



Dham*pure* Speciality Sugars Ltd.

22nd Annual Report
2013 - 2014

www.sugarindia.com

22nd ANNUAL REPORT

BOARD OF DIRECTORS

MR. SORABH GUPTA

Managing Director

MR. N. K. GUPTA

Director

MR. MURLI MANOHAR

Director

MR. DESHRAJ SINGH

Director

AUDITORS

M/S. S PRASAD AGARWAL & CO.

REGISTERED OFFICE & WORKS

Village - Pallawala, Tehsil - Dhampur

Distt. - Bijnor (U. P.) - 246761

CORPORATE OFFICE & INVESTORS' RELATION CELL

24, School Lane, Near World Trade Centre

New Delhi - 110001

E-mail : investor@sugarindia.com

REGISTRAR & SHARE TRANSFER AGENT

MAS Service Ltd.

T-34, 2nd Floor, Okhla Industrial Area

Phase-II, New Delhi - 110020

E-mail : info@masserv.com

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NOTICE

Notice is hereby given that the 22nd Annual General Meeting of the members of DHAMPURE SPECIALITY SUGARS LIMITED will be held on Tuesday the 30 September, 2014 at 2.00PM at its registered office at village Pallawala, Tehsil – Dhampur, Distt – Bijnor (U.P.)-246761 to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014, the Statement of Profit & Loss account for the year ended on that date and reports of Directors and Auditors thereon.
2. To appoint a Director in place of Narendra Kumar Gupta, DIN No. 00299795 who retires by rotation and being eligible offers himself for reappointment.
3. To consider and declare the dividend for the year 2013-14 on equity shares of the company.
4. To appoint auditors and to fix their remuneration.

Notes :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member of the company. Proxy in order to be effective must be received by the company not later than 48 hours before meeting.
2. Members are requested to notify immediately to the company any change in their registered address.
3. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
4. Shareholders desiring any information as regards the accounts are requested to write to the company at an early date so as to enable the management to keep the information ready.
5. The register of members and shares transfer books of the company will remain closed from 25.09.2014 to 30.09.2014 (both days inclusive) for the purpose of Annual General Meeting.
6. Shareholders who are still holding physical share certificates are advised to dematerialize their shareholding to avail benefits of dematerialization which includes, easy liquidity since trading is permitted in dematerialized form, electronic transfers, savings in stamp duty and prevention of forgery.
7. Final dividend of Re. 0.80 per share has been recommended by the Board of Directors for the year ended 31st March, 2014 and subject to the approval of the shareholders at the ensuing Annual General Meeting.

8. Electronic copy of the Notice of the 22nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 22nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

9. Voting through electronic means

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 22nd Annual General Meeting by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under :

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i) Open email and open PDF file viz; “DSSL e-Voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select “EVEN” of DHAMPURE SPECIALITY SUGARS LIMITED.
 - (viii) Now you are ready for e-voting as Cast Vote page opens.

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- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
- (xii) *Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to dsslscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in*
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company / Depository Participant(s) or requesting physical copy]:
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :
- EVEN** (E Voting Event Number) **USER ID** **PASSWORD/**
PIN
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- II. 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 Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password / PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on 24th September, 2014 (9:00 am) and ends on 26th September, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 29, 2014 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of August 29, 2014.
- VII. M/s. Anjani Kumar & Associates. Company Secretary (C.P. 8830) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or
against, if any, forthwith to the Chairman of the Company.
- IX. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.sugarindia.com and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

By Order of the Board of Director
For **Dhampure Speciality Sugars Limited**

Place : New Delhi
Date : 30.08.2014

Ziaul Hasan Khan
Company Secretary

Registered Office :
Village - Pallawala, Tehsil - Dhampur
Distt. - Bijnor (U. P.)

DIRECTORS' REPORT

To

The Members,

Dhampure Speciality Sugars Limited

Your Directors have pleasure in presenting the 22nd Annual Report together with the Audited Accounts of the Company for the accounting year ended on 31st March, 2014.

FINANCIAL RESULTS

The working results of the Company are briefly given below :

	(Rupees) Current Year	(Rupees) Previous Year
Sales & other income	382997384	456676495
Operating Profit before		
Depreciation & tax	12660645	13514567
Less : Depreciation	2019397	2006162
Profit before tax	10641248	11508405
Less: a) Proposed Dividend	5728960	5728960
b) Provision for Tax		
(i) Current Tax	3397157	3676323
(ii) Deferred Tax	(20643)	(24445)
(iii) Income Tax paid for		
Previous Year	217993	115385
(iv) Dividend tax	929381	929381
Profit after Tax	388400	1082801

REVIEW AND PROSPECTS

Company produced 993 MT of Invert Sugar during the year as against 952 MT in the previous year. Speciality Sugar produced 595MT during the year against 404 in the previous year.

