	452.35	8796673	9504143
Aug-23	506.80	453.10	604466	507.30	453.00	7815918	8420384
Sep-23	572.05	475.00	1326299	572.40	475.00	24198285	25524584
Oct-23	533.90	452.55	548115	533.95	452.70	7235274	7783389
Nov-23	549.20	458.00	1330047	549.30	456.60	32138471	33468518
Dec-23	585.55	517.05	1033345	585.45	516.90	18975274	20008619
Jan-24	635.05	553.10	563421	635.65	552.65	12989587	13553008
Feb-24	663.75	572.25	4255424	663.00	572.00	23309422	27564846
Mar-24	632.50	540.00	370055	634.00	539.30	4316494	4686549

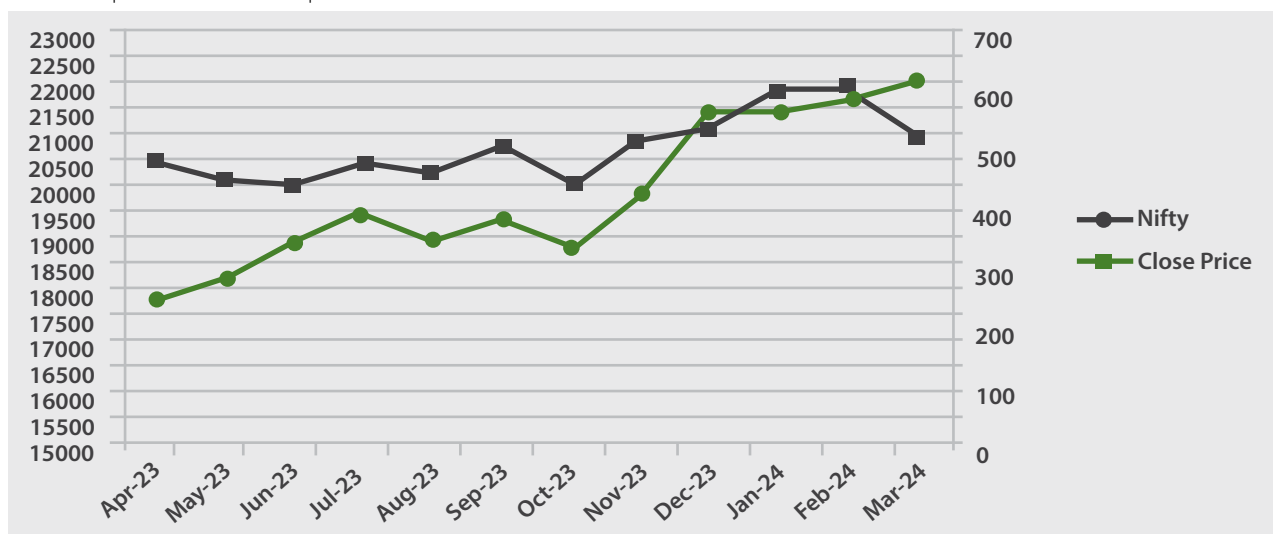


viii. **Performance in comparison to broad based indices such as BSE Sensex, NSE Nifty, CRISIL Index, etc.**

Share Price performance in comparison with BSE SENSEX



Share Price performance in comparison with NSE NIFTY



ix. **Investor Contacts :**

(a) **Registrar and Transfer Agents (RTA)**

**KFin Technologies Limited**

Unit: E.I.D.-Parry (India) Limited,  
Selenium Building, Tower-B, Plot No 31 & 32, Financial  
District, Nanakramguda, Serilingampally,  
Hyderabad, Rangareddy,  
Telangana - 500 032.  
Tel : 040 6716 2222  
Toll free : 1800-309-4001  
E-Mail : einward.ris@kfintech.com;  
Contact Person : Ms. Rajitha Cholleti, Vice President  
Corporate Registry

(b) **Company**

E.I.D.-Parry (India) Limited,  
Secretarial Department,  
'Dare House', Parrys Corner,  
Chennai - 600 001.  
Tel : +91-044-2530 6789  
E-Mail : investorservices@parry.murugappa.com;  
Contact Person : Mr. Biswa Mohan Rath,  
Company Secretary

#### x. Share Transfer System

Share Transmission / Deletion in names are approved by Stakeholders Relationship Committee.

In terms of Regulation 40(1) of Listing Regulations, as amended from time to time, the transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository. Further the transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorized by the Board severally to approve transfers as detailed below which are noted at subsequent Stakeholders Relationship Committee.

- Any two of the following directors up to a limit of 5000 Shares/Debentures/other securities per security holder/claimant –  
Mr. M.M. Venkatachalam, Chairman  
Mr. Muthiah Murugappan, Whole Time Director & CEO  
Mr. S.Suresh, Managing Director
- Any Director of the Company jointly with the Chief Financial Officer or Company Secretary up to a limit of 1000 Shares /Debentures/ other securities.
- The Chief Financial Officer and the Company Secretary up to a limit of 500 Shares /Debentures/other securities.

After approval of transfer, transmission, deletion in names etc., by the Company, the Letter of Confirmation will be sent by RTA to the Shareholder / Claimant. Within 120 days of issue of the Letter of Confirmation, the claimant(s) shall submit the demat request, along with the original Letter of Confirmation or the digitally signed copy of the Letter of confirmation, to the Depository Participant ("DP"). The RTA / Company shall issue a reminder after the end of 45 days and 90 days from the date of issuance of the Letter of Confirmation, informing the claimant(s) to submit the demat request. In case of non-receipt of demat request from the claimant(s) within 120 days of the date of issue of the Letter of Confirmation, the securities shall be credited to Suspense Escrow Demat Account of the Company.

#### Suspense Escrow Demat Account

In terms of SEBI Circular dated January 25, 2022, the Company transferred 7050 Ordinary (Equity) shares to 'Suspense Escrow Demat Account' on account of non-receipt of demat request from the investor within 120 days of issuance of the Letter of Confirmation by RTA for transmission/name deletion request.

#### Details of shares transferred to 'Suspense Escrow Demat Account' are given below:

Sl. No.	Particulars	No. of shareholders	No. of shares
(i)	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the year	-	-
(ii)	Number of shareholders whose shares transferred to suspense account during the year	10	7,050
(ii)	Number of shareholders who approached the Company for transfer of shares from the unclaimed suspense account during the year	-	-
(iii)	Number of shareholders to whom shares were transferred from the suspense account during the year	-	-
(iv)	Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the end of the year	10	7,050

#### Details of Complaints received and redressed

Nature of Complaints	Received during the year	Resolved during the year
Non-receipt of dividend /corporate benefits / entitlements, Non-receipt of Equity shares, Non-receipt of documents, Non-receipt of Letter of Confirmation after transmission of shares	9	6

There were no complaints remaining pending at the beginning of the financial year and 3 complaints remained unresolved for the Financial Year 2023-24 was resolved during the month of April 2024.

xi. **Distribution of shareholding as on March 31, 2024**

No. of equity shares held	No of Shareholders*	%	No of Shares	%
1-5000	1,08,357	98.81	1,79,28,836	10.10
5001- 10000	611	0.56	45,30,800	2.55
10001- 20000	288	0.26	41,66,124	2.35
20001- 30000	120	0.11	29,28,071	1.65
30001- 40000	40	0.04	14,37,488	0.81
40001- 50000	39	0.03	17,96,084	1.01
50001- 100000	65	0.06	45,91,765	2.59
100001& Above	140	0.13	14,01,38,423	78.94
<b>Total</b>	<b>1,09,660</b>	<b>100.00</b>	<b>17,75,17,591</b>	<b>100.00</b>

Shareholding Mode	No. of shareholders *	%	No. of shares	%
Physical	10,870	9.91	16,57,744	0.93
Demat / Electronic	98,790	90.09	17,58,59,847	99.07
<b>Total</b>	<b>1,09,660</b>	<b>100.00</b>	<b>17,75,17,591</b>	<b>100.00</b>

\* Based on Folio & DP ID / Client ID

**Shareholding Pattern as on March 31, 2024**

Sl. No.	Category	No. of shareholders#	No. of shares	% to paid-up Capital
A	Shareholding of Promoter and Promoter Group			
(1)	Indian	51	74585635	42.02
(2)	Foreign	2	383155	0.21
	Total Shareholding of Promoter and Promoter Group <sup>§</sup>	53	74968790	42.23
B	Public Shareholding			
(1)	Institutions (Domestic)	39	21074830	11.87
(2)	Institutions (Foreign)	149	15705555	8.85
(3)	Central Government / State Government(s)	1	430	0.00
(4)	Non-Institutions	106769	65767986	37.05
	Total Public Shareholding	106958	102548801	57.77
C	Shares held by Custodian and against which Depository Receipts have been issued			
(1)	Promoter and Promoter Group	-	-	-
(2)	Public	-	-	-
	<b>TOTAL (A)+(B)+(C)</b>	<b>107011</b>	<b>177517591</b>	<b>100.00</b>

# Based on PAN

§ The Company submitted necessary application for the re-classification of certain persons of the promoter/promoter group from "promoters" category to "public" category to the stock exchanges, viz., BSE Limited and National Stock Exchange of India Limited on March 5, 2024.

xii. **Dematerialisation of Shares and Liquidity**

The Company's shares are compulsorily traded in dematerialized form on National Stock Exchange of India Limited and BSE Limited. Equity shares of the Company representing 99.07 % of the Company's equity share capital are dematerialized as on March 31, 2024.

xiii. **Outstanding GDR / ADR / Warrants or any Convertible instruments, conversion date and likely impact on equity**

Nil

xiv. **Plant Locations**

<b>Sugar</b>	
1 <b>Integrated Sugar Complex consisting of Sugar, Cogeneration and Distillery</b> 138, Keel Arungunam Road, Nellikuppam - 607 105. Cuddalore District, Tamilnadu.	2 <b>Sugar and Co-generation</b> Pugalur - 639 113 Karur District, Tamilnadu
3 <b>Distillery</b> Udaikulam Village, Koothandan Post, Sivaganga Taluk, Sivaganga District - 630 561, Tamilnadu	4 <b>Integrated Sugar Complex consisting of Sugar, Cogeneration and Distillery</b> Hullatti Village, Haliyal Mandal - 581 329 Uttara Kannada, Karnataka
5 <b>Sugar &amp; Co-generation (leased unit)</b> Khanpet village, PO Toragall, Ramdurg Taluk, Belgaum District, Karnataka	6 <b>Integrated Sugar Complex consisting of Sugar, Cogeneration and Distillery</b> NH-13, Nagarlal Post, Nainegali - 587 207 Bagalkot Taluq & District, Karnataka
7 <b>Integrated Sugar Complex consisting of Sugar, Cogeneration and Distillery</b> Sankili Village, Regidi Amadalavalasa Mandal, Vijayanagaram District - 532 440, Andhra Pradesh	
<b>Nutraceuticals</b>	
8 <b>Nutraceuticals Factory</b> Kadiapatti, Nemathanpatti Road, Panangudi (P.O), Thirumayam Taluk, Oonaiyur - 622 505 Pudukottai District, Tamilnadu	9 <b>Nutraceuticals Factory</b> Saveriyarpuram Area, Oonaiyur (P.O), Thirumayam Taluk, Oonaiyur - 622 505 Pudukottai District, Tamilnadu
<b>R &amp; D Facility</b>	
10 <b>Sugarcane R&amp;D Centre</b> 43, Annai Nagar, Pugalur - 639 113 Karur District., Tamil Nadu	11 <b>Sugarcane R&amp;D Centre</b> D.No.23, Morai Campus, Nellikuppam - 607105 Cuddalore District, Tamil Nadu
12 <b>Research Farm</b> Edayanvalli, Melpattambakkam Post - 607104 Cuddalore Dt., Tamil Nadu	13 <b>Centre of Innovation and Excellence (COIE)</b> 655, T.H. Road, Thiruvottiyur, Chennai - 600019

xv. **Address for correspondence**

E.I.D.-Parry (India) Limited,  
Secretarial Department, 'Dare House',  
Parrys Corner, Chennai - 600 001.  
Tel : +91-044-25306789,  
Fax : +91-044-25306930  
E-Mail: investorservices@parry.murugappa.com



## OTHER INFORMATION FOR SHAREHOLDERS

### DIVIDENDS

Pursuant to Section 124 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unclaimed / unpaid dividend remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, are required to be transferred to the Investor Education & Protection Fund (IEPF). Accordingly, dividends remaining unclaimed for a period of 7 years will be transferred by the Company to the IEPF. Shareholders who have not encashed their dividend warrants (for earlier periods) may approach our Registrar and Transfer Agent M/s. KFin Technologies Limited, Hyderabad for electronic transfer of the proceeds in lieu of dividend warrants quoting the Folio Number / Client ID.

**Due dates on which the unclaimed dividends would be transferred to IEPF are given below:**

Year	Dividend Type	Amount of Dividend Per share (₹)	Due for transfer to the Investor Education and Protection Fund
2017 – 18	Final	3.00	14.09.2025
2018 – 19	Interim	2.00	10.03.2026
2018 – 19	2 <sup>nd</sup> Interim	1.00	28.04.2026
2021 – 22	Interim	5.50	17.09.2028
2021 – 22	2 <sup>nd</sup> Interim	5.50	06.04.2029
2022-23	Interim	5.50	13.12.2029
2022-23	2 <sup>nd</sup> Interim	4.00	11.05.2030
2023-24	Interim	4.00	15.12.2030

### UNCLAIMED FRACTIONAL SHARES PROCEEDS

The Company had, in July 2017, distributed the sale proceeds of fractional shares arising out of issuance of shares, pursuant to the Scheme of Amalgamation of Parrys Sugar Industries Limited with the Company, to the eligible shareholders as per their respective fractional entitlements. Fractional Entitlements in respect of few shareholders are lying unclaimed with the Company, details whereof is uploaded on the website of the Company at <https://www.eidparry.com>. The said fractional proceeds remaining unclaimed for a period of 7 years will be transferred by the Company to the IEPF on July 7, 2024.

Details of the unclaimed proceeds transferred to IEPF is uploaded on the website of the Company at <https://www.eidparry.com>.

### NOMINATION FACILITY

As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the 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 Form No. SH-13. 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 <https://www.eidparry.com/shareholder-assistance/>. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialised form and to the Company in case the shares are held in physical form.

### KYC DETAILS OF SHAREHOLDERS HOLDING SHARES IN THE PHYSICAL/DEMAT FORM

Shareholders holding shares in the physical form are required to mandatorily furnish their Permanent Account Number (PAN), specimen signature, and details of their bank account, nomination, complete postal address including pin code, mobile number & e-mail address to the Company.

Shareholders whose folio(s) are not updated with the KYC details (any of the details viz., PAN; Choice of Nomination; Contact Details; Mobile Number, Bank Account Details and signature, if any) shall be eligible :

- to lodge grievance or avail any service request from the RTA only after furnishing PAN, KYC details and Nomination and
- for any payment including dividend, interest or redemption payment in respect of such folios, only through electronic mode with effect from April 01, 2024.

For the purpose of updation of KYC details against the folio, shareholders are requested to send the details as per the formats specified below along with the supporting documents by way of 'In Person Verification' (IPV) or post to the RTA's office or in electronic mode with e-sign to einward.ris@kfintech.com or investorservices@parry.murugappa.com.

- a. Form ISR-1 duly filled in along with self attested supporting documents for updation of KYC details
  - b. Form ISR-2 duly filled with banker attestation of signature along with Original cancelled cheque with your name(s) printed thereon or self-attested copy of bank passbook/statement
  - c. Form SH-13 for updation of Nomination or ISR-3 opting out of Nomination
- The afore referred formats may be accessed on the Company's corporate website at <https://www.eidparry.com/shareholder-assistance/> or <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>.

Shareholders/Members holding shares in Demat form and has not registered / updated the KYC details, are required to mandatorily contact their respective Depository Participants (DPs) and register their PAN, e-mail address and bank account details in their demat account, as per the process recommended by the DP.

### UNCLAIMED SUSPENSE ACCOUNT

In accordance with Regulation 39(4) read with Schedule VI of Listing Regulations, the Company has dematted all physical shares which remained unclaimed by shareholders and credited to an "Unclaimed Suspense Account" opened by the Company for this purpose. All corporate benefits that accrue on these shares such as bonus shares, split etc. shall also be credited to the Unclaimed Suspense Account and the voting rights on such shares shall remain frozen. Shareholders whose shares are lying in unclaimed suspense account are requested to write to the Registrar & Transfer Agent and provide the correct details to enable the Company to transfer the unclaimed shares directly to the Shareholders demat account.

The following disclosures are made in pursuance of Regulation 34(3) read with Clause F of Schedule V of the Listing Regulations.

Sl. No.	Particulars	No. of shareholders	No. of shares
(i)	Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the beginning of the year	1345	68818
	Less: Number of shares transferred to Investor Education Protection Fund during the year ended March 31, 2024	-	-
		<b>1345</b>	<b>68818</b>
(ii)	Number of shareholders who approached the Company for transfer of shares from the unclaimed suspense account during the year	3	193
(iii)	Number of shareholders to whom shares were transferred from the unclaimed suspense account during the year	3	193
(iv)	Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the end of the year	1342	68625

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed Entity

1. Corporate Identity Number (CIN)	L24211TN1975PLC006989	
2. Name of the Listed Entity	E.I.D.-Parry (India) Limited	
3. Year of incorporation	22-09-1975	
4. Registered office address	Dare House, Parrys Corner, Chennai- 600001	
5. Corporate Address	Dare House, Parrys Corner, Chennai- 600001	
6. E-mail address	investorservices@parry.murugappa.com	
7. Telephone No.	044-25306789	
8. Website	https://www.eidparry.com	
9. Financial year for which reporting is being done	April 1, 2023 – March 31, 2024	
10. Name of the Stock Exchanges where the company's shares are listed	i. BSE Limited (BSE) (Scrip Code: 500125) ii. National Stock Exchange of India Limited (NSE) (Scrip Code: EIDPARRY)	
11. Paid up capital:	₹17,75,17,591	
12. Name and contact details of the person who may be contacted in case of any queries on the BRSR report	<b>Name of the contact person</b>	Biswa Mohan Rath Sr. Vice President - Legal and Company Secretary
	<b>Contact number of the contact person</b>	044-25306277
	<b>Email of the contact person</b>	investorservices@parry.murugappa.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis	
14. Name of assurance provider	Not Applicable	
15. Type of assurance obtained	Not Applicable	

### II. Products/Services

#### 16. Details of business activities (accounting for 90% of the turnover)

Description of main activity	Description of business activity	% of Turnover of the entity
Sugar	Manufacture, sale and marketing of sugar in various forms. The Sugar is sold both to trade and institutions and also to consumers through retail channels.	66.41
Distillery	Manufacture, sale and marketing of distillery products in various forms viz R.S, E.N.A, Ethanol, etc.	28.45
Cogeneration*	Power generated through cogeneration is sold to state government utilities, third parties and also on electricity exchanges.	4.03
Nutraceuticals	Manufacture, sale and marketing of nutraceutical products in various forms. The Company manufactures spirulina, a wholesome nutrient dense nutraceutical supplement and the algae contains rich amounts of nutrients such as carotenoids, chlorophylls, micronutrients, and vitamins apart from being a complete protein.	1.11

\*This excludes inter-segmental revenue.

**17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover)**

Product/Service	NIC Code	% of total Turnover contributed
Sugar	10721	66.41
Distillery	1101	28.45
Cogeneration	35106	4.03
Nutraceuticals	03213	1.11

**III. Operations****18. Number of locations where plants and/or operations/offices of the entity are situated**

Location	Number of plants	Number of offices	Total
National	7	2	9
International	1	1	2

**19. Markets served by the entity****i. Number of locations**

Location	Number
National (No. of States)	5
International (No. of Countries)	40

**ii. What is the contribution of exports as a percentage of the total turnover of the entity?**

1.1%

**iii. A brief on types of customers**

At E.I.D.- Parry (India) Limited, we have a diverse range of customers across our different product lines. The Company's products include different type of sweeteners (White Sugar, Refined Sugar, Pharma Grade Sugar, Brown Sugar, Low GI Sugar, Jaggery etc.), which are sold in bulk and retail packs, besides operating in adjacencies such as Ethanol and cogeneration of power. Nutraceuticals is another important business of the Company. Sugar and Nutraceuticals are sold both in the domestic and international markets. The Company's sustainable sugarcane production and manufacturing practices have earned it the preferred vendor ranking among multinational clients across a wide industry spectrum such as pharma, confectionery, beverage and soft drink manufacturers, dairy, food ingredients, etc. Ethanol is sold to Oil Marketing Companies for fuel blending. The surplus power from cogeneration is sold to third parties, State Distribution Companies as well as through Electricity Exchanges. In addition to the above, the company has recently forayed into the sale of kitchen staples like rice, pulses, millets, etc. The Company sells its product to trade, institutions as well as to retail customers, through a number of channels including distributors, direct sale, and digital marketing.

**IV. Employees****20. Details as at the end of Financial Year****1. Employees and workers (including differently-abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1250	1207	96.56%	43	3.44%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	1250	1207	96.56%	43	3.44%
WORKERS						
4.	Permanent (F)	1069	1065	99.63%	4	0.37%
5.	Other than Permanent (G)	1850	1643	88.81%	207	11.19%
6.	Total workers (F + G)	2919	2708	92.77%	211	7.23%



## 2. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	3	3	100%	0	0%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)*	3	3	100%	0	0%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	5	5	100%	0	0%
5.	Other than Permanent (G)	3	3	100%	0	0%
6.	Total differently abled workers (F + G)*	8	8	100%	0	0%

\* Employees who have voluntarily disclosed their disability

## 21. Participation/Inclusion/Representation of women

	Total (A)	No. of Female (B)	% (B/A) of Females
Board of Directors	10	2	20.0
Key Management Personnel	3	0	0

## 22. Turnover rate for permanent employees and workers

	FY (2023-2024)			PY (2022-2023)			PPY (2021-2022)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	11.95	4.7	11.69	12.06	13.73	12.12	11.07	11.65	11.09
Permanent Workers	2.41	22.41	2.49	2.67	0.0	2.65	3.5	-	3.5

## V. Holding, Subsidiary & Assoc. Companies (including joint ventures)

### 23. Names of holding / subsidiary / associate companies / joint ventures

Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Entity indicated at col A, participate in the Business Responsibility initiatives of the listed entity?
Coromandel International Limited	Subsidiary	56.19	Yes
Coromandel Chemicals Limited	Subsidiary	56.19	No
CFL Mauritius Ltd	Subsidiary	56.19	No
Coromandel Brasila Ltd	Subsidiary	56.19	No
Coromandel Australia Pty Ltd (formerly Sabero Australia Pty Ltd)	Subsidiary	56.19	No
Sabero Organics America SA	Subsidiary	56.18	No
Sabero Argentina SA	Subsidiary	53.38	No
Parry Infrastructure Co. Pvt Ltd	Subsidiary	100.00	No
Parry America Inc	Subsidiary	56.19	No
US Nutraceuticals Inc	Subsidiary	100.00	No
Labelle Botanics LLC	Subsidiary	100.00	No
Parry Sugars Refinery India Pvt Ltd	Subsidiary	100.00	Yes
Alimtec S A	Subsidiary	100.00	No

Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Entity indicated at col A, participate in the Business Responsibility initiatives of the listed entity?
Parry International DMCC	Subsidiary	100.00	No
Coromandel Agronegocius De Mexico S.A De C.V.	Subsidiary	56.19	No
Dare Ventures Ltd (formerly Dare Investments Ltd)	Subsidiary	56.19	No
Coromandel International (Nigeria) Limited	Subsidiary	56.19	No
Coromandel Mali SASU	Subsidiary	56.19	No
Coromandel Technology Limited	Subsidiary	56.19	No
Yanmar Coromandel Agrisolutions Pvt. Ltd.	Joint Venture	22.00	No
Algavista Greentech Private Limited	Joint Venture	50.00	No
Sabero Organics Philippines Asia Inc.	Associate	22.48	No
Baobab Mining and Chemicals Corporation (Investment by Coromandel Chemicals Limited)	Associate	25.29	No
Dhaksha Unammned Systems Private Limited (Subsidiary of Coromandel Technology Limited)	Subsidiary	28.67	No

Note: During the year, the Scheme of Amalgamation of Parrys Sugar Limited, Parry Agrochem Exports Limited and Parrys Investments Limited (Transferor Companies) with Parry Infrastructure Company Private Limited (Transferee Company) was approved by the NCLT, Chennai Bench on July 28, 2023 and September 20, 2023. Consequent to the filing of the certified order copies along with the Scheme with the respective Registrar of Companies on October 10, 2023, the Scheme became effective from October 10, 2023.

## VI. CSR Details

### 24. Enter details for Corporate Social Responsibility (CSR)

- Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- Turnover (In Crores): ₹2809 Crore
- Net worth (In Crores) : ₹2919 Crore

## VII. Transparency and Disclosures Compliances

### 25. Complaints on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY (2023-2024)			PY (2022-2023)		
		No. of complaints filed during current year	No. of complaints pending resolution at close in current year	Remark	No. of complaints filed during current year	No. of complaints pending resolution at close in current year	Remark
Communities	Yes	-	-	-	0	0	-
Shareholders	Yes	9	3*	-	7	0	-
Investors (other than shareholders)	Yes	-	-	-	0	0	-
Employees and workers	Yes	2	0	-	1	0	-
Customers	Yes	28	0	-	34	0	-
Value Chain Partners	Yes	-	-	-	1	0	-
Others	Yes	-	-	-	1	0	-

\*Resolved during the month of April 2024.

## 26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications

In our dynamic and unpredictable world, having a structured process to identify material sustainability issues is essential for responsible business conduct. These issues are critical because they can significantly impact our business performance and are of utmost importance to our key stakeholders. We define materiality based on two key criteria:

1. Principal Risks: A sustainability issue is considered material if it is a risk that directly affects our business operations and financial outcome.
2. Stakeholder Relevance: Additionally, a material issue must matter to our diverse stakeholders. This includes customers who consume our products, our dedicated employees, reliable suppliers, strategic business partners, shareholders who invest in our success, and the broader planet and society we inhabit.

By addressing these material issues, we aim to create positive impact, foster transparency, and uphold accountability in our reporting. Our commitment extends beyond financial gains; it encompasses the well-being of people, the planet, and sustainable prosperity for all.

Further details of our materiality determination, risk and opportunity management can be found in the 'Risk Management Section' of the Report of the Board of Directors.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Regulatory risk	Risk	<ul style="list-style-type: none"> <li>Sugar industry is cyclic in nature. Impact on business economics and profitability of integrated sugar industry since government policies control sugarcane, sugar availability &amp; prices, power tariffs, molasses, ethanol production &amp; sales</li> <li>Stoppage of production due to non-compliance with pollution control regulations, labor codes and laws</li> </ul>	<ul style="list-style-type: none"> <li>Integrated Business Model consisting of distillery operations and green energy production through cogeneration using bagasse as fuel.</li> <li>Business resilience and continuity plan.</li> <li>Value added products from sugar and waste.</li> <li>Active engagement and discussions with government through membership in organizations like Indian Sugar Mill Association (ISMA) and the South Indian Sugar Mills Association (SISMA).</li> <li>Comprehensive e-compliance management system to monitor and review the changes in regulatory framework and to ensure compliance.</li> </ul>	Negative
		Opportunity	<ul style="list-style-type: none"> <li>Government's favorable policies resulting in the economic value creation for the Company / industry viz. Ethanol blending in fuels, Bagasse based cogeneration as a source of renewable energy.</li> <li>Increased capacity of distillery for contributing to government's ethanol blending programme to achieve 20% ethanol blending in fuel by 2025-26.</li> <li>Grain-based distillery at Sankili</li> <li>Enhancement of distillery capacity at Haliyal from 50 KLPD to 170 KLPD.</li> <li>Enhancement of distillery capacity at Nellikuppam from 75 KLPD to 120 KLPD.</li> </ul>		Positive

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Climate change & raw material availability	Risk	<ul style="list-style-type: none"> <li>Adverse impact on agricultural produce due to climate change.</li> <li>Since 90% of raw material is sugarcane, climate change will significantly impact production and overall business economics due to limitations on sugarcane availability and the associated impacts like crop failure, low sugar recoveries, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Collaboration with government agencies for developing climate change resistant sugarcane varieties in the R&amp;D.</li> <li>Sustainable sugarcane farming</li> <li>Farmers engagement through I-cane management on farming practices and soil enhancement/ regeneration techniques.</li> <li>Digitized cane procurement</li> <li>Bonsucro certification for sustainable sourcing</li> <li>Entrepreneur development among farmers for mechanical harvesting, single seed program &amp; bio-pest controls.</li> <li>Plan to grow millet as climate resistant crop and alternate crops (pulses/ cereals)</li> <li>Availability &amp; access to high yielding sugarcane seeds / saplings to farmers in the command area.</li> <li>Farmers Connect' app for awareness, skill development and feedback/ grievance redressal mechanism.</li> <li>Timely payment to farmers.</li> </ul>	Negative
3	Information security/ Cyber security	Risk	<ul style="list-style-type: none"> <li>Non-availability of service or failure of multiple systems leading to disruption in business operations due to lack of adequate processes</li> <li>Cyber security</li> <li>Disaster recovery systems</li> </ul>	<ul style="list-style-type: none"> <li>Information systems, backup and disaster recovery policies are in place and are periodically reviewed.</li> <li>Robust firewall and Security event Information management</li> <li>systems to monitor all types of security breaches and take corrective measures.</li> <li>Promoting user awareness on cyber security/ risks through periodic training and information exchange.</li> </ul>	Negative
4	Product quality and safety & customer welfare	Risk	<ul style="list-style-type: none"> <li>Unintended health and safety risks arising out of low-quality products</li> <li>Increased awareness and health consciousness of sugar consumers. Sugar consumption may be considered as a health risk.</li> </ul>	<ul style="list-style-type: none"> <li>Stringent quality system &amp; processes are practiced and product recall mechanism is in place.</li> <li>Raw brown sugar, low GI sugars and Jaggery as an alternative to sugar. Collaboration with national and international partners to provide healthier replacement solutions for sugar.</li> </ul>	Negative
		Opportunity	<ul style="list-style-type: none"> <li>Enhance market and demand for healthier products</li> </ul>		Positive



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Product design and lifecycle management	Opportunity	<ul style="list-style-type: none"> <li>Ability to address customer and societal demand for more sustainable products and services - New products like low GI sugar, ethanol production from syrup/ B-Heavy molasses.</li> </ul>		Positive
6	Supply chain	Risk	<ul style="list-style-type: none"> <li>Unavailability of Harvesting Labour, Crop failure, Lower yield and recovery.</li> </ul>	<ul style="list-style-type: none"> <li>Engagement with farmers on farming practices through I-Cane management system, Digitization of cane procurement procedure, Development of entrepreneurs for mechanical harvesting, Single seed program, Biopest controls.</li> </ul>	Negative
7	Employee health and safety	Risk	<ul style="list-style-type: none"> <li>Non adoption of adequate safety practices and procedures leading to accidents and injuries.</li> </ul>	<ul style="list-style-type: none"> <li>Site based safety committee and risk management system in place such as safety training, permit to work, incident reporting and investigation, workplace inspection.</li> </ul>	Negative
		Opportunity	<ul style="list-style-type: none"> <li>Adoption of good safety system and practices leading to high employee morale and motivation.</li> </ul>		Positive
8	Water and waste water management	Risk	<ul style="list-style-type: none"> <li>Water demand &amp; availability, impact on water resource.</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with Consent to Operate, Zero liquid discharge/ application of treated effluent on land, recycle of treated sugar condensates, distillery effluents as utility make up, "Rain water harvesting", CSR projects involving watershed management, projects for the community</li> </ul>	Negative
9	Waste Management	Risk	<ul style="list-style-type: none"> <li>Environmental issues associated with hazardous and non-hazardous waste generation, handling, storage, treatment and disposal.</li> </ul>	<ul style="list-style-type: none"> <li>Bagasse for cogeneration, molasses for production of ethanol / ENA, recycle of press mud and organic sludge as manure. Value added products from bagasse, press mud, use of boiler ash for brick making.</li> </ul>	Negative
		Opportunity	<ul style="list-style-type: none"> <li>The byproducts and Waste generated during the course of manufacture of sugar provides immense opportunity for revenue generation as described above. Potash recovery from distillery residue and sale as branded product.</li> </ul>		Positive

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10	Increased ESG awareness among stakeholders	Opportunity	<ul style="list-style-type: none"> <li>▪ Inclusion of sustainability, circularity and other ESG aspects in our operations through governance and policies.</li> <li>▪ Mandatory and voluntary ESG disclosures to improve ESG rating.</li> <li>▪ Effective resource management through monitoring of ESG targets resulting in better economic performance</li> <li>▪ Availability of green funds/bonds for financing ESG projects for GHG emissions reduction and opportunities to contribute to India's net zero target.</li> <li>▪ Embedding ESG practices in value chain</li> </ul>	<ul style="list-style-type: none"> <li>▪ ESG targets for reduction of environmental footprint &amp; GHG emissions, adding value to social aspects and improving governance.</li> <li>▪ Collaboration with value chain partners &amp; funding agencies like International Finance Corporation (IFC) for projects related to irrigation water management</li> <li>▪ Sustainable sourcing</li> </ul>	Positive
11	Sustainable practices	Opportunity	<ul style="list-style-type: none"> <li>▪ Scaling up of climate smart agriculture through sustainable practices and promote AI based digital tech for crop monitoring facility.</li> <li>▪ Setting up ESG targets for improving resource efficiency and reduction of GHG emissions.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Resource optimization and water security</li> <li>▪ Contribute to governments net zero commitment</li> <li>▪ Financial value creation for farmers through carbon credits</li> </ul>	Positive
12	Improving social capital value	Opportunity	<ul style="list-style-type: none"> <li>▪ Enhancing community healthcare</li> <li>▪ Improving education in rural villages</li> <li>▪ Improving health and safety of employees</li> <li>▪ Skill development for social capital</li> </ul>	<ul style="list-style-type: none"> <li>▪ CSR projects based on shared values and need assessment</li> <li>▪ ISO 45001 certification to improve employee safety, reduce workplace hazard</li> <li>▪ Promote diversity, equality and inclusion within the organization</li> <li>▪ Talent management and employee retention</li> </ul>	Positive

## SECTION B: MANAGEMENT & PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	<a href="https://www.eidparry.com/policies-codes/">https://www.eidparry.com/policies-codes/</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes /certifications / labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g.SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<p>EID Parry's policies are firmly rooted in the principles of the National Guidelines for Responsible Business Conduct (NGRBC's), which align with internationally recognized standards such as ISO 9000, 14000 and 45001, UNGC principles, ILO principles and United Nations Sustainable Development Goals (SDGs). To measure and report our sustainability performance, we follow the Global Reporting Initiative (GRI) standards, which are widely recognized and regarded as the benchmark for sustainability reporting.</p> <p>In addition, all our manufacturing units have obtained ISO 45001 certification during FY 2023-24, which has been validated by M/s. TUV:SUD. The Jaggery plants (Nellikuppam and Pugalur) for the first time have been accredited with certification for food safety management systems consisting of ISO 22000:2018, ISO/TS 22002-1:2009 and additional FSSC 22000.</p> <p>Four units (Nellikuppam, Haliyal, Bagalkot, Pugalur) were re-accredited with FSSC 22000 version 5.1 from the DNV Certification Body. Two units (Nellikuppam and Haliyal) were recertified for ISO 9001:2018 Quality Management System. Sankili Unit was recertified with Integrated Management System Certifications, which include Quality Management System ISO 9001:2015. In compliance with the Government excipient guidelines as prescribed for drug manufacturing customers, our Refinery unit in Nellikuppam is certified by cGMP and other pharmacopeia accreditations including the Indian, European, United States of America, Japanese and British Pharmacopeias.</p>								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Y	Y	Y	Y	Y	Y	Y	Y	Y
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The company has set up specific goals and targets concerning Environment, Social and Governance and the performance against the targets are being monitored periodically.								

## Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

During the year, the Company continued its journey towards sustainability, integrating the environmental, social and governance (ESG) principles, across all the units and our value chain partners. With circularity and sustainable practices being the core of our existence, we have undertaken steps to ensure efficiency in production, reducing emissions and minimizing waste. Our strength lies in sourcing of sugarcane through smart agriculture practices which includes our efficient I-Cane Management System. The Company, being one of the first companies in the industry, is in the process of partnering with Boomitra, an Earthshot prize winner, to assist farmers in enhancing their incomes through carbon credit remuneration.

The Company is mindful of the water consumption and the water scarcity prevailing in the regions where it operates and, through its flagship watershed management initiative, "Project NANNEER", has been taking steps to improve the irrigation water availability to its key stakeholders, i.e., farmers.

We impact lives of local communities by undertaking various Corporate Social Responsibility projects around our manufacturing units with specific focus on education, healthcare, skill development and employability/ entrepreneurship to improve livelihood and overall development of the communities we serve. The Company endeavours to address and bridge the gaps and ensure environmental integrity, enabling economic development and building social capital.

The Company's ESG targets comprise a reduction in fuel consumption, moderating GHG emissions through energy-efficient operations and enhancing the utilisation of treated effluents that minimises freshwater use. Multiple dimensions including climate change, usage of renewable energy, sustainable sourcing, social capital, governance and business model resilience are considered while setting our ESG targets. Promotion of single seed bud plantation programme, usage of bio-control agents, slash and mulch applications, and drip irrigation are some of our primary ESG targets towards sustainable procurement of cane. At workplace we are committed to promote gender diversity, skill development and create a safer working environment. Our long-term targets are based on shared values and include sustainable packaging, intercropping of climate resistant crops and implementing large community water resource projects for the benefit of the farming community.

The Company is also elated to inform its stakeholders about the launch of its maiden Sustainability Report, which is available at, [https://www.eidparry.com/wp-content/uploads/2024/02/EIDP\\_SR\\_22-23.pdf](https://www.eidparry.com/wp-content/uploads/2024/02/EIDP_SR_22-23.pdf) and the same was assured by an external firm.

- |   |  |
|---|--|
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).   | S. Suresh (DIN:06999319)<br>Managing Director 044-25306789<br><a href="mailto:investorservices@parry.murugappa.com">investorservices@parry.murugappa.com</a> |
| 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. | Yes, Managing Director   |

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually / Half yearly / Quarterly / Any other - please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Board									Quarterly								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Board									Quarterly								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9									
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes / No). If yes, provide name of the agency.	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No



12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

### Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/Principles covered under the training and its impact	% age of persons in respective category covered by awareness programmes
Board of Directors	4	The Companies Act 2013, SEBI Regulations including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015, Sustainability Reporting, Project Safety, Industry, Financial and Business Trends, CSR and Financial reporting, Whistle Blower, Awareness/ Compliances of Related Party Transactions, etc.	100.0
Key Managerial Personnel	3 + 12	i. Industry, Financial and Business Trends ii. Mailers highlighting about BRSR, BRSR Core and ESG. iii. Workshop on Carbon Credits, Indian Carbon Credits, Green Credit Implementation Rules, 2023. iv. Theme-centric ESG Newsletters which included: a) Water Negativity, Neutrality, Positivity b) Human Rights and Redressal of Grievances c) Code of Conduct d) CSR and Social Capital e) ESG Integration through Value Chain f) Sustainable Practices in Waste and Hazard Management	100.0

Segment	Total number of training and awareness programmes held	Topics/Principles covered under the training and its impact	% age of persons in respective category covered by awareness programmes
Employees other than BoD and KMPs	7	<ul style="list-style-type: none"> <li>▪ Mailers highlighting about BRSR, BRSR Core and ESG.</li> <li>▪ Introduction about Corporate Policies, Company Code of Conduct through the Learning and Development Tool</li> <li>▪ Workshop on Carbon Credits, Indian Carbon Credits, Green Credit Implementation Rules, 2023.</li> <li>▪ Safety Workshops with themes in behaviour-based safety tunnels, monthly safety campaigns, safety coaching</li> <li>▪ Leading Safety Modules, Behaviour Safety Modules</li> <li>▪ Workshop on Prevention of Sexual Harassment at Workplace (POSH)</li> <li>▪ Theme-centric ESG Newsletters which included:               <ol style="list-style-type: none"> <li>1. Water Negativity, Neutrality, Positivity</li> <li>2. Human Rights and Redressal of Grievances</li> <li>3. Code of Conduct</li> <li>4. CSR and Social Capital</li> <li>5. ESG Integration through Value Chain</li> <li>6. Sustainable Practices in Waste and Hazard Management</li> </ol> </li> </ul>	100.0
Workers	1	<ul style="list-style-type: none"> <li>▪ Safety Workshops with themes in behaviour-based safety tunnels, monthly safety campaigns, safety coaching, site safety induction</li> <li>▪ Mass safety trainings for contractors and cane drivers</li> <li>▪ Behaviour safety (MS, NMS &amp; Contract employees)</li> <li>▪ Leading Safety (MS)</li> <li>▪ Permit to work trainings</li> <li>▪ Area specific risk trainings</li> <li>▪ Height work</li> <li>▪ Hot work</li> <li>▪ Confined space work trainings</li> <li>▪ Fire Fighting</li> <li>▪ Emergency response</li> <li>▪ General Safety trainings</li> <li>▪ Leading Safety Modules, Behaviour Safety Modules</li> </ul>	100.0

MS: Management Staff

NMS: Non-Management Staff

## 2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine			Nil		
Settlement			Nil		
Compounding fee			Nil		

	Monetary			
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment			Nil	
Punishment			Nil	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/ judicial institutions
Nil	Nil

4. Does the entity have an anti-corruption policy or anti-bribery policy?

Yes

**If yes, provide details in brief and if available, provide a web-link to the policy.**

"Integrity" is one of the "Five Lights" (The Spirit of the Murugappa Group) which states: Always do the right thing. The Company is committed to conducting business ethically and in compliance with all applicable laws and regulations with respect to its operations. The objective of this Policy is to ensure that appropriate anti-corruption and bribery procedures are in place across Company's operations to avoid any violations of applicable laws and regulations.

The anti-corruption and anti-bribery policy of the company is available at our website and can be viewed at: <https://www.eidparry.com/wp-content/uploads/2023/02/Anti-Corruption-and-Anti-Bribery-Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption

	FY (2023-2024)	PY (2022-2023)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY (2023-2024)		PY (2022-2023)	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

7. Provide details of any corrective action taken or under way on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured):

	FY (2023-2024)	PY (2022-2023)
Number of days of accounts payables	55	59

**9. Open-ness of business – Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

**i. Concentration of Purchases**

Metrics	FY (2023-2024)	PY (2022-2023)
a. Purchases from trading houses as % of total purchases	-	-
b. Number of trading houses where purchases are made from	-	-
c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-

**ii. Concentration of Sales**

Metrics	FY (2023-2024)	PY (2022-2023)
a. Sales to dealers/distributors as % of total sales	40.31%	40.00%
b. Number of dealers/distributors to whom sales are made	410	340
c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	28.54%	30.89%

**iii. Share of RPTs in**

Metrics	FY (2023-2024)	PY (2022-2023)
a. Purchases (Purchases with related parties / Total Purchases) For all a, b, c, d (in %)	0.73%	0.52%
b. Sales (Sales to related parties / Total Sales)	0.99%	13.31%
c. Loans & advances (Loans & advances given to related parties / Total loans & advances)*	100.00%	100.00%
d. Investments (Investments in related parties / Total Investments made)	63.56%	69.25%

\*During the year, the company has not given any loans or advances to any related party. As on March 31, 2024, the loan given to Parry Sugars Refinery India Private Limited, a wholly owned subsidiary of the company is ₹200 crores.

**Leadership Indicators**

**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year.**

Total number of awareness programmes held	Topics / Principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	To encourage cost effective supply from local sources and ESG compliances by vendor	1%

**2. Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board?**

Yes. We have adopted Code of Conduct for the Board of Directors and Senior Management, which sets out clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company. We receive an annual declaration from our Board of Directors and Senior Management and changes if any, from time to time are obtained, in line with our Code of Conduct Policy.

The Policy is available on our website and can be viewed at <https://www.eidparry.com/wp-content/uploads/2023/02/Code-of-Conduct-for-Directors-and-Senior-Management-Personnel.pdf>.

Further, the Directors and Senior management are required to disclose to the Board, on an annual basis, that they have not entered into any Financial / Commercial transaction with the Company where they may be deemed to have a personal interest that may have a potential conflict with the interest of the company at large.



## PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

### Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

₹ in Lakhs

	FY (2023-2024)	PY (2022-2023)	Details of improvements in environmental and social impacts
R&D	638.0	579.0	Developing increased yield & climate resistance sugarcane varieties. Sustainable farming practices (drip irrigation, trash & mulch, biocontrol agents), regenerative farming practices and enhancement of farmer's income.
Capex	-	12.0	-

2. Does the entity have procedures in place for sustainable sourcing?

Yes

**What percentage of inputs were sourced sustainably?**

90%

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life

#### i. Plastic (including packaging)

Our main products are sugar & other sugarcane-based sweetener solutions, ethanol, Extra Neutral Alcohol & Nutraceuticals (Microalgae) which are consumable products. Ethanol is used for fuel blending. Therefore, there is no scope for recycling our products at the end of life. Plastic packaging waste is covered under Extended Producer Responsibility (EPR) as per the requirements of Plastic Waste Management (Amendment) Rules 2022. Through EPR approach, our company ensures safe disposal of pre-and post-consumer plastic packaging waste. In the FY 2023-24, the company recycled or safely disposed of 1900 tonnes of plastic packaging waste collected across multiple states as part of EPR mandate.

#### ii. E-waste

E-waste is recycled through authorized vendors.

#### iii. Hazardous waste

Waste oil is handed over to agencies authorized by the State Pollution Control Board for reprocessing/ recycling.

#### iv. Other waste

Battery waste: Battery waste is recycled through buy- back approach where the waste batteries are returned to the suppliers.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).

Yes

**Whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?**

Yes, as per the Plastic Waste Management (Amendment) Rules 2022, we are registered at Central Pollution Control Board (CPCB) for EPR under Brand Owners (BOs) category for all our integrated sugar mills and nutraceutical manufacturing units. The collection, recycling and end of life disposal of the pre-consumer and post-consumer plastic packaging waste is done through an appointed producer responsibility organization/s (PRO).

## Leadership Indicators

## 1. Has the Company conducted Life Cycle Assessments (LCA) for its products /services?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life cycle Perspective / Assessment was conducted	Whether conducted by independent external agency	Results communicated in public domain	Weblink
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We are exploring possibilities and collecting information on the availability of database to conduct Life Cycle Assessment of our products in the future.

## 2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not Applicable

## 3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Our Company practices circularity by recycling Bagasse (100%) for energy production & for manufacturing value-added products. 100% Molasses is used for production of Extra Neutral Alcohol and Ethanol. Treated sugar condensates & effluents are recycled for process and utility make up in operations minimizing the requirements of freshwater withdrawal.

## 4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format.

Particulars	FY (2023-2024)			PY (2022-2023)		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	1900	-	-	1080	-

## 5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Please see our response for Essential Indicator 4 and Leadership Indicator 4 under Principle 2.

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

**1. a. Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1207	1207	100%	1207	100%	NA	NA	1207	100%	90	7.5%
Female	43	43	100%	43	100%	43	100%	-	-	20	46.5%
Total	1250	1250	100%	1250	100%	43	3%*	1207	97%*	110	8.8%
Other than Permanent employees											
Male	Nil	-	-	-	-	-	-	-	-	-	-
Female	Nil	-	-	-	-	-	-	-	-	-	-
Total	Nil	-	-	-	-	-	-	-	-	-	-

**b. Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	1065	414	39%	1065	100%	-	-	-	-	-	-
Female	4	2	50%	4	100%	4	100%	-	-	-	-
Total	1069	416	39%	1069	100%	4	0.4%*	-	-	-	-
Other than Permanent workers											
Male	1643	-	-	1643	100%	-	-	-	-	-	-
Female	207	-	-	207	100%	207	100%	-	-	-	-
Total	1850	-	-	1850	100%	207	11%*	-	-	-	-

\*Maternity Benefits coverage is provided to all the female employees/workers of the Company.

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent)**

	FY (2023-2024)	PY (2022-2023)
Cost incurred on well-being measures as a % of total revenue of the company	38%	32%

\*includes group health policy, group life insurance, training and development, leave encashment, picnic costs, club membership etc.

**2. Details of retirement benefits.**

Particulars	FY (2023-2024)			PY (2022-2023)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority
PF	100	100.0	Yes	100	100.0	Yes
Gratuity	100	100.0	Yes	100	100.0	Yes
ESI	0.24	NA	Yes	0.09	NA	Yes
Others – please specify	The Company also provides Superannuation benefits to employees as per company's policy.		Yes	-	-	-

3. **Accessibility of workplaces.** Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, our establishments are accessible to the differently abled, and we are continuously working towards improving infrastructure for eliminating barriers to accessibility.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?**

Yes

**If yes, provide a web-link to the policy**

Web-link where the policy is available: <https://www.eidparry.com/wp-content/uploads/2023/02/Equal-Opportunity-Policy.pdf>

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Not Applicable			
Female	100	100	100	100
Total	100	100	100	100

6. **Mechanism to receive and redress grievances**

- i. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker?**

Yes

- ii. **If yes, give details of the mechanism in brief.**

	Is mechanism available?	Details of Mechanism in brief
Permanent workers	Yes	The workers represent their grievances to the unions, wherever applicable and the unions in turn represents to the management.
Other than Permanent workers	Yes	Our non-permanent workers represent their grievances to the unit and Admin in charge.
Permanent Employees	Yes	We have ombudsman, who addresses the permanent employees' grievances.
Other than Permanent Employees	NA	Not Applicable

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity.**

Category	FY 2023-24(Current Financial Year)			FY 2022-23(Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/ C)
Total Permanent Employees	1250	-	-	1163	-	-
- Male	1207	-	-	1124	-	-
- Female	43	-	-	39	-	-
Total Permanent Workers	1069	874	81.76	1067	954	89.41
- Male	1065	870	81.69	1062	949	89.36
- Female	4	4	100	5	5	100.00



**8. Details of training given to employees and workers\*.**

Category	Total (A)	FY 2023-24 (Current Financial Year)				Total (D)	FY 2022-23 (Previous Financial Year)			
		On Health and safety measures		On Skill upgradation			On Health and safety measures		On Skill upgradation	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Total Permanent Employees	2463	1970	80%	1286	52%	1,447	712	49	478	33
- Male	2406	1923	80%	1236	51%	962	508	53	403	42
- Female	57	47	82%	50	88%	485	204	42	75	15
Total Permanent Workers	4421	2976	67%	2016	46%	1,210	447	37	405	33
- Male	4337	2918	67%	1989	46%	829	385	46	348	42
- Female	84	58	69%	27	32%	381	62	16	57	15

\* No. of training programmes

**9. Details of performance and career development reviews of employees and workers:**

Category	FY 2023-24(Current Financial Year)			FY 2022-23(Previous Financial Year)		
	Total(A)	No.(B)	%(B/A)	Total(A)	No.(B)	%(B/A)
Employees						
Male	1207	1053	87.24	1124	1064	94.66
Female	43	39	90.70	39	36	92.30
<b>Total</b>	<b>1250</b>	<b>1092</b>	<b>87.36</b>	<b>1163</b>	<b>1100</b>	<b>94.58</b>
Workers						
Male	1065	133	12.49	1062	114	10.73
Female	4	-	-	5	-	-
<b>Total</b>	<b>1069</b>	<b>133</b>	<b>12.49</b>	<b>1067</b>	<b>114</b>	<b>10.68</b>

**10. Health and safety management system.**

**i. Whether an occupational health and safety management system has been implemented by the entity?**

Yes

If yes, the coverage such system?

The Company has adopted Environment, Health, and Safety policy across its sugar and nutraceutical manufacturing units. A safety Management system (ISO 45001) has been implemented at all the units.

**ii. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

**Routine Works:**

- 1) Hazard Identification and Risk Assessment (HIRA) is done for all routine processes, to identify and mitigate the hazards in the process.
- 2) Workplace inspection – Workplace inspections are conducted monthly, and the findings are categorized under Vital, Essential and Desirable points and tracked for closure vide a benchmark tool action tracking system.

**Non-Routine Works & projects:**

- 1) Job Safety Analysis and Method Statement – Critical nonroutine works are conducted involving height work, hot work, excavation & confined space activities to ensure the safe commencement of the task.
- 2) Permit to Work System – For all non-routine activities spot risks are assessed and work authorization is given by area owners.
- 3) Management of change – Changes done at the site are reviewed for risks vide a structured work process.
- 4) Hazard and operability study and Pre-safety start-up review done for the new projects to ensure a safe process during the implementation phase.

**iii. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks**

Yes

**iv. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?**

Yes

**11. Details of safety related incidents, in the following format.**

Safety Incident/Number	FY (2023-2024)		PY (2022-2023)	
	Employees	Workers	Employees	Workers
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	1.5	1.5	1	0
Total recordable work-related injuries	8	33	70	0
No. of fatalities	0	1	1	0
High consequence work related injury or ill-health (excluding fatalities)	7	17	24	0

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

We recognize that the safety and good health of our employees, workers, visitors, contract workers are of paramount importance for our business. Our Environment, Health and Safety policy conforms to National & International Standards and is implemented to eliminate incidents, minimize risk, responsibly manage environmental impacts, and enable excellence in operations and business performance in a safer workplace. We ensure that manufacturing and allied processes & activities are regularly assessed for risks that can be mitigated to prevent injuries and occupational hazards. As a condition of employment, all employees are required to comply with all safety and environmental related rules and regulations. Each employee understands that they are individually responsible for their own safety and the safety of those around them. Through safe work behaviour of all employees, visitors, and contractors and by ensuring strong controls on work processes, building capability, strengthening infrastructure we aim towards ensuring zero incidences and accidents, Awareness of a safer workplace is created and employee participation is encouraged to achieve our safety goals and targets.

Some of our initiatives are detailed below.

- The Safety Organization structure is in place and in use.
- Digital Governance enabled for all units, and it has been operationalized.
- TAM (Tiered Accountability Meeting) is conducted department-wise to bring synergy and safety talk is done ensuring employee engagement and speak up culture.
- Capability building sessions (43 Nos) conducted on various topics on Safety covering Permit to work system, LOTO, Mechanical/ Asset Integrity, Process Safety etc. covering 1996 manhours. 2278 workplace inspections have been done across 8 units.
- A central medical council has been set up and an Occupational Health expert connects with the individual site Doctors and Human resource department, Employee health risk ranking initiated.
- Infrastructure gaps have been identified vide an External agency on Fire safety and electrical safety and in-house expertise utilized to arrive at machine guarding and fall and gravity-related improvement areas. The execution of the gaps is tracked for closure.
- ISO 45001 Management system has been put in place and our manufacturing sites have been recommended for re-certification.
- Fire system augmentation was initiated by allotting a budget of 24.73 Cr across 5 units.
- Cross-site EHS governance audits were conducted across all 8 units and a baseline maturity has been established. Post audit verification process has been institutionalized.
- Mass safety sessions with rewards and recognitions were conducted pre-season and during the season for the entire workforce by engaging subject matter experts to improve safety awareness.

**13. Number of Complaints on the following made by employees and workers.**

Category	FY 2023-24(Current Financial Year)			FY 2022-23(Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NIL	NIL	NIL	NIL
Health & Safety	NIL	NIL	NIL	NIL	NIL	NIL

#### 14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of sites assessed by TUV as part of pre-assessment of ISO 45001.
Working Conditions	100.0

#### 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Root cause analysis is conducted and Corrective and Preventive Actions (CAPA) are implemented. The gaps encountered are closed in a particular timeline. Also, the communication of incidents is done across all units vide Safety alerts for the recordable and reportable incidents.

#### Leadership Indicators

##### 1. Does the entity extend any life insurance or any compensatory package in the event of death of employees/workers.

Yes, the organisation covers its employee on term life insurance policy which is equivalent to 50 times of their gross month salary during the time of death.

##### 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The company ensures that all the value chain partners are compliant with statutory requirements and all dues have been timely deducted and deposited by them. Necessary clauses are incorporated in the agreement with the value chain partners for ensuring compliance. We regularly update our records and maintain latest records/ certificates of statutory compliance.

##### 3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

	FY (2023-2024)		PY (2022-2023)	
	Employees	Workers	Employees	Workers
Total no. of affected employees/ workers.	-	1	1	-
No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	-	-	-	-

Note: The company has paid compensation to the affected worker's legal heirs and given employment as a 'Retainer'.

##### 4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

Yes, the company provides continued employability for few critical resources after retirement or voluntary separation in a flexible term contract as retainers.

##### 5. Details on assessment of value chain partners.

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100.0
Working Conditions	100.0

##### 6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Nil

## PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

### Essential Indicators

#### 1. Describe the processes for identifying key stakeholder groups of the entity.

##### Key Stakeholders

Our most important stakeholders include shareholders, farmers, consumers, employees, local communities, distributors, and the state and central governments. We maintain a conventional approach to partner commitment, emphasizing transparency and accountability.

##### Stakeholder Engagement and Decision-Making

We actively engage with both internal and external stakeholders through various communication channels. We recognize that value is not solely created within the organization but also through our relationships with others. As part of an ongoing dialogue process, we incorporate stakeholder feedback into our management strategy. This ensures efficient decision-making throughout the year. The identification is based on characteristics such as impact, influence, interest, legitimacy, urgency and diversity perspective.

We continue our stakeholder engagement through various mechanisms such as consultations with local communities, training & demonstrations for marginal farmers, women entrepreneurship development, skill development, supplier / vendor meets, customer / employee satisfaction surveys, investor forums.

#### 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group	Details of channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Farmers	Yes	I-Cane management system, trainings & demonstrations, SMS, call centers, Farmer's Connect app and Crop Doctor app, community meetings, Cane collection/ purchase centers	Ongoing	<ul style="list-style-type: none"> <li>▪ Mitigate climate risk associated with agricultural production.</li> <li>▪ Sustainable sugarcane production &amp; sourcing.</li> <li>▪ Enhance farmers income, provide subsidies &amp; small loans, improve accessibility to high yield cane seeds, fertilizers &amp; bio control agents, provide access to the latest farming techniques &amp; smart agriculture.</li> <li>▪ Provide soil quality assessment services &amp; rejuvenation techniques.</li> <li>▪ Guidance on irrigation water management, crop monitoring through AI, inter cropping with climate resistant crops.</li> </ul>
Employees	No	Communication/talks/forum, town hall briefing, performance appraisals/review, employee satisfaction surveys, exit interviews, code of conduct & grievance redressal mechanism, union meetings, regular emails, newsletters, website, poster campaigns, house magazines, circulars, quarterly publication, wellness initiatives	Ongoing and need based	<ul style="list-style-type: none"> <li>▪ Human resource development, Talent management and skill enhancement,</li> <li>▪ Employee benefits &amp; compensation,</li> <li>▪ Employee retention,</li> <li>▪ Training &amp; awareness</li> <li>▪ Enhance employee health &amp; safety, Improve diversity, equality and inclusion at workplace</li> <li>▪ Ensure adherence to Code of Conduct and company policies,</li> <li>▪ Improve sustainable practices and ESG performance,</li> </ul>



Stakeholder Group	Whether identified as Vulnerable & Marginalised Group	Details of channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Website, BRSR disclosure, distributor/retailer/ direct customer/ achievers' meets/ visits and customer plant visits, plant audits, key account management, feedback/ complaint management help desk, customer satisfaction surveys	Ongoing and need based	<ul style="list-style-type: none"> <li>Building trust in product quality and safety, product labelling,</li> <li>Provide accessibility to healthy sugar alternatives,</li> <li>Efficient aftersales service and customer feedback,</li> <li>Collaboration for sustainable sourcing,</li> <li>Provide information on ESG and sustainable operations</li> </ul>
Suppliers	No	Prequalification, contract management, MOU/ frameworks, communication and partnership meet, supplier plant visits, trade association meet, vendor assessment questionnaires for ESG compliance, supplier audit programme, vendor meets, vendor evaluation	Ongoing	<ul style="list-style-type: none"> <li>Sustainable sourcing,</li> <li>Identify risks and ensure compliance with regulatory requirements</li> <li>Ensure ESG performance across the value chain</li> <li>Ensure raw material quality, timely delivery,</li> <li>Ensure governance (ethical behaviour, transparency, social accountability),</li> <li>Safety checks and certifications,</li> <li>Collaboration and opportunities in ESG space</li> </ul>
Communities and civil society	Yes	Need assessment surveys for marginal communities, partnership with local civil society, CSR projects roll- out, meetings (Community/ local authority), community visits, volunteerism, seminars/ conferences	Ongoing CSR projects and need based	<ul style="list-style-type: none"> <li>Integrated water resource management projects</li> <li>Projects related to providing education, livelihood, healthcare facilities</li> <li>Reduce impacts of climate change</li> <li>Provide disaster relief services</li> <li>Promote community development</li> </ul>
Government and regulatory authority	No	Visits from regulators, submission of compliance reports, advocacy meetings with industrial associations and bodies, participation in local/ state/ National government seminars & conferences, media releases	Ongoing and need based	<ul style="list-style-type: none"> <li>Ensure regulatory compliance, update on changes in regulatory framework,</li> <li>Policy advocacy &amp; membership with industry bodies</li> </ul>
Investors and shareholders	No	Annual general meeting, shareholder meets, e-mail, stock exchange updates & media releases, investor/ analysts meet, annual report, BRSR, quarterly results, company website	Annually/ quarterly/ need based	<ul style="list-style-type: none"> <li>Disclosure of financial and economic performance,</li> <li>Value creation and financial stability,</li> <li>Conduct risk management and improve business resilience,</li> <li>ESG performance disclosure, investments and funding opportunities,</li> <li>Growth prospects through robust governance</li> </ul>

### Leadership Indicators

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

We believe that consultation with our stakeholders is an ongoing process, and our leadership takes the lead by engaging with them regularly across various platforms. Additionally, our Corporate Social Responsibility Committee at the Board level reviews, monitors progress on a bi-annual basis and provides strategic direction towards the company's ESG journey. Moreover, we provide shareholders with the opportunity to interact with all board members on an annual basis during Annual General Meeting. Apart from the above, we have a separate line to address all our shareholder grievances and provide shareholder assistance.

In addition, we organize regular interactions with our other key stakeholders, i.e., farmers, customers, suppliers, employees, industry associations and regulators. Before initiating a dialogue, stakeholders are identified, and the purpose and scope of the discussions are defined. This step ensures that relevant topics are addressed and enables us to keep a constant pulse on the needs and concerns of our stakeholders and ensures that we remain accountable to them.

**2. Whether stakeholder consultation is used to support the identification and management of environmental and social topics? If so, provide details of instances as to how inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes

The Company undertakes consultation with key stakeholders as a part of materiality assessment for identifying, classifying and ranking environmental and social risks. The ESG goals and targets are decided based on the outcome of these consultations, Human Rights and CSR policies are regularly updated based on the consultation feedback. Based on consultation with farmers, we have extended our community water resource management project, "Project NANNNEER Phase 2" in sugarcane command areas in Nellikuppam and Pugalur. The project involves pond/ river cleaning & rejuvenation and will increase the water availability for farming community by 350 million litres. Further, efforts are being made to extend this programme to Karnataka and Andhra Pradesh in the near future. A feasibility study has already been conducted.

**3. Provide details of instances of engagement with and actions taken to address the concerns of vulnerable /marginalised stakeholder groups.**

In the context of a company like ours, addressing the concerns of vulnerable and marginalized stakeholder groups is critical.

Stakeholder engagement covers key issues driven by strategic objectives through various modes of engagements. Sugarcane farmer is the key stakeholder in our business. We engage with around 1,50,000+ farmers in 2,00,000 + acres command area through our i-Cane management system. We also engage with smallholder farmers through cooperatives, extension services, and capacity-building programs, including providing training, access to credit, and ensuring fair trade practices.

Our labourers working in the sugar mills possess a risk of various health-issues due to exposure to chemicals, heat, and physical strain. To address this issue, we engage with our workers and labourers and provide protective gear and ensure safe working conditions. In addition, they also go through regular health-check up and health awareness programs.

We closely work with our Murugappa group member non- profit organization AMM Foundation, to support & create opportunities for vulnerable / marginal stakeholder groups and strive towards a more equitable society. Sugar production impacts local communities and we believe that consultations with affected communities can lead to sustainable practices. Our flagship watershed management Project "NANNNEER" is based on our engagement with the local communities and to address their immediate needs. We also focus on providing education, skill development and take up initiatives for the betterment of the overall community health of the local communities.

## PRINCIPLE 5: Businesses should respect and promote Human Rights

### Essential Indicators

#### 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity

Category	FY 2023-24(Current Financial Year)			FY 2022-23(Previous Financial Year)		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	1250	855	68	1163	279	24
Other than permanent	NA	NA	NA	NA	NA	NA
Total Employees	1250	855	68	1163	279	24
<b>Workers</b>						
Permanent	1069	269	25	1067	-	-
Other than permanent	1850	20	1	1982	-	-
Total Workers	2919	289	10	3049	-	-

#### 2. Details of minimum wages paid to employees and workers

Category	Total (A)	FY 2023-24 (Current Financial Year)				Total (D)	FY 2022-23 (Previous Financial Year)			
		Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees Permanent										
Male	1207	Nil	Nil	1207	100%	1124	0	0%	1124	100%
Female	43	Nil	Nil	43	100%	39	0	0%	39	100%
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers Permanent										
Male	1065	Nil	Nil	1065	100%	1062	-	0%	1062	100%
Female	4	Nil	Nil	4	100%	5	-	0%	5	100%
Other than Permanent										
Male	1643	636	39	1007	61%	1714	823	48%	981	57%
Female	207	78	38	129	62%	268	147	55%	121	45%

#### 3. Details of remuneration/salary/wages

##### i. Median remuneration / wages:

Category	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BoD)*	8	18,45,000	2	14,35,000
Key Managerial Personnel **	3	90,06,423	-	-
Employees other than BoD and KMP	996	5,53,364	35	8,47,938
Workers	951	4,01,130	4	3,68,794

\*includes Sitting Fees, Commission paid to Non-Executive Directors and remuneration paid to Executive Directors (MD, WTD & CEO).

\*\*Includes MD, CFO and CS

ii. **Gross wages paid to females as % of total wages paid by the entity**

	FY (2023-2024)	PY (2022-2023)
Gross wages paid to females as % of total wages	3.20%	3.10%

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?**

Yes

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Yes, Details are mentioned in the Human Rights Policy. Web-link where the policy is available: <https://www.eidparry.com/wp-content/uploads/2023/02/Human-Rights-Policy.pdf>

6. **Number of Complaints on the following made by employees and workers**

Particulars	FY 2023-24(Current Financial Year)			FY 2022-23(Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	2	-	-	1	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY (2023-2024)	PY (2022-2023)
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	2	1
Complaints on POSH as a % of female employees / workers	0.79%	0.32%
Complaints on POSH upheld	Nil	Nil

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company is committed to a workplace free of harassment, including sexual harassment at the workplace, and has zero tolerance for such unacceptable conduct. The Company encourages reporting of any harassment concerns and is responsive to complaints about harassment or other unwelcome or offensive conduct. The Company has in place a policy on prevention of sexual harassment in line with the requirements of the Sexual Harassment of women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Policy). The POSH Policy is gender inclusive and the framework ensures complete anonymity and confidentiality, An Internal Complaint Committee is in place to redress the complaints received regarding sexual harassment. All employees are covered under this policy. Necessary disclosures in relation to the sexual harassment complaints received and redressal thereof are provided in Board's Report 2023. The Company has also a Whistleblower Policy to report genuine concerns and grievances. As part of Whistleblower Policy and POSH Policy, there is a provision on the protection of identity of the complainant to provide necessary safeguards against victimisation of employees. All such matters are dealt in strict confidence. Also as part of its Code of Conduct, the Company does not tolerate any form of retaliation against anyone reporting legitimate concerns.



**9. Do human rights requirements form part of your business agreements and contracts?**

Yes. The company has included appropriate provisions in all business agreements and contracts commencing from April 1, 2022.

**10. Assessments for the year**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%
Others	-

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

There are no significant risks / concerns arising from the assessments at Question 9 above, which entail any corrective actions.

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

During the year, there were no human rights grievances / complaints warranting modification / introduction of business process.

**2. Details of the scope and coverage of any Human rights due-diligence conducted.**

Nil

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes. Our establishments are accessible to the differently abled, and we are continuously working towards improving infrastructure for eliminating barriers to accessibility.

**4. Details on assessment of value chain partners**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%
Others - please specify	-

Note: All vendors operating from the Company's premises have been assessed on the above risks / concerns. Further, declaration of adherence to above compliances is obtained from the value chain partners as part of their contract / purchase order.

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

There were no significant risks / concerns arising from the assessment at Question 4 above, which entail, any corrective actions.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment\*****Essential Indicators****1. Total energy consumption****i. Details of total energy consumption (in Joules or multiples) and energy intensity****From renewable sources**

Parameter	FY (2023-2024)	PY (2022-2023)
Total electricity consumption (A)	13392.43	6004.06
Total fuel consumption (B)	12915841.70	13358961.1
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources(A+B+C)	12929234.13	13364965.16

**From non-renewable sources**

Parameter	FY (2023-2024)	PY (2022-2023)
Total electricity consumption (D)	67577.79	63527.04
Total fuel consumption (E)	2333302.05	1957315.34
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources(D+E+F)	2400879.84	2020842.38

Parameter	FY (2023-2024)	PY (2022-2023)
Total energy consumed (A+B+C+D+E+F)	15330113.98	15385807.54
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.00054 GJ/Re.	0.00053 GJ/Re.
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	2.44 GJ/Re.	2.37 GJ/Re.
Energy Intensity in terms of physical output (GJ/sugar produced in LMT)	33.69 GJ/LMT	31.20 GJ/LMT

**ii. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency**

No

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.?**

Yes, Sugar Industries have been notified as energy intensive industries under the provisions of the Energy Conservation Act, 2001 as Designated Consumer by virtue of the notification S.O 2523 (E) dated June 6, 2023.

**3. Water related information.****i. Provide details of the following disclosures related to water**

Parameter	FY (2023-2024)	PY (2022-2023)
<b>(Water withdrawal by source (in kilolitres))</b>		
Surface water (A)	1319368	1568466
Groundwater (B)	495559	525536
Third party water (C)	0	400
Seawater / desalinated water (D)	0	0
Others (E) (Rain Water)	15110	27996
Total volume of water withdrawal (in kilolitres) (A + B + C + D + E)	1830037	2122398
Total volume of water consumption (in kilolitres)	1019145	1194843
Water intensity per rupee of turnover (Water consumed / turnover)	0.0362 L/₹.	0.0413 L/₹.
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.16 KL/₹.	0.18 KL/₹.
Water Intensity in terms of physical output (KL/sugar produced in LMT)	2.24 KL/LMT	2.42 KL/LMT

**ii. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?**

No

\*Previous year's figures have been regrouped/rearranged, wherever necessary.

4. Provide the following details related to water discharged.

i. Water discharge by destination and level of treatment (in kilolitres)

Parameter	FY (2023-2024)		PY (2022-2023)	
	Level of treatment	Value	Level of treatment	Value
To Surface water (A)	-	-	-	-
- Surface water with no treatment	-	-	-	-
- Surface water with treatment	-	-	-	-
To Groundwater (B)	-	-	-	-
- Groundwater with no treatment	-	-	-	-
- Groundwater with treatment	-	-	-	-
To Seawater (C)	-	-	-	-
- Seawater with no treatment	-	-	-	-
- Seawater with treatment	-	-	-	-
Sent to third-parties (D)	-	525739	-	308468
- Sent to third-parties with no treatment	-	-	-	-
- Sent to third-parties with treatment	-	525739	-	308468
Others (E)	-	285153	-	619087
- Others with no treatment	-	-	-	-
- Others with treatment	-	285153	-	619087
Total water discharged (in kilolitres)	-	810892	-	927555

ii. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge?

Yes

If yes, provide details of its coverage and implementation.

Our Bagalkot, Sivagangai and Sankili distilleries, nutraceuticals units at Oonaiyur and Saveriyarpuram have zero liquid effluent discharge facilities. Sivaganga distillery is the first distillery in India to install state of the art incineration boiler for spent wash treatment in the year 2009 ensuring zero liquid discharge. At present all distilleries except Nellikuppam have installed spent wash incineration boiler and steam/ energy is produced from spent wash and condensates are treated and recycled in the distillery. The potash rich incinerator ash is sold as branded fertilizer. Nellikuppam have installed bio methanation plant for spent wash treatment and biogas is utilized for energy production. The Company proposed to install incineration boiler at Nellikuppam, which will be completed during the second quarter of the current year. As part of sustainable operations, out of 6 integrated sugar plants, 6 have installed sugar condensate polishing unit (CPU) consisting of biological treatment and ultrafiltration. Through CPU, the condensate is recycled in the manufacturing processes or for utility make up in cogeneration plants. Effluent generated from sugar plants and cogeneration units are treated in effluent treatment plant (ETP) consisting of biological treatment followed by media filtration. Treated effluents and part of the treated unutilized condensates are used for irrigating our own R&D sugarcane fields or given to farmers for irrigating sugarcane fields. To ensure treated water quality at the discharge, we have installed online treated effluent monitoring systems at a few locations and connected to the CPCB/ SPCB servers. There is no effluent discharge in surface water or any receiving water body from any of the manufacturing facility of the company.

6. Air emissions

i. Please provide details of air emissions (other than GHG emissions) by the entity.

Parameter	Unit	FY (2023-2024)*	PY (2022-2023)
NOx	MT	723.16	334.7
SOx	MT	341.42	286.6
Particulate matter (PM)	MT	745.92	510.35
Persistent organic pollutants (POP)	-	0	0
Volatile organic compounds (VOC)	-	0	0
Hazardous air Pollutants (HAP)	-	0	0
Others	-	-	-

\*The base taken for FY 23-24 and FY 22-23 is different. The variance is on account of change in volume.

ii. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

## 7. Greenhouse gas emissions.

### i. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity

Parameter	Unit	FY (2023-2024)	PY (2022-2023)
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	243077.98	223946.89
Total scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	13327.84	12529.08
Total Scope 1 and Scope 2 emissions per rupee of turnover	-	0.0091 KgCO <sub>2</sub> eq/Re.	0.0008 KgCO <sub>2</sub> eq/Re.
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	-	0.041 MTCO <sub>2</sub> eq/Re.	0.036 MTCO <sub>2</sub> eq/Re.
Energy Intensity in terms of physical output (Ton CO <sub>2</sub> equivalent/sugar produced in LMT)		0.56 MTCO <sub>2</sub> eq/LMT	0.48 MTCO <sub>2</sub> eq/LMT

### ii. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

## 8. Does the entity have any project related to reducing Green House Gas emission?

Yes

### If yes, provide details.

The Company has undertaken several energy saving projects including implementation of the latest UASB technology, installation of CPU at Bagalkot, Pugalur and Ramdurg, revamping of the anaerobic treatment system at Haliyal.

The Company is also planning to install solar power plants, 800 KW in Sankili, 1000 KW in Haliyal, 800 KW in Nellikuppam and 150 KW in Pugalur during the year 2024-25.

The Company is in the process of commissioning a CO<sub>2</sub> plant at its Bagalkot unit which will be operational in 2024-25.

As part of the environmental initiatives, the company has carried out greenery development at various locations to reduce CO<sub>2</sub> emissions.

All the manufacturing units have set up short, medium and long-term targets to eliminate coal usage in incineration boiler as an auxiliary fuel. Coal will be replaced with bagasse briquettes/ pellets.

The Company proposed to partner with Granules CZRO Private Limited, for capturing CO<sub>2</sub> from its biomass-based boiler stacks, and convert them into environmentally friendly chemicals such as Green Methanol and Green Acetic Acid.

## 9. Provide details related to waste management by the entity

### i. Total Waste generated (in metric tonnes)

Parameter	FY (2023-2024)	PY (2022-2023)
Plastic waste (A)	352	51.85
E-waste (B)	4	10.06
Bio-medical waste (C)	1.01	1.08
Construction and demolition waste (D)	0	10
Battery waste (E)	7	0
Radioactive waste (F)	0	0
Other Hazardous waste (G)	14.49	56.35
Other Non-hazardous waste generated (Break-up by composition i.e., by materials relevant to the sector) ETP sludge and press mud, yeast sludge, Canteen waste, Pond residue and process waste from Nutra plants, Cogen boiler ash (H)	210337.19	194077.28
Total (A + B + C + D + E + F + G + H)	210715.69	194206.62
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000075 MT/Re.	0.0000067 MT/Re.
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.03 MT/Re.	0.03 MT/Re.
Waste Intensity in terms of physical output (MT/LMT)	0.46 MT/LMT	0.39 MT/LMT

- ii. For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY (2023-2024)	PY (2022-2023)
Recycled	20315	194144
Re-used	190171	13.3
Other recovery operations	1	0
Total	210487	194157.3

- iii. For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY (2023-2024)	PY (2022-2023)
Incineration	7	1.08
Landfilling	13	48.31
Other disposal operations	209	0
Total	229	49.39

- iv. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Since EID Parry is in food and nutraceutical sector, there are no toxic chemicals used in the process. Raw sugar, jaggery and other sugarcane-based sweeteners do not require sulphitation process eliminating the usage of Sulphur in the manufacturing process.

**1. Waste Utilization:**

Our Company recognizes waste as a resource and has laid down comprehensive guidelines on waste management. Staying committed to our principles of circularity, residues and by-products from sugar and alcohol manufacturing, such as press mud, ETP sludge, and yeast sludge, are either used as manure or recycled to create commercial products. For instance, potash-rich ash from spent wash incineration boilers is converted into a patented fertilizer called K-Ash and the boiler ash generated from our cogeneration plant is used in brick making.

**2. Nutraceuticals:**

EID Parry's nutraceutical units grow microalgae organically. The process avoids inorganic chemicals, and pond residues and sludges are reused as agricultural manure. The salt residues from the nutraceutical unit contribute to animal nutrition, which we are working on in collaboration with Tamil Nadu University of Veterinary and Animal Sciences (TANUVAS) to develop nutrient-rich 'fibre-fortified fodder block' developed from sugarcane bagasse for cattle. Animal adaptation trials were completed; commercial production is under progress.

**3. Innovative Products:**

The company is pioneering value-added products from excess bagasse and press mud. Notably, these soilless growing media from bagasse, results in benefits like increase in growth due to accuracy in application of water and nutrients, reduced water usage, more resilient plants, reduced land use footprint, reduction in usage of fertilizers and reduction in soil-borne diseases. The Company is also working on developing cost-effective and bio-degradable mulching sheet, grow bags from bagasse fibres and value addition of grow medium through hydrogel and nano nutrients. This bagasse value-addition is based on nano science technology interventions.

**4. Waste Management:**

E-Waste is responsibly recycled through authorized vendors, and waste oil undergoes reprocessing.



11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required.

Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? If no, the reasons thereof and corrective action taken, if any.	The reasons thereof and corrective action taken, if any.
Not Applicable as the company does not operate in ecologically sensitive areas.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Name and Brief of the project	EIA Notification no	Date	Whether conducted by independent external agency?	Results communicated in public domain?	Relevant web link
Not Applicable					

13. Applicable environmental law/ regulations/ guidelines in India.

- i. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder.

Yes. Our existing manufacturing units comply with the applicable environmental regulations and operate as per conditions mentioned in Consent to Operate issued by the respective Pollution Control Boards.

#### Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres)

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area: Pugalur and Bagalkot  
(ii) Nature of operations: Sugar and Distillery Plants

Water withdrawal, consumption and discharge in the following format:

Parameter	FY (2023-2024)	PY (2022-2023)
Water withdrawal by source (in kilolitres)		
(i) Surface water	504846	652967
(ii) Groundwater	25916	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	530762	652967
Total volume of water consumption (in kilolitres)	164607	149042
(Water consumed / turnover)		
Water intensity per rupee of turnover	0.0000059 KL/Re.	0.0000051 KL/Re.
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		

Parameter	FY (2023-2024)	PY (2022-2023)
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment	140533	72119
(v) Others		
- No treatment		
- With treatment – please specify level of treatment	225622	431806
Total water discharged (in kilolitres)	366155	503925

**ii. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?**

No

**2. Total Scope 3 emissions**

We are in the process of collecting/generating baseline data related to Scope 3 GHG emissions and plan to calculate the emissions in the future.

**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not applicable as we do not operate in ecologically sensitive areas.

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency or reduce impact due to emissions / effluent discharge / waste generated.**

S. no	Initiative Undertaken	Details of the Initiative (Web- Link, if any, May be provided along -With summary)	Outcome of the initiative
1	Upgradation of Distillery ETP with UASB technology	Process condensate water recycling	Resources optimization and raw water consumption reduced by 4.8% over previous year. Recycling of CPU treated water and using average of 1100 M3/day
2	Green cover allocation	45 Acres in Nellikuppam, 44 Acres in Pugalur, 92 Acres in Haliyal, and 1000 tree saplings in Bagalkot.	Reduction of CO2 emission.
3	Installation of DG Set with 30 mars stack height	Protect the environmental Health and safety	To address the air emissions.
4	Dry leaves composting project introduced at Nellikuppam unit	Conversion of natural Manure	Synthetic fertilizer can harm the environment
5	16 nos of Rainwater harvesting recharge pits introduced in Nellikuppam Unit	Save the ground water through specially constructed by pits	To save the ground water
6	Online monitoring stack emissions installed at Pugalur unit.	Monitoring the gases released into the air from boiler stack, chimneys or DG set	To monitor and avoid air pollution

S. no	Initiative Undertaken	Details of the Initiative (Web- Link, if any, May be provided along -With summary)	Outcome of the initiative
7	CPU Installation at Bagalkot, Pugalur and Ramdurg units	To reduce the raw water consumption and using the same for Sugar and Co-gen process.	1) Reducing scale, boosting heat -transfer efficiency and improving boiler equipment efficiency. 2) Reduction of 30 % surface water consumption in FY23-24 (404579) from the water consumption of FY 22-23 (577305 KL).
8	UASBAR system modification in Bagalkot plant	Incorporation of Flare system to burn off the Methane produced during anaerobic reaction	Limiting the generation of Green House gases
9	Anaerobic treatment system rewamped at Haliyal unit	Treating the sludge and to breakdown the organic contaminants present in the wastewater	To treat the wastewater and release treated wastewater into the absorption field.

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.**

Yes.

The Company has a comprehensive strategy that aims to prevent and mitigate the impact of various risks on its operations. We ensure that the personnel and the assets are safeguarded and can function swiftly in the face of a disaster. Our risk-management / business continuity plan involves identifying risks and their potential impact on operations, implementing safeguards and procedures to minimize risks, regularly testing procedures to ensure their effectiveness. The Company as part of its disaster management plan regularly conducts mock drills, safety workshops to be prepared for any unforeseen situations.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

90% of our material is sugarcane, an agri based water intensive product. To conserve resources, we promote sustainable farming practices in sugarcane cultivation areas and partly source Bonsucro certified sugarcane. These practices result in water conservation and regeneration of soil and also increase farmer's income. We are the first sugar company in Asia to be awarded the Bonsucro International Certification since FY 2014 - 2015 for sugarcane command area of Nellikuppam facility.

The Company nurtures rural entrepreneurs to facilitate technology transfer among marginalised farming communities. Farmer entrepreneurs are created to produce direct transplantable sugarcane seedlings, bio-agents for sugarcane pest control and render mechanisation services.

We are among the first in India to introduce 'Smart Agriculture' or 'Precision Farming' the cloud based and internet of things (IoT) based solutions in command areas. Due to precision farming, need-based application of water, soil nutrients, and biopesticides is ensured resulting in water efficiencies, reduction in agrochemical and fertilizer usages and making timely interventions feasible.

For restoring the organic balance in the soil and to enhance agricultural productivity, soil mapping and testing facilities are provided to farmers along with the guidance on soil health.

Our ongoing efforts are on educating and supporting farmers to carry out in-situ trash conservation to improve the soil organic carbon and also ensuring that the cane and trash are not burnt in the field.

We have introduced autonomous farming with GPS enabled devices for yield mapping and timely harvesting and a novel soil monitoring system which includes soil moisture and plant growth sensors to help farmers to continuously monitor crop growth and soil health and take timely action when needed. Conventionally manual labour or tractor mounted sprayers were deployed in sugarcane fields for spraying chemicals (growth promoters and micronutrients). In recent times, drones are being used with enhanced precision in less time.

In South India, sugarcane is planted using single/ double/ triple budded setts and in some cases by using seedlings. The planted sugarcane is harvested between eight to nine months. The new technology of chip bud seedlings is introduced where the buds are chipped from the sugarcane using efficient cutting machines and raised under controlled conditions for 20 to 30 days using shade nets and the protray technique. When these seeds are planted in fields, the harvesting period is reduced by a month.

To conserve irrigation water in sugarcane cultivation, the company embarked on initiatives to improve irrigation systems. After two years of intensive field trials with international technical collaborations, autonomous irrigation systems were installed on a pilot-scale basis in cane fields. Results indicate up to 60% irrigation water saving.

High yield & pest resistant cane varieties breeding through tissue culture takes place in Pugalur. These tissue culture seedlings are multiplied in R&D cane farms and distributed to farmers across command areas of sugar mills. Wider row plantation facilitates use of agri implants (machinery) and mechanical harvesting. Farmers can inter crop their fields.

Our company has established cane purchase centers at various locations in Sankili units to overcome the challenges in cane supply from marginal farmers due to labour non-availability and cost of harvesting. These centers are established near the cane cultivation areas to reduce the time, efforts and GHG emissions of cane transportation.

We engage with farmers through field visits, technical trainings & demonstrations, meets, call centers and mobile based Apps. Our cane teams assist farmers in command area in sustainable cane farming practices through integrated cane management system (I-Cane).

We have signed an agreement with International Finance Corporation (IFC) under South Asia Agribusiness Advisory Services Program to promote low- carbon based climate smart interventions & support digital and smart farm technologies amongst small holder farmers. 15000 farmers & 30 entrepreneurs will benefit from this program. We are also in the process of collaborating with Boomitra, an Earthshot prize winner, to assist farmers in enhancing their incomes through carbon credit remuneration. Global corporations can buy certified carbon credits; farmers are incentivized to increase soil carbon, removing CO2 from the atmosphere.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Our cane teams assist farmers in sustainable cane farming practices through integrated cane management system (I-Cane) and a host of other services, initiatives and measures as detailed above. The positive impact of these practices on environment in terms of water savings and GHG emission reduction has been documented.

For suppliers other than farmers, we have developed an ESG based questionnaire to assess their ESG performance & environmental impacts of their operations. The suppliers are onboarded after their ESG performance is assessed on various metrics.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

**1. Trade and industry chambers / associations**

**i. Number of affiliations with trade and industry chambers / associations**

4

**ii. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

Sr No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations
1	CII	State
2	ISMA	National
3	SISMA	National
4	Hindustan Chambers of Commerce	State

**2. Provide details of corrective action taken or underway on any issues related to Anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the Case	Corrective action taken
NIL		

**Leadership Indicators**

**1. Details of public policy positions advocated by the entity.**

Public policy advocated	Method resorted for such advocacy	Frequency of Review by Board	Whether information available in public domain?	Web Link, if available
The Company works with apex institutions in the industry that are engaged in policy advocacy, like ISMA, SISMA and various other industry bodies and forums including regional Chambers of Commerce. The Company's engagement with the relevant authorities is guided by the values of commitment, integrity, transparency and taking into consideration interests of farmers and all other stakeholders.				



## PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company based on applicable laws, in the current financial year.

Name and brief details of the project	SIA notification no.	Date of notification	Whether conducted by independent external agency	Results communicated in public domain	Relevant Web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
Not Applicable					

3. Describe the mechanisms to receive and redress grievances of the community.

EID Parry conducts need assessment studies in marginalized communities around its manufacturing sites. The company's CSR projects are informed by the outcomes of these assessments. Some of the mechanisms are as follows:

**1. Structured Community Engagements:**

Regular community engagements help identify needs and quantify the impacts of CSR activities. The Human Resource Department and Cane Department interact with the community on various matters, including health care, education, disaster relief, rural development, and art and culture. They receive concerns (both written and verbal) and work toward addressing them.

**2. Proactive Community Engagement:**

We actively engage with the community as part of its development efforts. Informal and formal sessions are conducted throughout the year to facilitate interactions and collaboration.

For further details, you can also refer to the response provided in Question No. 2 (Principle 4).

Web-link where the policy is available:

<https://www.eidparry.com/wp-content/uploads/2023/02/Stakeholders-Grievance-Redressal- Policy.pdf>

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.

	FY (2023-2024)	PY (2022-2023)
Directly sourced from MSMEs/ small producers	36	21.51
Directly within India	100%	100%

5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Parameter	FY (2023-2024)	PY (2022-2023)
Rural	40.21	42.85
Semi-urban	37.21	37.69
Urban	0	0
Metropolitan	22.58	19.47

## Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments. (Reference: Question 1 of Essential Indicators above)

Details of negative social impact identified	Corrective action taken
-	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.

State	Aspirational District	Amount spent (in INR)
Andhra Pradesh	Vizianagaram	2,00,000

3. Preferential procurement policy.

- i. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

Yes

- ii. From which marginalized /vulnerable groups do you procure?

Yes, done under Diversity and Inclusion. The Company procures sugarcane from all farmers including marginalized farmers who grow sugarcane in its command area. The Company is committed to collaborate with farmers for adopting sustainable farming practices and helps to build their adaptive capacity and resilience to emerging risks like climate change and water stress. It is also working towards raising awareness and work with farmers on yield, recovery, crop quality, safety and protection, as applicable, based upon requirement.

- iii. What percentage of total procurement (by value) does it constitute?

The company procures sugar cane from marginalized farmers in its command area. The Marginal farmers (with less than 3 acres) constitute around 76% in Tamilnadu, 91% in Andhra Pradesh and 51% in Karnataka.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.

Intellectual Property based on traditional knowledge	Owned/ Acquired	Benefit shared	Basis of calculating benefit share
NIL	NIL	NIL	NIL

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
NIL	NIL	NIL

6. Details of beneficiaries of CSR Projects.

CSR Project	Number of persons benefitted from CSR Projects	% of beneficiaries from marginalized and vulnerable groups
<b>Haliyal Unit</b>		
Provided Basic Healthcare support to villages through Project "Wellness on wheels" at Villages near Haliyal, Uttara Kannada District, Karnataka	24200	100
Provided scholarship for farmer's Children at Haliyal, Uttara Kannada District, Karnataka	585	100
Support extended for construction of Classrooms and related facilities in local schools at Haliyal, Uttara Kannada District, Karnataka	500	100
Supported for Primary Education at Villages Through CherYsh Trust at Haliyal, Uttara Kannada District, Karnataka	150	100

CSR Project	Number of persons benefitted from CSR Projects	% of beneficiaries from marginalized and vulnerable groups
Supported for Weight Lifting and Wrestling Training at Haliyal, Uttara Kannada District, Karnataka	300	100
Contributed for upgrading the existing drinking water facility in rural villages at Uttara Kannada District, Karnataka	600	100
<b>Ramdurg Unit</b>		
Organised specialised eye camp for rural populace and extended support for cataract operation and spectacles at free of cost to the needy villagers at Ramdurg, Belagavi District, Karnataka	2100	100
Extended support for construction of rest rooms, renovation of Classrooms and provided RO plants for local schools at Ramdurg, Belagavi District, Karnataka	600	100
Provided High mast lights and constructed drinking water tank in nearby villages at Ramdurg, Belagavi District, Karnataka	600	100
<b>Bagalkot Unit</b>		
Conducted medical camp for rural villagers and provided medical diagnosis and medicines at free of cost at Bagalkot District, Karnataka	750	100
Provided educational aids - Lab Equipment, Smart Board to nearby school at Bagalkot District, Karnataka	300	100
Provided Solar and LED lights to nearby villages at Bagalkot District, Karnataka	600	100
<b>Sankili Unit</b>		
Provided Basic Healthcare support to villages through Project "Wellness on wheels" at Villages near Sankili, Srikakulam District, Andhra Pradesh	22000	100
Conducted medical camp for rural villagers and provided medical diagnosis and medicines at free of cost near Sankili, Srikakulam District, Andhra Pradesh	800	100
Organised specialised eye camp for rural populace and extended support for cataract operation and spectacles at free of cost to the needy villagers near Sankili, Srikakulam District, Andhra Pradesh	1200	100
Provided scholarship for farmer's Children at Sankili, Srikakulam District, Andhra Pradesh	423	100
Contributed for Infrastructure development at Rural Schools near Sankili, Srikakulam District, Andhra Pradesh	600	100
Support extended for promoting of sports at neighbouring village schools by providing sports kit and organising sports tournament at Sankili, Srikakulam District, Andhra Pradesh	300	100
Provided solar light facility to nearby villages and supported for construction of village library hall near Sankili, Srikakulam District, Andhra Pradesh	1000	100
<b>Nellikuppam Unit</b>		
Provided Medical Care and Support for Rural Populace at their doorsteps through rural health center at villages near Nellikuppam, Cuddalore District, Tamil Nadu	17800	100
Provided after school learning support for rural school students through after school education project at villages near Nellikuppam, Cuddalore District, Tamil Nadu	300	100

CSR Project	Number of persons benefitted from CSR Projects	% of beneficiaries from marginalized and vulnerable groups
Support for renovation of class room at rural school near Nellikuppam, Cuddalore District, Tamil Nadu	200	100
Provided sports training for rural youth and facilitated them to participate in national level tournaments and win medals through Sports for Development Project at villages near Nellikuppam, Cuddalore District, Tamil Nadu	400	100
Supported for Rural Development Projects focused on development of infrastructure in Villages at villages near Nellikuppam, Cuddalore District, Tamil Nadu	1800	100
Contributed saplings to rural villages to promote greenbelt development near Nellikuppam, Cuddalore District, Tamil Nadu	300	80
<b>Pugalur Unit</b>		
Sponsorship support extended for throwball training and conducting tournament at Pugalur, Karur District, Tamil Nadu	350	100
Provided support for Rural development involving local administration for laying of roads, repairing canals, supply drinking water, construction of sanitary complex to general public and providing solar lights for rural villages around Pugalur, Karur District, Tamil Nadu	2800	85
Support extended for maintenance of saplings planted at Pugalur, Karur District, Tamil Nadu	1000	85
<b>Sivagangai Unit</b>		
Provided Medical Care and Support for Rural Populace at their doorsteps through rural health center at villages near Udaikulam, Sivagangai District, Tamil Nadu	2800	100
Provided after school learning support for rural school students through after school education project at villages near Udaikulam, Sivagangai District, Tamil Nadu	280	100
Support extended for construction of community centers, RO Water Facility and Repair of Drinking water pond at Udaikulam, Sivagangai District, Tamil Nadu	1200	100
<b>Oonaiyur Unit</b>		
Provided infrastructure support for computer lab at nearby school in Oonaiyur, Pudukottai District, Tamil Nadu	300	100
Support extended for RO Water Facility at Oonaiyur, Pudukottai District, Tamil Nadu	600	100
<b>Corporate Office</b>		
Provided relief materials for flood affected victims at Chennai City, Tamil Nadu	100	100
Provided support for sports training at Chennai City, Tamil Nadu	400	80
Support extended for training girl students from less privileged background on performing arts at Chennai City, Tamil Nadu	400	100

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.****Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

During the financial year 2023-24, a total of 28 customer complaints from institutional, trade and retail customers were registered in the SAP system within the Company. All the complaints were resolved with appropriate corrections and counter measures / corrective / preventive actions based on the Root Cause Analysis/Why Why Analysis/Fish-bone analysis carried out at the respective units of the Company. Further, several Standard Operating Procedures (SOPs) were proactively strengthened/ revised/developed for the required quality and food safety requirements across the units and deployed. These actions were also communicated within the Company for horizontal deployment. There are multiple channels to receive consumer complaints and feedback.

On receipt of a complaint, it is acknowledged within 48 hours and thereafter handled by the respective unit and its teams systematically. An effective system of handling customer complaints exists within the Company. The team lists out the possibilities through Fish Bone or TPM model Why Why Root Cause Analysis, and a detailed Corrective and Preventive Actions (CAPA) report is prepared. As required, correction, CAPA are taken and implemented. These details of complaints are recorded on the SAP platform and circulated to internal stakeholders. In parallel, these actions initiated are also communicated to the end Customers.

**2. Turnover of products and / services as a percentage of turnover from all products/service that carry information about**

	Percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

Note: The products of the Company contain relevant labelling/product information as required under the applicable laws.

**3. Number of consumer complaints in respect of the following:**

Particulars	FY 2023-24(Current Financial Year)			FY 2022-23(Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	28*	-	-	34	-	-

\*Includes complaints received from customers, retail, institutional and trade.

**4. Details of instances of product recalls on account of safety issues.**

	Number	Reasons for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls		



**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy?**

Yes

Web-link where the policy is available: <https://www.eidparry.com/wp-content/uploads/2023/02/Cyber-Security-Policy.pdf>

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Nil. Please also refer to the response given in Question 1 (Principle 9)

**7. Provide the following information relating to data breaches**

i. Number of instances of data breaches	-
ii. Percentage of data breaches involving personally identifiable information of customers	-
iii. Impact, if any, of the data breaches	NA

**Leadership Indicators**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Channels/Platform	Link
Website	<a href="https://www.eidparry.com/products/sugar/sweetcare">https://www.eidparry.com/products/sugar/sweetcare</a> <a href="https://www.eidparry.com/products/jaggery/#healthyE-commerce">https://www.eidparry.com/products/jaggery/#healthyE-commerce</a> platforms
E-commerce platforms	Flipkart: <a href="https://www.flipkart.com/parry-s-sweet-care-low-gi-sugar/p/itmcd86ec7c895b7?pid=SUGGFZF9HQA8VWQZ&amp;lid=LSTSUGGFZF9HQA8VWQZFQP2M9&amp;marketplace=GROCERY&amp;iid=en_gxWQkDu7-heWOkxGMOeN6mFBnSmvGFyB7KMdO5hnmWKpVJnvE_zkM5QOIICDy4gAKAC2j8h-IXOrvOXL4zIfW%3D%3D">https://www.flipkart.com/parry-s-sweet-care-low-gi-sugar/p/itmcd86ec7c895b7?pid=SUGGFZF9HQA8VWQZ&amp;lid=LSTSUGGFZF9HQA8VWQZFQP2M9&amp;marketplace=GROCERY&amp;iid=en_gxWQkDu7-heWOkxGMOeN6mFBnSmvGFyB7KMdO5hnmWKpVJnvE_zkM5QOIICDy4gAKAC2j8h-IXOrvOXL4zIfW%3D%3D</a>
	Amazon: <a href="https://www.amazon.in/Parrys-Sugar-Amrit-Cane-Pouch/dp/B01K73XLAK/ref=sr_1_3_f3_wg_sspa?almBrandId=ctnow&amp;crd=2WJO2GIJAOGQO&amp;fpw=alm&amp;keywords=suga_r&amp;qid=1688053520&amp;s=n_owstore&amp;sprefix=sugar%2Cfresh%2C229&amp;sr=1-3-spons&amp;sp_csd=d2lkZ2V0TmFtZT1zcF9hdGY&amp;psc=1">https://www.amazon.in/Parrys-Sugar-Amrit-Cane-Pouch/dp/B01K73XLAK/ref=sr_1_3_f3_wg_sspa?almBrandId=ctnow&amp;crd=2WJO2GIJAOGQO&amp;fpw=alm&amp;keywords=suga_r&amp;qid=1688053520&amp;s=n_owstore&amp;sprefix=sugar%2Cfresh%2C229&amp;sr=1-3-spons&amp;sp_csd=d2lkZ2V0TmFtZT1zcF9hdGY&amp;psc=1</a>
	Big Basket: <a href="https://www.bigbasket.com/pd/40213544/parrys-sweet-care-low-gi-sugar-200-g/?nc=cl-prod-list&amp;t_pos_sec=1&amp;t_pos_item=5&amp;t_s=Sweet+Care++Low+GI+Sugarhttps://blinkit.com/prn/parrys-superfine-sugar/prid/495432">https://www.bigbasket.com/pd/40213544/parrys-sweet-care-low-gi-sugar-200-g/?nc=cl-prod-list&amp;t_pos_sec=1&amp;t_pos_item=5&amp;t_s=Sweet+Care++Low+GI+Sugarhttps://blinkit.com/prn/parrys-superfine-sugar/prid/495432</a>
Social media	<b>Facebook account:</b> <a href="https://www.facebook.com/parrysconsumerproducts/">https://www.facebook.com/parrysconsumerproducts/</a> <b>Instagram account:</b> <a href="https://www.instagram.com/parrysconsumerproducts/">https://www.instagram.com/parrysconsumerproducts/</a> <b>LinkedIn account:</b> <a href="https://www.linkedin.com/company/eid-parry-india-ltd/">https://www.linkedin.com/company/eid-parry-india-ltd/</a>

## 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Sale of Sugar is not required to come with any statutory warning of safe and responsible usage as per the current regulations. However, the Company educates the consumers about the benefits, USPs and product superiority on the various platforms or through its TV Commercials (TVCs) or print ads or on digital and social media. Some of the initiatives are on detailed below.

### **E-com:**

**For all e-com portals:** the company provides details as required by the concerned e-com portals– the front panel, back panel and/or nutritional panel are listed separately along with images of the products, which are uploaded on e-com portals. (Few links have been shared above)

### **Digital (Social Media, Influencers & YouTube):**

The Company uses social media and digital media to educate customers through various marketing assets like posts, videos, TVCs etc. One can also visit the official handles of our brands..

One may refer to the below links for some of them:

<https://www.facebook.com/photo/?fbid=701220512017306&set=a.689425799863444>

<https://www.facebook.com/parryssugar/videos/984945809206061>

<https://www.instagram.com/p/Cq5g9sKJGCz/>

<https://www.instagram.com/p/CtZDxqNtVjp/>

## 3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company so far have not faced this situation. There has been no disruption or discontinuation of our operation, which has significantly affected the Company's business. Even during the COVID-19 pandemic, manufacture of sugar being essential services, the Company carried out its operations without any disruption.

## 4. Entity display product information

### **i. Does the entity display product information on the product over and above what is mandated as per local laws?**

Yes

The Company displays as well as reviews the displayed information of all its products for correctness of information and safety guidance on the product label as may be required under the Food Safety and standards Act, 2006, Legal Metrology Act, 2011, Drugs and Cosmetics Act, 1940, Fertiliser (Control) Order, 1985, Sugar (Packing and Marking) Order, 1970 and other applicable laws and as may be applicable and relevant for its products. Over and above the mandatory requirements, the Company also subscribes to various customer information requirements. Product Information about the benefits to health, physical dimensions and/or compositions/ nutrient content are provided through the product labels/pack declaration and/or catalogues. The Company carries out market research at regular intervals to study the brand health and understand various brand health parameters. Please also refer to the responses given in Question 1 (Principle 9).

### **ii. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?**

Yes



# Standalone Financial Statements

# Independent Auditors' Report

To the Members of E.I.D. - Parry (India) Limited

## Report on the Audit of the Standalone Ind AS Financial Statements

### Opinion

1. We have audited the accompanying Standalone Ind AS Financial Statements of E.I.D. - Parry (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS Financial Statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of the Standalone 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 Standalone Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
<p><b>Assessment of carrying value of investment in subsidiaries and joint venture</b></p> <p>(Refer Note 5A and 14 to the Standalone Ind AS Financial Statements)</p> <p>As at March 31, 2024, the Company has equity investments of ₹68,689 lakhs in its subsidiaries and joint venture (after considering an impairment provision of ₹15,511 lakhs).</p> <p>The Company reviews the carrying value of these investments at each reporting period. Where considered necessary, the Company's management performs a detailed assessment as required under Ind AS 36.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"><li>• Understood and performed procedures to assess the design and tested the operating effectiveness of relevant controls related to the annual evaluation on assessment of carrying value of investments.</li><li>• Obtained the audited/ unaudited financial statements of the subsidiaries and joint venture and tested the Company's management assessment with regard to key financial indicators including net worth of those respective subsidiaries and joint venture with the carrying value of the investments made in those entities.</li><li>• Assessing the impairment testing model and evaluating the independence, competence, capabilities and objectivity of the management's expert.</li><li>• In relation to subsidiaries and joint venture where future cash flow projections were prepared, evaluated the reasonableness of these projections by checking the mathematical accuracy, discussing with the management to understand the assumptions involved, and our knowledge and understanding of the current business conditions, comparison with the approved budgets.</li></ul>

Key audit matter	How our audit addressed the key audit matter
We considered the assessment of carrying value of investments as a key audit matter, considering its significance to the Standalone Ind AS Financial Statements, and where applicable, the judgement involved in estimating future cash flows, particularly with respect to factors such as discount rates, cash flow projections and terminal growth rates.	<ul style="list-style-type: none"> <li>• Obtained the management's valuation calculations supported by an independent report of its expert. Evaluated, along with the auditors' experts, the key assumptions such as discount rate and growth rate used in the preparation of the cash flow projections.</li> <li>• Performing sensitivity tests on the Model for a range of certain assumptions, such as discount rate and terminal growth rate.</li> <li>• Read the subsidiaries and joint venture financial statements and auditors' report and discussed with the auditors of the subsidiary companies and joint venture in relation to the work performed by them on the subsidiary company and joint venture financial statements including any impairment evaluation carried out by them at the subsidiary level.</li> <li>• We evaluated the adequacy of the disclosures made in the Standalone Ind AS Financial Statements.</li> <li>• Based on above procedures performed, the management's assessment of carrying value of investments in subsidiaries and joint venture was reasonable.</li> </ul>

## Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report together with the annexure thereto, Report on Corporate Governance and Business Responsibility and Sustainability Report but does not include the Standalone Ind AS Financial Statements and our auditors' report thereon.

Our opinion on the Standalone 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 Standalone 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 Standalone Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Responsibilities of management and those charged with governance for the Standalone Ind AS Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified

under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the Standalone 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditors' Responsibilities for the Audit of the Standalone Ind AS Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Standalone Ind AS Financial Statements.

9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Ind AS Financial Statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Standalone Ind AS 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 auditors' 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 Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. 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 except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Ind AS 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 maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Rules.

- (g) With respect to the adequacy of the internal financial controls with reference to Standalone Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements - Refer note 53 to the Standalone Ind AS Financial Statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 67 to the Standalone Ind AS Financial Statements, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 67 to the Standalone Ind AS Financial Statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
  - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except for the instances mentioned below:
    - (i) for one accounting software, the audit trail is not maintained at the application level for modification, if any, by the IT administrator with specific access and for direct database changes; and
    - (ii) for another accounting software, the audit trail feature was enabled from January 30, 2024.

During the course of performing our procedures, except for the aforesaid instances where the question of our commenting on whether the audit trail has been tampered with does not arise, we did not notice any instance of audit trail feature being tampered with.
  15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

#### For Price Waterhouse Chartered Accountants LLP

Firm Registration Number : 012754N/N500016

#### Baskar Pannerselvam

Partner

Membership Number : 213126

UDIN : 24213126BKFVPU5056

Place : Chennai

Date : May 24, 2024

## Annexure A to Independent Auditors' Report

Referred to in paragraph 14(g) of the Independent Auditors' Report of even date to the members of E.I.D. - Parry (India) Limited on the Standalone Ind AS Financial Statements as of and for the year ended March 31, 2024

### Report on the Internal Financial Controls with reference to Standalone Ind AS Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of E.I.D. - Parry (India) Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls

with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls with reference to financial statements

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

### Inherent Limitations of Internal Financial Controls with reference to financial statements

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

## Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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 issued by ICAI.

### For Price Waterhouse Chartered Accountants LLP

Firm Registration Number : 012754N/N500016

### Baskar Pannerselvam

Partner

Membership Number : 213126

UDIN : 24213126BKFVPU5056

Place : Chennai

Date : May 24, 2024

## Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of E.I.D. - Parry (India) Limited on the Standalone Ind AS Financial Statements as of and for the year ended March 31, 2024

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment, Right-of-use Assets and Investment Property.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment, Right-of-use Assets and Investment Property are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 2 and 3 to the Standalone Ind AS Financial Statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (INR Lakh)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Flat No. MA1/4A and MA1/4D situated at Garden Estate, Gurugram, Haryana	46	Director, Town, and Country Planning Haryana, State Government of Haryana	No	27 years	The Company is in the process of registering the said flats in its name. The flats could not be registered due to a dispute of the builder with the Haryana Government towards payment of development charges.

As referred to in Note 2 to the Standalone Ind AS Financial Statements, the Company had carried out Name change/ Various mergers/amalgamations across various years. Pursuant to these actions, the Company holds certain immovable properties wherein the title of the property has been conveyed/transferred to the Company pursuant to such scheme of amalgamation/ arrangement and the management has represented that these are considered as valid title to the immovable property and no further actions are necessary.