The Company has achieved a turnover of Rs. 382997384/- doing value addition of speciality sugars and chemicals during the year as against Rs. 456676495/- in the previous year. The overall performance of the company resulting profit during the year. This was achieved by leveraging the brand value of the company, using strategic relationship with the customers and utilization of the logistics infrastructure of the company.

The company has taken major strides in becoming leader in supplying speciality sugar products not only in India but also internationally. The company is focusing to increase the base in domestic market for invert sugar and Speciality Sugars.

At present, we are moving in the directions developing wider product range of Speciality sugar by acquiring technical expertise or by using in house Research & Development, some of these are sugar cane juice, fancy sugar cubes etc.

PUBLIC DEPOSIT

The Company has not accepted any deposits from the public during the financial year.

DIVIDEND

Your Directors recommended a dividend of 8% (Rs.0.80) per equity Share of face value Rs.10- each for your approval.

DIRECTORS

In term of Section 152(6) of the Companies Act, 2013 and articles of Association of the company, Mr. Narendra Kumar Gupta is retiring by rotation but being eligible, has offered himself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 134 (5) OF THE COMPANIES ACT, 2013

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) shall state that-

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis; and
- the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

CORPORATE GOVERNANCE

We are making best efforts to implement the norms, which are promulgated by legislation, or any of the statutory bodies. In line with that, a report on Corporate Governance, along with a certificate from the Statutory Auditors, has been included in the Annual Report, detailing the compliances of corporate governance norms as enumerated in Clause 49 of the Listing Agreements with the Stock Exchanges.

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AUDITORS

M/s S. Prasad Agarwal & Co., Chartered Accountants, the retiring statutory Auditors, being eligible, offers themselves for reappointment. They have confirmed that their reappointment if made would be within the limits in accordance with section 141 of the Companies Act, 2013.

THE PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956.

During the year ended March 31, 2014, no employee is drawing remuneration in excess of the amount prescribed under section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of employees) Rules, 1975.

LISTING OF THE SHARES

Company's shares are listed at BSE Ltd. And the listing fee for the year 2013-14 has been paid to the BSE Ltd.

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

The particulars required to be included in terms of Section 217 (1)(e) of the Companies Act, 1956 with regard to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure.

EMPLOYEE RELATIONS

Employee relations remained cordial during the year under review.

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude the timely assistance and help extended by the Banks and Financial Institutions. The Board also wish to place on record the valuable contribution of all the officers, staff and workers in ensuring the smooth operations of the company.

On behalf of the Board of Director
Dhampure Speciality Sugars Ltd.

Place : New Delhi
Date : 30.08.2014

Murli Manohar
Director
(DIN: 01173857)

Sorabh Gupta
Managing Director
(DIN: 00227776)

ANNEXURE TO DIRECTORS' REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

CONSERVATION OF ENERGY

- a) Energy conservation measures taken :
The Company continues its efforts to improve methods of energy conservation and utilization.
- b) Total energy consumption per unit of production is given as per Form- A enclosed.

FOREIGN EXCHANGE EARNING AND OUTGO

The Foreign Exchange earned and outgoing during the year are outlined in Note no. 33 (e) & 34 (f) Notes of financial statement.

FROM - A

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

	Current Year	Previous Year
A. POWER AND FUEL CONSUMPTION		
1. Electricity (Light & Power)		
a) Purchased units	111434	67323
b) Total Amounts (Rs.)	559398	337962
c) Rate/Unit	5.02	5.02
B) CONSUMPTION PER UNIT (M.T.) OF PRODUCTION		
Product : Invert Speility Sugars & Jaggery		
Electricity :	33	45

FROM - B

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

RESEARCH AND DEVELOPMENT (R&D)

1. Specific areas in which R&D carried out by the Company :
- a) Company developed automatic & standardized process to produce and pack jaggery (Gur) under the brand name of Dhampure.
- b) Company developed different types of Speciality Sugars, including Demerara Sugar, Water white invert sugar syrup etc.
- c) Company signed MOUs with various Technical institutions of International repute for developing novel products.

2. Benefits derived as a results of above R & D :
- Value addition of finished goods.
 - Catering to an International market with quality products.
 - Helping India enhance its position in the global market.

3. Future plan of action:
The company is constantly trying to improve the product quality with reduction in per unit cost and development and evaluation of alternate raw materials. Overall enhancement of quality, development of International market and offering a range of novel health-friendly sugar products remains the objective.