Immovable properties of land and buildings whose title deeds have been pledged as security for loans, guarantees, etc. are held in the name of the Company as per the Memorandum of Entry executed by the Company and confirmed by the banker as on the balance sheet date.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right-of-use Assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and

Equipment (including Right-of-use Assets) or intangible assets does not arise.

- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.



- (b) During the year, the Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed revised quarterly returns or statements with such banks, which are not in agreement with the unaudited books of account as set out below:

Name of the Bank	Aggregate working capital limits sanctioned	Nature of Current Asset offered as Security	Quarter ended	Amount disclosed as per quarterly return/ statement*	Amount as per books of accounts*	Difference	Reasons for difference
State Bank of India	55,000	Stocks and Receivables	June 30, 2023	55,281	46,970	8,311	Refer below
State Bank of India	55,000		September 30, 2023	35,791	29,956	5,835	
State Bank of India and Union bank of India	80,000		December 31, 2023	52,368	42,485	9,883	
State Bank of India and Union bank of India	80,000		March 31, 2024	78,601	78,387	214	

\* Amount disclosed as per quarterly return/ statement and Amount as per books of accounts pertain to sugar stocks

The Company has valued the sugar stock included in the stock statement submitted to the bank as per the method prescribed in the RBI Circular.

(Also refer Note 63 to the Standalone Ind AS Financial Statements)

- iii. (a) The Company has made investments in various mutual funds, granted advances in the nature of loans to other parties (advances to employees) and stood guarantee to two subsidiary companies. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such guarantee to subsidiary and advances in the nature of loans to other parties are as per the table given below:

	Guarantees	Advances in nature of loans
Aggregate amount granted/ provided during the year		
- Subsidiaries	77,919	-
- Others	-	167
Balance outstanding as at balance sheet date in respect of the above case		
- Subsidiaries	77,919	-
- Others	-	170

(Also refer Note 9, 51 and 53 to Standalone Ind AS Financial Statements)

- (b) In respect of the aforesaid investments, guarantees and advances in nature of loans, the terms and conditions under which such investments were made/guarantees provided/advances in the nature of loans granted are not prejudicial to the Company's interest.
- (c) In respect of the loans/advances in nature of loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
- (d) In respect of the loans/advances in nature of loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loans/advances in nature of loans which have fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan.
- (f) The advances in nature of loans granted during the year, had stipulated the scheduled repayment of principal and the same were not repayable on demand.
- iv. In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees provided by it.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund and professional tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 29 to the Standalone Ind AS Financial Statements regarding management's assessment on certain matters relating to provident fund.
- (b) There are no statutory dues of provident fund, professional tax, employees' state insurance, duty of customs and value added tax which have not been deposited on account of any dispute. The particulars of other statutory dues which have not been deposited on account of a dispute, are as follows:

(Amount in INR lakhs)

Name of the statute	Nature of dues	Amount*	Period (FY) to which the amount relates	Forum where the dispute is pending
The Finance Act, 1994	Service Tax	161	2005-06 to 2016-17	Customs Excise and Service Tax Appellate Tribunal / Commissioner (Appeals)
The Central Excise Act, 1944	Excise Duty	1,002	1977-78, 2006-2017	Deputy Commissioner/ Commissioner (Appeals)/ CESTAT
Sales Tax Act of various states / Central Sales Tax Act, 1956	Sales Tax	154	1981 – 2005	Deputy Commissioner/ Tribunal/ Honourable High Court / Honourable Supreme Court
Tamil Nadu Tax on Entry of Goods into Local Areas Act, 2001	Entry Tax	94	2003 – 2005	Honourable High Court
Goods and Services Tax	Goods and Services Tax	2088	Pre GST period, 2017-18 to 2019-20	Honourable High Court/ Deputy Commissioner
Income Tax Act, 1961	Income Tax dues	4,856	2003 - 2021	Income Tax Appellate Tribunal/ Commissioner (Appeals) / Honourable High Court
Electricity Act, 2003	Electricity tax dues	2,353	2004 - 2023	AP Electric Regulation Commission/ Honourable High Court / Honorable Supreme Court
Indian Stamp (Madhya Pradesh Amendment) Act, 1958	Stamp Duty	35	1999 - 2000	Collector of Stamps

\*net of amount paid under protest

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, the term loans have been applied for the purposes for which they were obtained. (Also, refer Note 18 to the Standalone Ind AS Financial Statements)
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has two CICs as part of the Group as detailed in Note 61 to the Standalone Ind AS Financial Statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of the Standalone Ind AS Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

#### For Price Waterhouse Chartered Accountants LLP

Firm Registration Number : 012754N/N500016

#### Baskar Pannerselvam

Partner

Membership Number : 213126

UDIN : 24213126BKFVPU5056

Place : Chennai

Date : May 24, 2024

# Standalone Balance Sheet as at March 31, 2024

₹ Lakh

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	1,28,985	1,17,942
(b) Right-of-use Assets	2A	4,016	4,615
(c) Capital work-in-progress	2	28,361	8,418
(d) Investment Property	3	5,665	3,088
(e) Investment property under construction	3	-	1,336
(f) Other Intangible assets	4	69	114
(g) Financial Assets			
(i) Investments			
a) Investments in subsidiaries	5A	67,994	67,994
b) Investments in joint venture	5B	-	695
c) Other Investments	6	39,384	30,496
(ii) Loans	8	-	20,000
(iii) Other financial assets	9	660	615
(h) Income tax assets (Net)	15	6,588	4,998
(i) Other non-current assets	10	2,715	4,726
<b>Total Non-Current Assets</b>		<b>2,84,437</b>	<b>2,65,037</b>
<b>Current Assets</b>			
(a) Inventories	11	1,18,603	97,864
(b) Financial assets			
(i) Trade receivables	7	24,091	20,669
(ii) Cash and Cash equivalents	12	132	942
(iii) Bank balances other than (ii) above	13	335	263
(iv) Loans	8	20,000	-
(v) Other financial assets	9	1,269	1,005
(c) Other current assets	10	17,116	12,787
		<b>1,81,546</b>	<b>1,33,530</b>
Assets classified as held for sale	14	695	-
<b>Total Current Assets</b>		<b>1,82,241</b>	<b>1,33,530</b>
<b>TOTAL ASSETS</b>		<b>4,66,678</b>	<b>3,98,567</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	16	1,775	1,775
(b) Other equity	17	2,90,165	2,86,442
<b>Total Equity</b>		<b>2,91,940</b>	<b>2,88,217</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	20,394	11,086
(ii) Lease Liability	2A	2,930	3,267
(b) Long term provisions	23	921	766
(c) Deferred tax liabilities (Net)	44	17,088	15,638
(d) Other non-current liabilities	22	-	136
<b>Total Non-Current Liabilities</b>		<b>41,333</b>	<b>30,893</b>
<b>Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19	83,477	39,700
(ii) Lease Liability	2A	618	613
(iii) Trade payables	20		
a) total outstanding dues of micro and small enterprises		896	558
b) total outstanding dues other than (iii)(a) above		33,158	27,888
(iv) Other financial liabilities	21	10,905	5,920
(b) Short term provisions	23	1,188	1,123
(c) Other current liabilities	22	3,163	3,655
<b>Total Current Liabilities</b>		<b>1,33,405</b>	<b>79,457</b>
<b>Total Liabilities</b>		<b>1,74,738</b>	<b>1,10,350</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,66,678</b>	<b>3,98,567</b>

The accompanying notes are an integral part of these standalone Ind AS financial statements.

In terms of our report attached

For and on behalf of the Board of Directors

**For Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number : 012754N/N500016

**S. Suresh**  
Managing Director  
DIN : 06999319

**M. M. Venkatachalam**  
Chairman  
DIN : 00152619

**Baskar Pannerselvam**  
Partner  
Membership Number : 213126

**Biswa Mohan Rath**  
Company Secretary

**Y. Venkateshwarlu**  
Chief Financial Officer

Place: Chennai  
Date: May 24, 2024

Place: Chennai  
Date: May 24, 2024

## Standalone Statement of Profit and Loss for the year ended March 31, 2024

₹ Lakh

S. No	Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
I	Revenues from Operations	24	2,80,860	2,89,492
II	Other Income	25	17,914	25,803
III	<b>Total Income (I+II)</b>		<b>2,98,774</b>	<b>3,15,295</b>
IV	Expenses:			
	Cost of materials consumed	26	2,02,965	1,84,979
	Purchases of Stock-in-Trade	27	6,203	6,412
	Changes in inventories of finished goods, by products, work-in-progress and stock-in-trade	28	(14,131)	1,525
	Employee benefits expense	29	18,597	15,793
	Finance costs	30	4,405	3,603
	Depreciation and amortisation expense	31	14,749	13,505
	Other expenses	32	54,468	53,936
	<b>Total Expenses (IV)</b>		<b>2,87,256</b>	<b>2,79,753</b>
V	<b>Profit before exceptional items and tax (III-IV)</b>		<b>11,518</b>	<b>35,542</b>
VI	Exceptional items	33	-	(11,091)
VII	<b>Profit before tax (V+VI)</b>		<b>11,518</b>	<b>24,451</b>
VIII	Tax Expense:			
	(1) Current Tax	45	1,312	5,717
	(2) Deferred Tax	45	(503)	(948)
	<b>Total Tax Expense</b>		<b>809</b>	<b>4,769</b>
IX	<b>Profit for the year (VII-VIII)</b>		<b>10,709</b>	<b>19,682</b>
	<b>Other Comprehensive Income</b>			
	i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of defined benefit plans		(233)	(136)
	b) Equity instruments through other comprehensive income		8,895	1,934
			<b>8,662</b>	<b>1,798</b>
	ii) Income tax relating to items that will not be reclassified to profit or loss		(1,953)	(293)
X	<b>Total other comprehensive income (i-ii)</b>		<b>6,709</b>	<b>1,505</b>
XI	<b>Total Comprehensive Income (IX+X)</b>		<b>17,418</b>	<b>21,187</b>
XII	Earnings Per Equity Share (Nominal value per share ₹1)			
	(a) Basic	48	6.03	11.09
	(b) Diluted	48	6.03	11.09

The accompanying notes are an integral part of these standalone Ind AS financial statements.

In terms of our report attached

For and on behalf of the Board of Directors

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration Number : 012754N/N500016

**S. Suresh**

Managing Director  
DIN : 06999319

**M. M. Venkatachalam**

Chairman  
DIN : 00152619

**Baskar Pannerselvam**

Partner  
Membership Number : 213126

**Biswa Mohan Rath**

Company Secretary

**Y. Venkateshwarlu**

Chief Financial Officer

Place: Chennai

Date: May 24, 2024

Place: Chennai

Date: May 24, 2024



## Standalone Statement of Cash Flows for the year ended March 31, 2024

₹ Lakh

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
<b>A. Cash flow from operating activities</b>				
<b>Net profit before tax</b>		<b>11,518</b>		<b>24,451</b>
<b>Adjustments for:</b>				
Depreciation and amortisation	14,749		13,505	
Finance costs	4,405		3,603	
Impairment of Investments in Subsidiaries/Joint Venture	-		15,511	
Dividend income	(10,026)		(20,461)	
(Profit)/loss on sale of investment property and property, plant and equipment (net) (includes exceptional items)	(2,241)		(4,638)	
Net (gain)/loss arising on FVTPL Transaction	(43)		(470)	
Interest income (including government grant interest income)	(2,459)		(1,925)	
Liabilities/provisions no longer required written back	(122)		(122)	
Bad debts written off and provision for doubtful debts	220		559	
Non-cash employee share based payments	440		337	
Rental income from investment property net of expense	(671)		(651)	
		<b>4,252</b>		<b>5,248</b>
<b>Operating profit before working capital changes</b>		<b>15,770</b>		<b>29,699</b>
<b>Changes in operating assets and liabilities</b>				
(Increase)/decrease in Trade Receivables	(3,442)		(6,377)	
(Increase)/decrease in Inventories	(20,739)		740	
(Increase)/decrease in Other Assets	(3,332)		(3,243)	
(Increase)/decrease in Other Financial Assets	80		714	
Increase/(decrease) in Trade Payable	5,730		(5,451)	
Increase/(decrease) in Other Liabilities	(513)		(4,472)	
Increase/(decrease) in Other Financial Liabilities	1,591		852	
Increase/(decrease) in Provision for employee benefits	(13)		31	
Increase/(decrease) in Cane Bills Due	-		(49,645)	
		<b>(20,638)</b>		<b>(66,851)</b>
Cash used in operations		<b>(4,868)</b>		<b>(37,152)</b>
Income tax (paid)/refund received (net)		(2,902)		497
<b>Net cash outflow from operating activities</b>		<b>(7,770)</b>		<b>(36,655)</b>
<b>B. Cash flow from investing activities</b>				
Purchase of property, plant and equipment and intangible assets	(42,833)		(23,933)	
Proceeds from sale of investment property and property, plant and equipment	2,937		9,471	
Purchase of investments	-		(875)	
Sale of investments and investment income	50		470	
Operating lease rental received from investment property net of expenses	671		651	
Interest received	1,541		1,342	
Dividend income received	10,026		20,482	
<b>Net cash inflow/(outflow) from investing activities</b>		<b>(27,608)</b>		<b>7,608</b>

## Standalone Statement of Cash Flows for the year ended March 31, 2024

₹ Lakh

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
<b>C. Cash flow from financing activities</b>				
Proceeds from issue of equity shares	-		369	
Proceeds from long term borrowings	19,187		7,433	
Repayment of long term borrowings	(5,558)		(2,136)	
Net increase/(decrease) in short term borrowings	39,273		34,900	
Finance costs paid	(3,477)		(3,173)	
Lease rent payment under Ind AS 116 (refer note 2A)	(655)		(734)	
Dividends paid#	(14,202)		(9,761)	
<b>Net cash inflow from financing activities</b>		<b>34,568</b>		<b>26,898</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>		<b>(810)</b>		<b>(2,149)</b>
<b>Reconciliation:</b>				
Cash and cash equivalents as at beginning of the year		942		3,091
Cash and cash equivalents as at end of the year (refer note 12)		132		942
<b>Net decrease in cash and cash equivalents</b>		<b>(810)</b>		<b>(2,149)</b>
# includes amounts transferred to earmarked dividend accounts.				
<b>Non-cash financing and investing activities:</b>				
Additions to right-of-use assets		-		79

The accompanying notes are an integral part of these standalone Ind AS financial statements.

In terms of our report attached

For and on behalf of the Board of Directors

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration Number : 012754N/N500016

**S. Suresh**

Managing Director  
DIN : 06999319

**M. M. Venkatachalam**

Chairman  
DIN : 00152619

**Baskar Pannerselvam**

Partner  
Membership Number : 213126

**Biswa Mohan Rath**

Company Secretary

**Y. Venkateshwarlu**

Chief Financial Officer

Place: Chennai

Date: May 24, 2024

Place: Chennai

Date: May 24, 2024

# Standalone Statement of Changes In Equity for the Year Ended March 31, 2024

₹ Lakh

Particulars	Share capital	Reserves and Surplus					Retained earnings	Other reserves	Total
		Capital redemption reserve	Capital reserve on amalgamation	Securities premium reserve	Capital reserve	General reserve	Share options outstanding reserve	Equity instruments through other comprehensive income	
<b>Balance at March 31, 2022</b>	<b>1,774</b>	<b>4,288</b>	<b>688</b>	<b>7,636</b>	<b>5,718</b>	<b>88,681</b>	<b>221</b>	<b>21,239</b>	<b>2,76,014</b>
<b>Movement during 2022-23</b>									
Profit for the year	-	-	-	-	-	-	-	-	19,682
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	1,607	1,505
Amount transferred within reserves	-	-	-	111	-	-	(111)	-	-
<b>Transactions with owners in their capacity as owners:</b>									
Shares issued during the year	1	-	-	368	-	-	-	-	369
Recognition of share based payments	-	-	-	-	-	-	408	-	408
Dividend Paid	-	-	-	-	-	-	-	(9,761)	(9,761)
<b>Balance at March 31, 2023</b>	<b>1,775</b>	<b>4,288</b>	<b>688</b>	<b>8,115</b>	<b>5,718</b>	<b>88,681</b>	<b>518</b>	<b>22,846</b>	<b>2,88,217</b>
<b>Movement during 2023-24</b>									
Profit for the year	-	-	-	-	-	-	-	-	10,709
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	6,883	6,709
Amount transferred within reserves	-	-	-	-	-	-	(24)	(2)	-
<b>Transactions with owners in their capacity as owners:</b>									
Shares issued during the year	-	-	-	-	-	-	-	-	-
Recognition of share based payments	-	-	-	-	-	-	507	-	507
Dividend Paid	-	-	-	-	-	-	-	(14,202)	(14,202)
<b>Balance at March 31, 2024</b>	<b>1,775</b>	<b>4,288</b>	<b>688</b>	<b>8,115</b>	<b>5,718</b>	<b>88,681</b>	<b>1,001</b>	<b>29,727</b>	<b>2,91,940</b>

The accompanying notes are an integral part of these standalone Ind AS financial statements.

In terms of our report attached

For and on behalf of the Board of Directors

## For Price Waterhouse Chartered Accountants LLP

Firm Registration Number : 012754N/N500016

## S. Suresh

Managing Director

DIN : 06999319

## M. M. Venkatachalam

Chairman

DIN : 00152619

## Baskar Pannerselvam

Partner

Membership Number : 213126

## Biswa Mohan Rath

Company Secretary

## Y. Venkateshwarlu

Chief Financial Officer

Place: Chennai

Date: May 24, 2024

Place: Chennai

Date: May 24, 2024

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## CORPORATE INFORMATION

E.I.D. - Parry (India) Limited (CIN: L24211TN1975PLC006989) is a significant player in Sugar with interests in promising area of Nutraceuticals. The Company also has a significant presence in Farm Inputs business through its subsidiary, Coromandel International Limited.

The Company has six sugar factories having a capacity to crush 40,800 Tonnes of Cane per day, generate 140 MW of power and five distilleries having a capacity of 417 KLPD. In the Nutraceuticals business, it holds a strong position in the growing wellness segment mainly catering to the world markets with its organic products.

## 1. BASIS OF PREPARATION

### 1.1 Statement of Compliance

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

#### a) New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated March 31, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective April 1, 2023:

- Disclosure of Accounting Policies - amendments to Ind AS 1
- Definition of Accounting Estimates - amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarification.

These amendments did not have any material impact on the amount recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

### 1.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, defined benefit plan - plan assets measured at fair value, assets held for sale which is measured at lower of cost and fair value less cost to sell and share based payments as explained in the accounting policies below.

Historical cost is generally based on the fair value (or transaction price as applicable) of the consideration given in exchange for goods and services.

### 1.3 Operating Cycle

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

## 1A MATERIAL ACCOUNTING POLICIES

### 1A.1 Use of estimates

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

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

#### a. Fair value measurement and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in notes 3 and 49.8.

## **b. Useful life of Property, Plant & Equipment**

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, there has been no significant change in life considered for the assets.

## **c. Impairment of Tangible Assets, Intangible Assets and Financial Assets**

The recoverable amounts have been determined based on value in use calculations which uses cash flow projections or net realisable value. For further details, refer notes 1B.16, 1B.5.e, 5A, 5B and 43.

## **d. Leases**

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use the underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

## **1A.2 Property, plant, and equipment**

Freehold land is carried at historical cost. All other property, plants and equipment are recognised at historical cost less depreciation.

The useful lives have been determined based on technical evaluation done by the management which are different than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. Estimated useful life of assets are as follows:

Asset	Useful lives (in years)
Buildings	1 - 60 years
Plant and equipment (Continuous Process)	1-18 years
Plant and equipment (General)	1-18 years
Vehicles	1 - 8 years
Office equipment, furniture and fixtures	1 - 10 years

Refer note 1B.1 for other accounting policies relevant to property, plant and equipment.

## **1A.3 Investment Property**

Investment properties are carried at cost and depreciated using straight line method.

The useful lives have been determined based on technical evaluation done by the management which are different than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. Estimated useful lives of the assets are as follows:

Asset	Useful lives (In years)
Buildings	10-60 years

Refer note 1B.2 for other accounting policies relevant to investment property.

## **1A.4 Intangible Assets**

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

The Company amortises intangible assets with a limited useful life using the straight-line method.



# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Useful lives of intangible assets

The useful lives have been determined based on technical evaluation done by the management which are different than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. Estimated useful lives of the intangible assets are as follows:

Asset	Useful lives (In years)
Software and Licenses	1-10 years

Refer note 1B.3 for other accounting policies relevant to intangible assets.

## 1A.5 Leases (where the Company is the lessee)

Assets and liabilities arising from a lease are initially measured on present value basis. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate is used, being the rate, the Company would have to pay to borrow fund necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Right-of-use assets are generally depreciated over the shorter of asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in statement of profit and loss. Short-term leases are leases with a lease term of 12 months or less, without a purchase option. Low value assets comprise small items.

Refer note 1B.4 for other accounting policies relevant to leases.

## 1A.6 Financial Assets

Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

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

The Company classifies its financial assets in the following measurement categories:

- I. Those measured subsequently at fair value through other comprehensive income (in case of certain investments in equity instruments - an irrevocable option exercised on an instrument-by-instrument basis on initial recognition) and through profit or loss (in case of investments in mutual funds and other equity instruments); and

- II. Those measured at amortised cost.

The classification is based on the Company's business model for managing financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

- III. Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information on case to case basis.

Refer note 1B.5 for other accounting policies relevant to financial assets.

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 1A.7 Inventories

Inventories other than by products are stated at the lower of cost and net realizable value. Inventories of by-products are valued at net realizable value. Cost of inventories are determined on weighted average basis.

Refer note 1B.24 for the other accounting policies relevant to inventory.

## 1A.8 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

## 1A.9 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the transaction price for each separate performance obligation taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The transaction price is net of estimated customer returns, rebates and other similar allowances.

Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

The specific recognition criteria described below must also be met before revenue is recognised.

### i. Sale of goods

Revenue is recognised at the transaction price when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the asset, customer has legal title of the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Company has objective evidence that all criteria for acceptance have been satisfied.

### ii. Rendering of services

The performance obligation under service contracts are provision of handling service, business support service and other ancillary services set forth in the contracts. Revenue from rendering of services are recognised over a period of time by reference to the stage of completion as the customer simultaneously receives and consumes the benefit provided by the Company's performance as the Company performs.

Payment for the service rendered is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

## 1A.10 Other income

- a) Dividend income from investments is recognised when the shareholder's right to receive payment has been established.
- b) Interest income from a financial asset is recognised and accrued using effective interest rate method.
- c) Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.
- d) Export incentives are treated as income in the year of export at the estimated realisable value.
- e) Commissions are accounted as per the terms of the contract and to the extent that the amounts recoverable can be measured reliably and reasonable to expect ultimate collection.

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 1A.11 Government grants

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

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

Refer note 1B.11 for other accounting policies related to government grants.

## 1A.12 Financial guarantee contracts

Financial guarantee contracts issued by the Company are initially measured at their fair values and, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

## 1A.13 Employee benefit obligations

Gratuity for certain employees is covered under Schemes of Life Insurance Corporation of India (LIC) and ICICI. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

The Company makes contributions to Provident Fund Trusts for certain employees, at a specified percentage of the employee's salary. The interest rate payable by the Trust to the beneficiaries is being notified by the Government every year. The Company obtains an independent actuarial valuation of the Interest Guarantees as at the Balance Sheet date and provides for the shortfall, if any, in the present value of obligation of interest over the fair value of the surplus in the Fund.

Refer note 1B.12 for other accounting policies related to employee benefit obligations.

## 1A.14 Investments in equity instruments at FVTOCI

The Company has equity investments which are not held for trading. The Company has elected the FVTOCI irrevocable option for these investments (see note 6). Fair value is determined in the manner described in note 49.8.

Refer note 1B.5.c for other accounting policies related to Investments in equity instruments at FVTOCI.

## 1A.15 Segment Reporting

The Company is focused on the following business segments: Sugar, Co-generation, Distillery and Nutraceuticals. Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors.

## 1A.16 Impairment losses

At the end of each reporting period, where there is an indicator of impairment, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Refer note 1B.16 for other accounting policies related to Impairment losses.

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 1B OTHER ACCOUNTING POLICIES

### 1B.1 Property, Plant and Equipment

Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets on leased premises are depreciated on the remaining period of lease or as per the useful life tabulated above whichever is less.

The residual values are not more than 5% of the original cost of the asset.

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

### 1B.2 Investment Property

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

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

The Company classifies cash outflows to acquire or construct investment property and rental inflow as investing cash flows.

### 1B.3 Intangible Assets

#### a. Intangible assets acquired separately

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

#### b. Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in statement of profit and loss in the period in which it is incurred.

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

## c. Derecognition of intangible assets

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

## 1B.4 Leasing

### (Company as Lessee)

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease liability include the net present value of the following payments:

- fixed payments (including in substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rates at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of purchase options if the Company is reasonably certain to exercise that option
- payment of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that are dependent on sales are recognised in statement of profit and loss in the period in which the conditions that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of initial measurement of lease liability
- any lease payments made at or before the commencement date less any incentives received
- any initial direct costs and
- restoration costs.

### Company as Lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as expenses over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

## 1B.5 Financial assets

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

### a. Classification of financial assets

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

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

For the impairment policy on financial assets measured at amortized cost, refer note 1B.5.e.

All other financial assets are subsequently measured at fair value.

## **b. Effective interest method**

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in statement of profit and loss and is included in the 'other income' line item.

## **c. Investments in equity instruments at FVTOCI**

The Company has elected to carry investment in equity instruments at Fair value through other comprehensive income. On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to statement of profit and loss on disposal of the investments.

Dividends on these investments in equity instruments are recognised in statement of profit and loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in statement of profit and loss are included in the 'Other income' line item.

## **d. Financial Assets at Fair Value through Profit or Loss (FVTPL)**

The Company carries derivative contracts not designated in a hedge relationship at FVTPL. Financial assets at FVTPL also includes assets held for trading.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

## **e. Impairment of financial assets**

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

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109.

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## f. Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

## g. Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

## 1B.6 Financial liabilities and equity instruments

### a. Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### b. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### c. Financial liabilities

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

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

#### c.1. Financial liabilities at FVTPL

Financial liabilities at FVTPL includes derivative liabilities. Non-derivative financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL. There are no non-derivative financial liabilities carried at FVTPL.

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Fair value is determined in the manner described in note 49.8.

## **c.2. Financial liabilities subsequently measured at amortised cost**

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

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

## **c.3. Foreign exchange gains and losses**

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in statement of profit and loss.

## **c.4. Derecognition of financial liabilities**

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

## **1B.7 Fair Value**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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

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

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 1B.8 Derivative financial instruments and Hedge Accounting

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in note 49.8.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

## 1B.9 Functional and Presentation Currency and Foreign Currency Transactions

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

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 1B.8 above for hedging accounting policies); and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit and loss on repayment of the monetary items.

## 1B.10 Borrowings and related costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

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

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 1B.11 Government grants

Government grants are recognised in statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grant is recognised either as other operating income, or other income or adjusted against expenses depending upon the nature of the grant and the same is followed consistently.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in statement of profit and loss in the period in which they become receivable.

## 1B.12 Employee Benefit obligations

### (a) Post employment benefit costs and termination benefits

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

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Defined benefit costs are categorized as follows:

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

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

Past service cost is recognised in statement of profit and loss in the period of a plan amendment.

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

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss.

Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the Statement of Profit and Loss each year.

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

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

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

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

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



# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 1B.13 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 50.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

## 1B.14 Earnings per Share

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

## 1B.15 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### a. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### b. Deferred tax

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

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

## **c. Current and deferred tax for the year**

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

## **1B.16 Impairment losses**

At the end of each reporting period, the Company reviews the carrying amounts of its assets (property, plant and equipment, intangible assets and investments in equity instruments of subsidiaries and joint venture) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives, goodwill and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

## **1B.17 Provisions**

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

## **1B.18 Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets (excluding trade receivables which do not contain a significant financing component) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

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

## 1B.19 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet, where there is a legally enforceable right to offset the recognised amounts and there is intention to settle on net basis or realise the assets and liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## 1B.20 Cash flow statement

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

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## 1B.21 Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from the proceeds.

## 1B.22 Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

## 1B.23 Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## 1B.24 Inventory

Cost of raw materials and traded goods comprises cost of purchases after deducting rebates and discounts. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price in the ordinary course of business, less all estimated costs of completion and costs necessary to make the sale.

## 1B.25 Goodwill

Goodwill on business combination is included under non current assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of the business include the carrying amount of goodwill relating to the business sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

## 1B.26 Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised.

A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

## **1B.27 Exceptional Items**

The Company considers factors including materiality, the nature and function of the items of income and expense in determining exceptional item and discloses the same in note 33 to the standalone financial statements.

## **1B.28 Rounding off amounts**

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

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 2

### Property, Plant and Equipment (PPE) and Capital Work-in-progress (CWIP)

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Carrying amounts of:</b>		
Freehold Land	4,729	4,710
Buildings	23,604	22,218
Plant and Equipment	98,123	89,014
Furniture and Fixtures	261	212
Office Equipment	1,256	979
Vehicles	1,012	809
	<b>1,28,985</b>	<b>1,17,942</b>
Capital Work-in-progress (CWIP)	28,361	8,418
	<b>1,57,346</b>	<b>1,26,360</b>

₹ Lakh

Particulars	Freehold Land	Buildings (refer note 2 below)	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total	CWIP
<b>Gross carrying amount</b>								
Balance at March 31, 2022	4,184	28,831	1,52,709	364	1,907	708	1,88,703	1,508
Additions	526	2,109	11,497	66	354	745	15,297	21,320
Disposals and Adjustments	-	(11)	(1,276)	(4)	(19)	(194)	(1,504)	(275)
Transfer to PPE	-	-	-	-	-	-	-	(14,135)
Transfer from/(to) assets held for sale	-	-	384	-	-	-	384	-
<b>Balance at March 31, 2023</b>	<b>4,710</b>	<b>30,929</b>	<b>1,63,314</b>	<b>426</b>	<b>2,242</b>	<b>1,259</b>	<b>2,02,880</b>	<b>8,418</b>
Additions	19	2,847	21,637	103	670	522	25,798	45,054
Disposals and Adjustments	-	(60)	(1,668)	(36)	(32)	(126)	(1,922)	-
Transfer to PPE	-	-	-	-	-	-	-	(25,111)
<b>Balance at March 31, 2024</b>	<b>4,729</b>	<b>33,716</b>	<b>1,83,283</b>	<b>493</b>	<b>2,880</b>	<b>1,655</b>	<b>2,26,756</b>	<b>28,361</b>

₹ Lakh

Particulars	Freehold land	Buildings (refer note 2 below)	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total	CWIP
<b>Accumulated depreciation</b>								
Balance at March 31, 2022	-	7,248	63,928	183	974	455	72,788	-
Disposals and Adjustments	-	(1)	(782)	(4)	-	(158)	(945)	-
Depreciation expense	-	1,464	10,903	35	289	153	12,844	-
Transfer from/(to) assets held for sale	-	-	251	-	-	-	251	-
<b>Balance at March 31, 2023</b>	<b>-</b>	<b>8,711</b>	<b>74,300</b>	<b>214</b>	<b>1,263</b>	<b>450</b>	<b>84,938</b>	<b>-</b>
Disposals and Adjustments	-	-	(1,117)	(28)	(18)	(63)	(1,226)	-
Depreciation expense	-	1,401	11,977	46	379	256	14,059	-
<b>Balance at March 31, 2024</b>	<b>-</b>	<b>10,112</b>	<b>85,160</b>	<b>232</b>	<b>1,624</b>	<b>643</b>	<b>97,771</b>	<b>-</b>



# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 2 (Contd.)

Carrying amount as at March 31, 2023	4,710	22,218	89,014	212	979	809	1,17,942
Carrying amount as at March 31, 2024	4,729	23,604	98,123	261	1,256	1,012	1,28,985

### Note:

- Details of assets offered as security are provided in Note 18 and 19.
- Includes Building on leasehold land: Cost: ₹1,580 Lakh (2023 - ₹924 Lakh) and Accumulated Depreciation: ₹502 Lakh (2023 - ₹451 Lakh).
- Capital work in progress primarily represents Building, Plant and equipment related work.
- Refer Note 52 for contractual commitments for acquisition of Property, Plant and Equipment.
- Management considers each factory to be a cash generating unit ('CGU') and has analysed if there is an indicator of impairment. Based on the assessment two CGUs of the Company have been incurring losses for the past years which is an indicator for impairment. The Company has performed a detailed impairment assessment and based on the assessment performed, it was determined that there was no impairment to be recognized for the year ended March 31, 2024.
- The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), are held in the name of the Company, except for the following:

Description of property	Gross carrying value (₹ Lakh)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Flat No. MA1/4A and MA1/4D situated at Garden Estate, Gurugram, Haryana	46	Director, Town, and Country Planning Haryana, State Government of Haryana	No	27 Years	The Company is in the process of registering the said flats in its name. The Flats could not be registered due to a dispute of the Builder with the Haryana Government towards payment of development charges.

The Company had carried out Name change/various merger/amalgamations, etc across various years. Pursuant to these actions, the Company holds certain immovable properties wherein the title of the property has been conveyed/transferred to the Company pursuant to such scheme of amalgamation/arrangement and these are considered as valid title to the immovable property and no further actions such as name change/additional registrations are necessary.

Immovable properties of land and buildings whose title deeds have been pledged as security for loans, guarantees, etc. are held in the name of the Company as per the Memorandum of Entry executed by the Company and confirmed by the banker as on the balance sheet date.

- Ageing of the Capital Work-in-Progress are as follows:

₹ Lakh

Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
<b>As at March 31, 2024</b>					
Projects in progress	28,358	3	-	-	28,361
Projects temporarily suspended	-	-	-	-	-
<b>As at March 31, 2023</b>					
Projects in progress	8,377	41	-	-	8,418
Projects temporarily suspended	-	-	-	-	-

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 8. Completion schedule of capital work-in-progress whose completion is overdue:

₹ Lakh

Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
<b>As at March 31, 2024</b>					
<b>Projects in progress</b>					
Other Projects	43	-	-	-	43
<b>As at March 31, 2023</b>					
<b>Projects in progress</b>					
Other Projects	1,194	-	-	-	1,194

## Note 2A - Leases

### (i) Amounts recognised in the Balance Sheet

#### Carrying Amount of Right-of-use Assets

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Factory (including ancillary assets)*	3,885	4,353
Building	131	262
<b>Total</b>	<b>4,016</b>	<b>4,615</b>

₹ Lakh

Particulars	Factory (including ancillary assets)*	Building
<b>Gross carrying amount</b>		
<b>Balance at March 31, 2022</b>	6,354	362
Additions	-	79
Disposals and Adjustments	(79)	-
<b>Balance at March 31, 2023</b>	<b>6,275</b>	<b>441</b>
Additions	-	-
Disposals and Adjustments	-	-
<b>Balance at March 31, 2024</b>	<b>6,275</b>	<b>441</b>

₹ Lakh

Particulars	Factory (including ancillary assets)*	Building
<b>Accumulated depreciation</b>		
<b>Balance at March 31, 2022</b>	1,443	63
Depreciation expenses	479	116
<b>Balance at March 31, 2023</b>	<b>1,922</b>	<b>179</b>
Depreciation expenses	468	131
<b>Balance at March 31, 2024</b>	<b>2,390</b>	<b>310</b>

\*The Company has taken the Ramdurg factory on lease including the building and plant and machinery thereon. The Company pays a consolidated rental and accordingly, the consolidated asset is presented. The useful life of the building and plant and machinery is beyond the lease period, hence the entire asset is depreciated over the lease period.

#### Carrying Amount of Lease Liability

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Current	618	613
Non-Current	2,930	3,267
<b>Total</b>	<b>3,548</b>	<b>3,880</b>

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## (ii) Amounts recognised in the Statement of Profit & Loss

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expenses (included in finance costs)*	323	364
Depreciation expenses (included in depreciation)#	599	595
Expenses relating to short-term leases (included in other expenses)^	163	143
Expenses relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)^	2	2
<b>Total</b>	<b>1,087</b>	<b>1,104</b>

\*Refer Note 30 - Finance cost

#Refer Note 31 - Depreciation

^Refer Note 32 - Other expenses

## (iii) Extension and termination options

Extension and termination options are included in leases of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations.

## Note 3 - Investment Property

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Carrying amounts of:</b>		
Completed investment properties	5,665	3,088
<b>Total</b>	<b>5,665</b>	<b>3,088</b>
<b>Investment property under construction</b>		
Opening Balance	1,336	-
Additions during the year	1,287	1,336
Transfer to Investment Property	(2,623)	-
<b>Closing Balance</b>	<b>-</b>	<b>1,336</b>

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Gross carrying amount</b>		
Balance at beginning of the year	3,252	3,252
Additions	2,623	-
Disposals	*	-
<b>Balance at end of the year</b>	<b>5,875</b>	<b>3,252</b>

\* Less than ₹1 Lakh

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Accumulated depreciation</b>		
Balance at beginning of the year	164	144
Depreciation expense	46	20
<b>Balance at end of the year</b>	<b>210</b>	<b>164</b>

1. Includes Building on leasehold land: Cost: ₹3,235 Lakh (2023 - ₹612 Lakh) and Accumulated Depreciation: ₹150 Lakh (2023 - ₹110 Lakh).

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 3.1 Fair value of the Company's investment properties

The following table gives details of the fair value of the Company's investment properties as at March 31, 2024 and March 31, 2023:

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
i. Land and Buildings in Tamilnadu	37,833	39,455

The fair value of the Company's investment properties as at March 31, 2023 have been arrived at on the basis of a valuation carried out by M/s. Value Assessors & Surveyors Private Limited, independent valuers not related to the Company. In the current year, based on the management assessment no significant change is noted in the Fair Value. M/s. Value Assessors & Surveyors Private Limited are registered with the authority which governs the valuers in India, and they have appropriate qualifications and relevant experience in the valuation of properties in the relevant locations. Fair value was derived using the market comparable approach based on recent market/government guideline prices without any significant adjustments being made to the market observable data.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

For rental income earned and direct operating expenses incurred in connection with investment property refer note 25 and note 37.1 respectively.

Refer note 37.2 for the minimum lease receivable on investment properties where Company is a Lessor.

## Note 4 - Other Intangible assets

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Carrying amounts of:</b>		
Software and Licenses	69	114
<b>Total</b>	<b>69</b>	<b>114</b>

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Gross carrying amount</b>		
Balance at beginning of the year	459	457
Additions	-	5
Disposals and Adjustments	-	(3)
<b>Balance at end of the year</b>	<b>459</b>	<b>459</b>

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Accumulated amortisation</b>		
Balance at beginning of the year	345	302
Amortisation expense	45	46
Disposals and Adjustments	-	(3)
<b>Balance at end of the year</b>	<b>390</b>	<b>345</b>

<b>Carrying amount at end of the year</b>	<b>69</b>	<b>114</b>
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# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 5A

### Non-current Financial Assets:

#### Investments in Subsidiaries

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>I. Quoted Investments</b>		
(a) <i>Investments in Equity Instruments at Cost</i>		
16,54,55,580 (2023 - 16,54,55,580) shares of ₹1 each fully paid up in Coromandel International Limited	11,198	11,198
<b>Total Quoted Investments</b>	<b>11,198</b>	<b>11,198</b>
<b>Market Value of quoted investments</b>	<b>17,80,219</b>	<b>14,54,768</b>
<b>II. Unquoted Investments</b>		
(a) <i>Investments in Equity Instruments at Cost</i>		
Nil (2023 - 15,00,000) shares of ₹10 each fully paid up in Parrys Sugar Limited (refer note 5.2)	-	150
75,71,244 (2023 - 50,00,000) shares of ₹10 each fully paid up in Parry Infrastructure Company Private Limited (refer note 5.2)	842	500
1,027 (2023 - 1,027) shares of \$10 each fully paid up in US Nutraceuticals Inc. (refer note 5.3)	8,179	8,179
34,55,92,105 (2023 - 34,55,92,105) shares of ₹10 each fully paid up in Parry Sugars Refinery India Private Limited	58,371	58,371
6,838 (2023 - 6,838) equity shares each fully paid up in Alimtec S.A.	2,640	2,640
Nil (2023 - 9,500) shares of ₹10 each fully paid up in Parry Agrochem Exports Limited (refer note 5.2)	-	*
Nil (2023 - 18,00,150) shares of ₹10 each fully paid up in Parrys Investments Limited (refer note 5.2)	-	192
<b>Sub-total</b>	<b>70,032</b>	<b>70,032</b>
<i>Less: Impairment in value of Investments</i>		
Parry Sugars Refinery India Private Limited (refer note 5.3)	(10,596)	(10,596)
Alimtec S.A. (refer note 5.3)	(2,640)	(2,640)
<b>Sub-total</b>	<b>(13,236)</b>	<b>(13,236)</b>
<b>Total Unquoted Investments</b>	<b>56,796</b>	<b>56,796</b>
<b>Total Non-Current Investments</b>	<b>67,994</b>	<b>67,994</b>

## Note 5B

### Non-current Financial Assets:

#### Investments in Joint Ventures

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>I. Unquoted Investments</b>		
(a) <i>Investments in Equity Instruments at Cost</i>		
2,97,00,000 (2023 - 2,97,00,000) shares of ₹10 each fully paid up in Algavista Greentech Private Limited (refer Note 14)	-	2,970
Less: Impairment (refer note 5.3)	-	(2,275)
<b>Total Unquoted Investments</b>	<b>-</b>	<b>695</b>
<b>Aggregate amount of impairment in value of investments</b>	<b>13,236</b>	<b>15,511</b>

\* less than ₹1 Lakh

5.1 The details of subsidiaries are given in the Note 51 - Related Party.



## Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

5.2 The Hon'ble National Company Law Tribunal, Chennai (NCLT) vide its order dated July 27, 2023 read with order dated September 20, 2023 has sanctioned the Scheme of Amalgamation ('Scheme') of the Company's Wholly Owned Subsidiaries (WOS) Parrys Investments Limited, Parrys Sugar Limited, and Parry Agrochem Exports Limited with a WOS of the Company, Parry Infrastructure Company Private Limited and consequent to filing of the Form INC 28 along with the Certified Copy of the Order with the Registrar of Companies on October 10, 2023, the Scheme has become effective from October 10, 2023 with appointed date of April 01, 2022.

5.3 The carrying value of investments is less than the net worth of the subsidiaries/joint venture which is an indicator of potential impairment. The Company has performed a detailed impairment assessment and based on the assessment performed, it was determined that there was no impairment to be recognized for the year ended March 31, 2024. (March 31, 2023: ₹15,511 Lakhs). Refer note 43 for further information.

### Note 6 - Other Investments

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>I. Quoted Investments</b>		
(a) <i>Investments in Equity Instruments at FVTOCI</i>		
82,440 (2023 - 82,440) shares of ₹1 each fully paid up in State Bank of India	621	431
1,965 (2023 - 1,965) shares of ₹2 each fully paid up in Cholamandalam Investment and Finance Company Limited	23	15
0 (2023 - 42,938) shares of ₹10 each fully paid up in Coromandel Engineering Company Limited	-	12
2,000 (2023 - 2,000) shares of ₹1 each fully paid up in Carborundum Universal Limited	25	20
(b) <i>Other Investments at Amortised Cost</i>		
500 (2023 - 500) units of ₹10,000 each in National Highway Authority of India Bond	50	50
<b>Total and aggregate market value of quoted investments</b>	<b>719</b>	<b>528</b>
<b>II. Unquoted Investments</b>		
(a) <i>Investments in Equity Instruments at FVTOCI</i>		
100 (2023 - 100) shares of ₹10 each fully paid up in Travancore Sugars and Chemicals Limited	*	*
23,600 (2023 - 23,600) shares of ₹10 each fully paid up in Kartik Investments Trust Limited	39	33
18,270 (2023 - 18,270) shares of ₹100 each fully paid up in Murugappa Management Services Private Limited (formerly known as Murugappa Management Services Limited)	101	90
125 (2023 - 125) shares of 25 pence each fully paid up in Hawker Siddley Group Limited	*	*
266 (2023 - 266) shares of ₹10 each fully paid up in Chennai Willingdon Corporate Foundation	*	*
12,74,400 (2023 - 12,74,400) shares of ₹10 each fully paid up in Indian Potash Limited	37,645	28,965
1,00,000 (2023 - 1,00,000) shares of ₹10 each fully paid up in Bio Tech Consortium (India) Limited	55	55
7,74,653 (2023 - 7,74,653) preferred shares of NIS 0.01 each fully paid up in Incredito Ltd. (formerly DouxMatok Limited)	825	825
2 (2023 - 2) shares of ₹10 each fully paid up in Murugappa Morgan Thermal Ceramics Limited	*	*
<b>Total Unquoted Investments</b>	<b>38,665</b>	<b>29,968</b>
<b>Total Other Investments</b>	<b>39,384</b>	<b>30,496</b>

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

<b>Aggregate amount of impairment in value of investments</b>	-	-
<b>Current</b>	-	-
<b>Non-current</b>	<b>39,384</b>	<b>30,496</b>

\* less than ₹1 Lakh

Note: Subsequent to the balance sheet, the Board of Directors of the Company approved the sale of 50% of holdings in Indian Potash Limited.

## Note 7 - Trade Receivables

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good*	24,091	20,669
Doubtful	4,438	4,368
Allowance for doubtful debts (expected credit loss allowance)	(4,438)	(4,368)
<b>Total</b>	<b>24,091</b>	<b>20,669</b>
<b>Current</b>	<b>24,091</b>	<b>20,669</b>
<b>Non-current</b>	-	-

\* Amounts due from private companies in which the Company's directors are directors is ₹54 Lakh (2023 - ₹11 Lakh)

The trade receivables of the Company do not contain a significant financing component (also refer note 49.5) and accordingly, the Company has adopted the simplified approach under Ind AS 109 for recognition of impairment losses on trade receivables. Consequently, the disclosure of trade receivables into "Trade receivables which have significant increase in credit risk" and "Trade receivables which are credit impaired" has not been given since it is not relevant to the Company.

The Company uses other publicly available financial information and its own trading records before accepting any customer. The Company's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Refer Note No 51.2 for receivable from related parties.

The ageing of above trade receivable balance is as follows:

₹ Lakh

Particulars	Unbilled	Not Due	Outstanding for the following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>As at March 31, 2024</b>								
(i) Undisputed - Considered Good	-	18,395	5,582	80	25	9	-	24,091
(ii) Disputed - Considered Good	-	-	-	-	-	-	-	-
(iii) Undisputed - Doubtful	-	-	-	-	74	420	2,700	3,194
(iv) Disputed - Doubtful	-	-	-	-	-	-	1,244	1,244
<b>As at March 31, 2023</b>								
(i) Undisputed - Considered Good	-	16,766	3,790	49	62	2	-	20,669
(ii) Disputed - Considered Good	-	-	-	-	-	-	-	-
(iii) Undisputed - Doubtful	-	11	-	20	390	588	2,115	3,124
(iv) Disputed - Doubtful	-	-	-	-	-	5	1,239	1,244

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 7 - Trade Receivables (Contd.)

Of the trade receivables balance, customer balances which represent more than 5% of the total balance of trade receivable are given below.

₹ Lakh

Customer	As at March 31, 2024	As at March 31, 2023
Mondelez India Foods Private Limited	4,553	3,991
Performance Products and Services	3,707	2,724
Hindustan Petroleum Corporation Limited	2,515	1,469
US Nutraceuticals Inc.	1,710	2,022
Tamil Nadu Newsprint and Papers Limited	1,450	660
Hubli Electricity Supply Company Limited	1,186	1,220
Bharat Petroleum Corporation Limited	848	1,842
KALS Distilleries Private Limited	769	1,632

## Note 8 - Loans

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Loans Receivables considered good - Unsecured		
i) Inter corporate loans (refer note 42 and 51.2)	20,000	20,000
	<b>20,000</b>	<b>20,000</b>

Note: There are no loans or advances granted to Promoters, Directors, KMPs or related parties that are repayable on demand or without specifying any terms or period of repayment.

₹ Lakh

<b>Current</b>	<b>20,000</b>	<b>-</b>
<b>Non-current</b>	<b>-</b>	<b>20,000</b>

## Note 9 - Other Financial Assets

₹ Lakh

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>At Amortised Cost</b>				
(a) Security Deposits	586	573	112	50
(b) Interest receivable*	-	-	1,023	640
(c) Insurance claims	-	-	79	157
(d) Advance recoverable in cash:				
(i) Unsecured and Considered Good	74	42	53	130
<b>At Fair Value</b>				
(a) Fair value of Foreign exchange Forwards	-	-	2	28
<b>Total</b>	<b>660</b>	<b>615</b>	<b>1,269</b>	<b>1,005</b>

\*Includes interest subsidy receivable of ₹911 Lakh (March 31, 2023 - ₹523 Lakh)

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 10 - Other Assets

₹ Lakh

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(a) Security Deposit	161	162	-	-
(b) Capital Advances	1,224	2,105	-	-
(c) Balance with Government authorities	1,063	1,143	7,583	5,653
(d) Advance recoverable in kind or for value to be received*				
(i) Unsecured and Considered Good	267	1,316	9,533	7,134
(ii) Considered Doubtful	2,374	2,303	-	-
Less: Provision for Doubtful Advances	(2,374)	(2,303)	-	-
<b>Total</b>	<b>2,715</b>	<b>4,726</b>	<b>17,116</b>	<b>12,787</b>

\* Represents majorly advances paid to sugarcane farmers, harvesters and transporters and includes prepaid expenses.

## Note 11 - Inventories

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(At lower of cost and net realisable value)</b>		
(a) Raw materials	6,248	234
(b) Work-in-progress	12,691	9,437
(c) Finished goods	81,476	74,178
(d) Stock-in-trade (goods acquired for trading)	363	2,271
(e) Stores and spares	5,062	4,468
(f) By products	12,763	7,276
<b>Total</b>	<b>1,18,603</b>	<b>97,864</b>

The cost of inventories recognised as an expense during the year was ₹1,95,037 Lakh (2022-23 - ₹1,92,916 Lakh).

The cost of inventories recognised as an expense includes ₹2,699 Lakh (2022-23 - ₹446 Lakh) in respect of write-downs of inventory to net realisable value.

Inventories includes ₹10,121 Lakh (2022-23 - ₹4,935 Lakh) carried at net realisable value.

Finished goods includes goods in transit to the extent of ₹66 Lakh (2022-23 - ₹502 Lakh).

The mode of valuation of inventories has been stated in note 1A.7.

## Note 12 - Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Balances with banks		
(i) In Current account	132	941
(b) Cash on hand	-	1
<b>Total</b>	<b>132</b>	<b>942</b>

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 13 - Other bank balances

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks in earmarked accounts		
- In Unpaid Dividend account	334	262
- In Margin Money accounts towards Bank Guarantee	1	1
<b>Total</b>	<b>335</b>	<b>263</b>

## Note 14 - Assets classified as held for sale

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Investment in Algavista Greentech Private Limited (refer note a)	695	-
<b>Total</b>	<b>695</b>	<b>-</b>
<b>Aggregate amount of impairment in value of investments held for sale</b>	<b>2,275</b>	<b>-</b>

- a. The Board of Directors of the Company in their meeting held on March 15, 2024 have approved the sale of Investment in the Joint Venture, Algavista Greentech Private Limited. The Company is in process of identifying potential buyers. The directors of the Company expect that the fair value less cost to sell will be higher than the aggregate carrying amount of the related assets, based on Valuation Reports of the assets obtained. Therefore, no impairment loss were recognised on reclassification of the Investments as held for sale as at March 31, 2024.

## Note 15 - Income tax assets (Net)

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Tax refund receivable	6,588	4,998
<b>Total</b>	<b>6,588</b>	<b>4,998</b>

## Note 16 - Equity Share Capital

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>AUTHORISED:</b>		
Equity Shares:		
2,34,40,00,000 Equity Shares of ₹1 each (2023 - 2,34,40,00,000)	23,440	23,440
Preference Shares:		
2,03,10,000 Redeemable Preference shares of ₹100 each (2023 - 2,03,10,000)	20,310	20,310
<b>ISSUED, SUBSCRIBED AND FULLY PAID UP</b>		
17,75,17,591 Equity Shares of ₹1 each (2023 - 17,75,17,591)	1,775	1,775
<b>Total</b>	<b>1,775</b>	<b>1,775</b>

### 16.1 Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period.

Particulars	2023-24		2022-23	
	No of Shares	₹ Lakh	No of Shares	₹ Lakh
<b>Equity Shares of ₹1 each fully paid up</b>				
At the beginning of the period	17,75,17,591	1,775	17,73,86,525	1,774
Allotment of shares on exercise of Employee Stock Option (refer note 50)	-	-	1,31,066	1
At the end of the period	<b>17,75,17,591</b>	<b>1,775</b>	<b>17,75,17,591</b>	<b>1,775</b>



# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 16 - Equity Share Capital (Contd.)

### 16.2 Details of shares held by each shareholder holding more than 5 percent of equity shares in the company:

Name of the Shareholder	No of shares held as at			
	March 31, 2024		March 31, 2023	
	Nos.	%	Nos.	%
Ambadi Investments Limited	6,80,58,444	38.34	6,80,58,444	38.34

### 16.3 Terms attached to Equity Shares:

The Company has one class of equity share having a par value of ₹1 per share. Each holder of equity share is entitled to one vote per share. The dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

Share options granted under the Company's employee share option plan carry no rights to dividends and no voting rights.

### 16.4 Dividend

The Company declared interim dividend of ₹4 per share on November 08, 2023 (total dividend ₹7,101 Lakh) which was paid in December 2023 to the holders of fully paid equity shares. The Company declared a second interim dividend for the year 2022-23 of ₹4 per share on April 10, 2023 (total dividend ₹7,101 Lakh) which was paid in May 2023.

16.5 Refer note 50 for the shares reserved for issue under Employee stock option plans.

### 16.6 Details of shares held by promoters at the end of the year:

S. No	Promoter Name	No of shares held as at				% Change during the year
		March 31, 2024		March 31, 2023		
		Nos.	%	Nos.	%	
1	Ambadi Investments Limited	6,80,58,444	38.34	6,80,58,444	38.34	-
2	Ambadi Enterprises Limited	-	0.00	40,30,000	2.27	(2.27)
3	Shambho Trust (M V Subbiah & S Vellayan hold shares on behalf of the Trust)	5,85,482	0.34	5,85,482	0.34	-
4	Arun Alagappan	4,08,820	0.23	4,08,820	0.23	-
5	Valli Arunachalam	3,71,055	0.21	3,71,055	0.21	-
6	Vellachi Murugappan	3,70,965	0.21	3,70,965	0.21	-
7	Arun Venkatachalam	3,48,540	0.20	3,48,540	0.20	-
8	A Vellayan	3,44,540	0.19	3,44,540	0.19	-
9	A A Alagammai (A A Alagammai & Lakshmi Ramaswamy hold shares on behalf of The Lakshmi Ramaswamy Family Trust)	3,23,700	0.18	3,23,700	0.18	-
10	A Venkatachalam	3,20,220	0.18	3,20,220	0.18	-
11	M A M Arunachalam	4,11,008	0.23	3,16,000	0.18	0.05
12	M V Ar Meenakshi	2,75,920	0.16	2,75,920	0.16	-
13	A M Meyyammai	23,752	0.01	2,37,520	0.13	(0.12)
14	V Narayanan	2,35,610	0.13	2,35,610	0.13	-
15	V Arunachalam	2,20,320	0.12	2,20,320	0.12	-
16	M.A. Alagappan	2,10,000	0.12	2,10,000	0.12	-
17	Meyyammai Venkatachalam	2,04,420	0.12	2,04,420	0.12	-
18	M M Murugappan (M M Murugappan & Meenakshi Murugappan hold shares on behalf of M M Veerappan Family Trust)	2,00,610	0.11	2,00,610	0.11	-
19	M M Murugappan (M M Murugappan & M M Muthiah hold shares on behalf of M M Muthiah Family Trust)	1,92,610	0.11	1,92,610	0.11	-

## Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

### Note 16 - Equity Share Capital (Contd.)

S. No	Promoter Name	No of shares held as at				% Change during the year
		March 31, 2024		March 31, 2023		
		Nos.	%	Nos.	%	
20	Saraswathi Trust (M V Subbiah, S Vellayan And M V Seetha Subbiah hold shares on behalf of the Trust)	1,52,898	0.09	1,52,898	0.09	-
21	Sigapi Arunachalam	1,75,950	0.10	1,75,950	0.10	-
22	M A Alagappan Holdings Private Limited	1,10,500	0.06	1,70,500	0.10	(0.04)
23	M A Murugappan Holdings LLP (Formerly M A Murugappan Holdings Private Limited)	1,70,500	0.10	1,70,500	0.10	-
24	Meenakshi Murugappan Fly Trust (M M Murugappan & Meenakshi Murugappan hold shares on behalf of the Trust)	1,50,000	0.08	1,50,000	0.08	-
25	M M Venkatachalam (M M Venkatachalam & M V Muthiah hold shares on behalf of M V Muthiah Family Trust)	1,33,928	0.08	1,33,928	0.08	-
26	M M Venkatachalam (M M Venkatachalam & M V Subramanian hold shares on behalf of M V Subramanian Family Trust)	1,33,928	0.08	1,33,928	0.08	-
27	Lakshmi Venkatachalam Fly Trust (M M Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of the Trust)	1,32,817	0.07	1,32,817	0.07	-
28	M M Venkatachalam Fly Trust (M M Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of the Trust)	1,32,817	0.07	1,32,817	0.07	-
29	Ar Lakshmi Achi Trust	95,430	0.05	95,430	0.05	-
30	Valli Annamalai	53,000	0.03	53,000	0.03	-
31	M A M Arunachalam (MAM Arunachalam & Sigappi Arunachalam hold shares on behalf of Arun Murugappan Children's Trust)	42,000	0.02	42,000	0.02	-
32	Arun Alagappan (Arun Alagappan & AA Alagammai hold shares on behalf of MA Alagappan Grand Children Trust)	42,000	0.02	42,000	0.02	-
33	M M Murugappan	27,670	0.02	27,670	0.02	-
34	M M Murugappan Fly Trust (M M Murugappan & Meenakshi Murugappan hold shares on behalf of the Trust)	25,000	0.01	25,000	0.01	-
35	Lalitha Vellayan	22,210	0.01	22,210	0.01	-
36	M M Murugappan HUF (Karta - M M Murugappan)	20,000	0.01	20,000	0.01	-
37	Umayal.R	17,250	0.01	17,250	0.01	-
38	Murugappa & Sons (M.V. Subbiah, M A Alagappan & M M Murugappan hold shares on behalf of the Firm)	-	0.00	17,010	0.01	(0.01)
39	Pranav Alagappan	15,950	0.01	15,950	0.01	-
40	A M M Vellayan Sons Private Limited	15,500	0.01	15,500	0.01	-
41	Kadamane Estates Company (shares held by M.A.Alagappan in the capacity of Partner in the Firm)	13,640	0.01	13,640	0.01	-
42	Valliammai Murugappan	12,100	0.01	12,100	0.01	-
43	Solachi Ramanathan	11,100	0.01	11,100	0.01	-
44	Dhruv M Arunachalam	11,000	0.01	11,000	0.01	-

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 16 - Equity Share Capital (Contd.)

S. No	Promoter Name	No of shares held as at				% Change during the year
		March 31, 2024		March 31, 2023		
		Nos.	%	Nos.	%	
45	M V Murugappan HUF (Karta - Valli Arunachalam)	6,200	0.00	6,200	0.00	-
46	M V Subbiah (in the capacity of Karta in HUF)	6,000	0.00	6,000	0.00	-
47	Lakshmi Chocka Lingam	1,21,960	0.07	3,200	0.00	0.07
48	VVasantha	2,850	0.00	2,850	0.00	-
49	A V Nagalakshmi	2,796	0.00	2,796	0.00	-
50	A.Keertika Unnamalai	2,000	0.00	2,000	0.00	-
51	Uma Ramanathan	1,000	0.00	1,000	0.00	-
52	Carborundum Universal Limited	1,000	0.00	1,000	0.00	-
53	Sigapi Arunachalam (MAM Arunachalam & AM Meyyammai hold shares on behalf of Murugappan Arunachalam Children Trust)	1,000	0.00	1,000	0.00	-
54	Valli Alagappan	500	0.00	-	0.00	-
55	M.M.Muthiah Sons Private Limited	280	0.00	280	0.00	-
	<b>Total</b>	<b>7,49,68,790</b>	<b>42.23</b>	<b>7,90,75,300</b>	<b>44.55</b>	<b>(2.32)</b>

## Note 17 - Other equity

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Capital redemption reserve	4,288	4,288
Capital reserve on amalgamation	688	688
Securities premium reserve	8,115	8,115
Capital reserve (as per Scheme of Arrangement of Demerger)	5,718	5,718
General reserve	88,681	88,681
Share options outstanding reserve	1,001	518
Reserve for equity instruments through other comprehensive income	29,727	22,846
Retained Earnings	1,51,947	1,55,588
<b>Total</b>	<b>2,90,165</b>	<b>2,86,442</b>

## RESERVES AND SURPLUS:

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>(a) Capital Redemption Reserve</b>	<b>4,288</b>	<b>4,288</b>
The capital redemption reserve is created out of the statutory requirement to create such reserve on buyback of shares. These are not available for distribution of dividend and will not be reclassified subsequently to statement of profit and loss.		
<b>(b) Capital Reserve on Amalgamation</b>	<b>688</b>	<b>688</b>
Capital reserve on amalgamation is created pursuant to Scheme of Amalgamation with Parrys Sugar Industries Limited.		
<b>(c) Securities Premium Reserve</b>		
Opening balance	8,115	7,636
Add: Addition during the period	-	479
<b>Closing balance</b>	<b>8,115</b>	<b>8,115</b>
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the act.		
<b>(d) Capital Reserve (as per Scheme of Arrangement of Demerger)</b>	<b>5,718</b>	<b>5,718</b>

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 17 - Other equity (Contd.)

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>(e) General Reserve</b>		
Opening Balance	88,681	88,681
<b>Closing balance</b>	<b>88,681</b>	<b>88,681</b>
The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss except to the extent permitted as per Companies Act, 2013 and rules made thereunder.		
<b>(f) Share Options Outstanding Reserve</b>		
Opening balance	518	221
Add: Addition during the period	507	408
Less: Utilised for issuing ESOP	-	(111)
Less: Transfer to Retained Earnings	(24)	-
<b>Closing balance</b>	<b>1001</b>	<b>518</b>
The above reserve relates to share options granted by the Company to its employees under its employee share option plan. Further information about share based payments to employees is set out in note 50.		
<b>(g) Reserve for equity instruments through Other Comprehensive Income</b>		
Opening Balance	22,846	21,239
Other comprehensive income for the year net of income tax	6,883	1,607
Transfer to Retained Earnings	(2)	-
<b>Closing balance</b>	<b>29,727</b>	<b>22,846</b>
This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.		
<b>(h) Retained Earnings</b>		
Opening Balance	1,55,588	1,45,769
Profit for the year	10,709	19,682
Remeasurement of defined benefit plans (net of tax)	(174)	(102)
	<b>1,66,123</b>	<b>1,65,349</b>
Appropriations:		
Transfer from Share Option Outstanding Reserve	24	-
Transfer from Reserve for equity instruments through Other Comprehensive Income	2	-
Interim Dividend on Equity Shares	14,202	9,761
<b>Closing Balance</b>	<b>1,51,947</b>	<b>1,55,588</b>
The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the standalone Ind AS financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.		
<b>Total Other Equity</b>	<b>2,90,165</b>	<b>2,86,442</b>

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 18 - Long Term Borrowing

₹ Lakh

Particulars	Non-Current Portion		Current Maturities	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Unsecured - at amortised cost</b>				
i) Deposits	-	2,182	2,365	-
<b>Sub Total</b>	<b>-</b>	<b>2,182</b>	<b>2,365</b>	<b>-</b>
<b>Secured - at amortised cost</b>				
i) Term Loans				
- from banks	20,394	8,904	6,589	4,450
<b>Sub Total</b>	<b>20,394</b>	<b>8,904</b>	<b>6,589</b>	<b>4,450</b>
<b>Total</b>	<b>20,394</b>	<b>11,086</b>	<b>8,954</b>	<b>4,450</b>

₹ Lakh

Particulars	March 31, 2024	March 31, 2023	Rate of interest	Security	Terms of repayment
a. State Bank of India - Sankili Ethanol Term Loan ₹17.33 Crore	252	686	6 Months MCLR+0.15%, Presently 8.60%	Secured by Pari-Passu first charge on fixed assets along with other term loan lenders, including mortgage over factory land and building (both present & future) across various locations	One year moratorium of repayment. Repayable in 48 equal Monthly installments.
b. HDFC Bank - Bagalkot EBP ₹68.12 Crore	1,703	3,405	3 M Repo rate with 3 monthly reset, Presently 9.10%	Secured by Pari passu first charge of movable fixed assets of the Company.	One year moratorium of repayment. Repayable in 4 equal annual installments.
c. AXIS Sankili 120 KLPD Term Loan ₹92.50 Crore + ₹7.50 Crore	7,500	9,250	6.25% for ₹67.50 Crore and 8.25% for ₹7.50 Crore Fixed Interest Rate	First Pari Passu Charge on movable fixed assets of the Company with security cover of 1.25x.	One year moratorium of repayment. Repayable in 4 equal annual installments.
d. AXIS Haliyal 120 KLPD Term Loan ₹150 Crore	12,037	7	T Bill plus spread, 3 Monthly Reset. Presently 7.95%.	First pari passu charge on the movable fixed assets of the company with security cover of 1.25x.	I Year - 5% II Year - 10% III Year - 20% IV Year - 30% V Year - 35%
e. AXIS Nellikuppam 45 KLPD Term Loan ₹87 Crore	5,491	6	T Bill plus spread, 3 Monthly Reset. Presently 7.98%.	First pari passu charge on the movable fixed assets of the company with security cover of 1.25x.	I Year - 5% II Year - 15% III Year - 20% IV Year - 25% V Year - 35%
f. TNPL Deposit	2,365	2,182	Interest Free	Unsecured.	Repayable in December 2024.
<b>Total</b>	<b>29,348</b>	<b>15,536</b>			

Notes:

- There are no breach of loan agreement and loan covenants.
- The Company has not utilised any borrowings for purposes other than the specific purpose for which the loans were obtained.



# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 19 - Short Term Borrowings

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured - at amortised cost</b>		
a. Loan repayable on demand		
- from banks (refer note a below)	18,850	11,350
b. Current maturities of long term deposits	2,365	-
<b>Secured - at amortised cost</b>		
a. Current maturities of long term borrowings	6,589	4,450
b. Loan repayable on demand		
- from banks (refer note a and b below)	55,673	23,900
<b>Total</b>	<b>83,477</b>	<b>39,700</b>

- a. Loan repayable on demand represents ₹30,000 Lakh (2022-23: ₹23,900 Lakh) Working Capital Demand Loan (WCDL) obtained from State Bank of India (SBI), ₹24,700 Lakh (2022-23: ₹ Nil) WCDL obtained from Union Bank of India, ₹18,500 Lakh (2022-23: ₹11,000 Lakh) WCDL obtained from Federal bank and ₹350 Lakh (2022-23: ₹350 Lakh) on account of Purchase Tax Deferment Loan.

SBI WCDL are secured by way of hypothecation of stocks and receivables of the Company and Union Bank of India WCDL is secured by way of charge on current assets of the company.

- b. Includes cash credit of ₹973 Lakh (2022-23: ₹ Nil).

## Net Debt Reconciliation\*

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Opening net debt	49,634	7,715
Proceeds from long term borrowings	19,187	7,433
Repayment of long term borrowings	(5,558)	(2,136)
Net increase/(decrease) in working capital borrowing	39,273	34,900
Interest expenses (excluding interest on lease liability and shortfall on Advance Income Tax)	4,082	3,169
Interest reimbursement by the government	(802)	(423)
Interest paid (net of subsidy received)	(3,477)	(3,173)
Decrease in cash equivalents	810	2,149
<b>Closing net debt (refer note a)</b>	<b>1,03,149</b>	<b>49,634</b>

\* Reconciliation excludes lease liability (refer note 2A)

## Note a

₹ Lakh

	As at March 31, 2024	As at March 31, 2023
Long term borrowings (refer note 18)	20,394	11,086
Short term borrowings (refer note 19)	83,477	39,700
Interest accrued but not due on borrowings & acceptance (refer note 21)	321	313
Interest receivable (refer note 9)	(911)	(523)
Cash and cash equivalents (refer note 12)	(132)	(942)
<b>Net Debt</b>	<b>1,03,149</b>	<b>49,634</b>

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 20 - Trade Payables

₹ Lakh

Particulars	Current	
	As at March 31, 2024	As at March 31, 2023
Trade payables	31,945	26,298
Of the above		
(i) Total outstanding dues of micro enterprises and small enterprises*	896	558
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	31,049	25,740
Employee related payables	2,109	2,148
<b>Total</b>	<b>34,054</b>	<b>28,446</b>

\* Refer note 41 for disclosure related to micro enterprises and small enterprises.

\* Refer Note No 51.2 for payable to related parties.

₹ Lakh

Particulars	Unbilled	Not Due	Outstanding for the following periods from the due date				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>As at March 31, 2024</b>							
(i) MSME - Undisputed	-	463	431	-	2	-	896
(ii) Others - Undisputed	15,212	3,014	13,695	559	197	481	33,158
(iii) MSME - Disputed	-	-	-	-	-	-	-
(iv) Others - Disputed	-	-	-	-	-	-	-
<b>As at March 31, 2023</b>							
(i) MSME - Undisputed	-	359	191	8	-	-	558
(ii) Others - Undisputed	14,424	829	11,473	319	162	588	27,795
(iii) MSME - Disputed	-	-	-	-	-	-	-
(iv) Others - Disputed	-	-	-	-	27	66	93

## Note 21 - Other Financial Liabilities

₹ Lakh

Particulars	Current	
	As at March 31, 2024	As at March 31, 2023
<b>At Amortised Cost</b>		
(a) Interest accrued but not due on borrowings & acceptance	321	313
(b) Unclaimed dividends (refer note. 21.1 and 21.2)	334	262
(c) Other Liabilities		
- Due to Directors	84	81
- Capital Creditors		
(i) Total outstanding dues of micro enterprises and small enterprises	946	156
(ii) Total outstanding dues of capital creditors other than micro enterprises and small enterprises	1,273	474
- Other Miscellaneous liabilities*	7,947	4,604
* Includes Retention money		
<b>At Fair Value</b>		
(a) Fair value of Foreign Exchange Forwards	-	30
<b>Total</b>	<b>10,905</b>	<b>5,920</b>

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 21 - Other Financial Liabilities (Contd.)

- 21.1 These amounts represent warrants issued to the Shareholders which remained unrepresented as on March 31, 2024 and March 31, 2023 respectively.
- 21.2 During the year, ₹ Nil (March 31, 2023 - ₹44 Lakh) was transferred to the Investor Education and Protection Fund. Further there was an amount of ₹44 Lakh due to be transferred to Investor Education and Protection Fund as on March 31, 2024 which was transferred subsequent to the Balance Sheet date.

## Note 22 - Other Liabilities

₹ Lakh

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
a. Statutory remittances (Contributions to PF and ESIC, Withholding Taxes and Indirect Taxes)	-	-	394	399
b. Advances and deposits from customers and others	-	-	2,566	3,074
c. Deferred revenue arising from interest free deposit and government grants	-	136	203	182
<b>Total</b>	<b>-</b>	<b>136</b>	<b>3,163</b>	<b>3,655</b>

## Note 23 - Provisions

₹ Lakh

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for compensated absences*	921	766	776	746
Gratuity Payable	-	-	412	377
<b>Total</b>	<b>921</b>	<b>766</b>	<b>1,188</b>	<b>1,123</b>

\*The provision for compensated absences includes annual leave and vested long service leave entitlements accrued and compensation claims made by employees.

## Note 24 - Revenue from operations

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Sales of products	2,80,330	2,88,253
(b) Other operating revenues		
- Sundry income	196	989
- Scrap sales	334	250
<b>Total</b>	<b>2,80,860</b>	<b>2,89,492</b>

24.1 There are no critical judgements involved in the determination of the amount and timing of revenue. For details of disaggregated revenue refer Note 46.

24.2 Reconciliation of revenue recognised with contract price

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contract price	2,82,801	2,90,577
Adjustments for:		
- Rebates and discounts	(1,941)	(1,085)
<b>Revenue from operations</b>	<b>2,80,860</b>	<b>2,89,492</b>

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 25 - Other Income

₹ Lakh

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
(a) Interest income earned on financial assets and others that are not designated as fair value through profit or loss				
On bank deposits (at amortised cost)	6		101	
On loans and advances to subsidiaries & others (at amortised cost)	1,230		1,230	
On other assets (at amortised cost)	584	1,820	425	1,756
(b) Dividend income/share of income				
From equity investments designated				
as at cost	9,927		20,379	
as at FVTOCI	99	10,026	82	20,461
(c) Other gains or losses				
- Profit/(loss) on sale of fixed assets (Net)	2,241		218	
- Net gain arising on financial assets designated as at FVTPL	43		470	
- Net gain/(loss) on foreign currency transaction and translation	1	2,285	(113)	575
(d) Other non-operating income				
- Operating lease rental from investment property	1,766		1,603	
- Services	881		770	
- Insurance claim received	57		12	
- Government grant Income (refer note 25.1)	802		423	
- Commission	118		56	
- Liabilities/provisions no longer required written back	122		122	
- Others	37	3,783	25	3,011
<b>Total</b>		<b>17,914</b>		<b>25,803</b>

25.1 The Government grant income represents interest benefit on below market interest rate loans and interest subvention income (Pursuant to Notification No. 1(10)/2018-SP-I).

## Note 26 - Cost of Material Consumed

₹ Lakh

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
(a) Sugarcane	1,72,293		1,69,307	
(b) Others	30,672		15,672	
<b>Total</b>		<b>2,02,965</b>		<b>1,84,979</b>

## Note 27 - Purchases of Stock-in-trade

₹ Lakh

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
(a) Sugar Products	4,019		5,529	
(b) Distillery Products	2,035		682	
(c) Nutra Products	149		201	
<b>Total</b>		<b>6,203</b>		<b>6,412</b>

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 28 - Changes in Inventories of finished goods, by products, work-in-progress and stock in trade

₹ Lakh

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
<b>Opening Stock:</b>				
Work-in-progress	9,437		10,160	
Finished goods (including by-products)	81,454		84,527	
Stock-in-trade	2,271	93,162	-	94,687
<b>Closing Stock:</b>				
Work-in-progress	12,691		9,437	
Finished goods (including by-products)	94,239		81,454	
Stock-in-trade	363	1,07,293	2,271	93,162
<b>(Increase)/ Decrease in Stocks</b>		<b>(14,131)</b>		<b>1,525</b>

## Note 29 - Employee Benefit expense

₹ Lakh

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
(a) Salaries, Wages and Bonus		15,077		12,951
(b) Contribution to Provident and Other Funds (refer note 47)		1,619		1,334
(c) Workmen and Staff Welfare Expenses		1,461		1,171
(d) Share-based payments to employees (refer note 50)		440		337
<b>Total</b>		<b>18,597</b>		<b>15,793</b>

- The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- The Company has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In this regard, no provision has been considered necessary in the Financial Statements.

## Note 30 - Finance Cost

₹ Lakh

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
(i) Interest costs:				
(a) Loans including cane bill due to banks		3,691		2,934
(ii) Lease interest cost (refer note 2A)		323		364
(iii) Other borrowing costs		208		70
(iv) Unwinding of discounts on provisions		183		165
(v) Interest on shortfall of Advance Income Tax		-		70
<b>Total</b>		<b>4,405</b>		<b>3,603</b>



# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 31 - Depreciation and amortisation expense

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Depreciation/amortisation on</b>		
a. Property, plant and equipment	14,059	12,844
b. Right-of-use asset	599	595
c. Investment property	46	20
d. Intangible assets	45	46
<b>Total</b>	<b>14,749</b>	<b>13,505</b>

## Note 32 - Other Expenses

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Consumption of Stores, Spares and Consumables	4,486	4,149
(b) Power and Fuel	10,877	10,686
(c) Rent (includes one-time hire charges)	165	145
(d) Repairs and Maintenance (refer note 38)		
- Buildings	305	403
- Plant and Machinery	6,512	5,018
- Others	6,390	5,981
(e) Insurance	1,075	1,033
(f) Rates and Taxes	2,628	1,900
(g) Packing, Despatching and Freight	11,334	13,690
(h) Commission	39	110
(i) Payment to Auditors (refer note 35)	96	73
(j) Directors' Fees and Commission (refer note 39.2)	127	137
(k) Sales Promotion and Publicity	1,840	1,747
(l) Professional Charges	2,844	2,394
(m) Provision for doubtful debts and advances*	142	420
(n) Bad debts/advances written off *	78	1,381
Less: Transfer from provision	- 78	(1,242)
(o) Cane Development Expenditure	534	344
(p) Safety expenses	1,747	1,489
(q) Stamp duty charges **	46	1,055
(r) Travel expenses	694	548
(s) Miscellaneous Expenses	2,148	2,238
(t) Corporate Social Responsibility expenditure (refer note 34)	361	237
<b>Total</b>	<b>54,468</b>	<b>53,936</b>

\* Includes bad debt/provision for doubtful debts pertaining to trade receivables amounting to ₹87 Lakh for the year ended March 31, 2024 (March 31, 2023 - ₹307 Lakh).

\*\* Stamp Duty charges for the year ended March 31, 2023 represents ₹1,055 Lakh pertaining to Stamp Duty paid under the Karnataka Stamp Act, 1957 arising out of the merger of subsidiaries in earlier years and in pursuance to the Order passed by the Hon'ble High Court of Karnataka.

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 33. Exceptional Items

Exceptional item for the year ended March 31, 2024 is ₹ Nil and for the year ended March 31, 2023 includes the following:

Particulars	₹ Lakh
Loss on impairment of Investment in Subsidiaries and Joint Venture (refer note 43)	(15,511)
Profit on properties (including Plant & Machinery) sold relating to Puducherry and Pettavaithalai factories	4,420
<b>Total</b>	<b>(11,091)</b>

## 34. Expenditure incurred for Corporate Social Responsibility

EID Parry has been carrying out CSR activities for a long time through AMM Foundation (AMM) while also extending CSR activities to the local communities in and around its factories located in the States of Tamil Nadu, Andhra Pradesh and Karnataka. EID Parry had identified the following broad program areas with focus on quality service delivery and empowerment: Providing basic health care facilities to economically backward societies across geographical areas, Improving access to education, Provision of Skill Development/Vocational Training, Rural Development, Environmental Sustainability, Promoting Sports, Arts & Culture and Sustainable livelihood.

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Amount required to be spent as per Sec 135 of the Companies Act, 2013	117	Nil
(ii) Actual expenditure incurred for Corporate social responsibility		
(a) Pertaining to Ongoing Projects	89	-
(b) Pertaining to other than Ongoing Projects	272	237
(iii) Amount of shortfall	Nil	Nil
(iv) Total of previous years shortfall	Nil	Nil

There are no unspent amounts outstanding under Companies Act, 2013 as at March 31, 2024 and March 31, 2023.

## 35. Payment to auditors

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Audit Fees	52	47
(ii) Fees for Limited Reviews, Certificates and Limited assurance report on sustainability indicators	39	23
(iii) Reimbursement of out of pocket expenses	5	3
	<b>96</b>	<b>73</b>

## 36. Research and Development expenditure incurred

638 579

## 37. Payable & receivable related to Investment Property

### 37.1. Direct operating expenses arising from Investment property

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Direct operating expenses arising from investment property that generated rental income during the year	1,116	948
Direct operating expenses arising from investment property that did not generate rental income during the year	25	24
<b>Total</b>	<b>1,141</b>	<b>972</b>

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 37.2. Minimum lease receivable on investment properties where Company is a Lessor

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Within 1 year	1,424	1,647
<b>Total</b>	<b>1,424</b>	<b>1,647</b>

All the rental agreements are entered for a period less than 1 year.

₹ Lakh

<b>38. Repairs and maintenance including stores and spare parts consumed</b>	4,432	3,539
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## 39. Directors' Remuneration:

### 39.1 Whole-time Directors' remuneration:

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Short-term benefits *	488	471
Post-employment benefits	62	53
<b>Total</b>	<b>550</b>	<b>524</b>

\* includes employee stock option perk

Note: Managerial remuneration above does not include gratuity and leave encashment benefit, since the same is computed actuarially for all the employees and the amount attributable to the managerial person cannot be ascertained separately.

The remuneration paid to the Managing Director and Whole-time Director is in accordance with the provisions of Part II, Section II of Schedule V of the Companies Act, 2013.

### 39.2 Non Whole time Directors' remuneration:

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Commission to Non Whole Time Directors	82	82
Directors' sitting fees	45	55
<b>Total</b>	<b>127</b>	<b>137</b>

₹ Lakh

<b>40. Amounts contributed to Triumph Electoral Trust</b>	-	200
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**41 Based on and to the extent of information available with the Company under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:**

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Principal amount due to suppliers under MSMED Act, as at the end of the year	1,842	714
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	4	2
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	51	260

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v) Interest paid to suppliers under MSMED Act (under Section 16)	-	-
(vi) Interest due and payable to suppliers under MSMED Act, for payments already made	-	3
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	9	5

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

## 42 Disclosure as per Regulation 34(3) and 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Section 186(4) of Companies Act, 2013:

Loans, advances and guarantees to subsidiaries (refer note 51):

₹ Lakh

Particulars	March 31, 2024	March 31, 2023
1. Loan balance	20,000	20,000
Maximum balance outstanding during the year	20,000	20,000
2. Guarantee	67,104	12,738
Maximum balance outstanding during the year	68,546	12,738

**Note:** The loan is repayable by March 2025 and carried interest of 6.15%. This loan was given for general business purpose. The terms are in compliance with Section 186(7) of the Companies Act, 2013.

## Note 43 - Impairment of Investments in Subsidiaries/Joint Venture

The carrying value of investments is less than the net worth of the subsidiary/joint venture which is an indicator of potential impairment. The Company has performed a detailed impairment assessment and based on the assessment performed, no impairment was recognised during the year ended March 31, 2024 (March 31, 2023: ₹15,511 Lakh). Details are as follows:

Name of Subsidiary/ Joint venture	Carrying value	Recoverable amount	Impairment charge	Remarks
Parry Sugars Refinery India Private Limited	47,775	51,856	-	Recoverable amount: Value-in-use Valuation Technique: Discounted Cash Flow Method Key Assumptions used: (a) Discount rate - 9.25% (FY 2022-23 - 9.69%) (b) Terminal growth rate (c) Spread (d) Sales volume (e) Utilisation of plant capacity
Algavista Greentech Private Limited	695	1,261	-	The Board of Directors of Algavista Greentech Private Limited, have passed a resolution on January 24, 2024 that Algavista will discontinue its business operations. Consequent to the discontinuance, Management of the Company has assessed the recoverable amount (Fair value less costs of disposal) of its investment in Algavista based on its share in the fair value of net assets of Algavista to be ₹1,261 Lakh.

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

Name of Subsidiary/ Joint venture	Carrying value	Recoverable amount	Impairment charge	Remarks
Alimtec S.A.	-	-	-	During the previous year, the Board of Directors of Alimtec S.A., Chile, have passed a resolution on March 20, 2023 that Alimtec S.A. will discontinue its business operations. Consequent to the discontinuance, Management of the Company has assessed the recoverable amount (Fair value less costs of disposal) of the its investment in Alimtec S.A. to be ₹ Nil as at March 31, 2024.

The value in use for Parry Sugars Refinery India Private Limited and Algavista Greentech Private Limited is supported by a report obtained from an Independent Valuer.

## Note 44 - Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities (Net)	(17,088)	(15,638)
	<b>(17,088)</b>	<b>(15,638)</b>

₹ Lakh

2023-24	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax (liabilities)/assets in relation to</b>				
Property, plant and equipment	(12,462)	479	-	(11,983)
Lease liability	1,158	(108)	-	1,050
Right-of-use Assets	(1,162)	151	-	(1,011)
Provision for Doubtful Debts, Provision for compensated absences, Impairment and others	3,318	(19)	-	3,299
Financial assets at FVTOCI	(6,675)	-	(2,011)	(8,686)
Defined benefit obligation	185	-	58	243
	<b>(15,638)</b>	<b>503</b>	<b>(1,953)</b>	<b>(17,088)</b>

₹ Lakh

2022-23	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
<b>Deferred tax (liabilities)/assets in relation to</b>				
Property, plant and equipment	(12,648)	186	-	(12,462)
Lease liability	1,257	(100)	-	1,158
Right-of-use Assets	(1,311)	150	-	(1,162)
Provision for Doubtful Debts, Provision for compensated absences, Impairment and others	2,606	712	-	3,318
Financial assets at FVTOCI	(6,348)	-	(327)	(6,675)
Defined benefit obligation	151	-	34	185
<b>Net Deferred tax assets/(liabilities)</b>	<b>(16,293)</b>	<b>948</b>	<b>(293)</b>	<b>(15,638)</b>



# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 45. Income taxes

### 45.1 Income tax recognised in profit or loss

₹ Lakh

Particulars	2023-24	2022-23
Current tax	1,312	5,717
Deferred tax	(503)	(948)
<b>Total income tax expense recognised in the current year</b>	<b>809</b>	<b>4,769</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

₹ Lakh

Particulars	2023-24	2022-23
<b>Profit before tax</b>	11,518	24,451
Income tax expense calculated at 25.17%	2,899	6,154
Effect of concession/Indexation		
Deductions under provisions of IT Act, 1961	(1,894)	(4,257)
Indexation impact	(293)	(539)
Effect of expenses that are not deductible in determining taxable profit		
Impairment of investment in subsidiaries and joint venture *	-	3,239
CSR and donation	97	111
Others	-	61
<b>Income tax expense recognised in profit or loss</b>	<b>809</b>	<b>4,769</b>

\* Represents temporary differences for which no deferred tax asset has been recognised.

The tax rate used for 2023-24 and 2022-23 is 25.17%, consequent to adopting the option under section 115BAA of the Income Tax Act, 1961.

### 45.2 Income tax recognised in other comprehensive income

₹ Lakh

Particulars	2023-24	2022-23
<b>Deferred tax</b>		
Arising on income and expenses recognised in other comprehensive income:		
Net fair value gain on investments in equity shares at FVTOCI	2,012	327
Remeasurement of defined benefit obligation	(59)	(34)
<b>Total income tax recognised in other comprehensive income</b>	<b>1,953</b>	<b>293</b>

### 45.3 Income tax directly recognised in equity

No tax has been recognised directly in equity.

## 46. Segment Information

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided, and in respect of the following segments tabulated below. The directors of the Company have chosen to organise the Company around differences in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Company. Specifically the Company's reportable segments under Ind AS 108 are as follows.

### Operating Segment:

Sugar	Cogeneration	Distillery	Nutraceuticals
Sugar	Power	Spirits	Nutraceuticals



# Notes Forming Part of the Standalone Ind AS Financial Statements for the Year Ended March 31, 2024

## 46. Segment Information (Contd.)

₹ Lakh

	OPERATING SEGMENTS									
	Sugar*		Cogeneration		Distillery		Nutraceuticals		Elimination	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Other Information:</b>										
Segment Assets	2,02,216	1,73,642	25,456	24,993	77,884	50,691	10,639	12,285	-	-
Unallocated Corporate Assets										
<b>Total Assets</b>									<b>4,66,678</b>	<b>3,98,567</b>
Segment Liabilities	41,351	34,970	2,333	2,302	5,593	2,495	844	1,247	-	-
Unallocated Corporate Liabilities										
<b>Total Liabilities</b>									<b>1,74,738</b>	<b>1,10,350</b>
Additions to non-current assets	11,969	6,203	3,409	2,129	9,577	5,649	207	1,187	-	-
Unallocated additions to non-current assets										
<b>Total Additions to non-current assets</b>									<b>28,421</b>	<b>15,302</b>
Depreciation	7,245	6,819	3,168	2,989	3,341	2,783	699	660	-	-
Unallocated Depreciation										
<b>Total Depreciation</b>									<b>14,749</b>	<b>13,505</b>
Non cash item	512	767	195	309	67	290	48	(14)	-	-
Unallocated non-cash item										
<b>Total Non cash item</b>									<b>944</b>	<b>1,364</b>

## 46.2. Geographical information

	North America				Europe				Rest of the World				India				Total			
	2023-24		2022-23		2023-24		2022-23		2023-24		2022-23		2023-24		2022-23		2023-24		2022-23	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Segment Revenue from operations																				
Non-current asset **																				

\*Sugar segment for the year ended March 31, 2024 includes non-sweetener related revenue of ₹607 Lakh (March 31, 2023: ₹ Nil).

\*\*Non-current assets exclude those relating to Investments, Tax assets and non-current financial assets.

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 47. Employee benefit plans

### A. Defined contribution plans

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹941 Lakh (year ended March 31, 2023 - ₹768 Lakh) for Provident Fund contributions, ₹379 Lakh (year ended March 31, 2023 - ₹353 Lakh) for Superannuation Fund contributions and ₹1 Lakh (year ended March 31, 2023 - ₹1 Lakh) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

### B. Defined benefit plans:

#### Gratuity -

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as March 31, 2024 by KP Actuaries and Consultants LLP. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. The following table sets forth the status of the Gratuity Plan of the Company and the amount recognized in the Balance Sheet and Statement of Profit and Loss. The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC) and ICICI.

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

**Interest Rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

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

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

₹ Lakh

Particulars	Gratuity (Funded)	
	As at March 31, 2024	As at March 31, 2023
<b>Present Value of obligations at the beginning of the year</b>	3,387	3,051
Current service cost	272	245
Interest Cost	253	210
Re-measurement (gains)/losses:	-	-
- Actuarial gains and losses arising from change in financial assumption	83	(122)
- Actuarial gains and losses arising from experience adjustment	132	276
Benefits paid	(378)	(248)
Transfer In/(Out)	-	(25)
<b>Present Value of obligations at the end of the year</b>	<b>3,749</b>	<b>3,387</b>
<b>Changes in the fair value of plan assets</b>		
<b>Fair value of plan assets at beginning of year</b>	3,010	2,681
Interest Income	225	184
Return on plan assets	(18)	18
Contributions from the employer	500	400
Benefits Paid	(380)	(248)
Transfer In/(Out)	-	(25)
<b>Fair Value of plan assets at the end of the year</b>	<b>3,337</b>	<b>3,010</b>

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 47. Employee benefit plans (Contd.)

₹ Lakh

Particulars	Gratuity (Funded)	
	As at March 31, 2024	As at March 31, 2023
<b>Amounts recognized in the Balance Sheet</b>		
Present value of obligations at the end of the year	3,749	3,387
Fair value of plan assets at the end of the year	3,337	3,010
Funded status of the plans - Liability recognised in the balance sheet	<b>412</b>	<b>377</b>
<b>Components of defined benefit cost recognised in profit or loss</b>		
Current service cost	272	245
Net Interest Expense	28	26
<b>Net Cost in Profit or Loss</b>	<b>300</b>	<b>271</b>
<b>Components of defined benefit cost recognised in Other Comprehensive Income</b>		
Remeasurement gains/(losses) on the net defined benefit liability:		
- Actuarial gains and losses arising from change in financial assumption	83	(122)
- Actuarial gains and losses arising from experience adjustment	132	276
Return on plan assets	18	(18)
<b>Net Cost in Other Comprehensive Income</b>	<b>233</b>	<b>136</b>

₹ Lakh

	As at March 31, 2024	As at March 31, 2023
<b>Assumptions</b>		
Discount rate	7.10%	7.45%
Expected rate of salary increases	6.00%	6.00%
Expected rate of attrition	5.00%	5.00%
Average age of members	40.33	40.25
Average remaining working life	17.67	17.75
Mortality (IALM (2012-2014) Ultimate)	100%	100%

The Company has invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

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

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate		
- 1% increase	(229)	(207)
- 1% decrease	259	228

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 47. Employee benefit plans (Contd.)

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Salary growth rate		
- 1% increase	257	226
- 1% decrease	(232)	(208)
Attrition rate		
- increase of 50% of attrition rate	(28)	(36)
- decrease of 50% of attrition rate	37	52
Mortality rate		
- increase of 10% of mortality rate	-	-
- decrease of 10% of mortality rate	-	-

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

Positive represents increase and negative represents decrease in obligation.

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The Insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in an increase in liability without corresponding increase in the asset).

The Company's best estimate of the contribution expected to be paid to the plan during the next year is ₹693 Lakh (2023 - ₹621 Lakh).

Average duration of the Defined Benefit Obligation (Gratuity) is 6 years (2023 - 6 years)

The expected maturity of undiscounted gratuity is as follows:

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Within next 12 Months (next annual reporting period)	614	526
Between 2 to 5 Years	1,698	1,601
More than 5 Years	4,299	4,010

## C. Note on Provident Fund:

With respect to employees, who are covered under Provident Fund Trust administered by the Company, the Company shall make good deficiency, if any in the interest rate declared by Trust over statutory limit. Having regards to the assets of the Fund and the return on the investments, the Company does not expect any deficiency in the foreseeable future.

The actuary has assessed the calculations of the Interest Rate Guarantees based on the guidance note issued by the Institute of Actuaries of India. The disclosures required under Ind AS 19 is as set out below:



# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 47. Employee benefit plans (Contd.)

**Fund and plan asset position are as follows:**

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Accumulated Account Value of Employee's Fund	6,678	5,896
Interest Rate Guarantee Liability	219	156
<b>Present value of benefit obligation at the end of the year</b>	<b>6,897</b>	<b>6,052</b>
Plan asset at the end of the year	7,043	6,382
<b>Surplus available</b>	<b>(146)</b>	<b>(330)</b>
Asset recognised in the Balance Sheet	-	-

The plan assets are primarily invested in government securities, mutual funds, corporate bonds and special deposit schemes.

Assumptions for present value of interest rate guarantee are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.18%	7.36%
Expected guaranteed rate (%)	8.25%	8.15%
Attrition rate	5.00%	5.00%

Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation are given below:

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate		
- 1% increase	(6)	(5)
- 1% decrease	7	4
Expected guaranteed rate		
- 1% increase	286	239
- 1% decrease	(168)	(132)

## 48. Earnings per Share:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Basic Earnings per share (in ₹)	6.03	11.09
Diluted Earnings per share (in ₹)	6.03	11.09

### 48.1 Basic Earnings per share

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

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Earnings used in the calculation of basic earnings per share</b>		
Profit after Taxation (₹ in Lakh)	10,709	19,682
Number of equity shares of ₹1 each outstanding at the beginning of the year	17,75,17,591	17,73,86,525
Add: Number of shares issued pursuant to exercise of Employees Stock Option	-	1,31,066
Number of equity shares of ₹1 each outstanding at the end of the year	17,75,17,591	17,75,17,591
<b>Weighted Average number of Equity Shares</b>	<b>17,75,17,591</b>	<b>17,74,65,646</b>

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 48.2 Diluted Earnings per share

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows.

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Earnings used in the calculation of diluted earnings per share</b>		
Profit after Taxation (₹ in Lakh)	10,709	19,682
The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:		
Weighted average number of equity shares used in the calculation of basic earnings per share	17,75,17,591	17,74,65,646
Shares deemed to be issued for no consideration in respect of employee options	60,557	67,078
<b>Weighted average number of equity shares used in the calculation of diluted earnings per share</b>	<b>17,75,78,148</b>	<b>17,75,32,724</b>

## 49. Financial instruments

### 49.1 Capital management

The Company's capital management is intended to safeguard their ability to continue as a going concern and maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance.

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

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Company. Net debt includes all long and short-term borrowings (including current maturities of long term debt) as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Equity</b>	<b>2,91,940</b>	<b>2,88,217</b>
Debt	1,03,871	50,786
Cash and cash equivalents	(132)	(942)
<b>Net debt</b>	<b>1,03,739</b>	<b>49,844</b>
<b>Total capital (equity + net debt)</b>	<b>3,95,679</b>	<b>3,38,061</b>
Net debt to capital ratio	0.26	0.15

### 49.2 Categories of financial instruments

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial assets</b>		
<b>Measured at fair value through profit or loss (FVTPL)</b>		
(a) Mandatorily measured:		
(i) Derivative instruments not designated in hedge accounting relationship	2	28
<b>Measured at amortised cost</b>		
(a) Cash and bank balances	467	1,205
(b) Other financial assets at amortised cost	46,068	42,311

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 49. Financial instruments (Contd.)

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Measured at FVTOCI</b>		
(a) Investments in equity instruments designated upon initial recognition	39,334	30,446
<b>Financial liabilities</b>		
(a) Measured at amortised cost	1,52,378	89,002
(b) Measured at FVTPL	-	30

### 49.3 Financial risk management objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts, interest and currency swaps to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk and the investment of excess liquidity. The Company does not enter into trade financial instruments, including derivative financial instruments, for speculative purposes.

Item	Primarily affected by	Risk management policies	Refer
Market risk - currency risk	USD balances and exposure towards trade payables, exports	Mitigating foreign currency risk using foreign currency forward contracts, option contracts and currency swaps	Note 49.4.1
Market risk - interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; interest rate swaps for long-term borrowings; cash management policies	Note 49.4.2
Market risk - other price risk	Decline in value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio	Note 49.4.3
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions	Note 49.5
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cashflows; cash management policies; multiple-year credit and banking facilities	Note 49.6

### 49.4 Market risk

The Company's financial instruments are exposed to market rate changes. The Company is exposed to the following significant market risks:

- Foreign currency risk
- Interest rate risk
- Other price risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

#### 49.4.1 Foreign currency risk management

The Company is exposed to foreign exchange risk on account of exports and imports.

The Company has a forex policy in place whose objective is to reduce foreign exchange risk by deploying the appropriate hedging strategies (forward covers and options) and also by maintaining reasonable open exposures within approved parameters depending on the future outlook on currencies.

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 49. Financial instruments (Contd.)

- a. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

Currency	Liabilities		Assets	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
USD (in FCY Lakh)	-	0.15	19.22	28.48
INR (in INR Lakh)	-	12	1,603	2,340
EURO (in FCY Lakh)	0.04	0.12	1.14	2.72
INR (in INR Lakh)	3	11	102	243

The foreign currency risk on above exposure is mitigated by derivative contracts. The outstanding contracts as at the Balance Sheet date are as follows:

- b. Foreign currency forwards outstanding as at the Balance Sheet date:

Currency	As at March 31, 2024		As at March 31, 2023	
	Buy	Sell	Buy	Sell
<b>Forward contracts</b>				
USD/INR (in FCY Lakh)	-	8.49	-	42.28
USD/INR (in INR Lakh)	-	708	-	3,474
EURO/INR (in FCY Lakh)	-	-	-	3.69
EURO/INR (in INR Lakh)	-	-	-	330
Number of contracts	-	9	-	34

- c. Foreign currency sensitivity analysis

The Company is mainly exposed to fluctuations in US Dollar. The following table details the Company's sensitivity to a 10% increase and decrease against the US Dollar on the outstanding balance. 10% is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens by 10% against the US Dollar. For a 10% weakening against the US Dollar, there would be a comparable impact on the profit or equity.

			₹ Lakh
Currency USD impact on:	Year ended March 31, 2024	Year ended March 31, 2023	
Profit or loss	(90)	115	
Equity	(90)	115	

In management's opinion the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of reporting period does not reflect the exposure during the year.

### 49.4.2 Interest rate risk management

The Company issues commercial papers, draws working capital demand loans, cash credit etc. for meeting its funding requirements.

Interest rates on these borrowings are exposed to change in respective benchmark rates. The Company manages the interest rate risk by maintaining appropriate mix/portfolio of the borrowings.

- a. Interest rate sensitivity analysis

The sensitivity analysis below has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points increase or decrease in case of rupee borrowings is used

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 49. Financial instruments (Contd.)

when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Changes in interest rates by 50 basis from March 31, 2024, in case of rupee borrowings and all other variables were held constant, will impact the net annual interest expense on floating rate borrowing would by approximately ₹97 Lakh (March 31, 2023: ₹21 Lakh).

### 49.4.3 Other price risks

The Company is exposed to equity price risks arising from equity investments. Certain of the Company's equity investments are held for strategic rather than trading purposes. The Company also holds certain other equity investments for trading purposes.

#### a. Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 1% higher/lower other comprehensive income/equity for the year ended March 31, 2024 would increase/decrease by ₹394 Lakh (₹304 Lakh for the year ended March 31, 2023) as a result of the changes in fair value of equity investments measured at FVTOCI. The impact of change in equity price on profit or loss is not significant.

## 49.5 Credit risk management

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

#### a. Impairment of financial assets other than Trade Receivables

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

The estimated gross carrying amount at default based on 12 month expected credit loss method is ₹ Nil (March 31, 2023: ₹ Nil) for investments, loans, deposits and other financial assets. There is no expected credit loss recognised for the year ended March 31, 2024 and March 31, 2023.

#### b. Impairment of Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken up on case to case basis. The Company evaluates the concentration of risk with respect to trade receivables as low its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets. There is no material expected credit loss based on the past experience. However, the Company assesses the impairment by specific items of trade receivable and has accordingly created loss allowance on trade receivables. Expected Credit Loss has been computed for the Company as a whole as the credit profile of customers from all segments are similar.

Loss allowance as at March 31, 2024 and March 31, 2023 was determined as follows for Trade Receivables under the simplified approach:

₹ Lakh

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>As at March 31, 2024</b>							
Gross Carrying Amount - Trade Receivables	18,395	5,582	80	99	429	3,944	28,529
Expected Loss Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Expected Credit Loss (A)	-	-	-	-	-	-	-
Loss allowance - Specific provision (B)	-	-	-	74	420	3,944	4,438
<b>Total allowance for Trade Receivables (A) + (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74</b>	<b>420</b>	<b>3,944</b>	<b>4,438</b>

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 49. Financial instruments (Contd.)

₹ Lakh

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>As at March 31, 2023</b>							
Gross Carrying Amount - Trade Receivables	16,777	3,790	69	452	595	3,354	25,037
Expected Loss Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Expected Credit Loss (A)	-	-	-	-	-	-	-
Loss allowance - Specific provision (B)	11	-	20	390	593	3,354	4,368
<b>Total allowance for Trade Receivables (A) + (B)</b>	<b>11</b>	<b>-</b>	<b>20</b>	<b>390</b>	<b>593</b>	<b>3,354</b>	<b>4,368</b>

- c. The Company has issued Standby Letter of Credit/Guarantee to its subsidiaries US Nutraceuticals Inc. and Parry Sugars Refinery India Private Limited respectively during the year having an outstanding amount of ₹67,104 Lakh (March 31, 2023: ₹12,738 Lakh). Based on the financial performance of subsidiaries, the Company does not expect the guarantee liability to devolve on the Company.

### Reconciliation of loss allowance provision - Trade Receivables

₹ Lakh

Particulars	Amount
<b>Loss allowance as on April 1, 2022</b>	<b>5,037</b>
Change in loss allowance	(669)
<b>Loss allowance as on March 31, 2023</b>	<b>4,368</b>
Change in loss allowance	70
<b>Loss allowance as on March 31, 2024</b>	<b>4,438</b>

## 49.6 Liquidity risk management

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

The table below provides details regarding the contractual maturities of non-derivative financial liabilities including estimated interest payments as at March 31, 2024:

₹ Lakh

Particulars	Carrying amount	upto 1 year	1-3 years	More than 3 years	Total contracted cash flows
Trade payable	34,054	34,054	-	-	34,054
Borrowings (including interest)	1,04,192	88,641	16,410	6,973	1,12,024
Lease Liability	3,548	688	1,334	3,402	5,424
Other financial liabilities	10,584	10,584	-	-	10,584
<b>Total</b>	<b>1,52,378</b>	<b>1,33,967</b>	<b>17,744</b>	<b>10,375</b>	<b>1,62,086</b>

The table below provides details of non-derivative financial assets as at March 31, 2024:

₹ Lakh

Particulars	Carrying amount
Trade receivables	24,091
Other financial assets	61,778
<b>Total</b>	<b>85,869</b>



## Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

### 49. Financial instruments (Contd.)

The table below provides details regarding the contractual maturities of non-derivative financial liabilities including estimated interest payments as at March 31, 2023:

₹ Lakh

Particulars	Carrying amount	upto 1 year	1-3 years	More than 3 years	Total contracted cash flows
Trade payable	28,446	28,446	-	-	28,446
Borrowings (including interest)	51,094	40,537	9,813	2,394	52,744
Lease Liability	3,880	667	1,338	3,931	5,936
Other financial liabilities	5,582	5,582	-	-	5,582
<b>Total</b>	<b>89,002</b>	<b>75,232</b>	<b>11,151</b>	<b>6,325</b>	<b>92,708</b>

The table below provides details of non-derivative financial assets as at March 31, 2023:

₹ Lakh

Particulars	Carrying amount
Trade receivables	20,669
Other financial assets	53,293
<b>Total</b>	<b>73,962</b>

The following table details the Company's maturity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted estimated cash flows determined by reference to the projected market rates at the end of the reporting period. A positive amount represents an anticipated cash inflow and a negative amount represents an anticipated cash outflow.

#### March 31, 2024

₹ Lakh

Particulars	Less than 1 year	1-3 years	above 3 years
Net settled			
- foreign exchange forward contracts	2	-	-

#### March 31, 2023

₹ Lakh

Particulars	Less than 1 year	1-3 years	above 3 years
Net settled			
- foreign exchange forward contracts	1	(3)	-

### 49.7 Financing facilities

The Company has access to financing facilities of which ₹95,416 Lakh (as at March 31, 2023: ₹1,21,554 Lakh) were unused at the end of the reporting period. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

### 49.8 Fair value measurements

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

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 49. Financial instruments (Contd.)

₹ Lakh

Financial assets/financial liabilities	Fair Value as at*		Fair value hierarchy	Valuation techniques & key inputs used
	As at March 31, 2024	As at March 31, 2023		
1) Foreign currency forward contracts designated in hedge accounting relationships				
Financial asset	2	28	Level 2	Refer note 3 below
Financial liabilities	-	(30)	Level 2	Refer note 3 below
2) Investments in quoted equity instruments at FVTOCI	669	478	Level 1	Refer note 2 below
3) Investments in unquoted equity instruments at FVTOCI	38,665	29,968	Level 3	Refer note 4 below

\*positive value denotes financial asset and negative value denotes financial liability

### Notes:

- There were no transfers between Level 1 and 2 in the period.
- The Level 1 financial instruments are measured using quotes in active market.
- The following table shows the valuation technique and key input used for Level 2:

₹ Lakh

Financial Instrument	Valuation Technique	Key Inputs used
(a) Foreign currency forward contracts	Discounted Cash Flow	Forward exchange rates, contract forward and interest rates, observable yield curves.

- The following table shows the valuation technique and key input used for Level 3:

Financial Instrument	Valuation Technique	Key Inputs used	Sensitivity
Investments in unquoted equity instruments at FVTOCI	Market Multiple Approach	Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries, ranging from 15% to 30% (as at March 31, 2023: 15% to 30%)	A 5% increase in the discount for lack of marketability used in isolation would decrease the carrying amount by ₹1,860 Lakh (as at March 31, 2023: ₹1,928 Lakh) and decrease in the discount for lack of marketability would increase the carrying amount by ₹1,817 Lakh (as at March 31, 2023: ₹1,928 Lakh).

### Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

₹ Lakh

Particulars	Fair value hierarchy	As at March 31, 2024		As at March 31, 2023	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>					
Financial assets at amortised cost:					
- Trade receivables	Level 2	24,091	24,091	20,669	20,669
- Cash and cash equivalents	Level 2	132	132	942	942
- Bank balances other than cash and cash equivalents	Level 2	335	335	263	263
- Loans	Level 2	20,000	20,000	20,000	20,000
- Other financial assets (including investments)	Level 2	1,927	1,927	1,592	1,592

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 49. Financial instruments (Contd.)

₹ Lakh

Particulars	Fair value hierarchy	As at March 31, 2024		As at March 31, 2023	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities</b>					
Financial liabilities at amortised cost:					
Borrowings (including interest)	Level 2	1,04,192	1,03,369	51,094	49,818
Lease Liability	Level 2	3,548	3,715	3,880	4,329
Trade payables	Level 2	34,054	34,054	28,446	28,446
Other financial liabilities	Level 2	10,584	10,584	5,582	5,582

1. In case of trade receivables, cash and cash equivalents, bank balances, loans, trade payables, short term borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

### Reconciliation of Level 3 fair value measurements for the year ended March 31, 2024:

₹ Lakh

Particulars	Investments in unquoted equity instruments at FVTOCI	Total
Opening balance	29,968	29,968
Total gains or losses:		
- in profit or loss	-	-
- in other comprehensive income	8,697	8,697
<b>Closing balance</b>	<b>38,665</b>	<b>38,665</b>

### Reconciliation of Level 3 fair value measurements for the year ended March 31, 2023:

₹ Lakh

Particulars	Investments in unquoted equity instruments at FVTOCI	Total
Opening balance	27,234	27,234
Investments made	825	825
Total gains or losses:		
- in profit or loss	-	-
- in other comprehensive income	1,909	1,909
<b>Closing balance</b>	<b>29,968</b>	<b>29,968</b>

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 50. Share based payments

### 50.1 Employee share option plan of the Company

#### 50.1.1 Details of the employee share option plans of the Company

The Company has share option scheme for executives and senior employees of the Company. As approved by the shareholders at previous annual general meetings, ESOP schemes will be administered by the Nomination and Remuneration Committee of the Board of Directors.