4. Expenditure on R & D:
Expenditure made is non-allocable

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

1. Efforts made towards technology absorption, adoption and innovation:
- Production of chemical free jaggery by retaining its natural health properties and taste appeal.
 - Technology to develop new style of cost effective sugar sachets.
 - Technology to develop a refreshing & healthy sugarcane juice drink.
 - Technology to make free flow demerara sugar and packing in various pack sizes from 5gms to 50 kg
2. Benefit derived as a result of the above efforts:
- Increase in number of customers.
 - Value addition of finished goods.
 - Catering to the global market with quality products.
3. Imported Technology: Nil

On behalf of the Board of Director
Dhampure Speciality Sugars Ltd.

Place : New Delhi
Date : 30.08.2014

Murli Manohar
Director
(DIN: 01173857)

Sorabh Gupta
Managing Director
(DIN: 00227776)

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The company believes the good and effective corporate governance. Governance lies in managing the business in a transparent, fair accountable manner and sharing the information with the shareholders and not only complying with all the statutory obligations but also taking a role of a good corporate citizen. The philosophy of corporate governance as manifested in the company's functioning is to achieve business excellence by enhancing long term share holders value and interest of all, its stake holders such as customers, employees, financiers and to society in general.

2. BOARD OF DIRECTORS

The Board of Directors consists of two non-executive & independent directors, one non-executive directors & one Managing Director.

During the year 2013-14, the Board met Nine(09) times on the following dates, namely 29th May, 2013, 26th July, 2013, 30th August, 2013, 05th September, 2013, 24th September, 2013, 31st October, 2013, 12th February, 2014, 07th March, 2014 & 10th March, 2014.

The following table gives details of directors, attendance of directors at the Board meeting and at the last annual general meeting, number of memberships held by directors in the Board/Committees of various companies:-

Name of Director	Category of Membership	Attendance Particulars		Number of other directorships and committee Memberships/Chairmanships		
		BMs	Last AGM	Director-Ship	Committee Membership	Committee Chairman Ship
Mr. Sorabh Gupta	Managing Director	9	Yes	8	1	1
Mr. Deshraj Singh	Non-Executive & Independent Director	8	Yes	1	3	-
Mr. N. K. Gupta	Non-Executive Director	6	Yes	4	3	-
Mr. Murli Manohar	Non-Executive & Independent Director	9	Yes	1	3	2

None of the directors is a member in more than ten committees and acts as a chairman in more than five committees across all companies in which he is a director.

3. AUDIT COMMITTEE

The Audit committee constituted by the Board of Directors consists of three non-executive directors namely Mr. N.K. Gupta, Mr. Murli Manohar (Non executive & Independent Director) and Mr. Deshraj Singh (Non executive & Independent Director).

The terms of reference of the committee covers all items stated in clause 49 of Listing Agreement with the stock exchanges and such other functions as may be specifically delegated to the committee by the Board

from time to time. The constitution of Audit committee also meets with the requirements under section 292A of the companies Act, 1956. The committee reviews the all financial statements before they are placed before the Board during the year. Under review the committee meet on 29th May, 2013, 31st July, 2013, 31th October, 2013, 12th February, 2014.

4. SHARE TRANSFER COMMITTEE/SHAREHOLDERS GRIEVANCE COMMITTEE

The committee has been constituted with Mr. Sorabh Gupta, Mr. Murli Manohar & Mr. N.K. Gupta. Mr Sorabh Gupta is the Chairman of the committee. The Committee inter alia, approves issue of duplicate certificates and oversees and reviews all matters connected with the share transfer. The committee also looks into redressing of investors' complaints like transfer of shares, non-receipt of Balance Sheet etc. and also notes transfers/transmissions of securities issued by the company. The committee oversees the performance of the registrar and share transfer agent and recommends measures for overall improvement of the quality of Investor services.

As on 31st March, 2014, No request for transfer & dematerialization was pending.

The Company has also adopted a code of conduct for prevention of insider trading in the shares of the company, pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The committee has been constituted with Mr. Murli Manohar (Non Executive & Independent Director) & Mr. N.K. Gupta (Non Executive Director) and Mr. Deshraj Singh (Non Executive & Independent Director). Mr. Murli Manohar is the Chairman of the committee. The Committee inter alia, consider and resolve the grievances of security holders of the company.

6. NOMINATION AND REMUNERATION COMMITTEE

Mr. Murli Manohar	-	Chairman
Mr. N.K. Gupta	-	Member
Mr. Deshraj Singh	-	Member

5. DIRECTORS' REMUNERATION

The remuneration is approved by the Board considering, the educational qualification, past experience and the dedication to the duties. None of the Independent Directors of the company have any pecuniary relationship or transactions with the company. Sitting fees have been paid to the Non-executive Directors only attending the meeting.

Rs. 15,00,000/- paid to the Managing Director towards remuneration during the financial year 2013-14.