Each employee share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The following share-based payment arrangement were in existence during the current and prior years.

₹ Lakh

S.No	Description	Date of grant	Number of Options granted	Expiry date	Fair value on the date of grant as per Black Scholes Option Pricing Model	Exercise price
1	Details of options granted	06.02.2017	8,43,220	06.02.2026	107.85	289.50
		06.02.2018	75,420	06.02.2027	125.20	319.45
		06.02.2018	1,36,600	06.02.2026	119.15	319.45
		07.08.2018	18,904	07.08.2026	88.84	233.75
		09.11.2018	59,300	09.11.2027	89.24	224.35
		29.07.2019	17,272	29.07.2027	53.42	159.45
		29.07.2019	37,710	29.07.2027	56.23	159.45
		07.02.2022	97,010	07.02.2026	186.71	488.10
		08.08.2022	4,28,720	08.08.2026	225.94	551.45
		10.11.2022	65,777	10.11.2026	255.52	633.85
		14.02.2023	37,710	14.02.2027	233.04	518.55
		30.03.2023	37,710	30.03.2027	205.10	465.45
		07.11.2023	59,300	07.11.2032	194.23	479.20
		07.11.2023	37,808	07.11.2031	187.55	479.20
		06.02.2024	37,710	06.02.2033	290.51	646.70
	<b>Total</b>		<b>19,90,171</b>			

#### 50.1.2 Details of share options granted during the year

##### A. Grant Registration ID: GT07NOV2023

The weighted average fair value of the share options granted during the financial year is ₹187.55. Options were priced using Black Scholes model of option pricing. The expected volatility is based on historical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility. Inputs into the model is as follows:

Particulars	Vest 1	Vest 2	Vest 3
<b>Vest Percent (%)</b>	<b>25%</b>	<b>37.5%</b>	<b>37.5%</b>
Grant date share price (₹)	479.20	479.20	479.20
Exercise price (₹)	479.20	479.20	479.20
Expected volatility (%)	40.30	43.37	42.53
Expected life (years)	3.51	4.51	5.51
Dividend yield (%)	1.98	1.98	1.98
Risk free interest rate (%)	7.19	7.22	7.24

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 50. Share based payments (Contd.)

### B. Grant Registration ID: GT07NOV2023A

The weighted average fair value of the share options granted during the financial year is ₹194.23. Options were priced using Black Scholes model of option pricing. The expected price volatility is based on historical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility. Inputs into the model is as follows:

Particulars	Vest 1	Vest 2	Vest 3	Vest 4
<b>Vest Percent (%)</b>	<b>20%</b>	<b>20%</b>	<b>30%</b>	<b>30%</b>
Grant date share price (₹)	479.20	479.20	479.20	479.20
Exercise price (₹)	479.20	479.20	479.20	479.20
Expected volatility (%)	40.30	43.37	42.53	40.60
Expected life (years)	3.51	4.51	5.51	6.51
Dividend yield (%)	1.98	1.98	1.98	1.98
Risk free interest rate (%)	7.19	7.22	7.24	7.24

### C. Grant Registration ID:GT06FEB2024

The weighted average fair value of the share options granted during the financial year is ₹290.51. Options were priced using Black Scholes model of option pricing. The expected price volatility is based on historical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility. Inputs into the model is as follows:

Particulars	Vest 1	Vest 2	Vest 3	Vest 4
<b>Vest Percent (%)</b>	<b>20%</b>	<b>20%</b>	<b>30%</b>	<b>30%</b>
Grant date share price (₹)	646.70	646.70	646.70	646.70
Exercise price (₹)	646.70	646.70	646.70	646.70
Expected volatility (%)	37.78	43.38	42.31	40.96
Expected life (years)	3.51	4.51	5.51	6.51
Dividend yield (%)	0.62	0.62	0.62	0.62
Risk free interest rate (%)	6.97	6.99	7.01	7.01

### 50.1.3 Movements in share options during the year

S. No	Particulars	Description	2023-24		2022-23	
			Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
a	Balance at the beginning of the year	Options vested and exercisable	1,16,188	343.03	2,10,062	306.66
		Options unvested	6,58,838	538.68	1,26,113	412.26
		<b>Total</b>	<b>7,75,026</b>	<b>509.35</b>	<b>3,36,175</b>	<b>346.27</b>
b	Options granted during the year		1,34,818	526.05	5,69,917	553.09
c	Options vested during the year		1,38,020	520.31	37,192	330.90
d	Options exercised during the year		-	-	1,31,066	281.29
e	Options lapsed/cancelled during the year		59,300	488.10	-	-
f	Options outstanding at the end of the year	Options vested and exercisable	2,42,348	436.89	1,16,188	343.03
		Options unvested	6,08,196	543.99	6,58,838	538.68
		<b>Total (a+b-d-e)</b>	<b>8,50,544</b>	<b>513.48</b>	<b>7,75,026</b>	<b>509.35</b>

Weighted Average remaining contractual life for option outstanding as at March 31, 2024 was 2,094 days (March 31, 2023: 2,361 days)

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 50.1.4. Details of shares exercised during the year

No shares were exercised by employees during the financial year 2023-2024 under the Company's Employee Share Option Plan.

## 51. Related Party Disclosure as at and for the year ended March 31, 2024

### 51.1. List of Related Parties

#### I) Parties where control exists

##### Subsidiary Companies/Entities

1. Coromandel International Limited
2. Coromandel Chemicals Limited (formerly Parry Chemicals Limited)
3. CFL Mauritius Limited
4. Coromandel Brasil Limitada - LLP, Brazil
5. Dare Ventures Limited (formerly Dare Investments Limited)
6. Alimtec S.A.
7. Coromandel Australia Pty Ltd (formerly Sabero Australia Pty Ltd, Australia)
8. Coromandel America S.A., Brazil (formerly Sabero Organics America S.A., Brazil)
9. Sabero Argentina S.A.
10. Coromandel Agronegoious De Mexico S.A. C.V.
11. Parry America Inc.
12. Parrys Investments Limited (merged with Parry Infrastructure Company Private Limited with effect from October 10, 2023)
13. Parrys Sugar Limited (merged with Parry Infrastructure Company Private Limited with effect from October 10, 2023)
14. Parry Agrochem Exports Limited (merged with Parry Infrastructure Company Private Limited with effect from October 10, 2023)
15. Parry Infrastructure Company Private Limited
16. US Nutraceuticals Inc.
17. La Belle Botanics LLC
18. Parry Sugars Refinery India Private Limited
19. Parry International DMCC
20. Coromandel International (Nigeria) Limited
21. Coromandel Mali SASU
22. Coromandel Technology Limited
23. Dhaksha Unmanned Systems Private Limited (with effect from July 31, 2023)
24. Coromandel Solutions Limited (with effect from October 31, 2023)

#### II) Other related parties with whom transactions have taken place during the year

##### Joint venture

1. Algavista Greentech Private Limited

##### Investing Party Group

1. Ambadi Investments Limited (Investing Party)
2. Parry Enterprises India Limited
3. Parry Agro Industries Limited

##### Other related parties

1. Parry Group Staff Provident Fund
2. EID Parry Executive Staff Pension & Assurance Scheme



# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 51. Related Party Disclosure as at and for the year ended March 31, 2024 (Contd.)

### Key Management Personnel (KMP)

Mr. Suresh S, Managing Director (refer note 39.1)

Mr. Muthiah Murugappan, Whole-time Director (refer note 39.1)

Mr. S. Durgashankar, Director (refer note 39.2)

Mr. M. M. Venkatachalam, Director (refer note 39.2)

Dr. Rca Godbole, Director (refer note 39.2)

Mr. Ramesh K B Menon, Director (refer note 39.2)

Mr. T. Krishnakumar, Director (refer note 39.2)

Mr. Ajay B Baliga, Director (refer note 39.2)

Mr. Sridharan Rangarajan, Director (refer note 39.2)

Ms. Meghna Apparao, Director (refer note 39.2)

Note: a. Related Party relationships are as identified by the management and relied upon by the auditors.

b. All transactions with Related Parties are at arm's length price and in accordance with the Related Party policy of the Company.

### 51.2. Transactions with related parties and as at the year end

₹ Lakh

Particulars	2023-24			2022-23		
	Subsidiary Companies	Investing Party Group	KMP & Others	Subsidiary Companies	Investing Party Group	KMP & Others
<b>Sale of goods</b>						
a. US Nutraceuticals Inc.	1,715	-	-	3,005	-	-
b. Coromandel International Limited	89			115	-	-
c. Parry Agro Industries Limited	-	5	-	-	56	-
d. Parry Sugars Refinery India Private Limited	-	-	-	34,678	-	-
e. Algavista Greentech Private Limited	-	-	57	-	-	37
<b>Rendering of services/reimbursement</b>						
a. Coromandel International Limited	259	-	-	198	-	-
b. Parry Sugars Refinery India Private Limited	471	-	-	303	-	-
c. Parry Enterprises India Limited	-	59	-	-	39	-
d. Parry Agro Industries Limited	-	64	-	-	60	-
e. US Nutraceuticals Inc.	42	-	-	31	-	-
f. Algavista Greentech Private Limited	-	-	16	-	-	21
<b>Dividend income/share of income</b>						
a. Coromandel International Limited	9,927	-	-	19,855	-	-
b. US Nutraceuticals Inc.	-	-	-	524	-	-
<b>Purchase of goods</b>						
a. Coromandel International Limited	-	-	-	34	-	-
b. Parry Sugars Refinery India Private Limited	1,358	-	-	476	-	-
c. Parry Enterprises India Limited	-	16	-	-	14	-
d. Algavista Greentech Private Limited	-	-	3	-	-	7

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

## 51. Related Party Disclosure as at and for the year ended March 31, 2024 (Contd.)

### 51.2. Transactions with related parties and as at the year end

₹ Lakh

Particulars	2023-24			2022-23		
	Subsidiary Companies	Investing Party Group	KMP & Others	Subsidiary Companies	Investing Party Group	KMP & Others
<b>Receipt of services</b>						
a. US Nutraceuticals Inc.	3	-	-	6	-	-
b. Algavista Greentech Private Limited	-	-	1	-	-	1
c. Parry Enterprises India Limited	-	150	-	-	89	-
d. Parry Sugars Refinery India Private Limited	-	-	-	362	-	-
e. Coromandel International Limited	6	-	-	5	-	-
<b>Interest income on ICD Loans</b>						
a. Parry Sugars Refinery India Private Limited	1,230	-	-	1,230	-	-
<b>Dividend paid</b>						
a. Ambadi Investments Limited	5,445	-	-	-	3,743	-
<b>Employee related contribution</b>						
a. Parry Group Staff Provident Fund	-	-	357	-	-	287
b. EID Parry Executive Staff Pension & Assurance Scheme	-	-	375	-	-	298
<b>Closing balances - Debit/(Credit)</b>						
a. Coromandel International Limited	(72)	-	-	69	-	-
b. US Nutraceuticals Inc.	1,482	-	-	2,000	-	-
c. Parry Sugars Refinery India Private Limited	19,991	-	-	20,082	-	-
d. Parry Agro Industries Limited	-	(17)	-	-	(16)	-
e. Parry Enterprises India Limited	-	(5)	-	-	(2)	-
f. Parry Group Staff Provident Fund	-	-	(30)	-	-	(26)
g. EID Parry Executive Staff Pension & Assurance Scheme	-	-	(51)	-	-	(55)
h. Algavista Greentech Private Limited	-	-	51	-	-	7
<b>Standby Letter of Credit/ Guarantees given</b>						
a. Parry Sugars Refinery India Private Limited	54,185	-	-	-	-	-
a. US Nutraceuticals Inc.	12,919	-	-	12,738	-	-

The Company has provided Letter of Comforts to various banks for the fund based and non fund based facilities availed by its subsidiary, Parry Sugars Refinery India Private Limited (PSRIPL). The balance outstanding under such facilities for PSRIPL as on March 31, 2024 was ₹1,50,114 Lakh (March 31, 2023: ₹1,59,113 Lakh)

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

₹ Lakh

Particulars	2023-24	2022-23
<b>52</b> Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances	4,386	11,456
<b>53</b> Other monies for which the Company is contingently liable		
(a) Disputed Income Tax demands which are under various stages of appeal (out of which ₹2,891 Lakh (2023 - ₹2,891 Lakh) have been paid under protest). (Refer note 53.3 & 53.4)	5,674	5,688
(b) Disputed Indirect Taxes demands (out of which ₹1,047 Lakh (2023 - ₹945 Lakh) have been deposited under protest). (Refer note 53.3)	7,209	4,242
(c) Cane price (Refer Note 53.1)	204	204
(d) Electricity related matters	1,993	2,626
(e) Corporate Guarantee/Letter of Credit given in favour of Subsidiaries	67,104	12,738
(f) Others (refer note 53.5)	4,003	2,929

**53.1** The Tamilnadu Government declared State Advisory Price (SAP) for the sugar year 2013-14, 2014-15 and 2015-16. The Company has challenged the right of State Government to declare the SAP in the Hon'ble High Court of Madras. The matter is subjudice.

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

**53.3** The Income Tax Department/Commercial Tax Department/Central Excise and Service Tax and GST Authority has filed appeal against the favorable order passed by lower forum in favor of the Company in appropriate appellate forum to the extent of ₹1,972 Lakh. It is expected that there will not be any outflow of economic resources embodying economic benefits. Hence, no provision is considered necessary against the same.

**53.4** The Income Tax Department has been adjusting the demand orders against other refunds receivable by the company in various assessment years, and accordingly this does not include interest, as applicable.

**53.5** Certain Industrial Disputes are pending before Tribunal/High Courts. The liability of the Company in respect of these disputes depends upon the final outcome of such cases and the quantum of which is not currently ascertainable.

**53.6** Refer note 51.2 for Letter of Comforts given by the Company to various banks for the facilities availed by its subsidiary, Parry Sugars Refinery India Private Limited (PSRIPL).

**54** No proceeding has been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**55** The Company has not been declared wilful defaulter by any bank or financial institution or any other lender.

**56** The Company has no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

**57** There are no charges or satisfaction pending to be registered with Registrar of Companies beyond the statutory time limit.

**58** The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.

**59** The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

**60** The Company has not traded or invested in Crypto Currency or Virtual Currency during the year.

**61** The Company has the following Core Investment Companies in the group:

1. Cholamandalam Financial Holdings Limited
2. Ambadi Investments Limited

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

**62** Subsequent to the balance sheet, the Board of Directors of the Company's subsidiary, Coromandel International Limited have recommended a final dividend of ₹6 per share (estimated dividend inflow for the Company would be ₹9,927 Lakh), which is subject to the approval by the subsidiary's shareholders.

**63** The Company has working capital limits with State Bank of India/Union Bank of India on the basis of security of Inventories and Trade Receivables and has filed quarterly returns with the Bank. The following are the differences between the returns filed and the books of accounts:

₹ Lakh

Quarter ended	Amount as per return (Inventory - Sugar Finished Goods)	Amount as per books (Inventory - Sugar Finished Goods)	Difference
June 30, 2023	55,281	46,970	8,311
September 30, 2023	35,791	29,956	5,835
December 31, 2023	52,368	42,485	9,883
March 31, 2024	78,601	78,387	214

The difference between the quarterly returns/statements and the books of account is due to valuation of sugar stock as per the method prescribed by RBI. As per the requirements of para 2.2.4 of RBI Master Circular on Loans and Advances - Statutory and Other Restrictions No. RBI/2015-16/95 /DBR.No.Dir.BC.10/13.03.00/2015-16 dated July 1, 2015, the Company has valued its unreleased stock of sugar at the average of the price realised in the preceding three months (moving average) or the current market price, whichever is lower, in its returns, whereas in the books of accounts it is valued at cost or net realizable value, whichever is lower.

**64** The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**65** The Company has not revalued its property, plant and equipment (including right-of-use assets), intangible assets or investment property during the current or previous year.

**66** The Company had the following ratios as at March 31, 2024 and March 31, 2023 respectively

Particulars	Year ended March 31, 2024	Year ended March 31, 2023	Variance (%)	Reasons for variance
(a) Current ratio (times)	1.37	1.68	(18%)	
(b) Debt-Equity ratio (times)	0.36	0.18	100%	Increase in Debt Equity Ratio is due to higher borrowings for expansions and increased working capital.
(c) Debt Service Coverage ratio (times)	3.89	13.01	(70%)	Reduction in DSCR is due to lower EBIDTA and higher repayments of long term borrowings.
(d) Return on equity ratio (%)	4%	7%	(43%)	Decrease in profit due to drop in exports, lower cane recovery and lower dividend income.
(e) Inventory turnover ratio (times)	1.80	1.96	(8%)	
(f) Trade receivables turnover ratio (times)	12.55	16.43	(24%)	
(g) Trade payables turnover ratio (times)	6.89	6.08	13%	
(h) Net capital turnover ratio (times)	5.74	5.33	8%	

## Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

Particulars	Year ended March 31, 2024	Year ended March 31, 2023	Variance (%)	Reasons for variance
(i) Net profit ratio (%)	4%	7%	(43%)	Decrease in profit due to drop in exports, lower cane recovery and lower dividend income.
(j) Return on Capital employed (%)	4%	8%	(50%)	Decrease in profit due to drop in exports, lower cane recovery and lower dividend income.
(k) Return on investment (%)	17%	6%	183%	Movement in ROI is on account of price movement

- (a) Current ratio (times): Current Assets/Current Liabilities
- (b) Debt-Equity ratio (times): (Long term borrowings + Short term borrowings + Current maturities of long term borrowings)/Total Equity
- (c) Debt Service Coverage ratio (times): Earnings (including exceptional item) before interest on long term borrowings, tax, impairment, depreciation & amortisation/(Interest on long term borrowing + Long term borrowings principal repayment)
- (d) Return on equity ratio (%): Profit after Tax/Average Total Equity
- (e) Inventory turnover ratio (times): Cost of Goods Sold (Cost of Material Consumed + Purchases of Stock-in-Trade + Changes in inventories of finished goods, by-products, work-in-progress and stock-in-trade)/Average Inventory
- (f) Trade receivables turnover ratio (times): Revenue from Operations/Average Trade Receivables
- (g) Trade payables turnover ratio (times): Total Purchases (Closing Stock of Raw Materials + Cost of materials consumed - Opening Stock of Raw Materials + Purchases of Stock-in-trade)/Average Trade Payables
- (h) Net capital turnover ratio (times): Net Sales/Working Capital
- (i) Net profit ratio (%): Profit After Tax (after exceptional items)/Net Sales
- (j) Return on Capital employed (%): Earnings (including exceptional item) before interest and tax/Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)
- (k) Return on investment (%): (Final Value of Investment - Initial Value of Investment + Dividend)/Initial Value of Investment

### 67 Utilisation of borrowed funds and share premium:

The Company has not advanced or loaned or invested funds to any other person/(s) or entity/(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

# Notes Forming Part of the Standalone Ind AS Financial Statements

for the Year Ended March 31, 2024

The Company has not received any fund from any person/(s) or entity/(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**68** The figures for the previous year have been reclassified/regrouped wherever necessary for better understanding and comparability.

## 69 Approval of Standalone Ind AS financial statements

The Standalone Ind AS financial statements were reviewed and recommended by the Audit Committee and has been approved by the Board of Directors in their respective meetings held on May 23, 2024 and May 24, 2024.

In terms of our report attached

For and on behalf of the Board of Directors

### For Price Waterhouse Chartered Accountants LLP

Firm Registration Number : 012754N/N500016

### S. Suresh

Managing Director  
DIN : 06999319

### M. M. Venkatachalam

Chairman  
DIN : 00152619

### Baskar Pannerselvam

Partner  
Membership Number : 213126

### Biswa Mohan Rath

Company Secretary

### Y. Venkateshwarlu

Chief Financial Officer

Place: Chennai  
Date: May 24, 2024

Place: Chennai  
Date: May 24, 2024





# Consolidated Financial Statements

# Independent Auditors' Report

**To the Members of E.I.D. - Parry (India) Limited**

## **Report on the Audit of the Consolidated Ind AS Financial Statements**

### **Opinion**

1. We have audited the accompanying Consolidated Ind AS Financial Statements of E.I.D. - Parry (India) Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate companies and joint ventures (refer Note 62 to the attached Consolidated Ind AS Financial Statements), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Ind AS Financial statements, material accounting policy information and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate companies and joint ventures as at March 31, 2024, and Consolidated Total Comprehensive Income (comprising of profit and other comprehensive income), Consolidated Changes in Equity and its Consolidated Cash Flows for the year then ended.

### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements" section of our report. We are independent of the Group, its associate companies and joint ventures in accordance with the ethical requirements that are relevant to our audit of the Consolidated Ind AS Financial

Statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 16 of the Other Matters section below, other than the unaudited financial statements/ financial information as certified by the management and referred to in sub-paragraph 17 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter in respect of a Subsidiary Company**

4. The following emphasis of matter has been included in the Independent Auditors' Report of Parry International DMCC, a step-down subsidiary of the Holding Company vide their report dated May 10, 2024. Refer Note 45 to the Consolidated Ind AS Financial Statements.

"Without qualifying the report, we wish to highlight the content of (Note 12) to the financial statement with regard to the going concern status of the Company. These financial statements have been prepared under going concern concept despite the fact that the Company has negative equity and working capital deficit, considering the undertaking provided by the shareholder."

Our Opinion is not modified in respect of the above matter.

### **Key Audit Matters**

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

Key audit matter	How our audit addressed the key audit matter
<p><b>Impairment assessment of the carrying value of property, plant and equipment (PP&amp;E) of Parry Sugars Refinery India Private Limited (PSRIPL), a subsidiary of the Holding Company</b></p> <p>(Refer Note 2 to the Consolidated Ind AS Financial Statements)</p> <p>As detailed in the aforesaid Note, Parry Sugars Refinery India Private Limited ("PSRIPL"), a subsidiary of the Holding Company, has incurred losses during the current year and past two years.</p> <p>The fact that PSRIPL is incurring losses is an indicator of potential impairment of the carrying value of PP&amp;E of PSRIPL.</p> <p>The assessment for impairment involves significant Management judgement, including identification of the cash generating units, impairment indicators, etc. Further, management expert judgement is required in certain key areas such as discount and terminal growth rates in estimating future cash flows prepared by the Company ("the Model").</p> <p>This is considered a key audit matter and significant to the Consolidated Ind AS Financial Statements, and as Management judgement is required in certain areas such as discount and terminal growth rates in estimating future cash flows prepared by PSRIPL along with Management's valuer to support the carrying value of PP&amp;E.</p>	<p><b>Our audit procedures included the following:</b></p> <ul style="list-style-type: none"> <li>Understanding and evaluating the design and testing the operating effectiveness of key controls in relation to the PP&amp;E impairment testing Model.</li> <li>Assessing the Model and evaluating the independence, competence, capabilities and objectivity of the Management's expert.</li> <li>Assessing the historical accuracy of the Company's forecasts by comparing the forecasts used in the prior year models with the actual performance in the current year.</li> <li>Testing the mathematical accuracy of the underlying calculations and agreeing the forecasts for the ensuing year with the latest Board-approved budgets.</li> <li>Evaluating, along with the auditor's expert, the key assumptions such as discount rate and terminal growth rate used in the Model.</li> <li>Performing sensitivity tests on the Model for certain assumptions, such as discount rate and terminal growth rate.</li> <li>Evaluating adequacy of the disclosures made in the Consolidated Ind AS Financial Statements.</li> </ul> <p>Based on the procedures performed, we did not identify any material exceptions in the impairment assessment carried out by Management in respect of the carrying value of PP&amp;E of PSRIPL.</p>

Also refer to the Key Audit Matter included by us in our audit report of even date on the Standalone Ind AS Financial Statements of the Holding Company.

6. The following Key Audit Matters were included in the audit report dated April 25, 2024, containing an unmodified audit opinion on the consolidated financial statements of Coromandel International Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants reproduced by us as under:

Key audit matter	How our audit addressed the key audit matter
<p><b>Recognition and measurement of revenues</b></p> <p>Refer to Note 2.8 'Revenue recognition', Note 2.31.1 'Key sources of estimation uncertainty' and Note 24 'Revenue from operations' to the consolidated financial statements.</p> <p>Revenue from sale of goods is recognised, when the control of goods is transferred to the customers. In accordance with the accounting policy, control is transferred either when the product is delivered to the customer's site or when the product is shipped, depending on the applicable terms.</p> <p>Revenue recognition involves significant management judgements and estimates and has accordingly been identified as a key audit matter.</p>	<p><b>Our audit procedures amongst others included the following:</b></p> <ul style="list-style-type: none"> <li>We understood the revenue recognition process, evaluated the design and implementation of internal controls relating to revenue recognised.</li> <li>We selected samples and tested the operating effectiveness of internal controls, relating to transfer of control. We carried out a combination of procedures involving enquiry, observation and inspection of evidence in respect of operation of these controls.</li> <li>We tested the relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue.</li> <li>In respect of the selected sample of transactions:</li> </ul>

Key audit matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> <li>• We obtained the customer contracts and understood the terms and conditions including delivery and shipping terms.</li> <li>• We tested whether the revenue is recognised upon transfer of control to customer.</li> <li>• We tested the location stock reports from Holding Company warehouses, where applicable, for confirmation on sales quantity made during the year.</li> <li>• We tested on a sample basis (including for sales near to the period end) shipping documents/ customer acknowledgments. In respect of sales of fertiliser products, we have also reconciled the quantities sold as per the Holding Company books with the customer acknowledgements as per the iFMS portal of the Department of Fertilisers.</li> <li>• We tested the data used by the Holding Company in assessing the provision for rebates for completeness and evaluated the rebates accrued, on a sample basis, by agreeing amounts recognised to the terms of agreements and marketing circulars for rebate schemes announced by the Holding Company.</li> <li>• We assessed relevant disclosures in the consolidated financial statements of the Company.</li> </ul>
<p><b>Recognition, measurement and valuation of Subsidy income/ Government subsidies and related receivables</b></p> <p>Refer to Note 2.8 'Revenue recognition', Note 2.31.1 'Key sources of estimation uncertainty' and Note 24 'Revenue from operations' to the consolidated financial statements. The Holding Company has recognised subsidy income of Rs. 817,468 lakhs for the year ended March 31, 2024.</p> <p>Subsidy income pertaining to the Nutrient and other allied business is recognised on the basis of the rates notified from time to time in accordance with the Nutrient Based Subsidy ('NBS') policy by the Department of Fertilisers ('DOF'), Government of India ('GOI') and the conditions attached to subsidy income under Direct Benefit Transfer ('DBT') System. The principles of Ind AS 20 requires matching of subsidy income with the related costs which it is intended to compensate and accordingly, subsidy income is recognized over a period on a systematic basis to match it with the related costs and on satisfaction of relevant conditions specified in the notifications.</p> <p>Recognition of subsidy income and assessment of its recoverability is subject to exercise of significant judgement and interpretation of relevant notifications by the management, which includes satisfaction of conditions specified in notifications and compliance with reasonable margin guidelines applicable for the current year assessment of applicable rates for fertilizers sold,</p>	<p><b>Our audit procedures amongst others included the following:</b></p> <ul style="list-style-type: none"> <li>• We understood the subsidy income recognition process, evaluated the design and implementation, and operating effectiveness of internal controls relating to subsidy income and related receivables.</li> <li>• We enquired with the relevant personnel in the Holding Company, read and understood their interpretations of the relevant circulars and notifications issued by GOI from time to time with regard to the subsidy policies that impact subsidy income and related receivables.</li> <li>• We tested the NBS rates considered by the Company for the product subsidy with the applicable circulars and notifications and discussed with the management and Those Charged With Governance, the appropriateness of the subsidy rates applied to recognise subsidy income.</li> <li>• We reconciled the sales quantity considered for subsidy income with the actual sales made by the Holding Company and customer acknowledgements as per the iFMS portal of the DOF.</li> <li>• We reviewed the quantities and rates considered for the purpose of recognising freight subsidy.</li> <li>• We evaluated Management's assessment with respect to compliance with relevant conditions specified in the notifications and policies including reasonable margin guidelines; reviewed underlying calculations including performing sensitivity analysis and discussed such assessments with Those Charged With Governance.</li> </ul>

Key audit matter	How our audit addressed the key audit matter
estimation of rates for periods not covered by relevant notifications, evaluation of recoverability of receivables etc and has accordingly been considered as a key audit matter.	<ul style="list-style-type: none"> <li>We analysed and discussed the status of outstanding subsidy receivables and its realisability with the Management and assessed the reasonability of provisions made towards outstanding subsidy receivables.</li> <li>We tested the sanction notes received from the GOI for receipts and traced credits to bank statements for the receipts during the year and also the subsequent receipts.</li> <li>We assessed the presentation of subsidy income along with related receivables and related disclosures in the consolidated financial statements.</li> </ul>

The Note 2.8 'Revenue recognition' and Note 2.31.1 'Key sources of estimation uncertainty' as referred above have been reproduced in Note 1A.9 and 1A.1 to the Consolidated Ind AS Financial Statements. Note 24 'Revenue from operations' as referred above has been consolidated into the Note 27 'Revenue from operations' to the Consolidated Ind AS Financial Statements.

### Other Information

7. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report together with the annexure thereto, Report on Corporate Governance and Business Responsibility and Sustainability Report but does not include the Consolidated Ind AS Financial Statements and our auditors' report thereon.

Our opinion on the Consolidated 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 Consolidated 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 Consolidated Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 16 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

8. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Ind AS Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associate companies and joint ventures in accordance with the

accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate companies and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associate companies and joint ventures respectively 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

9. In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the companies included in the Group and of its associate companies and joint ventures are responsible for assessing the ability of the Group and of its associate companies and joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.
10. The respective Board of Directors of the companies included in the Group and of its associate companies and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associate companies and joint ventures.

### Auditors' Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Consolidated Ind AS Financial Statements.

12. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to Consolidated Ind AS Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate companies and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated Ind AS 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 auditors' report. However, future events or conditions may cause the Group and its associate companies and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS 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 associate companies and joint ventures to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Ind AS 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.

13. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors 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.

14. 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.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

## Other Matters

16. We did not audit the financial statements/financial information of nine subsidiaries whose financial statements/ financial information reflect total assets of ₹16,011.06 crores and net assets of ₹9,453.02 crores as at March 31, 2024, total revenue of ₹22,470.86 crores, total comprehensive income (comprising of profit and other comprehensive income) of ₹1,689.39 crores and net cash flows amounting to ₹(262.20) crores for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include the Group's share of total comprehensive loss (comprising of loss and other comprehensive loss) of ₹1.41 crores for the year ended March 31, 2024 as considered in the Consolidated Ind AS Financial Statements, in respect of a joint venture, whose financial information have not been audited



by us. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the Consolidated Ind AS Financial Statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and joint venture, is based solely on the reports of the other auditors.

17. We did not audit the financial statements/financial information of ten subsidiaries, whose financial statements/ financial information reflect total assets of ₹79.65 crores and net assets of ₹26.26 crores as at March 31, 2024, total revenue of ₹58.85 crores, total comprehensive income (comprising of profit and other comprehensive loss) of ₹0.78 crores and net cash flows amounting to ₹0.55 crores for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include the Group's share of loss of ₹26.53 crores for the year ended March 31, 2024 as considered in the Consolidated Ind AS Financial Statements, in respect of two associate companies and one joint venture respectively, whose financial statements have not been audited by us.

These financial statements/ financial information are unaudited and have been furnished to us by the Management, and our opinion on the Consolidated Ind AS Financial Statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associate companies and our report in terms of sub-section (3) of Section 143 [including Rule 11 of the Companies (Audit and Auditors) Rules, 2014] of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries, joint venture and associate companies, is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

18. Of the above, the financial statements of two subsidiaries (including one step down subsidiary) located outside India, included in the Consolidated Ind AS Financial Statements, which constitute total assets of ₹196.59 crores and net assets of ₹6.15 crores as at March 31, 2024, total revenue of ₹471.32 crores, total comprehensive loss (comprising of loss and other comprehensive income) of ₹5.22 crores and net cash flows amounting to ₹1.96 crores for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have

audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

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

### Report on Other Legal and Regulatory Requirements

19. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.
20. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the following:
    - (i) The following remark included in the independent auditors' report of a Coromandel International Limited (subsidiary), reproduced as under:
 

"In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g) and with respect to one subsidiary as disclosed in note 47A to the consolidated financial statements in which case the backup of the books of account and other books and papers, maintained in electronic mode, has not been maintained on servers physically located in India on daily basis"

Note 47A referred to above is reproduced in Note 67A to the Consolidated Financial Statements; and
    - (ii) the matters stated in paragraph 20(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Ind AS 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 of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture incorporated in India, none of the directors of the Group companies and joint venture incorporated in India are 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 maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 20 (b) above on reporting under Section 143(3)(b) and 20(h)(vi) below on reporting under Rule 11(g) of the Rules.
- (g) With respect to the adequacy of internal financial controls with reference to Consolidated Ind AS Financial Statements of the Group and its joint ventures and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Consolidated Ind AS Financial Statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group - Refer Note 51 to the Consolidated Ind AS Financial Statements.
  - ii. The Group (other than a subsidiary) and joint venture did not have any long-term contracts including derivative contracts as at March 31, 2024 for which there were any material foreseeable losses. In respect of a subsidiary, the subsidiary has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and joint ventures incorporated in India during the year.
- iv. (a) The respective Managements of the Company and its subsidiaries and joint ventures 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 and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts (Note 56 to the Consolidated Ind AS Financial Statements), no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries and joint ventures to or in any other persons or entities, 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 or any of such subsidiaries and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Company and its subsidiaries and joint ventures 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 and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts (Note 56 to the Consolidated Ind AS Financial Statements), no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries and joint ventures from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries and joint ventures 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.
- (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has

come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

- v. The dividend declared and paid during the year by the Holding Company and its subsidiary company is in compliance with Section 123 of the Act.
- vi. Based on our examination, which included test checks and that performed by the respective auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Group and joint venture have used accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of performing our procedures audit, other than as described below, we, and the respective auditors of the above referred subsidiaries and joint venture, did not notice any instance of the audit trail feature being tampered with:

- (i) In respect of the entities audited by us

Holding Company	For one accounting software, the audit trail is not maintained at the application level for modification, if any, by the IT administrator with specific access and for direct database changes; and for another accounting software, the audit trail feature was enabled from January 30, 2024.
A Subsidiary	Audit trail is not maintained at the application level for modification, if any, by administrator user with specific access and for direct database changes.

- (ii) In respect of entities audited by other auditors, the following paragraph relating to audit trail was included was included in their respective audit reports which has been reproduced by us:

A subsidiary of the Group	Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances discussed in note 47B to the consolidated financial statements, the Holding Company and subsidiaries have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered in respect of other accounting software.  (Note 47B referred to above has been reproduced in Note 67B to the Consolidated Ind AS Financial Statements.)
A joint venture of the Group	Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail is not maintained at the application level for modification, if any, by administrator user with specific access and for direct database changes.  Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with since implemented wherever applicable except for the aforesaid instances of audit trail not maintained at application and database level where the question of our commenting on whether the audit trail has been tampered with does not arise.

21. The Group, and its joint venture have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

#### For Price Waterhouse Chartered Accountants LLP

Firm Registration Number : 012754N/N500016

#### Baskar Pannerselvam

Partner

Membership Number : 213126

UDIN : 24213126BKFVPV8049

Place : Chennai

Date : May 24, 2024

## Annexure A to Independent Auditors' Report

Referred to in paragraph 20(g) of the Independent Auditors' Report of even date to the members of E.I.D. - Parry (India) Limited on the Consolidated Ind AS Financial Statements for the year ended March 31, 2024

### Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to Consolidated Ind AS Financial Statements of E.I.D. - Parry (India) Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies (including its relevant subsidiaries), which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to one joint venture and one joint venture of the subsidiary company incorporated in India namely Algavista Greentech Private Limited and Yanmar Coromandel Agrisolutions Private Limited, pursuant to MCA notification GSR 583(E) dated June 13, 2017.

### Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies (including its relevant subsidiaries), to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

### Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies

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

### Inherent Limitations of Internal Financial Controls with reference to financial statements

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

### Opinion

8. In our opinion, the Holding Company, its subsidiary companies (including its relevant subsidiaries), which are companies incorporated in India, have, in all material respects, an adequate

internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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 issued by the ICAI.

### Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies (including its relevant subsidiaries) which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

### For Price Waterhouse Chartered Accountants LLP

Firm Registration Number : 012754N/N500016

### Baskar Pannerselvam

Partner

Membership Number : 213126

UDIN : 24213126BKFVPV8049

Place : Chennai

Date : May 24, 2024

## Annexure B to Independent Auditors' Report

Referred to in paragraph 19 of the Independent Auditors' Report of even date to the members of E.I.D. - Parry (India) Limited on the Consolidated Ind AS Financial Statements as of and for the year ended March 31, 2024

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone financial statements of the company included in the Consolidated Financial Statements of the Holding Company:

S. No.	Name of the Company	CIN	Relationship with the Holding Company	Date of the respective auditors' report	Paragraph number and comment in the respective CARO report reproduced below
1.	E.I.D. - Parry (India) Limited	L24211TN1975PLC006989	Holding	May 24, 2024	ii (b)
2.	Parry Sugars Refinery India Private Limited	U15421TN2006PTC058579	Subsidiary	May 14, 2024	iii (e)
3.	Parry Sugars Refinery India Private Limited	U15421TN2006PTC058579	Subsidiary	May 14, 2024	xvii
4.	Algavista Greentech Private Limited	U01117TN2018PTC121215	Joint venture	May 08, 2024	xvii

The statutory audit report of Yanmar Coromandel Agrisolutions Private Limited, a joint venture of a subsidiary company has not been issued until the date of this report. Accordingly, no comments for the said joint venture have been included for the purpose of reporting under this clause.

(i) Paragraph ii (b) in the respective CARO report of E.I.D. - Parry (India) Limited is reproduced below:

During the year, the Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed revised quarterly returns or statements with such banks, which are not in agreement with the unaudited books of account as set out below:

₹ Lakh

Name of the Bank	Aggregate working capital limits sanctioned	Nature of Current Asset offered as Security	Quarter ended	Amount disclosed as per quarterly return/ statement*	Amount as per books of accounts*	Difference	Reasons for difference
State Bank of India	55,000	Stocks and Receivables	June 30, 2023	55,281	46,970	8,311	Refer below
State Bank of India	55,000		September 30, 2023	35,791	29,956	5,835	
State Bank of India and Union bank of India	80,000		December 31, 2023	52,368	42,485	9,883	
State Bank of India and Union bank of India	80,000		March 31, 2024	78,601	78,387	214	

\* Amount disclosed as per quarterly return/ statement and Amount as per books of accounts pertain to sugar stocks

The Company has valued the sugar stock included in the stock statement submitted to the bank as per the method prescribed in the RBI Circular.

(Also refer Note 63 to the Standalone Ind AS Financial Statements)

(ii) Paragraph iii (e) in the respective CARO report of Parry Sugars Refinery India Private Limited is reproduced below:

The following are the loans which were extended during the year.



Name of the party	Aggregate amount of loans or advances in the nature of loans granted during the year (₹ Lakhs)	Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties (₹ Lakhs)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Parry International DMCC	Nil	2,417.30	Not applicable

(iii) Paragraph xvii in the respective CARO report of Parry Sugars Refinery India Private Limited is reproduced below:

The Company has not incurred any cash losses in the financial year and had incurred cash losses of ₹19,010.42 lakhs in the immediately preceding financial year.

(iv) Paragraph xvii in the respective CARO report of Algavista Greentech Private Limited is reproduced below:

The Company has incurred cash losses of ₹235 lakhs in the financial year, and ₹295 lakhs in the immediately preceding financial year.

#### For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

#### Baskar Pannerselvam

Partner

Membership Number: 213126

UDIN: 24213126BKFVPV8049

Place : Chennai

Date : May 24, 2024

# Consolidated Balance Sheet as at March 31, 2024

₹ Lakh

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, plant and equipment	2	4,04,930	3,39,951
(b) Right-of-use assets	2A	44,294	40,903
(c) Capital work in progress	2	49,031	46,313
(d) Investment property	3	5,665	3,088
(e) Investment property under construction	3	-	1,336
(f) Goodwill	4	30,102	1,675
(g) Other intangible assets	5	4,559	1,978
(h) Intangible assets under development	5	3,018	2,295
(i) Financial assets			
(i) Investments accounted for using equity method			
a) Investments in associate	6	10,392	13,082
b) Investments in joint ventures	7	1,770	2,272
(ii) Other investments	8	50,758	44,343
(iii) Loans	10	7,507	97,752
(iv) Other financial assets	11	728	768
(j) Income tax assets (Net)	17	6,686	5,118
(k) Deferred tax assets (Net)	34	612	-
(l) Other non-current assets	12	9,872	17,660
<b>Total Non-Current Assets</b>		<b>6,29,924</b>	<b>6,18,534</b>
<b>Current Assets</b>			
(a) Inventories	13	6,94,837	6,19,489
(b) Financial assets			
(i) Investments	8	64,595	1,215
(ii) Trade receivables	9	1,83,460	81,195
(iii) Government subsidy receivable		1,37,715	2,37,791
(iv) Cash and cash equivalents	14	1,17,443	1,43,959
(v) Bank balances other than (iv) above	15	1,74,231	2,678
(vi) Loans	10	-	72,000
(vii) Other financial assets	11	15,436	17,711
(c) Income tax assets (Net)	17	1,844	-
(d) Other current assets	12	1,29,413	83,276
		<b>15,18,974</b>	<b>12,59,314</b>
Assets classified as held for sale	16	402	-
<b>Total Current Assets</b>		<b>15,19,376</b>	<b>12,59,314</b>
<b>TOTAL ASSETS</b>		<b>21,49,300</b>	<b>18,77,848</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	18	1,775	1,775
(b) Other equity	19	7,04,050	6,06,709
<b>Equity attributable to the owners of the Company</b>		<b>7,05,825</b>	<b>6,08,484</b>
Non controlling interest	20	4,15,375	3,45,415
<b>Total Equity</b>		<b>11,21,200</b>	<b>9,53,899</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	20,394	11,086
(ii) Lease liability	2A	43,955	39,575
(iii) Other financial liabilities	24	1,643	1,898
(b) Long term provisions	26	3,361	2,888
(c) Deferred tax liabilities (Net)	34	25,451	21,233
(d) Other non-current liabilities	25	17	174
<b>Total Non-Current Liabilities</b>		<b>94,821</b>	<b>76,854</b>
<b>Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	22	1,06,054	1,08,020
(ii) Lease liability	2A	3,625	3,103
(iii) Trade Payables	23		
a) total outstanding dues of micro and small enterprises		3,968	2,647
b) total outstanding dues other than (iii)(a) above		7,55,801	6,42,998
(iv) Other financial liabilities	24	43,058	62,247
(b) Short term provisions	26	3,964	3,627
(c) Current tax liability (net)	17	57	5,718
(d) Other current liabilities	25	16,752	18,735
<b>Total Current Liabilities</b>		<b>9,33,279</b>	<b>8,47,095</b>
<b>Total Liabilities</b>		<b>10,28,100</b>	<b>9,23,949</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>21,49,300</b>	<b>18,77,848</b>

The accompanying notes are an integral part of these consolidated Ind AS financial statements.

In terms of our report attached

**For Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number : 012754N/N500016

**Baskar Pannerselvam**  
Partner  
Membership Number : 213126

Place: Chennai  
Date: May 24, 2024

For and on behalf of the Board of Directors

**S. Suresh**  
Managing Director  
DIN : 06999319

**Biswa Mohan Rath**  
Company Secretary

Place: Chennai  
Date: May 24, 2024

**M. M. Venkatachalam**  
Chairman  
DIN : 00152619

**Y. Venkateshwarlu**  
Chief Financial Officer

# Consolidated Statement of Profit and Loss for the year ended March 31, 2024

₹ Lakh

S. No	Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
I	Revenue from Operations	27	29,41,311	35,24,380
II	Other income	28	30,381	3,922
III	<b>Total Income (I+II)</b>		<b>29,71,692</b>	<b>35,28,302</b>
IV	<b>Expenses:</b>			
	Cost of materials consumed	29A	19,92,409	24,15,373
	Purchases of Stock-in-Trade		3,28,283	4,72,823
	Changes in Inventories of finished goods, by products, work-in-progress and stock-in-trade	29B	(56,037)	(97,058)
	Employee benefits expense	30	93,208	87,129
	Finance costs	31	29,543	29,820
	Depreciation and amortisation expense	32	42,078	37,647
	Other expenses	33	3,21,893	3,26,753
	<b>Total Expenses (IV)</b>		<b>27,51,377</b>	<b>32,72,487</b>
V	<b>Profit before share of net profit/(loss) of investments accounted for using equity method, exceptional items and tax (III-IV)</b>		<b>2,20,315</b>	<b>2,55,815</b>
VI	Share of loss of associates		(2,694)	(2,578)
VII	Share of loss of joint ventures		(99)	(1,232)
VIII	<b>Profit before exceptional items and tax (V+VI+VII)</b>		<b>2,17,522</b>	<b>2,52,005</b>
IX	Exceptional items	48	-	4,420
X	<b>Profit before tax (VIII+IX)</b>		<b>2,17,522</b>	<b>2,56,425</b>
XI	Tax Expense:			
	(1) Current Tax	35	55,895	74,932
	(2) Deferred Tax	35	(130)	(1,281)
			<b>55,765</b>	<b>73,651</b>
XII	<b>Profit for the year after tax (X-XI)</b>		<b>1,61,757</b>	<b>1,82,774</b>
	<b>Other Comprehensive Income</b>			
	A. i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the defined benefit plans		(645)	(727)
	b) Equity instruments through other comprehensive income		16,666	(12,654)
			16,021	(13,381)
	ii) Income tax relating to items that will not be reclassified to profit or loss		(3,647)	185
	B. i) Items that will be reclassified to profit or loss			
	a) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		6,206	6,181
	b) Exchange differences in translating the financial statements of foreign operations		(473)	(2,127)
			5,733	4,054
	ii) Income tax relating to items that will be reclassified to profit or loss		37	93
XIII	<b>Total other comprehensive income (A(i-ii)+B(i-ii))</b>		<b>18,144</b>	<b>(9,049)</b>
XIV	<b>Total Comprehensive Income (XII+XIII)</b>		<b>1,79,901</b>	<b>1,73,725</b>
	Profit for the year attributable to:			
	- Owners of the Company		89,967	94,748
	- Non-controlling interests		71,790	88,026
	Other comprehensive income for the year attributable to:			
	- Owners of the Company		15,622	(2,605)
	- Non-controlling interests		2,522	(6,444)
	Total comprehensive income for the year attributable to:			
	- Owners of the Company		1,05,589	92,143
	- Non-controlling interests		74,312	81,582
XV	<b>Earnings Per Equity Share (Nominal value per share ₹1)</b>			
	(a) Basic	43	50.68	53.39
	(b) Diluted	43	50.61	53.25

The accompanying notes are an integral part of these consolidated Ind AS financial statements.

In terms of our report attached

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration Number : 012754N/N500016

**Baskar Pannerselvam**

Partner

Membership Number : 213126

Place: Chennai

Date: May 24, 2024

For and on behalf of the Board of Directors

**S. Suresh**

Managing Director

DIN : 06999319

**Biswa Mohan Rath**

Company Secretary

Place: Chennai

Date: May 24, 2024

**M. M. Venkatachalam**

Chairman

DIN : 00152619

**Y. Venkateshwarlu**

Chief Financial Officer

## Consolidated Statement of Cash Flows for the year ended March 31, 2024

₹ Lakh

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
<b>A. Cash flow from operating activities</b>				
<b>Net profit before tax</b>		<b>2,17,522</b>		<b>2,56,425</b>
<b>Adjustments for:</b>				
Depreciation and amortisation	42,078		37,647	
Finance costs	29,543		29,820	
Dividend income	(107)		(86)	
Profit on sale of investment property and property, plant and equipment (net) (includes exceptional items)	(2,344)		(5,620)	
Net (gain)/loss arising on FVTPL Transaction	(81)		(601)	
Interest income (including government grant interest income)	(20,449)		(16,585)	
Liabilities/provisions no longer required written back	(3,097)		(403)	
Bad debts written off and provision for doubtful debts	315		783	
Net unrealised exchange (gain)/loss	(1,122)		463	
Net (gain)/loss arising on derivatives	560		1,751	
Earnings on equity method	2,793		3,810	
Non-cash employee share based payments	1,070		1,108	
Operating lease rental received from investment property net of expense	(673)		(651)	
Profit on sale of investment (net)	(1,386)		(3)	
Others	-		(65)	
		<b>47,100</b>		<b>51,368</b>
<b>Operating profit before working capital changes</b>		<b>2,64,622</b>		<b>3,07,793</b>
<b>Changes in working capital</b>				
(Increase)/decrease in Trade and other receivables	(1,01,701)		(24,380)	
(Increase)/decrease in Government subsidy receivable	1,00,076		(2,08,315)	
(Increase)/decrease in Inventories	(74,077)		(82,266)	
(Increase)/decrease in Other assets	(45,565)		9,159	
(Increase)/decrease in Other financial assets	12,875		7,598	
Increase/(decrease) in Trade payable	1,14,757		1,47,203	
Increase/(decrease) in Other liabilities	(452)		(6,025)	
Increase/(decrease) in Other financial liabilities	(7,288)		10,615	
Increase/(decrease) in Provision for employee benefits	115		489	
Increase/(decrease) in Exchange differences on translation to presentation currency	(1,261)		(6,599)	
Increase/(decrease) in Cane bills due	-		(49,645)	
		<b>(2,521)</b>		<b>(2,02,166)</b>
Cash generated from operations		<b>2,62,101</b>		<b>1,05,627</b>
Income taxes paid net of refund		(64,864)		(69,771)
<b>Net cash flow from operating activities</b>		<b>1,97,237</b>		<b>35,856</b>
<b>B. Cash flow from investing activities</b>				
Purchase of property, plant and equipment and intangible assets	(97,481)		(85,995)	
Proceeds from sale of investment property and property, plant and equipment	5,121		11,088	
Purchase of leasehold land	-		2,091	
Inter-corporate deposits/loans given	(1,664)		(87,752)	
Inter-corporate deposits matured/ loans received	-		1,12,000	

## Consolidated Statement of Cash Flows for the year ended March 31, 2024

₹ Lakh

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
Sale of investments and investment income	5,86,332		593	
Purchase of investments	(6,47,460)		(5,541)	
Bank balances considered as other than cash and cash equivalent	(7,482)		1,02,427	
Investments in associate/joint venture	(21,966)		(15,660)	
Interest received	9,814		14,544	
Operating lease rental received from investment property net of expense	673		651	
Dividend income received	107		107	
<b>Net cash generated from/(used in) investing activities</b>		<b>(1,74,006)</b>		<b>48,553</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from issue of equity shares	1,660		2,332	
Purchase of treasury shares	(2,494)		-	
Repayment of lease liability (refer note 2A)	(7,662)		(6,962)	
Proceeds from long term borrowings	19,187		7,433	
Repayment of long term borrowings	(5,553)		(2,357)	
Net increase/(decrease) in short term borrowings	(6,678)		30,884	
Finance cost paid	(25,369)		(25,112)	
Dividends paid#	(22,832)		(24,646)	
<b>Net cash used in financing activities</b>		<b>(49,741)</b>		<b>(18,428)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>		<b>(26,510)</b>		<b>65,981</b>
<b>Reconciliation</b>				
Cash and cash equivalents at beginning of the year		1,43,959		77,817
Exchange gain on cash and cash equivalents		(6)		161
Cash and cash equivalents at end of the year (refer note 14)		1,17,443		1,43,959
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(26,510)</b>		<b>65,981</b>
# includes amounts transferred to earmarked dividend accounts				
<b>Non-cash financing and investing activities:</b>				
Additions to right-of-use assets		8,243		2,825

The accompanying notes are an integral part of these consolidated Ind AS financial statements.

In terms of our report attached

For and on behalf of the Board of Directors

**For Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number : 012754N/N500016

**S. Suresh**  
Managing Director  
DIN : 06999319

**M. M. Venkatachalam**  
Chairman  
DIN : 00152619

**Baskar Pannerselvam**  
Partner  
Membership Number : 213126

**Biswa Mohan Rath**  
Company Secretary

**Y. Venkateshwarlu**  
Chief Financial Officer

Place: Chennai  
Date: May 24, 2024

Place: Chennai  
Date: May 24, 2024

Consolidated Statement of Changes In Equity for the Year Ended March 31, 2024

₹ Lakh

Particulars	Share Capital	Reserves and Surplus											Items of other comprehensive income		Total equity			
		Capital redemption reserve	Capital Reserve on amalgamation	Capital Reserve on consolidation	Securities premium	Treasury Shares	Capital Reserve	Foreign currency translation reserve	Central Subsidy	General reserve	Share options outstanding reserve	Statutory Reserve	Retained earnings	Equity Instruments through Other comprehensive Income		Effective portion of cash flow hedges	Total equity attributable to the owners of the company	Non- controlling interest
	1,774	4,845	688	6,226	48,202	-	6,067	4,677	7	2,44,483	902	35	2,15,840	10,695	(11,867)	5,32,574	2,77,413	8,09,987
Balance at April 01, 2022																		
Movement during 2022-23																		
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	94,748	-	-	94,748	88,026	1,82,774
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	(2,218)	-	-	-	-	(340)	(6,441)	6,394	(2,605)	(6,444)	(9,049)
Amount transferred within Reserves	-	-	-	-	526	-	-	-	-	-	(526)	2	(2)	-	-	-	-	-
Recognition of share based payments	-	-	-	-	-	-	-	-	-	-	842	-	-	-	-	842	-	842
Other movements during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(8,703)	(8,703)	1,207	(7,496)
Transactions with owners in their capacity as owners:																		
On issue of shares	1	-	-	-	1,487	-	-	-	-	-	-	-	-	-	-	1,488	-	1,488
Movement on account of reduction in control percentage without loss of control	-	(1)	-	-	(18)	-	(1)	(6)	-	(267)	(1)	-	(349)	20	-	(623)	622	(1)
Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-	(9,761)	-	-	(9,761)	(15,409)	(25,170)
Other movements during the year	-	-	-	-	-	-	-	-	-	-	-	-	524	-	-	524	-	524
Balance at March 31, 2023	1,775	4,844	688	6,226	50,197	-	6,066	2,453	7	2,44,216	1,217	37	3,00,660	4,274	(14,176)	6,08,484	3,45,415	9,53,899
Movement during 2023-24																		
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	89,967	-	-	89,967	71,790	1,61,757
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	(393)	-	-	-	-	(358)	10,081	6,292	15,622	2,522	18,144
Amount transferred within Reserves	-	-	-	-	368	(1,401)	-	-	-	24	(368)	-	-	-	-	(1,377)	-	(1,377)
Recognition of share based payments	-	-	-	-	-	-	-	-	-	-	861	-	-	-	-	861	-	861
Other movements during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,186	6,186	2,758	8,944
Transactions with owners in their capacity as owners:																		
On issue of shares	-	-	-	-	909	-	-	-	-	-	-	-	-	-	-	909	-	909
Movement on account of reduction in control percentage without loss of control	-	(1)	-	-	(16)	-	*	(5)	-	(211)	(1)	-	(417)	26	-	(625)	625	-
Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-	(14,202)	-	-	(14,202)	(7,735)	(21,937)
Other movements during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at March 31, 2024	1,775	4,843	688	6,226	51,458	(1,401)	6,066	2,055	7	2,44,029	1,709	37	3,75,650	14,381	(1,698)	7,05,825	4,15,375	11,21,200

The accompanying notes are an integral part of these consolidated Ind AS financial statements.  
In terms of our report attached

For and on behalf of the Board of Directors

**For Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number : 012754N/N500016

**S. Suresh**  
Managing Director  
DIN : 06999319

**M. M. Venkatachalam**  
Chairman  
DIN : 00152619

**Baskar Pannarselvam**  
Partner  
Membership Number : 213126  
Place: Chennai  
Date: May 24, 2024

**Biswa Mohan Rath**  
Company Secretary

**Y. Venkateshwarlu**  
Chief Financial Officer

Place: Chennai  
Date: May 24, 2024



# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## CORPORATE INFORMATION

E.I.D.- Parry (India) Limited (CIN: L24211TN1975PLC006989) (EID Parry or the Holding company) is a significant player in Sugar with interests in promising areas of Nutraceuticals. The Group also has a significant presence in Farm Inputs business including Bio pesticides through its subsidiary, Coromandel International Limited.

E.I.D.- Parry (India) Limited has six sugar factories having a capacity to crush 40,800 Tonnes of Cane per day, generate 140 MW of power and five distilleries having a capacity of 417 KLPD. In the Bio Pesticides business, the Group offers a unique neem extract, Azadirachtin, having a good demand in the developed countries' bio pesticide markets. In the Nutraceuticals business, it holds a strong position in the growing wellness segment mainly catering to the world markets with its organic products.

## 1. BASIS OF PREPARATION

### 1.1 Statement of Compliance

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

#### a) New and amended standards adopted by the Group

The Ministry of Corporate Affairs vide notification dated March 31, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective April 1, 2023:

- Disclosure of Accounting Policies - amendments to Ind AS 1
- Definition of Accounting Estimates - amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarification.

These amendments did not have any material impact on the amount recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Group's accounting policy already complies with the now mandatory treatment.

### 1.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, defined benefit plan - plan assets measured at fair value, assets held for sale which is measured at lower of cost or fair value less cost to sell and share based payments as explained in the accounting policies below.

Historical cost is generally based on the fair value (or transaction price as applicable) of the consideration given in exchange for goods and services.

### 1.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Holding Company and entities controlled by the Holding Company and its subsidiaries (together referred to as Group).

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting.

Refer note 1B.1 for other accounting policies related to basis of consolidation.

### 1.4 Operating Cycle

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

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 1A. MATERIAL ACCOUNTING POLICIES

### 1A.1 Use of estimates

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

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

#### i. Fair value measurement and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Group determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in notes 3 and 50.9.

#### ii. Useful life of Property, Plant and Equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, there has been no significant change in life considered for the assets.

#### iii. Revenue recognition

The Group provides customer incentives, such as rebates, based on quantity purchased, timing of collections etc. Various estimates are made to recognise the impact of rebates and other incentives on revenue. These estimates are made based on historical and forecasted data, contractual terms and current conditions.

#### iv. Subsidy income and related receivables

Subsidy Income for the year has been recognised to the extent of rates estimated as per management's understanding of the Nutrient Based Subsidy (NBS) scheme pending finalization of NBS rates by the Government of India, and the policy guidelines thereunder.

#### v. Estimation of net realisable value of inventories

Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories the Group makes an estimate of future selling prices, subsidy and costs necessary to make the sale.

#### vi. Provision for employee benefits

The Group uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.

#### vii. Impairment of Tangible Assets, Intangible Assets and Financial Assets

The recoverable amounts have been determined based on value in use calculations which uses cash flow projections or net realisable value. For further details, refer notes 1A.6, 1A.14 and 1B.19.

#### viii. Provisions for doubtful receivables

The Group makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.

#### ix. Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use the underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Group reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## x. Physical verification of raw materials

The inventory which are stored in heaps are physically verified by the management by engaging a surveyor to measure the volume and density to estimate the quantity of physical inventory.

## 1A.2 Property, plant, and equipment

Freehold land is carried at historical cost. All other property, plants and equipment are recognised at historical cost less depreciation.

The useful lives have been determined based on technical evaluation done by the management which are different than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. Estimated useful life of assets are as follows:

Asset	Useful lives (in years)
Buildings, road and railway sidings	1 - 60 years
Plant and equipment	1- 25 years
Vehicles	1- 8 years
Office equipment, furniture and fixtures	1 - 10 years

Refer note 1B.5 for other accounting policies relevant to property, plant and equipment.

## 1A.3 Investment Property

Investment properties are carried at cost and depreciated using straight line method.

The useful lives have been determined based on technical evaluation done by the management which are different than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. Estimated useful lives of the assets are as follows:

Asset	Useful lives (In years)
Buildings	10-60 years

Refer note 1B.6 for other accounting policies relevant to investment property.

## 1A.4 Intangible Assets

### a. Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives.

#### Useful lives of intangible assets

The useful lives have been determined based on technical evaluation done by the management which are different than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. Estimated useful lives of the intangible assets are as follows:

Asset	Useful lives (In years)
Patents, Trademarks, Product registration, technical know-how, Software, Licenses and Clinical Trial cost	1-20 years

Refer note 1B.7 for other accounting policies relevant to intangible assets.

## 1A.5 Leases

### Group as a Lessee

Assets and liabilities arising from a lease are initially measured on present value basis. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate the lessee would have to pay to borrow fund necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Right-of-use assets are generally depreciated over the shorter of asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in statement of profit and loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets comprise small items.

Refer note 1B.8 for other accounting policies relevant to leases.

## 1A.6 Financial Assets

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

The Group classifies its financial assets in the following measurement categories:

- I. Those measured subsequently at fair value through other comprehensive income (in case of certain investments in equity instruments - an irrevocable option exercised on an instrument-by-instrument basis on initial recognition) and through profit or loss (in case of investments in mutual funds and other equity instruments); and
- II. Those measured at amortised cost

The classification is based on the Group's business model for managing financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

- III. Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information on case to case basis.

For trade receivables, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Refer note 1B.10 for other accounting policies relevant to financial assets.

## 1A.7 Inventories

Inventories other than by products are stated at the lower of cost and net realizable value. Inventories of by-products are valued at net realisable value.

Cost of inventories are determined on weighted average basis except in case of subsidiary Parry Sugars Refinery India Private Limited where cost of raw material, cost of work-in-progress and finished goods are determined on the basis of "Specific identification method" or "weighted average method".

Refer note 1B.28 for the other accounting policies relevant to inventory.

## 1A.8 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

## 1A.9 Revenue Recognition

### i. Sale of goods (including scrap sales)

- a) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

Revenue is measured at the transaction price for each separate performance obligation taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The transaction price is net of estimated customer returns, rebates and other similar allowances.

Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

The specific recognition criteria described below must also be met before revenue is recognised.

Revenue is recognised at the transaction price when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Group has a right to payment for the asset, customer has legal title of the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Group has objective evidence that all criteria for acceptance have been satisfied.

## ii. Subsidy Income

Subsidy income is recognized when there is reasonable assurance that the Group will comply with all necessary conditions attached to Subsidy including those under the Direct Benefit Transfer system which was introduced by the Government of India which includes satisfaction of conditions specified and compliance with reasonable margin guidelines, assessment of applicable rates for fertilizers sold, evaluation of recoverability of receivables.

As required by Ind AS 20, the Group matches subsidy income with related costs which the subsidy is intended to compensate and accordingly, subsidy income is recognized over a period on a systematic basis to match it with the related costs and on satisfaction of relevant conditions.

## iii. Rendering of services

The performance obligations under service contract are provision of handling services, business support services and other ancillary services set forth in the contracts. Revenue from rendering of services are recognised over a period of time by reference to the stage of completion as the customer simultaneously receives and consumes the benefit provided by the Group's performance as the Group performs.

Payment for the service rendered is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

## 1A.10 Government grants other than NBS subsidy income

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

Refer note 1B.29 for other accounting policies related to Government grants.

## 1A.11 Financial guarantee contracts

Financial guarantee contracts issued by the Group are initially measured at their fair values and, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109;
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

## 1A.12 Employee benefit obligations

Gratuity for certain employees is covered under Schemes of Life Insurance Corporation of India (LIC) and ICICI. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

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The Group makes contributions to Provident Fund Trusts for certain employees, at a specified percentage of the employee's salary. The interest rate payable by the Trust to the beneficiaries is being notified by the Government every year. The Group obtains an independent actuarial valuation of the Interest Guarantees as at the Balance Sheet date and provides for the shortfall, if any, in the present value of obligation of interest over the fair value of the surplus in the Fund.

Refer note 1B.15 for other accounting policies related to employee benefit obligations.

## 1A.13 Segment Reporting

The Group is focused on the following business segments: Nutrient and allied business, Crop protection, Sugar, Co-generation, Distillery and Nutraceuticals. Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors.

## 1A.14 Impairment Losses

At the end of each reporting period, where there is an indicator of impairment, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Refer note 1B.19 for other accounting policies related to Impairment losses.

## 1A.15 Investments in equity instruments at FVTOCI

The Group has equity investments which are not held for trading. The Group has elected the FVTOCI irrevocable option for these investments. Fair value is determined in the manner described in note 50.9.

Refer note 1B.10.c for other accounting policies related to Investments in equity instruments at FVTOCI.

## 1A.16 Derivative financial instruments and Hedge Accounting

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in note 50.9.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period.

The Group documents at the inception its risk management objective, strategy for undertaking various hedge transactions and the economic relationship between hedging instruments and hedged items.

### a. Commodity Derivatives

Some of the Group's commodity derivatives are treated as hedges of price risk associated with the cash flow of highly probable forecast purchase and sale of raw and white sugar respectively (cash flow hedges).

Commodity derivatives not designated as hedge are accounted for at fair value through profit or loss and are included in other income.

### b. Other financial derivatives:

The Group designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

### c. Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recorded in other comprehensive income and are grouped under head of cashflow hedge reserve. The gain or loss relating to the ineffective portion is



# Notes Forming Part of the Consolidated Ind AS Financial Statements

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recognized immediately in the statement of profit and loss, and is included in the 'Other income' line item. The cumulative gain or loss previously recognized in other comprehensive income remains there until the forecast transaction occurs.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

Refer Note 1B.30 for other accounting policies related to Derivative financial instruments and Hedge Accounting.

## 1A.17 Borrowing Cost

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

Refer Note 1B.14 for other accounting policies related to borrowings and other related costs.

## 1A.18 Other Income

- a). Dividend income from investments is recognised when the shareholder's right to receive payment has been established.
- b). Interest income from a financial asset is recognised and accrued using effective interest rate method.
- c). Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.
- d). Export incentives are treated as income in the year of export at the estimated realisable value.
- e). Commissions are accounted as per the terms of the contract and to the extent that the amounts recoverable can be measured reliably and reasonable to expect ultimate collection.

## 1B. OTHER ACCOUNTING POLICIES

### 1B.1 Basis of consolidation

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

## **1B.2 Changes in the Group's ownership interests in existing subsidiaries**

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed off the related assets or liabilities of the subsidiary (i.e. reclassified to statement of profit and loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

## **1B.3 Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

## **1B.4 Investments in associates and joint ventures**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

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Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

The Group discontinues the use of the equity method from the date when:

- (i) the investment ceases to be an associate or a joint venture as follows:
  - (a) If the investment becomes a subsidiary, the Group accounts for its investment in accordance with Ind AS 103, Business Combinations, and Ind AS 110, Consolidated Financial Statements. The acquisition date carrying value of the previously held equity interest in the associate or joint venture is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in statement of profit and loss or other comprehensive income, as appropriate.
  - (b) The Group ceases to exercise significant influence or joint control over the entity.
- (ii) when the investment is classified as held for sale.

## 1B.5 Property, Plant and Equipment

Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

Assets on leased premises are depreciated on the remaining period of lease or as per the useful life set above whichever is earlier. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

## 1B.6 Investment Property

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

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

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for the Year Ended March 31, 2024

## 1B.7 Intangible Assets

### a. Intangible assets acquired separately

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

### b. Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

### c. Derecognition of intangible assets

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

### d. Biological assets

The Group recognises neem plantation as biological assets and are carried at historical cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure on biological assets are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Cost incurred for new plantations are capitalised and depreciated over their estimated useful life which has been ascribed to be 20 years.

## 1B.8 Leasing

### Group as Lessee

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. Assets and liabilities arising from a lease are initially measured on present value basis. Lease liability include the net present value of the following payments:

- fixed payments (including in substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rates at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of purchase options if the Group is reasonably certain to exercise that option
- payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

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Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that are dependent on sales are recognised in statement of profit and loss in the period in which the conditions that triggers those payments occurs:

Right-of-use assets are measured at cost comprising the following:

- the amount of initial measurement of lease liability
- any lease payments made at or before the commencement date less any incentives received
- any initial direct costs and
- restoration costs.

## Group as Lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as expenses over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

## 1B.9 Financial instruments

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

Financial assets (excluding trade receivables which do not contain a significant financing component) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

## 1B.10 Financial assets

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

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

### a. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding;
- the debt instruments carried at amortised cost include Deposits, Trade Receivables, Loans and advances recoverable in cash.

For the impairment policy on financial assets measured at amortized cost, refer note 50.5.

Investment in joint ventures and associates are accounted under equity method.

All other financial assets are subsequently measured at fair value.

### b. Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points

# Notes Forming Part of the Consolidated Ind AS Financial Statements

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paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in statement of profit and loss and is included in the "Other income" line item.

## c. Investments in equity instruments at FVTOCI

The Group has elected to carry investment in equity instruments at Fair value through other comprehensive income. On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to statement of profit and loss on disposal of the investments.

Dividends on these investments in equity instruments are recognised in statement of profit and loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in statement of profit and loss are included in the 'Other income' line item.

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

The Group carries derivative contracts not designated in a hedge relationship at FVTPL. Financial assets at FVTPL also includes assets held for trading.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

## e. Impairment of financial assets

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

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

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information on a case-to-case basis.



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## f. Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

## g. Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

## 1B.11 Financial liabilities and equity instruments

### a. Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### b. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

### c. Financial liabilities

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

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

#### c.1. Financial liabilities at FVTPL

Financial liabilities at FVTPL includes derivative liabilities. Non-derivative financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL. There are no non-derivative financial liabilities carried at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Fair value is determined in the manner described in note 50.9.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

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## **c.2. Financial liabilities subsequently measured at amortised cost**

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

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

## **c.3. Foreign exchange gains and losses**

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in statement of profit and loss.

## **c.4. Derecognition of financial liabilities**

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

## **1B.12 Functional and presentation currency**

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

## **1B.13 Foreign Currency Transactions**

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 3.A.16 for hedging accounting policies); and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to statement of profit and loss on repayment of the monetary items.
- The Group applies the principles set out in Appendix B to Ind AS 21 - Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet
- Income and expenses are translated at average exchange rates, and
- All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

## 1B.14 Borrowings and related costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Group does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

## 1B.15 Employee Benefits

### (a) Post employment benefit costs and termination benefits

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

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Defined benefit costs are categorized as follows:

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

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

Past service cost is recognised in statement of profit and loss in the period of a plan amendment.

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

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss.

Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the Statement of Profit and Loss each year.

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

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

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

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

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

## **1B.16 Share-based payment arrangements**

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 44.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Where a Trust has been constituted as a vehicle for distributing shares to employees under the employee remuneration schemes, the Trust buys shares from the market, for giving shares to employees. The Trust is treated as an extension and shares held by Trust are treated as treasury shares. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in other equity.

## **1B.17 Earnings per Share**

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

## **1B.18 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

### **a. Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## b. Deferred tax

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

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

## c. Current and deferred tax for the year

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relates to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## 1B.19 Impairment losses

At the end of each reporting period, the Group reviews the carrying amounts of its assets (property, plant and equipment, intangible assets and investments in equity instruments of associates and joint venture) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

## **1B.20 Provisions and Contingent Liabilities**

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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

## **1B.21 Cash flow statement**

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

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## **1B.22 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet, where there is a legally enforceable right to offset the recognised amounts and there is intention to settle on net basis or realise the assets and liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

## **1B.23 Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from the proceeds.

## **1B.24 Dividend**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period.

## **1B.25 Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.



# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 1B.26 Business Combination

The Group accounts for its business combinations under acquisition method of accounting. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair value of the assets transferred and liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange of control of the acquiree. Acquisition related costs are generally recognised in statement of profit and loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquire, if any over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. Such goodwill is tested annually for impairment.

If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date and is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

Business combinations arising from entities that are under the common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the entity are recorded in other equity.

## 1B.27 Exceptional Items

The Group considers factors including materiality, the nature and function of the items of income and expense in determining exceptional item and discloses the same in Note 48 to the financial statements.

## 1B.28 Inventory

Cost of raw materials and traded goods comprises cost of purchases after deducting rebates and discounts. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

## 1B.29 Government grants

Government grants are recognised in statement of profit and loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in statement of profit and loss in the period in which they become receivable.

## 1B.30 Derivative financial instruments and Hedge Accounting

The gain or loss from fair value measurement is recognised in statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

### Commodity derivatives:

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

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## Cash flow Hedges:

When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying amount of the asset when it is recognized. In other cases the amount recognized in other comprehensive income is transferred to statement of profit and loss in the same period that the hedged item affects statement of profit and loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in statement of profit and loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in the other comprehensive income is transferred to statement of profit and loss, and is included in Other income.

## 1B.31 Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised.

A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

## 1B.32 Rounding off amounts

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

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 2

### Property, Plant and Equipment (PPE) and Capital work-in-progress (CWIP)

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Carrying amounts of:</b>		
Freehold land	33,665	32,440
Buildings, road and railway sidings	75,643	68,757
Plant and equipment	2,83,105	2,28,815
Furniture and fixtures and office equipment	8,626	6,733
Vehicles	3,891	3,206
	<b>4,04,930</b>	<b>3,39,951</b>
Capital work-in-progress	49,031	46,313
	<b>4,53,961</b>	<b>3,86,264</b>

Particulars	Freehold land	Buildings, road and railway sidings (refer note 3 below)	Plant and equipment	Furniture and fixtures and office equipment	Vehicles	Total	CWIP
<b>Gross carrying amount</b>							
<b>Balance at April 01, 2022</b>	<b>31,835</b>	<b>93,491</b>	<b>4,41,300</b>	<b>15,251</b>	<b>4,586</b>	<b>5,86,463</b>	<b>13,677</b>
Additions	584	9,309	28,911	3,554	1,922	44,280	75,556
Disposals and Adjustments	-	(119)	(4,274)	(618)	(551)	(5,562)	(275)
Transfer from/(to) assets held for sale	-	-	384	-	-	384	-
Effect of foreign currency exchange differences	31	1,996	5,144	40	10	7,221	4
Transfer to PPE	-	-	-	-	-	-	(42,649)
<b>Balance at March 31, 2023</b>	<b>32,450</b>	<b>1,04,677</b>	<b>4,71,465</b>	<b>18,227</b>	<b>5,967</b>	<b>6,32,786</b>	<b>46,313</b>
Additions pursuant to acquisition of controlling interest in CSQM	-	21	129	69	19	238	-
Additions	1,450	11,178	83,966	4,203	2,018	1,02,815	1,04,724
Disposals and Adjustments	(189)	(580)	(8,802)	(1,552)	(681)	(11,804)	-
Effect of foreign currency exchange differences	(36)	239	286	(5)	(9)	475	9
Transfer to PPE	-	-	-	-	-	-	(1,02,015)
<b>Balance at March 31, 2024</b>	<b>33,675</b>	<b>1,15,535</b>	<b>5,47,044</b>	<b>20,942</b>	<b>7,314</b>	<b>7,24,510</b>	<b>49,031</b>

Particulars	Freehold land	Buildings, road and railway sidings (refer note 3 below)	Plant and equipment	Furniture and fixtures and office equipment	Vehicles	Total
<b>Accumulated depreciation</b>						
<b>Balance at April 01, 2022</b>	<b>9</b>	<b>31,081</b>	<b>2,16,231</b>	<b>10,459</b>	<b>2,410</b>	<b>2,60,190</b>
Disposals and Adjustments	-	(84)	(3,264)	(584)	(439)	(4,371)
Depreciation expense	-	4,026	26,269	1,584	780	32,659
Transfer from/(to) assets held for sale	-	-	251	-	-	251
Effect of foreign currency exchange differences	1	897	3,163	35	10	4,106
<b>Balance at March 31, 2023</b>	<b>10</b>	<b>35,920</b>	<b>2,42,650</b>	<b>11,494</b>	<b>2,761</b>	<b>2,92,835</b>
Disposals and Adjustments	-	(498)	(6,982)	(1,436)	(457)	(9,373)
Depreciation expense	-	4,404	28,295	2,264	1,127	36,090
Effect of foreign currency exchange differences	-	66	(24)	(6)	(8)	28
<b>Balance at March 31, 2024</b>	<b>10</b>	<b>39,892</b>	<b>2,63,939</b>	<b>12,316</b>	<b>3,423</b>	<b>3,19,580</b>

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 2 (Contd.)

Carrying amount as at March 31, 2023	32,440	68,757	2,28,815	6,733	3,206	3,39,951
Carrying amount as at March 31, 2024	33,665	75,643	2,83,105	8,626	3,891	4,04,930

### Note:

- Details of assets offered as security is provided in Note 21 and 22.
- Capital work in progress primarily represents Building and Plant and equipment related work.
- Includes Building on leasehold land: Cost: ₹2,063 Lakh (2023 - ₹924 Lakh) and Accumulated Depreciation: ₹512 Lakh (2023 - ₹451 Lakh).
- Refer Note 51 for contractual commitments for acquisition of property, plant and equipment.
- Parry Sugars Refinery India Private Limited (PSRIPL), a subsidiary of the Holding Company has carried out impairment assessment of its carrying value of the assets and concluded that no impairment is necessary.
- Management of the Holding Company considers each factory to be a cash generating unit ("CGU") and has analysed if there is an indicator of impairment. Based on the assessment two CGUs of the Holding Company have been incurring losses for the past years which is an indicator for impairment. The Holding Company has performed a detailed impairment assessment and based on the assessment performed, it was determined that there was no impairment to be recognized for the year ended March 31, 2024.
- Ageing of the Capital work-in-progress are as follows:

₹ Lakh

Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
<b>Balance at March 31, 2024</b>					
Projects in progress	46,933	638	624	405	48,600
Projects temporarily suspended	-	-	-	431	431
<b>Balance at March 31, 2023</b>					
Projects in progress	42,887	2,155	603	188	45,833
Projects temporarily suspended	-	-	-	480	480

- Completion schedule of capital work-in-progress whose completion is overdue:

₹ Lakh

Particulars	To be completed in				
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
<b>Balance at March 31, 2024</b>					
<b>Projects in progress</b>					
Other Projects of the Holding Company	43	-	-	-	43
Asset Expansion of Subsidiary, Coromandel International Limited	393	-	-	-	393
<b>Balance at March 31, 2023</b>					
<b>Projects in progress</b>					
Other Projects of the Holding Company	1,194	-	-	-	1,194
Asset Expansion of Subsidiary, Coromandel International Limited	781	97	-	-	878

- Interest capitalised during the year ₹824 Lakh (2022-23: ₹521 Lakh).

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 2A - Leases

### (i) Amounts recognised in the Balance Sheet

#### Carrying Amount of Right-of-use Assets

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Factory (including ancillary assets) (refer note 1 below)	3,885	4,353
Land (refer note 2 below)	23,882	24,949
Buildings	11,519	11,106
Plant and Machinery	5,008	495
<b>Total</b>	<b>44,294</b>	<b>40,903</b>

₹ Lakh

Particulars	Factory (including ancillary assets) (refer note 1 below)	Land (refer note 2 below)	Buildings	Plant and Machinery	Total
<b>Gross carrying amount</b>					
<b>Balance at April 01, 2022</b>	<b>6,354</b>	<b>29,124</b>	<b>18,942</b>	<b>1,518</b>	<b>55,938</b>
Additions	-	485	2,340	-	2,825
Disposals and Adjustments	(79)	(545)	(1,324)	(14)	(1,962)
<b>Balance at March 31, 2023</b>	<b>6,275</b>	<b>29,064</b>	<b>19,958</b>	<b>1,504</b>	<b>56,801</b>
Additions through business combinations	-	-	68	-	68
Additions	-	-	3,337	4,906	8,243
Disposals and Adjustments	-	(50)	(1,326)	-	(1,376)
<b>Balance at March 31, 2024</b>	<b>6,275</b>	<b>29,014</b>	<b>22,037</b>	<b>6,410</b>	<b>63,736</b>

₹ Lakh

Particulars	Factory (including ancillary assets) (refer note 1 below)	Land (refer note 2 below)	Buildings	Plant and Machinery	Total
<b>Accumulated depreciation</b>					
<b>Balance at April 01, 2022</b>	<b>1,443</b>	<b>3,121</b>	<b>7,161</b>	<b>759</b>	<b>12,484</b>
Depreciation expenses	479	1,045	2,753	250	4,527
Disposals and Adjustments	-	(51)	(1,062)	-	(1,113)
<b>Balance at March 31, 2023</b>	<b>1,922</b>	<b>4,115</b>	<b>8,852</b>	<b>1,009</b>	<b>15,898</b>
Depreciation expenses	468	1,033	2,971	393	4,865
Disposals and Adjustments	-	(16)	(1,305)	-	(1,321)
<b>Balance at March 31, 2024</b>	<b>2,390</b>	<b>5,132</b>	<b>10,518</b>	<b>1,402</b>	<b>19,442</b>

#### Notes:

- The Holding Company has taken the Ramdurg factory on lease including the building and plant and machinery thereon. The Holding Company pays a consolidated rental and accordingly, the consolidated asset is presented. The useful life of the building and plant and machinery is beyond the lease period, hence the entire asset is depreciated over the lease period.
- Includes net carrying value of the Land reclassified on adoption of Ind AS 116 "Leases".

#### Carrying Amount of Lease Liability

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Current	3,625	3,103
Non-Current	43,955	39,575
<b>Total</b>	<b>47,580</b>	<b>42,678</b>

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 2A - Leases (Contd.)

### (ii) Amounts recognised in the Statement of Profit & Loss

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expenses (included in finance costs)*	4,078	3,972
Depreciation expenses (included in depreciation)#	4,865	4,527
Expenses relating to short-term leases and leases of low-value assets that are not shown above as short-term leases (included in other expenses)^	926	830
Variable lease payments (included in other expenses)^	348	-
<b>Total</b>	<b>10,217</b>	<b>9,329</b>

\*Refer Note 31 - Finance cost

#Refer Note 32 - Depreciation

^Refer Note 33 - Other expenses

### (iii) Extension and termination options

Extension and termination options are included in leases of the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations.

## Note 3 - Investment Property

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Carrying amounts of:</b>		
Completed investment properties	5,665	3,088
<b>Total</b>	<b>5,665</b>	<b>3,088</b>
<b>Investment property under construction</b>		
Opening Balance	1,336	-
Additions during the year	1,287	1,336
Transfer to Investment Property	(2,623)	-
<b>Closing Balance</b>	<b>-</b>	<b>1,336</b>

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Gross carrying amount</b>		
Balance at beginning of the year	3,252	3,252
Additions	2,623	-
<b>Balance at end of year</b>	<b>5,875</b>	<b>3,252</b>

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Accumulated depreciation</b>		
Balance at beginning of year	164	144
Disposals	*	-
Depreciation expense	46	20
<b>Balance at end of year</b>	<b>210</b>	<b>164</b>

\* Less than ₹1 Lakh

#### Note:

1. Includes Building on leasehold land: Cost: ₹3,235 Lakh (2023 - ₹612 Lakh) and Accumulated Depreciation: ₹150 Lakh (2023 - ₹110 Lakh).



# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 3.1 Fair value of the Group investment properties

The following table gives details of the fair value of the Group's investment properties as at March 31, 2024 and March 31, 2023:

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
i. Land and Buildings in Tamilnadu	37,833	39,455

The fair value of the Group's investment properties as at March 31, 2023 have been arrived at on the basis of a valuation carried out by M/s. Value Assessors & Surveyors Private Limited, independent valuers not related to the Group. In the current year, based on the management assessment no significant change is noted in the Fair Value. M/s. Value Assessors & Surveyors Private Limited are registered with the authority which governs the valuers in India, and they have appropriate qualifications and relevant experience in the valuation of properties in the relevant locations. Fair value was derived using the market comparable approach based on recent market/government guideline prices without any significant adjustments being made to the market observable data.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

For rental income earned and direct operating expenses incurred in connection with investment property refer note 28 and note 37.

## Note 4 - Goodwill

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Carrying amounts of:</b>		
Goodwill	30,102	1,675
<b>Total</b>	<b>30,102</b>	<b>1,675</b>

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Gross carrying amount</b>		
Balance at beginning of the year	1,865	1,724
Additions	28,461	-
Effect of foreign currency exchange differences	24	141
<b>Balance at end of the year</b>	<b>30,350</b>	<b>1,865</b>

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Accumulated depreciation</b>		
Balance at beginning of year	190	125
Amortization for the current year	55	53
Effect of foreign currency exchange differences	3	12
<b>Balance at end of the year</b>	<b>248</b>	<b>190</b>

As at March 31, 2024 goodwill of ₹1,609 Lakh (March 31, 2023: ₹1,643 Lakh) and ₹28,493 Lakh (March 31, 2023: ₹32 Lakh) relates to the Nutraceuticals and Fertiliser segments respectively. Goodwill on each of the segments arose when the businesses were acquired and has been assessed for impairment.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 4 - Other Intangible assets (Contd.)

### Impairment tests for goodwill:

#### (a) US Nutraceuticals Inc. CGU:

Goodwill of ₹1,305 Lakh represents the goodwill accounted on the acquisition of subsidiary US Nutraceuticals Inc. and acquisition of controlling interest in Labelle Botanics LLC (a 100% subsidiary from October 01, 2019).

The value in use is arrived at by discounting the cash flow projections using the financial budgets covering a period of four years, and extrapolating it beyond four years using a growth rate of 2.50% p.a. The cash flows have been discounted using a rate of 15% p.a. This growth rate does not exceed the long term average growth rate.

The Directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the US Nutraceuticals Inc. CGU to exceed its recoverable amount.

#### (b) Coromandel International Limited Dhaksha Goodwill:

Goodwill of ₹28,461 pertains to acquisition of Dhaksha Unmanned Systems Private Limited during the year. The Group has estimated value-in-use based on the future cash flows, which is higher than the carrying value. An analysis of the sensitivity of the computation to a change in key parameters, based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount would decrease below its carrying amount.

## Note 5 - Other Intangible Assets

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Carrying amounts of:</b>		
Software and Licenses	139	114
Product registrations	820	867
Technical know-how	46	46
Patents and trademarks	695	951
Product development	89	-
Customer contract and relationships	1,171	-
Right to use technology	1,599	-
Other rights	-	-
<b>Total</b>	<b>4,559</b>	<b>1,978</b>
Intangible assets under development	3,018	2,295

₹ Lakh

Particulars	Software and Licenses	Product registrations	Technical know-how	Patents and trademarks	Product development	Customer contract and relationships	Right to use technology	Other rights	Total
<b>Gross carrying amount</b>									
<b>Balance at April 01, 2022</b>	<b>457</b>	<b>2,422</b>	<b>727</b>	<b>3,605</b>	<b>107</b>	<b>-</b>	<b>-</b>	<b>112</b>	<b>7,430</b>
Additions	5	373	-	56	-	-	-	-	434
Disposals and Adjustments	(3)	-	-	(30)	-	-	-	-	(33)
Effect of foreign currency exchange differences	-	-	-	213	9	-	-	8	230
<b>Balance at March 31, 2023</b>	<b>459</b>	<b>2,795</b>	<b>727</b>	<b>3,844</b>	<b>116</b>	<b>-</b>	<b>-</b>	<b>120</b>	<b>8,061</b>

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 5 - Other Intangible Assets (Contd.)

₹ Lakh

Particulars	Software and Licenses	Product registrations	Technical know-how	Patents and trademarks	Product development	Customer contract and relationships	Right to use technology	Other rights	Total
Additions pursuant to acquisition of controlling interest in CSQM	-	-	-	-	43	1,600	1,800	-	3,443
Additions	88	159	-	323	77	-	-	-	647
Disposals and Adjustments	-	-	-	(610)	-	-	-	(99)	(709)
Effect of foreign currency exchange differences	-	-	-	40	2	-	-	(20)	22
<b>Balance at March 31, 2024</b>	<b>547</b>	<b>2,954</b>	<b>727</b>	<b>3,597</b>	<b>238</b>	<b>1,600</b>	<b>1,800</b>	<b>1</b>	<b>11,464</b>

₹ Lakh

Particulars	Software and Licenses	Product registrations	Technical know-how	Patents and trademarks	Product development	Customer contract and relationships	Right to use technology	Other rights	Total
<b>Accumulated Amortisation</b>									
<b>Balance at April 01, 2022</b>	<b>302</b>	<b>1,730</b>	<b>681</b>	<b>2,647</b>	<b>107</b>	<b>-</b>	<b>-</b>	<b>54</b>	<b>5,521</b>
Amortisation expense	46	162	-	128	-	-	-	52	388
Disposals and Adjustments	(3)	-	-	(16)	-	-	-	-	(19)
Effect of foreign currency exchange differences	-	36	-	134	9	-	-	14	193
<b>Balance at March 31, 2023</b>	<b>345</b>	<b>1,928</b>	<b>681</b>	<b>2,893</b>	<b>116</b>	<b>-</b>	<b>-</b>	<b>120</b>	<b>6,083</b>
Amortisation expense	63	178	-	120	31	429	201	-	1,022
Disposals and Adjustments	-	(6)	-	(138)	-	-	-	(99)	(243)
Effect of foreign currency exchange differences	-	34	-	27	2	-	-	(20)	43
<b>Balance at March 31, 2024</b>	<b>408</b>	<b>2,134</b>	<b>681</b>	<b>2,902</b>	<b>149</b>	<b>429</b>	<b>201</b>	<b>1</b>	<b>6,905</b>
<b>Carrying amount as at March 31, 2023</b>	<b>114</b>	<b>867</b>	<b>46</b>	<b>951</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,978</b>
<b>Carrying amount as at March 31, 2024</b>	<b>139</b>	<b>820</b>	<b>46</b>	<b>695</b>	<b>89</b>	<b>1,171</b>	<b>1,599</b>	<b>-</b>	<b>4,559</b>

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 5 - Other Intangible Assets (Contd.)

### Intangible assets under development

₹ Lakh

Particulars	As at March 31, 2023	As at March 31, 2024
Opening balance	2,295	2,139
Add: Additions through business combinations	421	-
Add: Additions during the year	626	529
Less: Capitalisations during the year	(324)	(373)
<b>Closing balance</b>	<b>3,018</b>	<b>2,295</b>

Ageing of the intangible assets under development\* are as follows:

₹ Lakh

Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
<b>Balance at March 31, 2024</b>					
Projects in progress	593	796	685	944	3,018
Projects temporarily suspended	-	-	-	-	-
<b>Balance at March 31, 2023</b>					
Projects in progress	533	788	490	484	2,295
Projects temporarily suspended	-	-	-	-	-

\* Intangible Assets under development is in the nature of new product development and product registrations. Product registrations generally takes 4 to 5 years of development time.

## Note 6

### Investments in associate accounted for using equity method

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unquoted Investments</b>		
(a) <i>Interest in</i>		
4,212 (2023: 320) Equity shares of PHP\$100/- each fully paid-up in Coromandel Crop Protection Philippines Inc. (formerly Sabero Organics Philippines Asia Inc.)	9	10
2,25,000 (2023: 2,25,000) Equity shares of CFA Franc 23000 each fully paid-up in Baobab Mining and Chemicals Corporation, S.A.	10,383	13,072
<b>Total Investment in associate accounted for using equity method</b>	<b>10,392</b>	<b>13,082</b>

## Note 7

### Investments in joint ventures accounted for using equity method

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unquoted Investments</b>		
1,60,00,000 (2023: 1,60,00,000) Equity shares of ₹10 each, fully paid-up in Yanmar Coromandel Agrisolutions Private Limited	1,770	1,729
2,97,00,000 (2023: 2,97,00,000) Equity shares of ₹10 each, fully paid-up in Algavista Greentech Private Limited (refer Note 16)	-	543
<b>Total Investments in joint ventures accounted for using equity method</b>	<b>1,770</b>	<b>2,272</b>

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 8 - Other Investments

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>I. Quoted Investments</b>		
<i>(a) Investments in Equity Instruments at FVTOCI</i>		
82,440 (2023: 82,440) shares of ₹10 each fully paid up in State Bank of India	621	431
1,965 (2023: 1,965) shares of ₹2 each fully paid up in Cholamandalam Investment and Finance Company Limited	23	15
Nil (2023: 50,43,138) shares of ₹10 each fully paid up in Coromandel Engineering Company Limited	-	1,462
2,000 (2023: 2,000) shares of ₹1 each fully paid up in Carborundum Universal Limited	25	20
300 (2023: 300) shares of ₹10 each fully paid up in Chennai Petroleum Corporation Limited	3	1
<i>(b) Investments in Equity Instruments at FVTPL</i>		
13,719 (2023: 13,719) Equity shares of ₹10 each, fully paid up in Rama Phosphate Limited	22	24
<i>(c) Other Investments at Amortised Cost</i>		
500 (2023 - 500) units of ₹10,000 each in National Highway Authority of India Bond	50	50
<b>Total aggregate market value of quoted investments</b>	<b>744</b>	<b>2,003</b>
<b>II. Unquoted Investments</b>		
<i>(a) Investments in Equity Instruments at FVTOCI</i>		
41,79,848 (2023: 41,79,848) shares of Tunisian Dinars (TND) 10 each, fully paid-up in Tunisian Indian Fertilisers S.A #	-	-
53,92,160 (2023: 53,92,160) Equity shares of ₹10 each, fully paid-up in Andhra Pradesh Gas Power Corporation Limited ^	-	-
23,600 (2023: 23,600) shares of ₹10 each fully paid up in Kartik Investments Trust Limited	39	33
100 (2023: 100) shares of ₹10 each fully paid up in Travancore Sugars and Chemicals Limited	*	*
42,410 (2023: 42,410) shares of ₹100 each fully paid up in Murugappa Management Services Private Limited (formerly known as Murugappa Management Services Limited)	218	202
14,54,400 (2023: 14,54,400) shares of ₹10 each fully paid up in Indian Potash Limited^^	42,962	33,055
1,00,000 (2023: 1,00,000) shares of ₹10 each fully paid up in Bio Tech Consortium (India) Limited	55	55
3,600 (2023: 3,600) Equity shares of ₹10 each, fully paid up in Nandesari Environment Control Limited	32	36
10,01,000 (2023: 10,01,000) Equity shares of ₹10 each, fully paid up in Ranar Agrochem Limited (formerly Prathyusha Chemicals and Fertilisers Limited)	2	2
5,000 (2023: 5,000) shares of ₹10 each fully paid up in Chola People Service (P) Ltd	410	391

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 8 - Other Investments (Contd.)

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
125 (2023: 125) shares of 25 pence each fully paid up in Hawker Siddley Group Limited	*	*
266 (2023: 266) shares of ₹10 each fully paid up in Chennai Willingdon Corporate Foundation	*	*
2 (2023: 2) shares of ₹10 each fully paid up in Murugappa Morgan Thermal Ceramics Limited	*	*
10 (2023: 10) equity shares of ₹10 each fully paid in Chola MS General Insurance Company Private Limited	*	*
1,99,590 (2023: 1,99,590) Ordinary shares of South African Rand 1 each, fully paid up in Foskor (Pty) Limited	-	-
46 (2023: 46) Class D shares of South African Rand 705,088 each, fully paid up in Foskor (Pty) Limited	1,901	1,901
16,100 (2023: 16,100) Equity shares of ₹10 each, fully paid up in BEIL Infrastructure Limited (formerly known as Bharuch Enviro Infrastructure Limited)	395	554
2,75,000 (2023: 2,75,000) Equity shares of ₹10 each, fully paid up in Narmada Clean Tech	42	51
7,74,653 (2023 - 7,74,653) preferred shares of NIS 0.01 each fully paid up in Incredio Ltd. (formerly DouxMatok Limited)	825	825
Nil (2023: 212) Equity shares of ₹10 each fully paid up and Nil (2023: 998) CC Preference shares of ₹10 each fully paid up in Dhaksha Unmanned Systems Private Limited	-	2,000
100 (2023: 100) Equity shares of ₹10 each fully paid up and 19078 (2023: 19,078) C1 Preference shares of ₹10 each fully paid up in Ecozen Solutions Private Limited	1,024	1,000
1 (2023: 1) Equity share of ₹10 each fully paid up and 42,502 (2023: 42,502) C1 Preference shares of ₹10 each fully paid up in Strings Bio Private Limited	1,659	1,650
10 (2023: Nil) Equity shares of Re.10 each fully paid up and 2,193 (2023: Nil) CC Preference shares of Re.10 each fully paid up of Flic Farms private Limited.	300	-
<b>(b) Other Investment at FVTPL</b>		
5363 (2023: 19,442) units of ₹1,000 each, fully paid up in Faering Capital India Evolving Fund	150	580
Investment in Mutual Funds	63,979	915
1,000 (2023: 1,000) shares of ₹10 each, fully paid up in UTI Master Shares	*	*
<b>(c) Investments in Debentures at Amortised cost</b>		
Tata Capital Financial Services Limited's NCD	300	300
LIC Housing Finance Ltd's Corporate Bond	106	-
Aditya Birla Finance Ltd's Corporate Bond	104	-
Power Finance Corporation Ltd's Corporate Bond	106	-
<b>(d) Others</b>		
Share application money pending allotment - at cost	-	5
Loans at FVTOCI**	-	-
<b>Total Unquoted Investments</b>	<b>1,14,609</b>	<b>43,555</b>
<b>Total Other Investments</b>	<b>1,15,353</b>	<b>45,558</b>



# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 8 - Other Investments (Contd.)

₹ Lakh

<b>Aggregate amount of impairment in value of investments</b>	-	-
<b>Current</b>	<b>64,595</b>	<b>1,215</b>
<b>Non-current</b>	<b>50,758</b>	<b>44,343</b>

\* less than a Lakh

# The Ordinary shares of Tunisian Indian Fertilisers S.A., Tunisia (TIFERT) held by the Group have been pledged to secure the obligations of TIFERT to their lenders, except 8,04,848 shares.

\*\* Represents loan amounting ₹1,609 Lakh (2023: ₹1,609 Lakhs) to TIFERT which was compulsorily convertible to equity shares. Based on the terms of conversion, the said loan was due for conversion in June 2022 (originally extended by 2 years from June 2020). The Group is in discussion with TIFERT to further extend this time period for conversion. The fair value of this loan has been considered as ₹Nil as on March 31, 2023.

^During the year ended March 31, 2023, Andhra Pradesh Gas Power Corporation Limited (APGPCL) has closed its plant and laid off employees, pursuant to cancellation of allocation of natural gas. The Company had accordingly fair valued its investment in APGPCL at Nil (March 31, 2023: Nil).

^^Subsequent to the balance sheet, the Board of Directors of the Holding Company approved the sale of 50% of their holdings in Indian Potash Limited.

## Note 9 - Trade Receivables

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Secured, considered good	11,692	4,410
Unsecured, considered good*	1,73,469	78,891
Less: Allowance for expected credit loss	(1,701)	(2,106)
<b>Total Considered good</b>	<b>1,83,460</b>	<b>81,195</b>
Unsecured, considered doubtful	13,604	15,547
Less: Allowance for credit loss	(13,604)	(15,547)
	<b>1,83,460</b>	<b>81,195</b>
<b>Current</b>	<b>1,83,460</b>	<b>81,195</b>
<b>Non-current</b>	-	-

\* Amount due from private companies in which the Holding Company's directors are directors as on March 31, 2024 is ₹54 Lakh (March 31, 2023: ₹11 Lakh)

The trade receivables of the Group do not contain a significant financing component (also refer note 50.5) and accordingly, the Group has adopted the simplified approach under Ind AS 109 for recognition of impairment losses on trade receivables. Consequently, the disclosure of trade receivables into "Trade receivables which have significant increase in credit risk" and "Trade receivables which are credit impaired" has not been given since it is not relevant to the Group.

The credit period on sales of goods ranges from 3 to 180 days.

The Group uses other publicly available financial information and its own trading records before accepting any customer. The Group's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Also refer note 50.5.

The concentration of risk with respect to trade receivables is reasonably low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets. No single customer constitutes more than 5% balance of the total trade receivables as of the Balance Sheet date.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 9 - Trade Receivables (Contd.)

Refer note 52.6 for receivable from related parties.

₹ Lakh

Particulars	Unbilled	Not Due	Outstanding for the following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>As at March 31, 2024</b>								
(i) Undisputed - Considered Good	-	1,47,781	36,542	740	65	12	21	1,85,161
(ii) Disputed - Considered Good	-	-	-	-	-	-	-	-
(iii) Undisputed - Doubtful	-	14	62	115	506	683	4,857	6,237
(iv) Disputed - Doubtful	-	-	-	35	103	210	7,019	7,367
<b>As at March 31, 2023</b>								
(i) Undisputed - Considered Good	-	60,467	21,887	585	84	19	215	83,257
(ii) Disputed - Considered Good	-	-	1	1	24	18	-	44
(iii) Undisputed - Doubtful	-	57	254	469	855	871	4,570	7,076
(iv) Disputed - Doubtful	-	-	1	20	116	650	7,684	8,471

## Note 10 - Loans

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Loan Receivables considered good - Unsecured		
i. Inter-corporate deposits*	-	1,64,000
ii. Others	7,507	5,752
<b>Total</b>	<b>7,507</b>	<b>1,69,752</b>

\* Inter-corporate deposits for the previous year include deposits placed with financial institution (HDFC Limited) yielding fixed interest rate. For the current year, these balances have been included in bank balances other than cash and cash equivalents.

**Note:** There are no loans or advances granted to Promoters, Directors, KMPs or related parties that are repayable on demand or without specifying any terms or period of repayment.

<b>Current</b>	-	<b>72,000</b>
<b>Non-current</b>	<b>7,507</b>	<b>97,752</b>

## Note 11 - Other Financial Assets

₹ Lakh

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>At Amortised Cost</b>				
(a) Security deposits	645	717	242	168
(b) Interest receivable*		9	13,067	2,971
(c) Advances from related parties	-	-	-	1
(d) Insurance claims	-	-	724	696
(e) Funds available with commodity exchange brokers	-	-	450	13,293
(f) Advance recoverable in cash	-	-		
(i) Unsecured and considered good	74	42	53	130
(ii) Considered doubtful	-	47	-	-
Less: Provision for doubtful advances	-	(47)	-	-
(g) Other receivable	9	-	-	45

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 11 - Other Financial Assets (Contd.)

₹ Lakh

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>At Fair Value through Profit and Loss</b>				
<b>i) Not designated as hedges</b>				
(a) Mark to Market gain on forward contracts	-	-	900	335
<b>ii) Designated as hedges</b>				
(a) Mark to Market gain on forward contracts	-	-	-	72
<b>Total</b>	<b>728</b>	<b>768</b>	<b>15,436</b>	<b>17,711</b>

\*Includes interest subsidy receivable of ₹911 Lakh (March 31, 2023: ₹523 Lakh)

## Note 12 - Other Assets

₹ Lakh

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(a) Deposit	4,660	3,840	-	-
(b) Capital Advances	3,202	10,600	-	-
(c) Balance with Government Authorities	1,063	1,492	80,301	47,998
(d) Advance recoverable in kind				
(i) Unsecured and Considered Good	267	1,316	48,029	34,596
(ii) Considered Doubtful	2,374	2,303	373	641
Less: Provision for Doubtful Advances	(2,374)	(2,303)	(373)	(641)
(e) Others	680	412	1,083	682
<b>Total</b>	<b>9,872</b>	<b>17,660</b>	<b>1,29,413</b>	<b>83,276</b>

## Note 13 - Inventories

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(At lower of cost and net realisable value)</b>		
(a) Raw materials	1,98,805	1,62,779
(b) Raw materials in transit	62,032	81,426
(c) Work-in-progress	26,726	18,926
(d) Finished goods	3,40,665	3,00,782
(e) By products	12,763	7,276
(f) Stock-in-trade (goods acquired for trading)	34,210	30,170
(g) Stores and spares and packing materials	19,636	18,130
<b>Total</b>	<b>6,94,837</b>	<b>6,19,489</b>

The cost of inventories recognised as an expense during the year was ₹2,264,655 Lakh (2022-23: ₹2,791,138 Lakh). The cost of inventories recognised as an expense includes ₹3,738 Lakh (2022-23: ₹446 Lakh) in respect of write-downs of inventory to net realisable value, and has been reduced by ₹Nil (2022-23: ₹1,901 Lakh) in respect of reversal of such write downs. Finished goods includes goods in transit to the extent of ₹66 Lakh (2022-23: ₹502 Lakh).

The mode of valuation of inventories has been stated in note 1A.7.

Refer note 22 for inventories pledged.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 14 - Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Balances with banks		
(i) In Current account	14,702	10,438
(ii) In EEFC account	3,102	2,683
(iii) In Deposit account having maturity of less than 3 months	99,563	1,30,798
(b) Cash on hand	76	40
<b>Total</b>	<b>1,17,443</b>	<b>1,43,959</b>

## Note 15 - Other bank balances

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Balances with banks in earmarked accounts		
- In Unpaid Dividend account	1,814	2,637
- In Deposit accounts with original maturity period of more than three months and less than twelve months (refer note 1 below)	1,68,194	26
- In Margin Money accounts towards Bank Guarantee	527	15
Others (refer note 1 below)	3,696	-
<b>Total</b>	<b>1,74,231</b>	<b>2,678</b>

### Note:

1. Amounts include balance in Coromandel ESOP Trust account and unspent CSR account.

## Note 16 - Assets classified as held for sale

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Investment in Algavista Greentech Private Limited (refer note a below)	402	-
	<b>402</b>	<b>-</b>

- a. The Board of Directors of the Holding Company in their meeting held on March 15, 2024 have approved the sale of Investment in the Joint Venture, Algavista Greentech Private Limited. The Holding Company is in process of identifying potential buyers. The directors of the Holding Company expect that the fair value less cost to sell will be higher than the aggregate carrying amount of the related assets, based on Valuation Reports of the assets obtained. Therefore, no impairment loss were recognised on reclassification of the Investments as held for sale as at March 31, 2024.

## Note 17 - Income tax asset (Net)

₹ Lakh

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Tax refund receivable	6,686	5,118	1,844	-
<b>Total</b>	<b>6,686</b>	<b>5,118</b>	<b>1,844</b>	<b>-</b>

## Current tax liabilities (Net)

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Income Tax payable	57	5,718
<b>Total</b>	<b>57</b>	<b>5,718</b>

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 18 - Equity Share Capital

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>AUTHORISED:</b>		
Equity Shares:		
2,34,40,00,000 Equity Shares of ₹1 each (2023 - 2,34,40,00,000)	23,440	23,440
Preference Shares:		
2,03,10,000 Redeemable Preference shares of ₹100 each (2023 - 2,03,10,000)	20,310	20,310
<b>ISSUED, SUBSCRIBED AND FULLY PAID UP</b>		
17,75,17,591 Equity Shares of ₹1 each (2023 - 17,75,17,591)	1,775	1,775
<b>Total</b>	<b>1,775</b>	<b>1,775</b>

### 18.1 Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period.

Particulars	2023-24		2022-23	
	No of Shares	₹ Lakh	No of Shares	₹ Lakh
<b>Equity Shares of ₹1 each fully paid up</b>				
At the beginning of the period	17,75,17,591	1,775	17,73,86,525	1,774
Allotment of shares on exercise of Employee Stock Option (refer note 44)	-	-	1,31,066	1
At the end of the period	<b>17,75,17,591</b>	<b>1,775</b>	<b>17,75,17,591</b>	<b>1,775</b>

### 18.2 Details of shares held by each shareholder holding more than 5 percent of equity shares in the company:

Name of the Shareholder	No of shares held as at			
	March 31, 2024		March 31, 2023	
	Nos.	%	Nos.	%
Ambadi Investments Limited	6,80,58,444	38.34	6,80,58,444	38.34

### 18.3 Terms attached to Equity Shares:

The Holding company has one class of equity share having a par value of ₹1 per share. Each holder of equity share is entitled to one vote per share. The dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

Share options granted under the Holding company's employee share option plan carry no rights to dividends and no voting rights.

### 18.4 Dividend

The Holding Company declared interim dividend of ₹4 per share on November 08, 2023 (total dividend ₹7,101 Lakh) which was paid in December 2023 to the holders of fully paid equity shares. The Holding Company declared a second interim dividend for the year 2022-23 of ₹4 per share on April 10, 2023 (total dividend ₹7,101 Lakh) which was paid in May 2023.

**18.5** Refer note 44 for the shares reserved for issue under Employee stock option plans.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 18 - Equity Share Capital (Contd.)

### 18.6 Details of shares held by promoters at the end of the year:

S. No	Promoter Name	No of shares held as at				% Change during the year
		March 31, 2024		March 31, 2023		
		Nos.	%	Nos.	%	
1	Ambadi Investments Limited	6,80,58,444	38.34	6,80,58,444	38.34	-
2	Ambadi Enterprises Limited	-	-	40,30,000	2.27	(2.27)
3	Shambho Trust (M V Subbiah & S Vellayan hold shares on behalf of the Trust)	5,85,482	0.34	5,85,482	0.34	-
4	Arun Alagappan	4,08,820	0.23	4,08,820	0.23	-
5	Valli Arunachalam	3,71,055	0.21	3,71,055	0.21	-
6	Vellachi Murugappan	3,70,965	0.21	3,70,965	0.21	-
7	Arun Venkatachalam	3,48,540	0.20	3,48,540	0.20	-
8	A Vellayan	3,44,540	0.19	3,44,540	0.19	-
9	A A Alagammai (A A Alagammai & Lakshmi Ramaswamy hold shares on behalf of The Lakshmi Ramaswamy Family Trust)	3,23,700	0.18	3,23,700	0.18	-
10	A Venkatachalam	3,20,220	0.18	3,20,220	0.18	-
11	M A M Arunachalam	4,11,008	0.23	3,16,000	0.18	0.05
12	M V Ar Meenakshi	2,75,920	0.16	2,75,920	0.16	-
13	A M Meyyammai	23,752	0.01	2,37,520	0.13	(0.12)
14	V Narayanan	2,35,610	0.13	2,35,610	0.13	-
15	V Arunachalam	2,20,320	0.12	2,20,320	0.12	-
16	M.A. Alagappan	2,10,000	0.12	2,10,000	0.12	-
17	Meyyammai Venkatachalam	2,04,420	0.12	2,04,420	0.12	-
18	M M Murugappan (M M Murugappan & Meenakshi Murugappan hold shares on behalf of M M Veerappan Family Trust)	2,00,610	0.11	2,00,610	0.11	-
19	M M Murugappan (M M Murugappan & M M Muthiah hold shares on behalf of M M Muthiah Family Trust)	1,92,610	0.11	1,92,610	0.11	-
20	Saraswathi Trust (M V Subbiah, S Vellayan And M V Seetha Subbiah hold shares on behalf of the Trust)	1,52,898	0.09	1,52,898	0.09	-
21	Sigapi Arunachalam	1,75,950	0.10	1,75,950	0.10	-
22	M A Alagappan Holdings Private Limited	1,10,500	0.06	1,70,500	0.10	(0.04)
23	M A Murugappan Holdings LLP (Formerly M A Murugappan Holdings Private Limited)	1,70,500	0.10	1,70,500	0.10	-
24	Meenakshi Murugappan Fly Trust (M M Murugappan & Meenakshi Murugappan hold shares on behalf of the Trust)	1,50,000	0.08	1,50,000	0.08	-
25	M M Venkatachalam (M M Venkatachalam & M V Muthiah hold shares on behalf of M V Muthiah Family Trust)	1,33,928	0.08	1,33,928	0.08	-
26	M M Venkatachalam (M M Venkatachalam & M V Subramanian hold shares on behalf of M V Subramanian Family Trust)	1,33,928	0.08	1,33,928	0.08	-
27	Lakshmi Venkatachalam Fly Trust (M M Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of the Trust)	1,32,817	0.07	1,32,817	0.07	-



## Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

### Note 18 - Equity Share Capital (Contd.)

S. No	Promoter Name	No of shares held as at				% Change during the year
		March 31, 2024		March 31, 2023		
		Nos.	%	Nos.	%	
28	M M Venkatachalam Fly Trust (M M Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of the Trust)	1,32,817	0.07	1,32,817	0.07	-
29	Ar Lakshmi Achi Trust	95,430	0.05	95,430	0.05	-
30	Valli Annamalai	53,000	0.03	53,000	0.03	-
31	M A M Arunachalam (MAM Arunachalam & Sigappi Arunachalam hold shares on behalf of Arun Murugappan Children's Trust)	42,000	0.02	42,000	0.02	-
32	Arun Alagappan (Arun Alagappan & AA Alagammai hold shares on behalf of MA Alagappan Grand Children Trust)	42,000	0.02	42,000	0.02	-
33	M M Murugappan	27,670	0.02	27,670	0.02	-
34	M M Murugappan Fly Trust (M M Murugappan & Meenakshi Murugappan hold shares on behalf of the Trust)	25,000	0.01	25,000	0.01	-
35	Lalitha Vellayan	22,210	0.01	22,210	0.01	-
36	M M Murugappan HUF (Karta - M M Murugappan)	20,000	0.01	20,000	0.01	-
37	Umayal.R	17,250	0.01	17,250	0.01	-
38	Murugappa & Sons (M.V. Subbiah, M A Alagappan & M M Murugappan hold shares on behalf of the Firm)	-	-	17,010	0.01	(0.01)
39	Pranav Alagappan	15,950	0.01	15,950	0.01	-
40	A M M Vellayan Sons Private Limited	15,500	0.01	15,500	0.01	-
41	Kadamane Estates Company (shares held by M.A.Alagappan in the capacity of Partner in the Firm)	13,640	0.01	13,640	0.01	-
42	Valliammai Murugappan	12,100	0.01	12,100	0.01	-
43	Solachi Ramanathan	11,100	0.01	11,100	0.01	-
44	Dhruv M Arunachalam	11,000	0.01	11,000	0.01	-
45	M V Murugappan HUF (Karta - Valli Arunachalam)	6,200	-	6,200	-	-
46	M V Subbiah (in the capacity of Karta in HUF)	6,000	-	6,000	-	-
47	Lakshmi Chocka Lingam	1,21,960	0.07	3,200	-	0.07
48	V Vasantha	2,850	-	2,850	-	-
49	A V Nagalakshmi	2,796	-	2,796	-	-
50	A.Keertika Unnamalai	2,000	-	2,000	-	-
51	Uma Ramanathan	1,000	-	1,000	-	-
52	Carborundum Universal Limited	1,000	-	1,000	-	-
53	Sigapi Arunachalam (MAM Arunachalam & AM Meyyammai hold shares on behalf of Murugappan Arunachalam Children Trust)	1,000	-	1,000	-	-
54	Valli Alagappan	500	-	-	-	-
55	M.M.Muthiah Sons Private Limited	280	-	280	-	-
	<b>Total</b>	<b>7,49,68,790</b>	<b>42.23</b>	<b>7,90,75,300</b>	<b>44.55</b>	<b>(2.32)</b>

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 19 - Other equity

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Capital redemption reserve	4,843	4,844
Capital reserve on amalgamation	688	688
Securities premium reserve	51,458	50,197
Treasury Shares	(1,401)	-
Capital reserve	6,066	6,066
Capital reserve on consolidation	6,226	6,226
Central subsidy	7	7
Foreign currency translation reserve	2,055	2,453
Effective portion of cash flow hedges	(1,698)	(14,176)
Reserve for equity instruments through other comprehensive income	14,381	4,274
General reserve	2,44,029	2,44,216
Share options outstanding reserve	1,709	1,217
Statutory reserve	37	37
Retained earnings	3,75,650	3,00,660
	<b>7,04,050</b>	<b>6,06,709</b>

## RESERVES AND SURPLUS:

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>(a) Capital Redemption Reserve</b>		
Opening balance	4,844	4,845
Less: Reduction in control percentage without loss of control	(1)	(1)
<b>Closing balance</b>	<b>4,843</b>	<b>4,844</b>
The capital redemption reserve is created out of the statutory requirement to create such reserve on buyback of shares. These are not available for distribution of dividend and will not be reclassified subsequently to profit or loss.		
<b>(b) Capital Reserve on Amalgamation</b>	<b>688</b>	<b>688</b>
Capital reserve on amalgamation is created pursuant to Scheme of Amalgamation with Parrys Sugar Industries Limited (merged with Parry Infrastructure Company Private Limited with effect from October 10, 2023)		
<b>(c) Securities Premium Account</b>		
Opening balance	50,197	48,202
Add: Addition during the period	1,277	2,013
Less: Reduction in control percentage without loss of control	(16)	(18)
<b>Closing balance</b>	<b>51,458</b>	<b>50,197</b>
Securities premium is used to record the premium on issue of shares and the Holding Company's share of premium arising from shares issued at premium to non-controlling interest, where the subscription by Holding Company and non-controlling interest is not in proportion to their existing shareholding. The reserve is utilised in accordance with the provisions of the act.		
<b>(d) Treasury Shares</b>		
Opening balance	-	-
Add: Purchase of Treasury Shares	(1,401)	-
<b>Closing balance</b>	<b>(1,401)</b>	<b>-</b>
CIL, a subsidiary of the Holding Company has constituted "Coromandel ESOP Trust" (Trust), to grant, offer and issue options to the employees of the Group. During the year, the Trust has acquired 230,000 equity shares from the secondary market based on the advance received from CIL. The Group has treated the Trust as its direct extension, such that the assets and liabilities of the Trust are included in the consolidated financial statements and the shares acquired/held by the Trust are classified as "Treasury Shares".		

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 19 - Other equity (Contd.)

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>(e) Capital reserve</b>		
Opening balance	6,066	6,067
Less: Reduction in control percentage without loss of control	*	(1)
<b>Closing balance</b>	<b>6,066</b>	<b>6,066</b>
Pertains to Capital Reserve arising on account of scheme of arrangement.		
<b>(f) Capital Reserve on consolidation</b>	<b>6,226</b>	<b>6,226</b>
Capital reserve on consolidation pertains to amount arising on account of excess of net assets of acquiree over the purchase consideration on date of acquisition of control.		
<b>(g) Central subsidy</b>	<b>7</b>	<b>7</b>
<b>(h) Foreign currency translation Reserve</b>		
Opening balance	2,453	4,677
Add: Other comprehensive loss for the year, net of income tax	(393)	(2,218)
Less: Reduction in control percentage without loss of control	(5)	(6)
<b>Closing balance</b>	<b>2,055</b>	<b>2,453</b>
Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency i.e. Indian Rupee (₹) are recognised directly and accumulated in the foreign currency translation reserve. These balances are reclassified to profit or loss on the disposal of the foreign operations.		
<b>(i) Effective portion of cash flow hedges</b>		
Opening balance	(14,176)	(11,867)
Changes in fair value of hedging instruments	(34,615)	(30,066)
Reclassification to profit or loss	40,969	36,615
Effect of translation from functional to presentation currency	(446)	(958)
Adjusted against the carrying value of inventory	6,632	(7,745)
Other movements during the year	(62)	(155)
Less: Reduction in control percentage without loss of control	*	*
<b>Closing balance</b>	<b>(1,698)</b>	<b>(14,176)</b>
The cash flow hedging reserve is used to recognize the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are subsequently either transferred to the initial cost of non financial hedged item or reclassified to statement of profit and loss, as appropriate.		
<b>(j) Reserve for equity instruments through other comprehensive income</b>		
Opening balance	4,274	10,695
Add: Other comprehensive income/(loss) for the year, net of income tax	10,081	(6,441)
Add: Reduction in control percentage without loss of control	26	20
<b>Closing balance</b>	<b>14,381</b>	<b>4,274</b>
This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to Retained Earnings when those assets have been disposed off.		

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 19 - Other equity (Contd.)

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>(k) General reserve</b>		
Opening balance	2,44,216	2,44,483
Add: Addition during the year	24	-
Add: Reduction in control percentage without loss of control	(211)	(267)
<b>Closing balance</b>	<b>2,44,029</b>	<b>2,44,216</b>
The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss except to the extent permitted as per Companies Act, 2013 and rules made thereunder.		
<b>(l) ESOP reserve</b>		
Opening balance	1,217	902
Add: Addition during the year	861	842
Less: Transfer to other reserves	(368)	(526)
Less: Reduction in control percentage without loss of control	(1)	(1)
<b>Closing balance</b>	<b>1,709</b>	<b>1,217</b>
The above reserve relates to share options granted by the companies in the Group to its employees under its employee share option plan. Further information about share based payments to employees is set out in note 44.		
<b>(m) Statutory reserve</b>		
Opening Balance	37	35
Add: Transfer from/(to) other reserves	-	2
<b>Closing balance</b>	<b>37</b>	<b>37</b>
Statutory Reserve represents reserve pertaining to 20% of profits as per RBI requirements for Parry Investments Limited (merged with Parry Infrastructure Company Private Limited with effect from October 10, 2023), arising out of merger.		
<b>(n) Retained Earnings</b>		
Opening Balance	3,00,660	2,15,840
Profit for the year	89,967	94,748
Remeasurement of defined benefit plans (net of tax)	(358)	(340)
	<b>3,90,269</b>	<b>3,10,248</b>
Less: Appropriations		
On account of reduction in control percentage without loss of control	417	349
Dividend on Equity Shares	14,202	9,761
Transfer to General Reserve and Statutory reserve	-	2
Others	-	(524)
<b>Closing Balance</b>	<b>3,75,650</b>	<b>3,00,660</b>
The amount that can be distributed by the Group as dividend to its equity shareholders is determined based on the financial position and dividend policy of the Group and in compliance with the applicable statutes. Thus, the amounts reported above are not distributable in entirety.		
<b>Total Other Equity</b>	<b>7,04,050</b>	<b>6,06,709</b>

\*Less than a Lakh

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 20 - Non-controlling interests

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at beginning of year	3,45,415	2,77,413
Share of profit and other comprehensive income for the year	74,312	81,582
Dividend paid including dividend tax	(7,735)	(15,409)
Add: Transfer to non-controlling interest on account of change in holding percentage	625	622
Other increase on account of change in reserve	2,758	1,207
<b>Balance at end of the year</b>	<b>4,15,375</b>	<b>3,45,415</b>

### Details of non-wholly owned subsidiaries that have material non-controlling interests.

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of the subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests as at	
		March 31, 2024	March 31, 2023
Coromandel International Limited	India	43.81%	43.73%

Name of the subsidiary	Place of incorporation and principal place of business	Accumulated non-controlling interests as at	
		March 31, 2024	March 31, 2023
Coromandel International Limited	India	4,15,375	3,45,415

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

₹ Lakh

Particulars	Coromandel International Limited	
	As at March 31, 2024	As at March 31, 2023
Non-current assets	3,72,846	3,99,119
Current assets	12,12,303	10,24,361
Non-current liabilities	54,112	47,052
Current liabilities	5,86,355	5,85,649
Equity attributable to owners of the Company	5,26,615	4,45,364
Non-controlling interests	4,15,375	3,45,415

₹ Lakh

Particulars	Coromandel International Limited	
	Year ended March 31, 2024	Year ended March 31, 2023
Total income	22,28,975	29,79,903
Total expenses	20,07,477	27,07,370
Share of loss of joint ventures and associate	(2,653)	(2,449)
<b>Profit for the year</b>	<b>1,64,064</b>	<b>2,01,293</b>
Profit attributable to owners of the Company	92,274	1,13,267
Profit attributable to non-controlling interests	71,790	88,026

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 20 - Non-controlling interests (Contd.)

₹ Lakh

Particulars	Coromandel International Limited	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Other comprehensive income for the year</b>	<b>4,858</b>	<b>(13,837)</b>
Other comprehensive income attributable to owners of the Company	2,336	(7,393)
Other comprehensive income attributable to non-controlling interests	2,522	(6,444)
<b>Total comprehensive income for the year</b>	<b>1,68,922</b>	<b>1,87,456</b>
Total comprehensive income attributable to owners of the Company	94,610	1,05,874
Total comprehensive income attributable to non-controlling interests	74,312	81,582
Dividends paid to non-controlling interests	(7,735)	(15,409)
Net cash inflow from operating activities	1,42,769	59,097
Net cash inflow/(outflow) from investing activities	(1,33,428)	63,904
Net cash outflow from financing activities	(36,321)	(54,305)
<b>Net cash inflow/(outflow)</b>	<b>(26,980)</b>	<b>68,696</b>

### Note:

- The figures given above are based on the consolidated financials of Coromandel International Limited along with its subsidiaries, joint venture and associates.

## Note 21 - Non-current Borrowings

₹ Lakh

Particulars	Non-Current		Current Maturities	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Unsecured - at amortised cost</b>				
i). Deposits (refer note 21.1)	-	2,182	2,365	-
<b>Sub Total</b>	<b>-</b>	<b>2,182</b>	<b>2,365</b>	<b>-</b>
<b>Secured - at amortised cost</b>				
i). Term Loans				
- from banks (refer note 21.2)	20,394	8,904	6,589	4,450
<b>Sub Total</b>	<b>20,394</b>	<b>8,904</b>	<b>6,589</b>	<b>4,450</b>
<b>Total</b>	<b>20,394</b>	<b>11,086</b>	<b>8,954</b>	<b>4,450</b>

₹ Lakh

Particulars	March 31, 2024	March 31, 2023	Rate of interest	Security	Terms of repayment
a. State Bank of India - Sankili Ethanol Term Loan ₹17.33 Crore	252	686	6 Months MCLR+0.15%, Presently 8.60%	Secured by Pari-Passu first charge on fixed assets along with other term loan lenders, including mortgage over factory land and building (both present & future) across various locations	One year moratorium of repayment. Repayable in 48 equal Monthly installments.
b. HDFC Bank - Bagalkot EBP ₹68.12 Crore	1,703	3,405	3 M Repo rate with 3 monthly reset, Presently 9.10%	Secured by Pari passu first charge of movable fixed assets of the Company.	One year moratorium of repayment. Repayable in 4 equal annual installments.



## Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

Particulars	March 31, 2024	March 31, 2023	Rate of interest	Security	Terms of repayment
c. AXIS Sankili 120 KLPD Term Loan ₹92.50 Crore + ₹7.50 Crore	7,500	9,250	6.25% for ₹67.50 Crore and 8.25% for ₹7.50 Crore Fixed Interest Rate	First Pari Passu Charge on movable fixed assets of the Company with security cover of 1.25x.	One year moratorium of repayment. Repayable in 4 equal annual installments.
d. AXIS Haliyal 120 KLPD Term Loan ₹150 Crore	12,037	7	T Bill plus spread, 3 Monthly Reset. Presently 7.95%.	First pari passu charge on the movable fixed assets of the company with security cover of 1.25x.	I Year - 5% II Year - 10% III Year - 20% IV Year - 30% V Year - 35%
e. AXIS Nellikuppam 45 KLPD Term Loan ₹87 Crore	5,491	6	T Bill plus spread, 3 Monthly Reset. Presently 7.98%.	First pari passu charge on the movable fixed assets of the company with security cover of 1.25x.	I Year - 5% II Year - 15% III Year - 20% IV Year - 25% V Year - 35%
f. TNPL Deposit	2,365	2,182	Interest Free	Unsecured.	Repayable in December 2024.
<b>Total</b>	<b>29,348</b>	<b>15,536</b>			

### Notes:

- There are no breach of loan agreement and loan covenants.
- The Group has not utilised any borrowings for purposes other than the specific purpose for which the loans were obtained.

### Note 22 - Short Term Borrowings

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured - at amortised cost (refer note 22.1)</b>		
a. Loan repayable on demand		
- from banks	18,850	11,350
- from others	2,468	-
<b>Secured - at amortised cost</b>		
a. Current maturities of long term borrowings	6,589	4,450
b. Loans		
- from banks (refer note 22.2)	78,147	92,220
	<b>1,06,054</b>	<b>1,08,020</b>

**22.1** Unsecured loans repayable on demand comprises of Working Capital Demand Loan (WCDL) loan from bank and purchase tax deferment loan.

**22.2** Secured loan of the Holding company comprised of WCDL Loan from bank and cash credit by way of hypothecation of stocks and receivables and current assets of the Holding Company. Cash credit facilities of US Nutraceuticals Inc. (USN) are secured by substantially all the assets of USN. Packing credit facility of PSRIPL is secured by first pari passu charge on all current asset as well as second pari passu charge on all movable fixed assets of PSRIPL. Cash credit facilities of CIL are primarily secured on the current assets supplemented by the second charge on movable properties of CIL.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 22 - Short Term Borrowings (Contd.)

22.3 Net debt reconciliation for the year\*

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
i. Opening net debt	(23,039)	6,112
ii. Proceeds from long term borrowings	19,187	7,433
iii. Repayment of long term borrowings	(5,553)	(2,357)
iv. Net increase/(decrease) in working capital borrowing	(6,678)	30,884
v. Interest expense (excluding interest on lease liability)	25,465	25,848
vi. Interest reimbursement by the government	(802)	(423)
vii. Interest paid	(25,369)	(25,112)
viii. (Increase)/decrease in cash equivalents	26,510	(65,981)
ix. Effect of change in foreign exchange rates	6	(161)
x. Non cash items and others	110	718
<b>Closing net debt</b>	<b>9,837</b>	<b>(23,039)</b>

\* Reconciliation excludes lease liability (refer note 2A)

## Note 23 - Trade Payables

₹ Lakh

Particulars	Current	
	As at March 31, 2024	As at March 31, 2023
Acceptances	5,05,794	4,05,260
Other than Acceptances:		
Outstanding dues of micro enterprises and small enterprises*	3,968	2,647
Outstanding dues of creditors other than micro enterprises and small enterprises	2,47,645	2,35,282
Employee related payables	2,362	2,456
<b>Total</b>	<b>7,59,769</b>	<b>6,45,645</b>

\*Dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 which is on the basis of such parties having been identified by the management and relied upon by the auditors. (refer note 49)

₹ Lakh

Particulars	Unbilled	Not Due	Outstanding for the following periods from the due date				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>As at March 31, 2024</b>							
(i) MSME - Undisputed	-	3,475	489	2	2	-	3,968
(ii) Others - Undisputed	85,219	4,38,102	2,25,140	3,337	1,292	2,702	7,55,792
(iii) MSME - Disputed	-	-	-	-	-	-	-
(iv) Others - Disputed	-	8	-	-	-	1	9
<b>As at March 31, 2023</b>							
(i) MSME - Undisputed	-	2,411	228	8	-	-	2,647
(ii) Others - Undisputed	84,721	3,76,804	1,73,205	2,902	1,122	4,150	6,42,904
(iii) MSME - Disputed	-	-	-	-	-	-	-
(iv) Others - Disputed	-	-	-	-	27	67	94

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 24 - Other financial liabilities

₹ Lakh

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>At amortised cost</b>				
(a) Interest accrued but not due on borrowings and acceptance	-	-	218	901
(b) Interest accrued but not due on others	-	-	1,525	1,436
(c) Unclaimed dividends (refer note 24.1 and 24.2)	-	-	1,814	2,637
(d) Security deposit	1,643	1,898	21,012	19,546
(e) Other Liabilities				
- Due to Directors	-	-	84	81
- Capital Creditors				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	995	182
(ii) Total outstanding dues of capital creditors other than micro enterprises and small enterprises	-	-	2,919	2,761
- Provision for Demurrages			885	9,763
- Others	-	-	8,033	4,657
<b>Financial liabilities mandatorily measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVTOCI)</b>				
- Foreign currency forward contracts	-	-	397	2,653
- Commodity futures (refer note 24.3)	-	-	4,002	15,746
- Currency and interest rate swaps	-	-	1,139	1,833
- Derivative designated in hedge accounting relationship	-	-	35	51
<b>Total</b>	<b>1,643</b>	<b>1,898</b>	<b>43,058</b>	<b>62,247</b>

**24.1** These amounts represent warrants issued to the Shareholders which remained unrepresented as on March 31, 2024 and March 31, 2023 respectively.

**24.2** During the year, ₹294 Lakh (March 31, 2023 - ₹313 Lakh) was transferred to the Investor Education and Protection Fund. Further there was an amount of ₹44 Lakh due to be transferred to Investor Education and Protection Fund as on March 31, 2024 which was transferred subsequent to the Balance Sheet date.

**24.3** Commodity futures includes marked to market liability on commodity contracts designated as hedges amounting to ₹3,980 Lakh of PSRIPL (2022-23: ₹12,872 Lakh).

## Note 25 - Other liabilities

₹ Lakh

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
a. Statutory remittances (Contributions to PF and ESIC, Withholding Taxes and Indirect Taxes)	-	-	4,678	4,578
b. Advances and Deposits from Customers and Others	17	38	11,871	13,975
c. Deferred revenue arising from interest free deposit and Government grant	-	136	203	182
<b>Total</b>	<b>17</b>	<b>174</b>	<b>16,752</b>	<b>18,735</b>

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 26 - Provisions

₹ Lakh

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits*	3,259	2,798	3,964	3,627
Provision for decommissioning liability#	102	90	-	-
<b>Total</b>	<b>3,361</b>	<b>2,888</b>	<b>3,964</b>	<b>3,627</b>

\*The provision for employee benefits includes gratuity, annual leave and vested long service leave entitlements accrued and compensation claims made by employees.

# Movement represents unwinding of interest.

## Note 27 - Revenue from operations

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Sale of Products	21,19,460	20,68,148
(b) Government subsidy	8,18,165	14,50,334
(c) Other operating revenues		
- Revenue from commodity trading	(2,550)	959
- Scrap sales	511	579
- Service Income	1,187	360
- Others	4,538	4,000
<b>Total</b>	<b>29,41,311</b>	<b>35,24,380</b>

27.1 For details of disaggregated revenue refer note 41.

## Note 28 - Other Income

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Interest income earned on financial assets and others that are not designated as fair value through profit or loss		
On asset at amortised cost	19,816	16,416
(b) Dividend Income	107	86
(c) Other gains or losses		
- Profit on sale and scrap of fixed assets (Net)	2,536	1,172
- Net gain arising on financial assets at FVTPL	1,467	605
- Net gain/(loss) arising on derivatives at FVTPL	986	(1,053)
- Net loss on foreign currency transaction and translation	(3,741)	(16,395)
- Net gain on modification of lease	2	93
(d) Other non-operating income		
- Operating lease rental from investment property	1,720	1,587
- Services	223	368
- Insurance claim received	2,844	12
- Government grant income (refer note 28.1)	802	423
- Liabilities/Provisions no longer required written back	3,096	608
- Others	523	-
<b>Total</b>	<b>30,381</b>	<b>3,922</b>

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

**28.1** The Government grant income represents subvention interest benefit on below market interest rate loans and interest income (Pursuant to Notification no. 1(10)/2018-SP-I).

## Note 29A - Cost of materials consumed

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cost of materials consumed	19,92,409	24,15,373
	<b>19,92,409</b>	<b>24,15,373</b>

## Note 29B - Changes in Inventories of finished goods, by products, work-in-progress and stock in trade

₹ Lakh

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
<b>Opening Stock:</b>				
Work-in-progress	18,926		20,050	
Finished goods	3,00,782		2,15,746	
By products	7,276		7,555	
Stock-in-trade	30,170	3,57,154	14,419	2,57,770
Add: Stock acquired on acquisition		528		-
<b>Closing Stock:</b>				
Work-in-progress	26,726		18,926	
Finished goods	3,40,665		3,00,782	
By products	12,763		7,276	
Stock-in-trade	34,210	4,14,364	30,170	3,57,154
Foreign Currency Translation Reserve		(645)		(2,326)
<b>Increase</b>		<b>(56,037)</b>		<b>(97,058)</b>

## Note 30 - Employee Benefit expense

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Salaries, Wages and Bonus	77,665	72,279
(b) Contribution to Provident and Other Funds (refer note 42)	6,529	5,900
(c) Workmen, Staff Welfare Expenses and others	7,944	7,842
(d) Share-based payments to employees (refer note 44)	1,070	1,108
<b>Total</b>	<b>93,208</b>	<b>87,129</b>

The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

The Group has evaluated the impact of the Supreme Court Judgement in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and have concluded that there is no material impact to the Consolidated Ind AS Financial Statements.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 31 - Finance Cost

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Interest costs		
(a) Loans and others	22,085	23,300
(ii) Lease interest cost (refer note 2A)	4,078	3,972
(iii) Other borrowing costs	3,200	2,313
(iv) Unwinding of discounts on provisions	180	165
(v) Interest on shortfall of Advance Income Tax	-	70
	<b>29,543</b>	<b>29,820</b>

## Note 32 - Depreciation and Amortisation expense

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Depreciation/amortisation</b>		
a. Property, plant and equipment	36,090	32,659
b. Right-of-use assets	4,865	4,527
c. Investment property	46	20
d. Intangible assets	1,077	441
<b>Total</b>	<b>42,078</b>	<b>37,647</b>

## Note 33 - Other expenses

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Consumption of Stores, Spares and Consumables	24,580	29,496
(b) Power and Fuel	49,269	51,711
(c) Rent	3,028	2,789
(d) Repairs and Maintenance		
- Buildings	1,611	1,175
- Plant and Machinery	14,854	14,769
- Others	9,745	27,528
(e) Insurance	6,404	5,752
(f) Rates and Taxes	4,678	3,520
(g) Packing, Despatching and Freight ^	1,28,312	1,40,205
(h) Payment to Auditors	109	86
(i) Directors' Fees and Commission	127	137
(j) Sales Promotion and Publicity	8,075	6,706
(k) Professional Charges	4,481	4,628
(l) Provision for Doubtful Debts and Advances	188	849
(m) Bad Debts/Advances written off	134	325
(n) Safety expenses	1,747	1,489
(o) Stamp duty charges *	46	1,055
(p) Travel expenses	776	563
(q) Cane Development Expenditure	534	344
(r) Miscellaneous Expenses	58,594	46,099
(s) Corporate Social Responsibility expenditure	4,601	3,471
<b>Total</b>	<b>3,21,893</b>	<b>3,26,753</b>



## Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

\* Stamp Duty charges for the year ended March 31, 2023 represents ₹1,055 Lakh pertaining to Stamp Duty paid by the Holding Company under the Karnataka Stamp Act, 1957 arising out of the merger of subsidiaries in earlier years and in pursuance to the Order passed by the Hon'ble High Court of Karnataka.

^ Amount for the year ended March 31, 2023 includes ₹10,540 Lakh incurred by Parry Sugars Refinery India Private Limited (PSRIPL), a subsidiary of the Company, on account of delay in clearance of shipments consequent to accidents at PSRIPL's factory.

### 34. Deferred Taxes

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>34.1 Deferred Taxes Assets/(Liabilities) (net) arising from</b>		
Property, plant and equipment	(26,949)	(26,633)
Investments at FVTOCI	(9,013)	(5,172)
Tax losses	-	149
Provision for doubtful debts advances and others	11,123	10,423
<b>Net Deferred Tax Liabilities</b>	<b>(24,839)</b>	<b>(21,233)</b>
Deferred Tax Assets	612	-
Deferred Tax Liabilities	25,451	21,233
<b>Net Deferred Tax Liabilities</b>	<b>(24,839)</b>	<b>(21,233)</b>
<b>34.2 Unrecognised deductible temporary differences and unused tax losses</b>		
Deductible temporary differences and unused tax losses for which no deferred tax assets have been recognised are attributable to the following:		
- long-term capital loss*	454	-
- unused tax losses	94,806	91,423
<b>Total</b>	<b>95,260</b>	<b>91,423</b>

\* Long-term capital loss of ₹454 lakhs from Dare Ventures Limited, Subsidiary of CIL (2023: Nil).

### 35. Income Tax expense

₹ Lakh

Particulars	2023-24	2022-23
<b>35.1 Income tax recognised in profit or loss</b>		
Current tax	55,895	74,932
Deferred tax	(130)	(1,281)
<b>Total income tax expense recognised in the current year</b>	<b>55,765</b>	<b>73,651</b>

₹ Lakh

Particulars	2023-24	2022-23
<b>35.2 The income tax expense for the year can be reconciled to the accounting profit as follows:</b>		
<b>Profit before tax</b>	2,17,522	2,56,425
Income tax expense calculated at 25.17%	54,750	64,542
Effect of difference in tax rates of subsidiaries	(316)	45
Effect of concession	267	295
Effect of expenses that are not deductible in determining taxable profit	72	344
Effect of unused tax losses and tax offsets not recognised as deferred tax asset	1,574	8,426
Effect on deferred tax balance due to remeasurement	(575)	(9)
Others	(7)	8
<b>Income tax expense recognised in profit or loss</b>	<b>55,765</b>	<b>73,651</b>

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 35. Income Tax expense (Contd.)

The tax rate used for 2023-24 and 2022-23 is 25.17%, consequent to adopting the option under section 115BAA of the Income Tax Act, 1961.

₹ Lakh

Particulars	2023-24	2022-23
<b>35.3 Income tax recognised in other comprehensive income</b>		
<b>Deferred tax</b>		
Arising on income and expenses recognised in other comprehensive income:		
Net fair value gain on investments in equity shares at FVTOCI	(3,804)	373
Net gain on designated portion of hedging instruments in cash flow hedges	37	93
Remeasurement of defined benefit obligation	157	(188)
<b>Total income tax recognised in other comprehensive income</b>	<b>(3,610)</b>	<b>278</b>

## 36. Transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956:

Name of struck off company	Nature of transaction and relationship	Balance outstanding as at March 31, 2024	Balance outstanding as at March 31, 2023
Multitech System Industrial Automation Private Limited	Purchases - Vendor	*	-
Phoneview Digital Network (Opc) Pvt Ltd	Purchases - Vendor	*	-

\* Less than ₹1 Lakh

There are no transactions with struck off companies under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 other than the above.

## 37. Direct operating expenses arising from Investment property

₹ Lakh

Particulars	2023-24	2022-23
Direct operating expenses arising from investment property that generated rental income during the year	1,116	948
Direct operating expenses arising from investment property that did not generate rental income during the year	25	24
<b>Total</b>	<b>1,141</b>	<b>972</b>

## 38. Minimum lease receivables on investment properties where Group is a Lessor

₹ Lakh

Particulars	2023-24	2022-23
Within 1 year	1,424	1,647
<b>Total</b>	<b>1,424</b>	<b>1,647</b>

All the rental agreements are entered for a period less than 1 year.

## 39. Directors' Remuneration:

₹ Lakh

Particulars	2023-24	2022-23
<b>39.1 Whole time Director's remuneration:</b>		
Short-term benefits *	488	471
Post-employment benefits	62	53
<b>Total</b>	<b>550</b>	<b>524</b>

\* includes employee stock option perk

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 39. Directors' Remuneration: (Contd.)

**Note:** Managerial remuneration above does not include gratuity and leave encashment benefit, since the same is computed actuarially for all the employees and the amount attributable to the managerial person cannot be ascertained separately.

The remuneration paid to the Managing Director is in accordance with the provisions of Part II, Section II of Schedule V of the Companies Act, 2013.

### 39.2 Non Whole time Directors' remuneration:

₹ Lakh

Particulars	2023-24	2022-23
Commission to Non Whole Time Directors	82	82
Directors' sitting fees	45	55
<b>Total</b>	<b>127</b>	<b>137</b>

## 40. Amounts contributed to Triumph Electoral Trust

₹ Lakh

Particulars	2023-24	2022-23
	2,550	240

## 41. Segment Information

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided, and in respect of the following segments tabulated below. The directors of the Holding company have chosen to organise the Group around differences in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Group. Specifically, the Group's reportable segments under Ind AS 108 are as follows.

### Operating Segment:

Nutrient and allied business	Crop protection	Sugar	Co-generation	Distillery	Nutraceuticals	Others
------------------------------	-----------------	-------	---------------	------------	----------------	--------

### Geographical information:

The Group operates in the following principal geographical areas -

India (Country of domicile)	Outside India
-----------------------------	---------------

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

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

Sales to any individual customers is less than 10% of total sales.

Coromandel International Limited (CIL), a subsidiary of the Holding Company is currently awaiting clarity with respect to the guidelines and disclosures as per the new reasonable margin guidelines. Pending clarity, CIL has continued to disclose segment reporting as per requirements of the Act and accounting standards.

### Inter segment Transfer Pricing:

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

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 41. Segment Information (Contd.)

### 41.1. Segment Reporting

Operating Segments revenue and results:

₹ Lakh

	OPERATING SEGMENTS													
	Nutrient and allied business		Crop protection		Sugar*		Co-generation		Distillery		Nutraceuticals		Others	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Revenue from operations:</b>														
External customers	19,77,519	27,16,218	2,28,319	2,46,572	6,22,423	4,54,378	11,313	17,045	79,825	64,302	21,912	25,865	-	29,41,311
Inter-segmental sales	-	-	17,421	16,990	1,061	372	7,669	8,239	85	142	-	(26,236)	(25,743)	-
<b>Total</b>	<b>19,77,519</b>	<b>27,16,218</b>	<b>2,45,740</b>	<b>2,63,562</b>	<b>6,23,484</b>	<b>4,54,750</b>	<b>18,982</b>	<b>25,284</b>	<b>79,910</b>	<b>64,444</b>	<b>21,912</b>	<b>25,865</b>	<b>-</b>	<b>29,41,311</b>
<b>Results:</b>														
Operating profit/ (loss)	2,16,622	2,59,368	28,979	36,579	5,011	(1,575)	(7,466)	(1,770)	6,598	3,219	2,508	(6,269)	-	2,52,252
Interest income														19,816
Dividend income														107
Other unallocated expenses (net)														(22,317)
Finance costs														(29,543)
Exceptional Items														-
Share of profit of Associates														4,420
Share of profit of Joint Ventures														(2,578)
Profit before tax														(99)
Income tax														2,17,522
- Current														55,895
- Deferred														(130)
<b>Net profit after tax</b>														<b>1,61,757</b>
														<b>1,82,774</b>

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 41. Segment Information (Contd.)

₹ Lakh

	OPERATING SEGMENTS											
	Nutrient and allied business		Crop protection		Sugar*		Co-generation		Distillery		Nutraceuticals	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Other information:</b>												
Segment assets	10,34,597	8,83,093	1,76,649	2,03,100	3,68,257	3,01,720	25,456	24,993	77,870	50,667	27,165	17,13,845
Corporate assets												14,93,751
<b>Total assets</b>												4,35,455
Segment liabilities	5,70,878	5,37,416	47,805	72,266	2,45,382	2,07,475	2,332	2,302	5,593	2,495	11,030	8,33,112
Unallocated corporate liabilities												1,45,408
<b>Total liabilities</b>												9,08,37
Depreciation, amortisation and impairment expense	17,515	13,947	5,341	4,248	11,410	10,660	3,168	2,989	3,341	2,783	1,007	41,782
Unallocated Depreciation												296
<b>Total Depreciation</b>												37,393
												254
												42,078
												37,647

\*Sugar segment for the year ended March 31, 2024 includes non-sweetener related revenue of ₹607 Lakh (March 31, 2023: ₹ Nil).

## 41.2. Geographical information

Particulars	Outside India		India	
	2023-24	2022-23	2023-24	2022-23
Segment Revenue	5,64,736	4,26,252	23,76,575	30,98,128
Non-current asset	2,224	2,628	5,09,272	4,33,236

Non-current assets exclude those relating to goodwill, investments, deferred tax assets, income tax assets and non-current financial assets and other assets.

The geographical information relating to the group is provided to the extent the information is readily available in accordance with para 33 of Ind AS 108 on Operating Segment.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 41. Segment Information (Contd.)

### 41.3. Revenue from major products

₹ Lakh

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Phosphatic Fertilisers	8,60,750	9,57,658
Urea	57,780	78,137
Muriate of Potash	26,076	9,678
Single Super Phosphate	62,260	70,628
Others	1,53,185	1,51,312
Government subsidies	8,17,468	14,48,805
<b>Nutrient and other allied business</b>	<b>19,77,519</b>	<b>27,16,218</b>
Crop protection	2,45,740	2,63,562
Sugar	6,23,484	4,54,750
Co-generation	18,982	25,284
Distillery	79,910	64,444
Nutraceuticals	21,912	25,865
<b>Total</b>	<b>29,67,547</b>	<b>35,50,123</b>
Less: Inter-segment revenue	(26,236)	(25,743)
<b>Revenue from operations</b>	<b>29,41,311</b>	<b>35,24,380</b>

## 42. Employee benefit plans

### A. Defined contribution plans

The Group has recognised ₹5,525 Lakh (March 31, 2023: ₹4,948 Lakh) as expense in Statement of Profit or Loss towards defined contribution plans. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

### B. Defined benefit plans:

#### Gratuity -

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2024. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. The following table sets forth the status of the Gratuity Plan of the Group and the amount recognized in the Balance Sheet and Statement of Profit and Loss. The Group provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC) and ICICI.

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

**Interest Rate risk:** The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

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



# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 42. Employee benefit plans (Contd.)

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

₹ Lakh

Particulars	Gratuity (Funded)	
	2023-24	2022-23
<b>Present Value of obligations at the beginning of the year</b>	10,240	9,372
Current service cost	971	1,026
Interest Cost	713	618
Re-measurement (gains)/losses:		
- Actuarial gains and losses arising from change in financial assumption	165	(140)
- Actuarial gains and losses arising from experience adjustment	440	829
- Change in demographic assumption	1	-
Past service cost		
Benefits paid	(1,281)	(1,465)
<b>Present Value of obligations at the end of the year</b>	<b>11,249</b>	<b>10,240</b>
<b>Changes in the fair value of plan assets</b>		
Fair value of plan assets at beginning of year	9,337	8,953
Interest income	678	633
Return on plan assets	(40)	(38)
Contributions from the employer	1,525	1,254
Benefits paid	(1,282)	(1,465)
<b>Fair Value of plan assets at the end of the year</b>	<b>10,218</b>	<b>9,337</b>

₹ Lakh

Particulars	Gratuity (Funded)	
	2023-24	2022-23
<b>Amounts recognized in the Balance Sheet</b>		
Present value of obligation at the end of the year	11,249	10,240
Fair value of plan assets at end of the year	10,218	9,337
<b>Funded status of the plans – Liability recognised in the balance sheet</b>	<b>1,031</b>	<b>903</b>
<b>Components of defined benefit cost recognised in profit or loss</b>		
Current service cost	971	1,026
Net interest expense	35	(15)
Effect of assets not recorded as per Ind AS 19	-	8
<b>Net Cost in Profit or Loss</b>	<b>1,006</b>	<b>1,019</b>
<b>Components of defined benefit cost recognised in Other Comprehensive Income</b>		
Remeasurement gains/(losses) on the net defined benefit liability:		
- Actuarial gains and losses arising from change in demographic assumption	1	-
- Actuarial gains and losses arising from change in financial assumption	165	(140)
- Actuarial gains and losses arising from experience adjustment	440	829
Return on plan assets	40	38
<b>Net Cost in Other Comprehensive Income</b>	<b>646</b>	<b>727</b>

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 42. Employee benefit plans (Contd.)

₹ Lakh

	As at March 31, 2024	As at March 31, 2023
<b>Assumptions</b>		
Discount rate	6.99-7.15%	7.18-7.50%
Expected rate of salary increases	5-9%	5-7%
Expected rate of attrition	5- 7.54%	5.00%
Mortality (IALM (2012-2014) Ultimate)	100%	100%

The Group has generally invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

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

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate		
- 1% increase	(783)	(662)
- 1% decrease	846	746
Salary growth rate		
- 1% increase	848	683
- 1% decrease	(757)	(621)
Attrition rate		
- 0.5% increase	(66)	9
- 0.5% decrease	81	(9)

**Note:** Positive represents increase and negative represents decrease in obligation.

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

The Group generally purchases insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The Insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in increase in liability without corresponding increase in the asset).

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 42. Employee benefit plans (Contd.)

The Group's best estimate of the contribution expected to be paid to the plan during the next year is ₹1,536 Lakh (2023: ₹1,354 Lakh).

Average duration of the Defined Benefit Obligation (Gratuity) is 5 to 12.28 years (2023 - 6 to 11 years)

The expected maturity of undiscounted gratuity is as follows:

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Within next 12 Months (next annual reporting period)	1,390	1,348
Between 2 to 5 Years	5,002	4,064
More than 5 Years	7,840	6,511

### Note on Provident Fund:

With respect to employees, who are covered under Provident Fund Trust administered by the companies in the Group, the respective companies shall make good deficiency, if any in the interest rate declared by Trust over statutory limit. Having regards to the assets of the Fund and the return on the investments, the Group does not expect any deficiency in the foreseeable future.

The actuary has assessed the calculations of the Interest Rate Guarantees based on the guidance note issued by the Institute of Actuaries of India. The disclosures required under Ind AS 19 is as set out below:

### Fund and plan asset position are as follows:

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of benefit obligation at the end of the year	37,662	34,595
Plan asset at the end of the year	38,769	35,336
<b>Surplus available</b>	<b>(1,107)</b>	<b>(741)</b>
Asset recognised in the Balance Sheet	-	-

The plan assets are primarily invested in government securities, corporate bonds, mutual funds and special deposit schemes.

Assumptions for present value of interest rate guarantee are as follows:

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.03-7.18%	7.36%
Expected guaranteed rate (%)	8.25%	8.15%
Attrition rate	5.00%	5.00%

## 43. Earnings per Share:

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Basic Earnings per share (in ₹)	50.68	53.39
Diluted Earnings per share (in ₹)	50.61	53.25

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 43. Earnings per Share: (Contd.)

### 43.1 Basic Earnings per share

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

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit after Taxation (₹ in Lakh)	89,967	94,748
<b>Earnings used in the calculation of basic earnings per share</b>	<b>89,967</b>	<b>94,748</b>
Number of equity shares of ₹1 each outstanding at the beginning of the year	17,75,17,591	17,73,86,525
Add: Number of shares issued pursuant to exercise of Employees Stock option	-	1,31,066
(a) Number of equity shares of ₹1 each outstanding at the end of the year	17,75,17,591	17,75,17,591
<b>(b) Weighted Average number of Equity Shares</b>	<b>17,75,17,591</b>	<b>17,74,65,424</b>

### 43.2 Diluted Earnings per share

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows.

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Earnings used in the calculation of basic earnings per share	89,967	94,748
Adjustments	(99)	(215)
<b>Earnings used in the calculation of diluted earnings per share</b>	<b>89,868</b>	<b>94,533</b>
The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:		
Weighted average number of equity shares used in the calculation of basic earnings per share	17,75,17,591	17,74,65,424
Shares deemed to be issued for no consideration in respect of		
- employee options	67,078	67,078
<b>Weighted average number of equity shares used in the calculation of diluted earnings per share</b>	<b>17,75,84,669</b>	<b>17,75,32,502</b>

## 44. Share based payments

### 44. 1 Employee share option plan of the Holding Company

#### 44.1.1 Details of the employee share option plans of the Holding Company

The Holding Company has share option scheme for executives and senior employees of the Company. As approved by the shareholders at previous annual general meetings, ESOP schemes will be administered by the Nomination and Remuneration committee of the Board of Directors.

Each employee share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 44. Share based payments (Contd.)

The following share-based payment arrangement were in existence during the current and prior years

₹ Lakh

S.No	Description	Date of grant	Number of Options granted	Expiry date	Fair value on the date of grant as per Black Scholes Option Pricing Model	Exercise price
1	Details of options granted	06.02.2017	8,43,220	06.02.2026	107.85	289.50
		06.02.2018	75,420	06.02.2027	125.20	319.45
		06.02.2018	1,36,600	06.02.2026	119.15	319.45
		07.08.2018	18,904	07.08.2026	88.84	233.75
		09.11.2018	59,300	09.11.2027	89.24	224.35
		29.07.2019	17,272	29.07.2027	53.42	159.45
		29.07.2019	37,710	29.07.2027	56.23	159.45
		07.02.2022	97,010	07.02.2026	186.71	488.10
		08.08.2022	4,28,720	08.08.2026	225.94	551.45
		10.11.2022	65,777	10.11.2026	255.52	633.85
		14.02.2023	37,710	14.02.2027	233.04	518.55
		30.03.2023	37,710	30.03.2027	205.10	465.45
		07.11.2023	59,300	07.11.2032	194.23	479.20
		07.11.2023	37,808	07.11.2031	187.55	479.20
		06.02.2024	37,710	06.02.2033	290.51	646.70
	<b>Total</b>		<b>19,90,171</b>			

### 44.1.2 Details of share options granted during the year

#### A. Grant Registration ID: GT07NOV2023

The weighted average fair value of the share options granted during the financial year is ₹187.55. Options were priced using Black Scholes model of option pricing. The expected volatility is based on historical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility. Inputs into the model is as follows:

Particulars	Vest 1	Vest 2	Vest 3
<b>Vest Percent (%)</b>	<b>25%</b>	<b>37.5%</b>	<b>37.5%</b>
Grant date share price (₹)	479.20	479.20	479.20
Exercise price (₹)	479.20	479.20	479.20
Expected volatility (%)	40.30	43.37	42.53
Expected life (years)	3.51	4.51	5.51
Dividend yield (%)	1.98	1.98	1.98
Risk free interest rate (%)	7.19	7.22	7.24

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 44. Share based payments (Contd.)

### B. Grant Registration ID: GT07NOV2023A

The weighted average fair value of the share options granted during the financial year is ₹194.23. Options were priced using Black Scholes model of option pricing. The expected price volatility is based on historical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility. Inputs into the model is as follows:

Particulars	Vest 1	Vest 2	Vest 3	Vest 4
<b>Vest Percent (%)</b>	<b>20%</b>	<b>20%</b>	<b>30%</b>	<b>30%</b>
Grant date share price (₹)	479.20	479.20	479.20	479.20
Exercise price (₹)	479.20	479.20	479.20	479.20
Expected volatility (%)	40.30	43.37	42.53	40.60
Expected life (years)	3.51	4.51	5.51	6.51
Dividend yield (%)	1.98	1.98	1.98	1.98
Risk free interest rate (%)	7.19	7.22	7.24	7.24

### C. Grant Registration ID:GT06FEB2024

The weighted average fair value of the share options granted during the financial year is ₹290.51. Options were priced using Black Scholes model of option pricing. The expected price volatility is based on historical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility. Inputs into the model is as follows:

Particulars	Vest 1	Vest 2	Vest 3	Vest 4
<b>Vest Percent (%)</b>	<b>20%</b>	<b>20%</b>	<b>30%</b>	<b>30%</b>
Grant date share price (₹)	646.70	646.70	646.70	646.70
Exercise price (₹)	646.70	646.70	646.70	646.70
Expected volatility (%)	37.78	43.38	42.31	40.96
Expected life (years)	3.51	4.51	5.51	6.51
Dividend yield (%)	0.62	0.62	0.62	0.62
Risk free interest rate (%)	6.97	6.99	7.01	7.01

### 44.1.3 Movements in share options during the year

S. No	Particulars	Description	2023-24		2022-23	
			Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
a	Balance at the beginning of the year	Options vested and exercisable	1,16,188	343.03	2,10,062	306.66
		Options unvested	6,58,838	538.68	1,26,113	412.26
		<b>Total</b>	<b>7,75,026</b>	<b>509.35</b>	<b>3,36,175</b>	<b>346.27</b>
b	Options granted during the year		1,34,818	526.05	5,69,917	553.09
c	Options vested during the year		1,38,020	520.31	37,192	330.90
d	Options exercised during the year		-	-	1,31,066	281.29
e	Options lapsed/cancelled during the year		59,300	488.10	-	-
f	Options outstanding at the end of the year	Options vested and exercisable	2,42,348	436.89	1,16,188	343.03
		Options unvested	6,08,196	543.99	6,58,838	538.68
		<b>Total (a+b-d-e)</b>	<b>8,50,544</b>	<b>513.48</b>	<b>7,75,026</b>	<b>509.35</b>

Weighted Average remaining contractual life for option outstanding as at March 31, 2024 was 2,094 days (March 31, 2023: 2,361 days).



# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 44. Share based payments (Contd.)

### 44.1.4. Details of shares exercised during the year

No shares were exercised by employees during the financial year 2023-2024 under the Company's Employee Share Option Plan.

## 44. 2 Employee share option plan of the Coromandel International Limited (Subsidiary)

### 44.2.1 Details of the employee share option plans

Particulars	Employee Stock Option Scheme 2016 ('ESOP 2016 Scheme'):	Employee Stock Option Scheme 2023 ('ESOP 2023 Scheme')
Approval of shareholders	January 11, 2017	July 27, 2023
Administration	Nomination and Remuneration Committee of the Board of Directors	Nomination and Remuneration Committee of the Board of Directors / Coromandel ESOP Trust
Eligibility	The committee determines which eligible employees will receive options	The committee determines which eligible employees will receive options
Number of equity shares reserved under the scheme	1,45,81,000	58,80,900
Number of equity shares per option	1	1
Vesting period	1-4 years	1-4 years
Exercise period	Within 5 years from date of vesting	Within 5 years from date of vesting
Exercise Price Determination	Latest available closing market price of the shares on the stock exchange where there is highest trading volume prior to the date of the Remuneration and Nomination Committee approving the grant.	Latest available closing market price of the shares on the stock exchange where there is highest trading volume prior to the date of the Remuneration and Nomination Committee approving the grant.

### Employee Stock Option Scheme 2016 ('ESOP 2016 Scheme'):

- a) Pursuant to the ESOP 2016 Scheme, the Company granted options which vest over a period of four years commencing from the respective dates of grant. Following are the number of options outstanding during the year:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
At the beginning of the year	14,04,370	665.12	16,12,730	494.34
Granted*	-	-	4,13,700	969.45
Exercised	4,29,220	387.00	5,17,340	379.42
Cancelled/lapsed	94,560	862.45	1,04,720	648.73
At the end of the year	8,80,590	779.49	14,04,370	665.12

\*the weighted average fair value of options granted during the year is Nil (2023: ₹356.39)

- b) The outstanding options have been granted in various tranches and have a weighted average remaining life of 4.82 years (2023: 2.88 years). The exercise price of the outstanding options ranges from ₹319.65 to 969.45 (2023: ₹319.65 to ₹969.45). The weighted average share price during the year is ₹1066.88 (2023: ₹939.01).
- c) Number of options exercisable at the end of the year are 3,85,410 (2023: 6,34,700).

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 44. Share based payments (Contd.)

- d) The fair values of the option were determined using a Black Scholes' model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioral considerations. Expected volatility is based on the historical share price volatility over the past 5-6 years.

Following assumptions were used for calculation of fair value of grants:

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Dividend yield (%)	1.24 to 1.62	1.24 to 1.62
Expected volatility (%)	0.30 to 0.32	0.30 to 0.32
Risk free interest rate (%)	5.17 to 7.26	5.17 to 7.26
Expected term (in years)	3.50 to 6.51	3.50 to 6.51

### Employee Stock Option Scheme 2023 ('ESOP 2023 Scheme'):

- a) Pursuant to the ESOP 2023 Scheme, the Company granted options which vest over a period of four years commencing from the respective dates of grant. Following are the number of options outstanding during the year:

₹ Lakh

Particulars	For the Year ended March 31, 2024	
	No. of Options	Weighted average exercise price (₹)
At the beginning of the year	-	-
Granted*	5,22,000	1,087.45
At the end of the year	5,22,000	1,087.45

\* the weighted average fair value of options granted during the year is ₹363.37

- b) The above outstanding options have been granted in one tranche and have a weighted average remaining life of 7.32 years. The exercise price of the outstanding options is ₹1,087.45. The weighted average share price during the year is ₹1,066.88.
- c) Number of options exercisable at the end of the year is Nil.
- d) The Company has acquired 2,30,000 shares from the secondary market for an aggregate consideration of ₹2,494 lakhs as at March 31, 2024.
- e) The fair values of the option were determined using a Black Scholes' model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioral considerations. Expected volatility is based on the historical share price volatility over the past 5-6 years.

Following assumptions were used for calculation of fair value of grants:

Particulars	For the Year ended March 31, 2024
Dividend yield (%)	1.11
Expected volatility (%)	0.27 to 0.29
Risk free interest rate (%)	6.97 to 7.00
Expected term (in years)	3.50 to 6.51

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 45 Subsidiaries

Details of the Group's subsidiaries at the end of reporting period are as follows.

Name of the company	Country of incorporation	% of voting power (directly/indirectly) held on	
		March 31, 2024	March 31, 2023
Coromandel Chemicals Limited (formerly Parry Chemicals Limited) (CCL)	India	56.19	56.27
Parry America Inc. (PAI)	USA	56.19	56.27
Coromandel International Limited (CIL)	India	56.19	56.27
Coromandel Solutions Limited (with effect from October 31, 2023)	India	56.19	-
Coromandel Australia Pty Ltd (formerly Sabero Australia Pty Ltd, Australia (Sabero Australia))	Australia	56.19	56.27
Coromandel America S.A. (formerly Sabero Organics America S.A.) (CASA)	Brazil	56.18	56.26
Sabero Argentina SA (Sabero Argentina)	Argentina	53.38	53.46
Coromandel Agronegocios de Mexico, S.A de C.V (Coromandel Mexico)	Mexico	56.19	56.27
Parry Infrastructure Company Private Limited (PICPL)	India	100.00	100.00
Parrys Investments Limited (PIL) (Merged with PICPL w.e.f. October 10, 2023)	India	-	100.00
Parrys Sugar Limited (PSL) (Merged with PICPL w.e.f. October 10, 2023)	India	-	100.00
CFL Mauritius Limited (CML)	Mauritius	56.19	56.27
Coromandel Brasil Limitada (CBL), Limited Liability Partnership	Brazil	56.19	56.27
Coromandel Mali SASU (CMS)	Mali	56.19	56.27
US Nutraceuticals Inc (USN)	USA	100.00	100.00
Labelle Botanics LLC (Labelle)	USA	100.00	100.00
Parry Sugars Refinery India Private Limited (PSRIPL)	India	100.00	100.00
Parry Agrochem Exports Limited (PAEL) (Merged with PICPL w.e.f. October 10, 2023)	India	-	100.00
Dare Ventures Limited (formerly Dare Investments Limited) (DVL)	India	56.19	56.27
Coromandel International (Nigeria) Limited (CNL)	Nigeria	56.18	56.26
Coromandel Technology Limited (CTL)	India	56.19	56.27
Dhaksha Unmanned Systems Private Limited (w.e.f. July 31, 2023) (DUMS)	India	28.67	-
Alimtec SA (ASA)	Chile	100.00	100.00
Parry International DMCC	Dubai	100.00	100.00

In respect of Sabero Argentina, CML, CBL, CMS, CASA, Coromandel Mexico, Sabero Australia and CNL the financial year is from January 1, 2023 to December 31, 2023, however the un-audited financial statements for the period from April 1, 2023 to March 31, 2024 has been considered for the purpose of preparation of consolidated financial statements.

In respect of PAI the financial year is from April 1, 2023 to March 31, 2024, however the un-audited financial statements for the period from April 1, 2023 to March 31, 2024 has been considered for the purpose of preparation of consolidated financial statements.

The following note was included in the financial statements of Parry International DMCC, a subsidiary, as Note 12 "Going concern" which has been reproduced hereunder:

"Notwithstanding the fact that the Company at the reporting date reports negative equity of AED 25,026,970 and a negative working capital of AED 14,252,519, the Company shall continue to carry on its business activities for the foreseeable future as going concern as the shareholder is willing and able to finance the activities of the Company. The shareholder is committed to support the funding requirements of the Company for the foreseeable future".

The auditor of the subsidiary, Parry International DMCC (PDMCC), has given an Emphasis of Matter in their audit report relating to uncertainty relating to going concern of the subsidiary. However, PDMCC shall continue as a going concern for the foreseeable future as the Parent Company is willing and able to finance its activities.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 46 A Financial information in respect of joint ventures and associate that are not individually material:

### a. Joint ventures

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Group's share of profit/ (loss)	(99)	(1,232)
Group's share of total comprehensive income	(99)	(1,232)

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate carrying amount of the Group's interests in these joint ventures	2,172	2,272

In respect of Yanmar Coromandel Agrisolutions Private Limited (YCAS) the financial year is from April 1, 2023 to March 31, 2024, however the un-audited financial statements for the period from April 1, 2023 to March 31, 2024 has been considered for the purpose of preparation of consolidated financial statements.

### b. Associate - Coromandel Crop Protection Philippines Inc. (CCPPI) (formerly Sabero Organics Philippines Asia Inc.)

₹ Lakh

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Group's share of profit/ (loss)	(6)	(5)
Group's share of total comprehensive income	(6)	(5)

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate carrying amount of the Group's interest in the associate	9	10

## 46 B Financial information in respect of associate that is material:

The tables below provide summarized financial information for associate that is material to the group, Baobob Mining and Chemicals Corporation, S.A., an associate of Coromandel International Limited (CIL). The information disclosed reflects the amounts presented in the financial statements of the relevant associate and not the CIL's share of those amounts. They have been amended to reflect adjustments made by the CIL when using equity method which includes fair value adjustments made at the time of acquisition.

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Total assets as at the date of acquisition	26,376	17,958
Total liabilities as at the date of acquisition	41,858	28,823
<b>Net assets as at the date of acquisition</b>	<b>(15,482)</b>	<b>(10,865)</b>
Group's share in Net Assets (45%)	(6,967)	(4,889)
Goodwill and mining rights	17,350	17,961
<b>Group's carrying amount of the investment</b>	<b>10,383</b>	<b>13,072</b>
Share of Group's loss for the current year	(2,078)	(2,247)
Amortisation of mining rights for the current year	(610)	(326)

In respect of Baobob Mining and Chemicals Corporation SA (BMCC) and Coromandel Crop Protection Philippines Inc. (CCPPI) (formerly Sabero Organics Philippines Asia Inc.) the financial year is from January 1, 2023 to December 31, 2023, however the un-audited financial statements for the period from April 1, 2023 to March 31, 2024 has been considered for the purpose of preparation of consolidated financial statements.

## Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

**47** During the previous year, the Board of Directors of Alimtec S.A., Chile passed a resolution on March 20, 2023 that Alimtec will discontinue its business operations. Consequent to discontinuance of business, the financials for the year ended March 31, 2024 have not been prepared on going concern basis. The assets have been stated at their fair value and the liabilities related to closure of business have been recorded in the preparation of financials statement for year ended March 31, 2024. The unaudited financial statements for the year April 01, 2023 to March 31, 2024 has been considered for the purpose of preparation of Consolidated Ind AS Financial Statements.

### 48 Exceptional Item

Exceptional item for the year ended March 31, 2024 is ₹Nil and for the year ended March 31, 2023 is ₹4,420 Lakh represents profit on properties (including Plant & Machinery) sold relating to Puducherry and Pettavaithalai factories of the Holding Company.

**49 Based on and to the extent of information available with the Group under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:**

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Principal amount due to suppliers under MSMED Act, as at the end of the year	4,963	2,829
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	6	21
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	890	3,241
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v) Interest paid to suppliers under MSMED Act (under Section 16)	-	-
(vi) Interest due and payable to suppliers under MSMED Act, for payments already made	2	22
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	51	43

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

## 50. Financial instruments

### 50.1 Capital management

The Group's capital management is intended to safeguard their ability to continue as a going concern and maximise the return to shareholders for meeting the long-term and short-term goals of the Group through the optimization of the debt and equity balance.

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

The following table summarises the capital of the Company:

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
Equity	11,21,200	9,53,899
Debt*	1,26,448	1,19,106
Cash and cash equivalents	(1,17,443)	(1,43,959)
<b>Net debt</b>	<b>9,005</b>	<b>(24,853)</b>
<b>Total capital (equity + net debt)</b>	<b>11,30,205</b>	<b>9,29,046</b>

Net debt to capital ratio 0.01 -

\*Debt = Long term borrowing+short term borrowing (including current maturities of long term debt)

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 50. Financial instruments (Contd.)

### 50.2 Categories of financial instruments

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial assets</b>		
<b>Measured at fair value through profit or loss (FVTPL)</b>		
(a) Mandatorily measured:		
(i) Equity investments	64,151	1,519
(ii) Derivative instruments not designated in hedge accounting relationship	900	335
<b>Measured at amortised cost</b>		
(a) Cash and bank balances	2,91,674	1,46,637
(b) Other financial assets at amortised cost	3,44,612	5,07,165
<b>Measured at FVTOCI</b>		
(a) Investments in equity instruments designated upon initial recognition	50,536	43,684
(b) Derivative instruments designated in hedge accounting relationship	-	72
<b>Financial liabilities</b>		
Measured at amortised cost	9,72,925	8,51,291
Measured at FVTPL	1,558	7,360
Derivative instruments designated in hedge accounting relationship	4,015	12,923

### 50.3 Financial risk management objectives

The Group has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts, commodity contracts, interest and currency swaps to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Group's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk and the investment on account of excess liquidity. The Group does not enter into trade in financial instruments, including derivative financial instruments, for speculative purposes.

Item	Primarily affected by	Risk management policies	Refer
Market risk - currency risk	USD balances and exposure towards trade payables, trade receivable and long-term borrowings	Mitigating foreign currency risk using foreign currency forward contracts, option contracts and swap contracts.	Note 50.4.1
Market risk - interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; interest rate swaps for long-term borrowings; cash management policies	Note 50.4.2
Market risk - Price risk	Change in prices of commodity and value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio and commodity futures	Note 50.4.3
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions	Note 50.5
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cashflows; cash management policies; multiple-year credit and banking facilities	Note 50.6



# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 50. Financial instruments (Contd.)

### 50.4 Market risk

The Group's financial instruments are exposed to market rate changes. The Group is exposed to the following significant market risks:

- Foreign currency risk
- Interest rate risk
- Price risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which these risks are being managed and measured.

#### 50.4.1 Foreign currency risk management

The Group is exposed to foreign exchange risk on account of following:

1. Exports and imports
2. Foreign currency borrowings in the form of buyer's credit, packing credit etc. availed for meeting its funding requirements

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities.

The Group has a forex policy in place whose objective is to reduce foreign exchange risk by deploying the appropriate hedging strategies (forward covers and options) and also by maintaining reasonable open exposures within approved parameters depending on the future outlook on currencies.

#### a. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

Currency	Liabilities		Assets	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
USD (₹ in Lakh)	6,25,881	5,85,102	61,876	63,063
EURO (₹ in Lakh)	17	24	5,565	3,024
GBP (₹ in Lakh)	-	-	-	-
INR (₹ in Lakh)*	26,235	30,702	1,929	793
AED (₹ in Lakh)	8,653	3,239	2,978	942
CLP (₹ in Lakh)	788	1,124	816	141

\* Indian Rupee (INR) liabilities and assets relates to Parry Sugars Refinery India Private Limited, whose functional currency is determined as US Dollars and accordingly INR is disclosed as foreign currency.

The foreign currency risk on above exposure is mitigated by derivative contracts. The outstanding contracts as at the Balance Sheet date are as follows:

#### b. Foreign currency forward and currency and interest rate swaps outstanding as at the Balance Sheet date:

Currency	As at March 31, 2024		As at March 31, 2023	
	Buy	Sell	Buy	Sell
<b>Forward contracts</b>				
<b>Cash flow hedges</b>				
USD/INR (₹ in Lakh)	-	12,657	-	19,543
<b>Others</b>				
USD/INR (₹ in Lakh)	3,97,767	38,982	3,55,537	50,248
EURO/INR (₹ in Lakh)	-	4,380	-	3,079
<b>Currency and interest rate swaps</b>				
USD/INR (₹ in Lakh)	-	10,000	-	20,000

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 50. Financial instruments (Contd.)

The forward and option contracts have been entered to hedge highly probable forecast sale transactions and trade receivables. The swap contracts have been entered to hedge the currency and interest rate risks on the external commercial borrowings of the Group.

### c. Foreign currency sensitivity analysis

The Group is mainly exposed to fluctuations in US Dollar. The following table details the Group's sensitivity to a 10% increase and decrease against the US Dollar on the outstanding balances. 10% is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens by 10% against the US Dollar. For a 10% weakening against the US Dollar, there would be a comparable impact on the profit or equity.

Currency USD impact on:	Year ended March 31, 2024	Year ended March 31, 2023
Profit or loss	(4,814)	(10,828)
Other Comprehensive income	(17,973)	(14,802)
Equity	(22,787)	(25,630)

In management's opinion the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of reporting period does not reflect the exposure during the year.

### 50.4.2 Interest rate risk management

The Group issues commercial papers, draws working capital demand Loans, cash credit, foreign currency borrowings, Packing Credit etc. for meeting its funding requirements.

Interest rates on these borrowings are exposed to change in respective benchmark rates. The Group manages the interest rate risk by maintaining appropriate mix/portfolio of the borrowings.

### a. Interest rate swap contract

Parry Sugars Refinery India Private Limited had entered into a Swap contract to exchange fixed interest rate in INR to USD fixed rate on agreed notional principal amounts. Such contracts enable the Group to reduce the interest cost. Details of the fixed to fixed interest rate swap is given below.

Particulars	Weighted average interest rate		As at March 31, 2024	As at March 31, 2023
	As at March 31, 2024	As at March 31, 2023	₹ in Lakh	₹ in Lakh
Fixed Interest Rate Swap carried at FVTPL (Fair value)	1.20%	1.20%	(1,139)	(1,833)

### b. Interest rate sensitivity analysis

The sensitivity analysis below has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 10 basis points increase or decrease in case of foreign currency borrowings and 50 basis points increase or decrease in case of rupee borrowings is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rate had been 10 basis points higher/lower in case of foreign currency borrowings and 50 basis points higher/ lower in case of rupee borrowings and all other variables were held constant, the Group's profit for the year ended March 31, 2024 would decrease/increase by ₹131 Lakh (March 31, 2023: ₹27 Lakh)

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 50. Financial instruments (Contd.)

### 50.4.3 Price risks

#### a. Commodity price risk

Commodity Price Risk arises from procurement of raw sugar and sale of white sugar by PSRIPL and the consequent exposure to changes in market prices. Exposure to the market prices of the raw sugar procured and white sugar sold is managed through the use of commodity futures and other hedging instruments, including options primarily to convert floating or indexed prices to fixed prices. The use of such contracts to hedge commodity exposures is governed by the Group's risk management policies and continuously monitored by the Trade desk team. Commodity derivatives also provides a way to meet customer's pricing requirements whilst achieving a price structure consistent with the Group's over all pricing strategy.

Some of the Group's commodity contracts are treated as hedge of highly probable forecast purchase and sale of raw and white sugar respectively. All other commodity contracts are marked to market through income statement. The impact of hedging activities is set out below. The table below illustrates the sensitivity of PSRIPL's commodity pricing contracts to the price movement of commodities:

Particulars	Impact on INR (-10% change on outstanding contracts)		Impact on INR (+10% change on outstanding contracts)	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Impact on Profit or Loss for the year	2	3,015	(2)	(3,015)
Impact on Other comprehensive income for the year	7,904	11,222	(7,904)	(11,222)
Impact on Total equity as at end of reporting period	7,906	14,237	(7,906)	(14,237)

### Impact of hedging activities

(a) Disclosure of effect of hedge accounting on financial position

₹ Lakh

Type of hedge and risks	Nominal value of outstanding hedging derivative instrument	Carrying amount of outstanding hedging derivative instrument (grouped under Other Financial Liability - Current )	Maturity date	Hedge ratio	Weighted average strike price	Changes in fair value of all hedging instrument during the period	Changes in fair value of all hedged item used as the basis for recognising hedge effectiveness during the period
<b>Cash flow hedge</b>							
Commodity price risk							
<b>March 31, 2024</b>							
(i) Commodity contracts to buy raw sugar	25,470	426	American contracts which can be exercised at any time before maturity. The last of the contracts expire in July 2024.	1:1	483.91 \$/MT	(14,971.07)	(14,971.07)
(ii) Commodity contracts to sell refined sugar	1,01,067	(4,405)	American contracts which can be exercised at any time before maturity. The last of the contracts expire in October 2024.	1:1	621.63 \$/MT	(19,643.69)	(19,643.69)
<b>March 31, 2023</b>							
(i) Commodity contracts to buy raw sugar	45,019	8,710	American contracts which can be exercised at any time before maturity. The last of the contracts expire in July 2023.	1:1	405.39 \$/MT	8,998.30	8,998.30
(ii) Commodity contracts to sell refined sugar	1,47,142	(21,581)	American contracts which can be exercised at any time before maturity. The last of the contracts expire in August 2023.	1:1	545.22 \$/MT	(38,821.74)	(38,821.74)

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 50. Financial instruments (Contd.)

(b) Disclosure of effect of hedge accounting on financial performance

₹ Lakh

Type of hedge and risks	Changes in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in the statement of profit and loss because of the reclassification
<b>Cash flow hedge</b>				
Commodity price risk				
<b>For the year ended March 31, 2024</b>				
(i) Commodity contracts to buy raw sugar	(14,971)	-	-	NA
(ii) Commodity contracts to sell refined sugar	21,325	-	(40,969)	Revenue from Operations
<b>For the year ended March 31, 2023</b>				
(i) Commodity contracts to buy raw sugar	8,998	-	-	NA
(ii) Commodity contracts to sell refined sugar	(2,206)	(637)	(35,979)	Revenue from Operations

### Hedge ineffectiveness

Hedge ineffectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness to ensure that an economic relationship exist between the hedged item and hedging instrument.

For hedges of purchase and sale of raw and white sugar respectively, PSRIPL enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. PSRIPL therefore performs a qualitative assessment of the effectiveness. In hedges of purchase and sale of raw and white sugar respectively ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated to beyond the contract period or if there are changes in the credit risk of PSRIPL or the derivative counterparty.

### b. Equity price sensitivity analysis

The Group is exposed to equity price risks arising from equity investments. Certain equity investments of the Group are held for strategic rather than trading purposes. The Group also holds certain other equity investments for trading purposes. The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 1% higher/lower other comprehensive income/equity for the year ended March 31, 2024 would increase/decrease by ₹505 Lakh (₹437 Lakh for the year ended March 31, 2023) as a result of the changes in fair value of equity investments measured at FVTOCI. The impact of change in equity price on profit or loss is not significant.

## 50.5 Credit risk management

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

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to the customer credit risk management. The Group uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken up on case to case basis. The credit risk management for trade receivables of the Holding Company and its material subsidiaries are as follows:

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 50. Financial instruments (Contd.)

### (a) E.I.D.-Parry (India) Limited (Holding Company):

The Company evaluates the concentration of risk with respect to trade receivables as low its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets. There is no material expected credit loss based on the past experience. However, the Company assesses the impairment by specific items of trade receivable and has accordingly created loss allowance on trade receivables. Expected Credit Loss has been computed for the Company as a whole as the credit profile of customers from all segments are similar.

Loss allowance as at March 31, 2024 and March 31, 2023 was determined as follows for Trade Receivables under the simplified approach:

₹ Lakh

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>As at March 31, 2024</b>							
Gross Carrying Amount - Trade Receivables	18,395	5,582	80	99	429	3,944	28,529
Expected Loss Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Expected Credit Loss (A)	-	-	-	-	-	-	-
Loss allowance - Specific provision (B)	-	-	-	74	420	3,944	4,438
<b>Total allowance for Trade Receivables (A) + (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74</b>	<b>420</b>	<b>3,944</b>	<b>4,438</b>

₹ Lakh

Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>As at March 31, 2023</b>							
Gross Carrying Amount - Trade Receivables	16,777	3,790	69	452	595	3,354	25,037
Expected Loss Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Expected Credit Loss (A)	-	-	-	-	-	-	-
Loss allowance - Specific provision (B)	11	-	20	390	593	3,354	4,368
<b>Total allowance for Trade Receivables (A) + (B)</b>	<b>11</b>	<b>-</b>	<b>20</b>	<b>390</b>	<b>593</b>	<b>3,354</b>	<b>4,368</b>

### (b) Coromandel International Limited (CIL):

The credit period on sales of goods varies with seasons and business segments/markets and generally ranges between 30 to 180 days. Before accepting any new customer, CIL has a credit evaluation system to assess the potential customer's credit quality and to define credit limits for the customer. Credit limits attributed to customers are reviewed on an annual basis. In accordance with Ind AS 109, CIL uses the expected credit loss ("ECL") model for measurement and recognition of impairment loss on its trade receivables. For this purpose, CIL uses a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers adjusted for forward looking estimates. Accordingly, CIL creates provision for past due receivables beyond 180 days ranging between 25%-100% after reckoning the underlying collaterals. Besides, based on the expected credit loss model CIL also provides upto 0.5% for receivables less than 180 days.

### (c) Parry Sugars Refinery India Private Limited (PSRIPL):

For receivables PSRIPL mostly deals with exchange registered dealers. The exchange clearing house used is one of the world's largest capitalized financial institutions with excellent long-term credit ratings. PSRIPL's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Significant portion of the trade receivables are collected within 1 year.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 50. Financial instruments (Contd.)

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

### Reconciliation of loss allowance provision - Trade Receivables

₹ Lakh

Particulars	Amount
<b>Loss allowance as on April 1, 2022</b>	<b>18,358</b>
Change in loss allowance	(705)
<b>Loss allowance as on March 31, 2023</b>	<b>17,653</b>
Change in loss allowance	(2,348)
<b>Loss allowance as on March 31, 2024</b>	<b>15,305</b>

## 50.6 Liquidity risk management

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

The table below provides details regarding the contractual maturities of non-derivative financial liabilities including estimated interest payments as at March 31, 2024:

₹ Lakh

Particulars	Carrying amount	upto 1 year	1-3 years	More than 3 years	Total contracted cash flows
Acceptances and Other Acceptances	7,59,769	7,59,769	-	-	7,59,769
Borrowings including interest	1,26,666	1,11,115	16,410	6,973	1,34,498
Lease Liability	47,580	7,493	13,642	72,234	93,369
Other financial liabilities	38,910	37,410	-	1,500	38,910
<b>Total</b>	<b>9,72,925</b>	<b>9,15,787</b>	<b>30,052</b>	<b>80,707</b>	<b>10,26,546</b>

The table below provides details of non-derivative financial assets as at March 31, 2024:

₹ Lakh

Particulars	Carrying amount
Trade and Subsidy receivables	3,21,175
Other financial assets	4,29,798
<b>Total</b>	<b>7,50,973</b>

The table below provides details regarding the contractual maturities of non-derivative financial liabilities including estimated interest payments as at March 31, 2023:

₹ Lakh

Particulars	Carrying amount	upto 1 year	1-3 years	More than 3 years	Total contracted cash flows
Acceptances and Other Acceptances	6,45,287	6,45,287	-	-	6,45,287
Borrowings including interest	1,21,443	1,10,881	9,813	2,394	1,23,088
Lease Liability	42,678	3,157	7,875	33,703	44,735
Other financial liabilities	41,883	40,383	-	1,500	41,883
<b>Total</b>	<b>8,51,291</b>	<b>7,99,708</b>	<b>17,688</b>	<b>37,597</b>	<b>8,54,993</b>



# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 50. Financial instruments (Contd.)

The table below provides details of non-derivative financial assets as at March 31, 2023:

₹ Lakh

Particulars	Carrying amount
Trade and Subsidy receivables	3,18,986
Other financial assets	3,80,019
<b>Total</b>	<b>6,99,005</b>

The following table details the Group's maturity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted estimated cash flows determined by reference to the projected market rates at the end of the reporting period. A positive amount represents an anticipated cash inflow and a negative amount represents an anticipated cash outflow.

### March 31, 2024

₹ Lakh

Particulars	Less than 1 year	1-3 years	above 3 years
<b>Net settled</b>			
- foreign exchange forward contracts	468	-	-
- currency and interest rate swaps	(1,139)	-	-
- commodity futures	(4,002)	-	-

### March 31, 2023

₹ Lakh

Particulars	Less than 1 year	1-3 years	above 3 years
<b>Net settled</b>			
- foreign exchange forward contracts	(2,294)	(3)	-
- currency and interest rate swaps	-	(1,833)	-
- commodity futures	(15,746)	-	-

### 50.7 Financial guarantee contract

- A) Coromandel International Limited (CIL), a subsidiary, has provided a sponsor guarantee for USD 41.1 million (proportionate to the shareholding of 15%) towards the borrowings of Tunisian Indian Fertilisers S.A. (TIFERT), a company based in Tunisia, manufacturing phosphoric acid. In March 2017, TIFERT has requested reschedulement of installment due to the lenders and delayed the payment. The same was not agreed to by the Lenders and the acceleration notice was served on TIFERT by lenders on March 28, 2017. The loan installment was immediately paid on March 30, 2017 by TIFERT. However, on April 04, 2017 the lenders followed up with call notice on shareholders towards guaranteed amount (CIL's share USD 35.25 million outstanding as on March 31, 2017). CIL along with other shareholders of TIFERT are in discussion with the Lenders to resolve the matter with regard to liquidity situation and operational improvements of TIFERT and also to find a solution for meeting the future debt obligations of TIFERT.

Based on communication exchanged with Lenders and operational improvement initiatives taken by TIFERT, CIL reasonably considers that TIFERT would be in a position to meet the debt obligations and it is unlikely that such an event of payment under guarantee amount will arise. TIFERT has paid the subsequent half-yearly instalments as per the payment schedule. The sponsor guarantee was valid upto March 31, 2018. CIL's obligation under this financial guarantee if that amount is claimed by the counterparty to the guarantee is subject to a maximum of ₹ Nil (March 31, 2023: ₹ 3,936 Lakh).

The Lenders have indicated a break fee of USD 4 million relating to call notice issued in April 2017 and TIFERT along with its shareholders is in discussion with the lenders to settle the issue. CIL's obligation under the corporate guarantee if that amount is claimed by the counterparty to the guarantee is subject to a maximum of USD 0.6 million (₹500 Lakh).

- B) During the year, CIL has granted a guarantee to the lender of its associate, BMCC, for a maximum amount of USD 2.25 million (₹1,900 Lakh). The Company charges a fee at fair value to the associate for such guarantee and as at the balance sheet date, does not believe that there are any counterparty non-performance risks.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 50. Financial instruments (Contd.)

### 50.8 Financing facilities

The Group has access to financing facilities of which ₹445,838 Lakh (as at March 31, 2023: ₹486,130 Lakh) were unused at the end of the reporting period. The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

### 50.9 Fair value measurements

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

₹ Lakh

Financial assets/financial liabilities	Fair Value as at*		Fair value hierarchy	Valuation techniques & key inputs used
	As at March 31, 2024	As at March 31, 2023		
1) Foreign currency forward contracts	468	(2,297)	Level 2	Refer note 3 below
2) Currency and Interest rate swap contracts	(1,139)	(1,833)	Level 2	Refer note 3 below
3) Commodity future contracts	(4,002)	(15,746)	Level 1	Refer note 2 below
4) Investments in quoted equity instruments at FVTOCI	672	1,929	Level 1	Refer note 2 below
5) Investments in quoted equity instruments at FVTPL	22	24	Level 1	Refer note 2 below
6) Investments in unquoted equity and other instruments at FVTOCI	49,864	41,755	Level 3	Refer note 4(a) & 4(c) below
7) Investments in unquoted Mutual Funds at FVTPL	63,979	915	Level 1	Refer note 2 below
8) Investments in unquoted equity and other instruments at FVTPL	150	580	Level 3	Refer note 4(b) below
9) Financial guarantee	-	-	Level 3	Refer note 4(b) below

\*positive value denotes financial asset (net) and negative value denotes financial liability (net)

#### Notes:

- There were no transfers between Level 1 and 2 in the period.
- The Level 1 financial instruments are measured using quotes in active market
- The following table shows the valuation technique and key input used for Level 2:

Financial Instrument	Valuation Technique	Key Inputs used
Foreign currency forward contracts, currency and interest rate swaps	Discounted Cash Flow	Forward exchange rates, contract forward and interest rates, observable yield curves.

- The following table shows the valuation technique and key input used for Level 3:

Financial Instrument	Valuation Technique	Key Inputs used	Sensitivity
(a) Investments in unquoted equity instruments at FVTOCI	Market Multiple Approach	Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries, ranging from 15% to 60% (as at March 31, 2023: 30% to 60%)	A 5% increase/decrease in the discount for lack of marketability used in isolation would decrease/increase the carrying amount by ₹2,493 Lakh (as at March 31, 2023: ₹2,096 Lakh)

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 50. Financial instruments (Contd.)

Financial Instrument	Valuation Technique	Key Inputs used	Sensitivity
(b) Investments in unquoted venture capital fund at FVTPL	Net Asset Value (NAV) method	The Group uses net asset value (NAV) as reported by the venture capital fund for its valuation purpose.	A 10% increase/ decrease in the value of unquoted investments of the fund would increase/ decrease the carrying amount of investment by ₹15 Lakh (March 31, 2023: ₹57 Lakh).
(c) Investments in unquoted equity instruments at FVTOCI	Discounted Cash Flow Method	Long-term growth rates, taking into account management's experience and knowledge of market conditions of the specific industries, ranging from 3% (as at March 31, 2023: Nil)	If the long-term growth rates used were 100 basis points higher/lower while all the other variables were held constant, the carrying amount would increase/decrease by ₹281 Lakh (as at March 31, 2023: ₹414 Lakh)
		Weighted average cost of capital (WACC) as determined ranging from 13.41% to 17.74% (as at March 31, 2023: Nil)	A 100 basis points increase/decrease in the WACC or discount rate used while holding all other variables constant would decrease/ increase the carrying amount by ₹500 lakh (March 31, 2023: Nil lakh)
d) Financial guarantee	Discounted Cash Flow Method	Discount for counterparty non-performance risks and own non-performance risks.	An increase/decrease in the key inputs used would not significantly impact the fair value of the liability.

### Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

₹ Lakh

Particulars	Fair value hierarchy	As at March 31, 2024		As at March 31, 2023	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>					
Financial assets at amortised cost:					
- Trade receivables	Level 2	1,83,460	1,83,460	81,195	81,195
- Cash and cash equivalents	Level 2	1,17,443	1,17,443	1,43,959	1,43,959
- Bank balances other than cash and cash equivalents	Level 2	1,74,231	1,74,231	2,678	2,678
- Loans	Level 2	7,507	7,507	1,69,752	1,69,752
- Government subsidies receivable	Level 2	1,37,715	1,37,715	2,37,791	2,37,791
- Investments at Amortized Cost	Level 2	666	673	355	370
- Other financial assets	Level 2	15,264	15,264	18,072	18,072

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## 50. Financial instruments (Contd.)

₹ Lakh

Particulars	Fair value hierarchy	As at March 31, 2024		As at March 31, 2023	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities</b>					
Financial liabilities at amortised cost:					
Borrowings	Level 2	1,28,191	1,28,191	1,20,007	1,20,007
Trade payables	Level 2	7,59,769	7,59,769	6,45,645	6,45,645
Lease Liability	Level 2	47,580	47,748	42,678	43,127
Other financial liabilities	Level 2	37,385	37,385	41,525	41,525

1. In case of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans, government subsidies receivable, trade payables, short term borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

### Reconciliation of Level 3 fair value measurements for the year ended March 31, 2024:

₹ Lakh

Particulars	Investments in unquoted instruments at FVTOCI	Investments in unquoted venture capital fund at FVTPL	Total
Opening balance	41,755	580	42,335
Investments made	300	-	300
Total gains or losses:			
- in profit or loss	-	(430)	(430)
- in other comprehensive income	9,808	-	9,808
Movement between reserves on account of business combination	(1,999)	-	(1,999)
<b>Closing balance</b>	<b>49,864</b>	<b>150</b>	<b>50,014</b>

### Reconciliation of Level 3 fair value measurements for the year ended March 31, 2023:

₹ Lakh

Particulars	Investments in unquoted instruments at FVTOCI	Investments in unquoted venture capital fund at FVTPL	Total
Opening balance	48,705	578	49,283
Investments made	5,475	-	5,475
Total gains or losses:			
- in profit or loss	-	2	2
- in other comprehensive income	(12,425)	-	(12,425)
<b>Closing balance</b>	<b>41,755</b>	<b>580</b>	<b>42,335</b>

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 51 - Contingent Liabilities

₹ Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>a. Commitments</b>		
(a) Capital expenditure commitment	15,618	22,187
<b>b. Other monies for which the Group is contingently liable</b>		
(a) Letters of Credit, Corporate Guarantee and Bank Guarantees	12,640	27,466
(b) Income tax demands which are under various stages of appeal (refer note 51.3 & 51.4)	8,700	8,293
(c) Disputed Indirect Taxes demands (refer note 51.3 & 51.7)	13,637	7,448
(d) Cane price (Refer Note 51.1)	204	204
(e) Electricity related matters	1,993	2,626
(f) Other claims against the Group not acknowledged as debts	9,023	7,748

**51.1** The Tamilnadu Government declared State Advisory Price (SAP) for the sugar year 2013-14, 2014-15 and 2015-16. The Holding Company has challenged the right of State Government to declare the SAP in the Hon'ble High Court of Madras. The matter is subjudice.

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

**51.3** The Income Tax Department/Commercial Tax Department/Central Excise and Service Tax and GST Authority has filed appeal against the favorable order passed by lower forum in favor of the Holding Company in appropriate appellate forum to the extent of ₹1,972 Lakh. It is expected that there will be no outflow of economic resources embodying economic benefits. Hence, no provision is considered necessary against the same.

**51.4** The Income Tax Department has been adjusting the demand orders against other refunds receivable by the Holding Company in various assessment years, and accordingly contingent liability of the Holding Company does not include interest, as applicable.

**51.5** Certain Industrial Disputes are pending before Tribunal/High Courts. The liability of the Group in respect of these disputes depends upon the final outcome of such cases and the quantum of which is not currently ascertainable.

**51.6** PSRIPL has performed an assessment of the outcome of litigations other than those mentioned above and based on the judicial precedents concluded that the possibility of an outflow of resources embodying economic benefits is remote (Amount under dispute for Income tax cases amounted to ₹4,820.41 and for customs duty amounted to ₹2,993.37). Accordingly these disputes have not been disclosed as contingent liability.

**51.7** Includes ₹2,716 Lakh Bank Guarantees (BGs) furnished by Parry Sugars Refinery India Private Limited (PSRIPL) to the Office of the Development Commissioner APSEZ, Customs Wing, which originated from a mistaken interpretation of the SEZ Act, 2006 read with the customs Tariff Act relating to payment cess under the GST (Compensation to States) Act, 2017 ("GCS Act") on the Coal imported by PSRIPL's unit in the Special Economic Zone ("SEZ"), Kakinada. PSRIPL's contention is that the Coal imported by its SEZ unit would not be liable to levy of cess under the GCS Act, 2017 as the provisions of SEZ Act and the Customs Tariff Act specifically exempts SEZ units from payment of duty or taxes or cess. However, the Vishakhapatnam SEZ authority's stance is that no such exemption for compensation cess has been specifically provided either under Customs Act or GST Act. The VSEZ mandated that separate BGs be furnished for the value of coal compensation cess covered under each import; accordingly, PSRIPL has been doing the needful.

PSRIPL had written several letters to the authorities for waiver of submission of BG citing Notification No. 64/2017 dated July 05, 2017 that coal compensation cess is not payable by a unit located in SEZ area. However, the requests of PSRIPL have not been considered by the authorities. Being aggrieved, PSRIPL had filed a Writ Petition [WP] before the Hon'ble HC of Andhra Pradesh, Amaravathi challenging the levy of compensation cess by the SEZ authorities and also to cancel the various BGs issued by PSRIPL from time to time. However, the HC vide its Order dated November 21, 2023 dismissed the WP. Being aggrieved by the order of the High Court and the action of the SEZ authority to finalise the provisionally assessed Bills of Entry, PSRIPL has filed a Special Leave Petition [SLP] on February 02, 2024 before the Hon'ble Supreme Court. The Hon'ble SC, being prima facie satisfied with PSRIPL's contention, has ordered notice on the matter as well as notice on stay.

Based on assessment, management of PSRIPL believes that it has a strong case and no adjustments/disclosure is considered necessary.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 52 - Related Party Disclosure as at and for the year ended March 31, 2024

### 52.1. Investing Party & its Group

- i) Ambadi Investments Limited (Investing Party)
- ii) Parry Enterprises India Limited
- iii) Parry Agro Industries Limited

### 52.2. Joint Venture Entites

- i) Yanmar Coromandel Agrisolutions Private Limited
- ii) Algavista Greentech Private Limited

### 52.3. Associate Entities

- i) Coromandel Crop Protection Philippines Inc. (formerly Sabero Organics Philippines Asia Inc)
- ii) Baobob Mining and Chemicals Corporation, SA

### 52.4. Other related parties

- i) Parry Group Staff Provident Fund
- ii) EID Parry Executive Staff Pension and Assurance scheme

### 52.5. Key Management Personnel

Mr. Suresh S, Managing Director (refer note 39.1)  
 Mr. Muthiah Murugappan, Whole-time Director (refer note 39.1)  
 Mr. S. Durgashankar, Director (refer note 39.2)  
 Mr. M. M. Venkatachalam, Director (refer note 39.2)  
 Dr. Rca Godbole, Director (refer note 39.2)  
 Mr. Ramesh K B Menon, Director (refer note 39.2)  
 Mr. T. Krishnakumar, Director (refer note 39.2)  
 Mr. Ajay B Baliga, Director (refer note 39.2)  
 Mr. Sridharan Rangarajan, Director (refer note 39.2)  
 Ms. Meghna Apparao, Director (refer note 39.2)

### 52.6. Transactions with related parties and as at the year end

₹ Lakh

Particulars	March 31, 2024	March 31, 2023
<b>i) Sale of goods</b>		
Parry Agro Industries Limited	5	56
Algavista Greentech Private Limited	57	37
<b>ii) Purchase of goods</b>		
Parry Enterprises India Limited	2,917	1,366
Algavista Greentech Private Limited	3	7
<b>iii) Purchase of assets and spare parts</b>		
Yanmar Coromandel Agrisolutions Private Limited	-	4
<b>iv) Receipt of services</b>		
Coromandel Crop Protection Philippines Inc.	79	108
Parry Enterprises India Limited	165	96
Algavista Greentech Private Limited	1	1



# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

## Note 52 - Related Party Disclosure as at and for the year ended March 31, 2024 (Contd.)

₹ Lakh

Particulars	March 31, 2024	March 31, 2023
<b>v) Rendering of services</b>		
Parry Enterprises India Limited	59	45
Parry Agro Industries Limited	64	60
Baobob Mining and Chemicals Corporation, SA	6	-
Algavista Greentech Private Limited	16	21
<b>vi) Investment made</b>		
Equity shares of Baobob Mining and Chemicals Corporation, SA	-	15,660
<b>vii) Dividend paid</b>		
Ambadi Investments Limited	5,445	3,743
<b>viii) Loan given</b>		
Baobob Mining and Chemicals Corporation, SA	1,664	5,761
<b>ix) Interest income on loan given</b>		
Baobob Mining and Chemicals Corporation, SA	513	154
<b>x) Employee related Contribution</b>		
Parry Group Staff Provident Fund	357	287
EID Parry Executive Staff Pension and Assurance Scheme	375	298
<b>xi) Trade Advances given</b>		
Parry Enterprises India Limited	143	-
<b>xii) Closing balances - debit/(credit)</b>		
Parry Agro Industries Limited	(17)	(16)
Parry Group Staff Provident Fund	(30)	(26)
Coromandel Crop Protection Philippines Inc.	-	5
Algavista Greentech Private Limited	51	7
EID Parry Executive Staff Pension and Assurance scheme	(51)	(55)
Baobob Mining and Chemicals Corporation, SA	8,172	5,915
Parry Enterprises India Limited	94	(274)
<b>xiii) Guarantees Given</b>		
Baobob Mining and Chemicals Corporation, SA	1,900	-

**53** The Holding Company has working capital limits with State Bank of India/Union Bank of India on the basis of security of Inventories and Trade Receivables and has filed quarterly returns with the bank. The following are the differences between the returns filed and the books of accounts:

₹ Lakh

Quarter ended	Amount as per return	Amount as per books	Difference
June 30, 2023	55,281	46,970	8,311
September 30, 2023	35,791	29,956	5,835
December 31, 2023	52,368	42,485	9,883
March 31, 2024	78,601	78,387	214

The difference between the quarterly returns/statements and the books of account is due to valuation of sugar stock as per the method prescribed by RBI. As per the requirements of para 2.2.4 of RBI Master Circular on Loans and Advances - Statutory and Other Restrictions No. RBI/2015-16/95 /DBR.No.Dir.BC.10/13.03.00/2015-16 dated July 1, 2015, the Holding Company has valued its unreleased stock of sugar at the average of the price realised in the preceding three months (moving average) or the current market price, whichever is lower, in its returns, whereas in the books of account it is valued at cost or net realizable value, whichever is lower.

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

**54** No proceeding has been initiated or are pending against any Company in the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**55** No Company in the Group has been declared wilful defaulter by any bank or financial institution or any other lender.

**56** (i) Details of funds advanced or loaned or invested in intermediaries and further invested or loaned by intermediaries:

## During the year ended March 31, 2024

Intermediaries to which amounts were advanced/ loaned/ invested by Coromandel International Limited (CIL)	Nature of transaction	Date	₹ Lakh
Dare Ventures Limited (DVL)	Investment in equity shares	April 27, 2023	1,674
		May 18, 2023	400
Coromandel Technology Limited (CTL)	Investment in equity shares	July 28, 2023	25,000
Coromandel Chemicals Limited (CCL)	Loans given	October 27, 2023	550
		January 05, 2024	75
		January 09, 2024	690
	Investment in equity shares	February 21, 2024	950

Parties to which such funds are further loaned or invested by DVL	Nature of transaction	Date	₹ Lakh
Dhaksha Unmanned Systems Private Limited	Investment in equity shares	April 28, 2023	1,599
		May 18, 2023	400

Parties to which such funds are further loaned or invested by CTL	Nature of transaction	Date	₹ Lakh
Dare Ventures Limited	Investment in equity shares	July 30, 2023	3,999
Dhaksha Unmanned Systems Private Limited	of Dhaksha Unmanned Systems Private Limited	July 31, 2023	20,424

Parties to which such funds are further loaned or invested by CCL	Nature of transaction	Date	₹ Lakh
Baobab Mining and Chemicals Corporation S.A.	Loans given	October 30, 2023	624
		January 09, 2024	688
		February 21, 2024	350

## During the year ended March 31, 2023

Intermediaries to which amounts were advanced/ loaned/ invested by Coromandel International Limited (CIL)	Nature of transaction	Date	₹ Lakh
Dare Ventures Limited (DVL)	Investment in equity shares	March 25, 2022	1,100
		July 21, 2022	1,610
Coromandel Chemicals Limited (CCL)	Investment in equity shares	October 18, 2022	2,000
	Loans given	September 05, 2022	5,000
		September 05, 2022	10,440
		September 23, 2022	1,615
		December 27, 2022	3,600

## Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

Parties to which such funds are further loaned or invested by DVL	Nature of transaction	Date	₹ Lakh
EcoZen Solutions Private Limited	Investment in series C1 Preference shares	June 23, 2022	995
	Investment in equity shares	June 24, 2022	5
String Bio Private Limited	Investment in equity shares	August 01, 2022	*
	Investment in series B Compulsorily Convertible Preference Shares	August 01, 2022	1,649
Dhaksha Unmanned Systems Private Limited	Investment in equity shares	September 26, 2022	351
		October 24, 2022	
	Investment in seed series Compulsorily Convertible Preference Shares	October 24, 2022	1,649

\* Less than ₹1 Lakh

Parties to which such funds are further loaned or invested by CCL	Nature of transaction	Date	₹ Lakh
Baobab Mining and Chemicals Corporation S.A.	Investment in equity shares	September 05, 2022	15,660
		September 23, 2022	1,619
	Loans given	December 27, 2022	4,142

The Group has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

### Complete details of intermediaries and ultimate beneficiaries:

Name of the entity	Registered Address	Government Identification Number (CIN/RCCM)	Relationship with the Company
Dare Ventures Limited	1-2-10, Sardar Patel Road, Secunderabad, Hyderabad, Telangana - 500003	U65110TG2012PLC080296	Subsidiary
Ecozen Solutions Private Limited	301 Vaishnavi Appt. Plot No.29, Vijayanand Gruha Nirman Sahakari Sanstha, Narendra Nagar, Nagpur, Maharashtra - 440015	U93090MH2010PTC209218	NA
String Bio Private Limited	No.456G,1st Main Road, Vinayaka Nagar, 9 <sup>th</sup> mile Tumkur road, Hobli, Bangalore, Karnataka - 560073	U24297KA2013PTC069481	NA
Dhaksha Unmanned Systems Private Limited	Plot No. 253, SIDCO (N.P) Ambattur Industrial Estate, Chennai, Tamil Nadu - 600098	U35900TN2019PTC128496	Subsidiary
Coromandel Chemicals Limited	Office No 704, 7 <sup>th</sup> Floor Centrum IT Park, Plot No C-3 Opp Rayladevi Lake, Wagle Estate, West Thane, Maharashtra - 400604	U74999MH1995PLC088809	Subsidiary
Coromandel Technology Limited	1-2-10, Sardar Patel Road, Secunderabad, Hyderabad, Telangana - 500003	U35929TG2022PLC169709	Subsidiary
Baobab Mining and Chemicals Corporation S.A.	Point E – Rou Kolda, Residences Les Cocotiers, 3eme droite, Dakar - Senegal	DKR 2011 B 8503	Associate

- (ii) The Group 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 Group 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.

## Notes Forming Part of the Consolidated Ind AS Financial Statements for the Year Ended March 31, 2024

**57** The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.

**58** The Group does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

**59** The Group has not traded or invested in Crypto Currency or Virtual Currency during the year.

**60** The Group has the following Core Investment Companies in the group:

1. Cholamandalam Financial Holdings Limited
2. Ambadi Investments Limited

**61** There are no charges or satisfaction pending to be registered with Registrar of Companies beyond the statutory time limit in the group.

**62.** Disclosure of additional information as required by the schedule III

### As at and for the year ended March 31, 2024

₹ Lakh

Name of the entity in the Group	Net Asset		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<i>Parent Company</i>								
E.I.D.-Parry (India) Limited	20%	2,23,253	1%	1,163	37%	6,709	4%	7,872
<i>Subsidiaries - Indian</i>								
Coromandel International Limited	44%	4,94,317	59%	93,999	1%	102	53%	94,101
Coromandel Chemical Limited (formerly Parry Chemicals Limited)	*	3,547	*	(448)	*	-	*	(448)
Dare Ventures Limited (formerly Dare Investments Limited)	*	4,083	*	111	(1%)	(189)	*	(78)
Coromandel Technology Limited	2%	17,268	*	(104)	18%	3,321	2%	3,217
Coromandel Solutions Limited	*	28	*	(1)	*	-	*	(1)
Dhaksha Unmanned Systems Private Limited	*	1,772	*	162	*	-	*	162
Parry Infrastructure Company Private Limited	*	2,602	*	86	(2%)	(367)	*	(281)
Parry Sugars Refinery India Private limited	(4%)	(54,018)	(2%)	(2,900)	33%	6,038	2%	3,138

# Notes Forming Part of the Consolidated Ind AS Financial Statement

for the Year Ended March 31, 2024

₹ Lakh

Corporate overview

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Name of the entity in the Group	Net Asset		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Subsidiaries - Foreign</b>								
Coromandel America S.A. (formerly Sabero Organics America S.A.)	*	28	*	(13)	-	-	*	(13)
Coromandel Australia Pty Ltd, Australia (formerly Sabero Australia Pty Ltd, Australia)	*	(1)	*	(1)	-	-	*	(1)
Sabero Argentina S.A.	-	-	-	-	-	-	-	-
Coromandel Agronegocios de Mexico, S.A de C.V	*	142	*	7	-	-	*	7
Coromandel International (Nigeria) Limited	*	(6)	*	(12)	-	-	*	(12)
Parry America Inc.	*	1,288	*	40	-	-	*	40
CFL Mauritius Limited	*	52	*	(17)	-	-	*	(17)
Coromandel Brasil Limitada, Limited Liability Partnership	*	(47)	*	42	-	-	*	42
Coromandel Mali SASU	*	4	-	-	-	-	*	-
US Nutraceuticals Inc	*	3,919	1%	2,095	*	88	1%	2,183
Alimtec S.A.	-	-	*	20	*	(21)	*	(1)
Parry International DMCC	*	(3,260)	(2%)	(2,906)	*	(59)	(2%)	(2,965)
Labelle Botanics LLC	*	3,618	*	276	-	-	-	276
<b>Joint Ventures - Indian</b>								
Yanmar Coromandel Agrisolutions Private Limited	*	995	*	24	-	-	*	24
Algavista Greentech Private Limited	*	402	*	(141)	-	-	*	(141)
<b>Associate - Foreign</b>								
Coromandel Crop Protection Philippines Inc. (formerly Sabero Organics Philippines Asia Inc.)	*	5	*	(3)	-	-	*	(3)
Baobab Mining and Chemicals Corporation, SA (BMCC)	1%	5,834	(1%)	(1,511)	-	-	-1%	(1,511)
<b>Non-controlling interest</b>	37%	4,15,375	44%	71,790	14%	2,522	41%	74,312
<b>Total</b>	<b>100%</b>	<b>11,21,200</b>	<b>100%</b>	<b>1,61,757</b>	<b>100%</b>	<b>18,144</b>	<b>100%</b>	<b>1,79,901</b>

\* represents less than 1% or rs. 1 lakh

# Notes Forming Part of the Consolidated Ind AS Financial Statements

for the Year Ended March 31, 2024

**63.** Pursuant to the requirements of SEBI operational circular no SEBI/HO/DDHS/P/CIR/2021/613 dated August 01, 2021, the Coromandel International Limited, subsidiary of the Holding Company had no Commercial papers outstanding as on March 31, 2024.

**64.** Pursuant to the Share Purchase Agreement ('SPA') dated June 29, 2023, Coromandel International Limited (CIL), a Subsidiary of the Holding Company, has acquired 32.68% equity stake in Dhaksha Unmanned Systems Private Limited (DUMS) through Coromandel Technology Limited (CTL), a wholly owned subsidiary (WOS) of CIL for a cash consideration of ₹20,424 Lakh. Further, CTL has also acquired the existing 18.34% equity stake in Dhaksha held by Dare Ventures Limited (DVL), a WOS of CIL. Upon satisfactory completion of the customary closing conditions, CIL holds 51.02% equity stake in DUMS and accordingly, is classified as a subsidiary with effect from July 31, 2023 and has been consolidated with effect from that date. The transaction was accounted in accordance with Ind AS 103 - Business Combination.

Subsequent to the Balance Sheet, Coromandel International Limited (CIL), a subsidiary of the Holding Company, through Coromandel Technology Limited (CTL), a wholly owned subsidiary of CIL, has executed agreements to acquire additional shareholding in Dhaksha Unmanned Systems Private Limited (DUMS) at a consideration of ₹14,998 Lakh. Post completion of the above transactions, CIL, through its wholly owned subsidiary, CTL, will increase its equity stake in Dhaksha from existing 51.02% to 58.01%.

**65.** In relation to an incident at one of the plants of Coromandel International Limited (CIL), a subsidiary of the Holding Company, subsequent to the balance sheet date, the National Green Tribunal vide its order directed CIL to follow directions of the relevant authorities and obtain necessary approvals before resuming operations. Based on the information available to date, CIL does not believe that the aforesaid matter will have any material effect on its financial statements.

**66.** The Hon'ble National Company Law Tribunal, Chennai (NCLT) vide its order dated July 27, 2023 read with order dated September 20, 2023 has sanctioned the Scheme of Amalgamation ('Scheme') of the Holding Company's wholly owned subsidiaries, Parrys Investments Limited, Parrys Sugar Limited, and Parry Agrochem Exports Limited with the wholly owned subsidiary, Parry Infrastructure Company Private Limited (PICPL) and consequent to filing of the Form INC 28 along with the Certified Copy of the Order with the Registrar of Companies on October 10, 2023, the Scheme has become effective from October 10, 2023 with appointed date of April 01, 2022.

**67. A.** One of the subsidiaries of Coromandel International Limited is maintaining its books of account in electronic mode and these books of account are accessible in India at all times. It is currently in the process of establishing a mechanism to ensure that a backup is taken in India, on a daily basis on the servers physically located in India to meet the requirements of Rule 3 of the Companies (Accounts) Rules, 2014 (as amended) and such activity is expected to be completed in the next year, given the complex nature.

**B.** Coromandel International Limited and its subsidiaries which are companies incorporated in India and whose financial statements have been audited under the Act have complied with the requirements of audit trail except for in respect of one subsidiary, the audit trail feature was not enabled throughout the year for all relevant transactions recorded in the software. Further, the Holding Company and above referred subsidiaries did not come across any instance of audit trail feature being tampered with.

**68.** The figures for the previous year have been reclassified/regrouped wherever necessary for better understanding and comparability.

## 69. Approval of Consolidated Ind AS financial statements

The Consolidated Ind AS financial statements were reviewed and recommended by the Audit Committee and has been approved by the Board of Directors at their respective meetings held on May 23, 2024 and May 24, 2024 respectively.

In terms of our report attached

For and on behalf of the Board of Directors

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration Number : 012754N/N500016

**S. Suresh**

Managing Director

DIN : 06999319

**M. M. Venkatachalam**

Chairman

DIN : 00152619

**Baskar Pannerselvam**

Partner

Membership Number : 213126

**Biswa Mohan Rath**

Company Secretary

**Y. Venkateshwarlu**

Chief Financial Officer

Place: Chennai

Date: May 24, 2024

Place: Chennai

Date: May 24, 2024



# The Spirit of the Murugappa Group

The light of  
**INTEGRITY**  
that gives us the courage to  
always do the right thing

The light of  
**RESPONSIBILITY**  
that gives us the humility to  
think about the world around us

The light of  
**PAS2ION**  
that provides us with  
the desire to win

The light of  
**RESPECT**  
that inspires people  
around us to perform

The light of  
**QUALITY**  
which makes us  
dream of excellence

These **five lights** guide us as we navigate  
through professional and personal decisions.





**E.I.D.- PARRY (INDIA) LIMITED**

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