



# INDIAN SUCROSE LIMITED

## 23rd Annul Report 2013-2014



## MANAGEMENT

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### BOARD OF DIRECTORS

**Sh. Kunal Yadav**  
Chairman & Managing Director

**Sh. Dharampal Singh**  
Non- Executive Director

**Sh. Pawan Dewan**  
Independent Director

**Sh. Sheoraj Singh Ahlawat**  
Independent Director

**Sh. Prakash Chandra Gupta**  
Independent Director

**Sh. Vijay Sood**  
Independent Director

**Sh. Sanjay Singh**  
Executive Director

**Smt. Kunj Deep Kalra**  
Woman Director

### COMPANY SECRETARY

CS Manish Kumar Dixit

### CHIEF FINANCIAL OFFICER

Ravinder Sharma

### AUDITORS

Rakesh Grover & Co.  
Chartered Accountants,  
Ludhiana

### COST AUDITORS

Ajay Kumar Singh & Associates,  
Cost Accountants,  
Delhi

### BANKERS

Punjab National Bank

### REGISTERED OFFICE & WORKS

G. T. Road, Mukerian,  
Distt.- Hoshiarpur,  
Punjab-144211

### CORPORATE OFFICE

202/47, Thapar Arcade,  
Kalu Sarai, Hauz Khas,  
Delhi-110016

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## INDIAN SUCROSE LIMITED

**Registered Office:** G.T. Road, Mukerian, Distt Hoshiarpur, Punjab-144211

**CIN:** L15424PB1990PLC010903

**Website:** www.muksug.com,

**Email:** islcare@yahoo.co.in/ isl.investor@yaducorporation.com

### NOTICE

Notice is hereby given that the 23rd Annual General Meeting of the Members of the Company will be held on Tuesday, 30th day of September 2014 at 11:00 AM, at the Registered Office of the Company at G.T. Road, Mukerian-144 211, Distt. Hoshiarpur (Punjab), to transact the following business:-

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as on 31st March, 2014 and the Profit & Loss Account for the year ended on that date along with the Report of the Board of Directors and Auditors' thereon.
2. To resolve not to fill the vacancy for the time being in the Board, caused by the retirement of Sh. Jitender Singh, who retires by rotation and has expressed his unwillingness for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** M/s. Rakesh Grover & Co., Chartered Accountants (Registration No. 017153N), be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting at such remuneration, as shall be fixed by Board of Directors of the Company."

### SPECIAL BUSINESS

4. To consider and, if thought fit, to pass, with or without modifications, if any, the following as an Ordinary Resolution:

**"RESOLVED THAT** Smt. Kunj Deep Kalra (DIN: 05285059), who was appointed as an Additional Director of the Company and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 and in respect of whom the Company has received a notice pursuant to Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed a Director of the Company, whose period of office shall be liable to determination by retirement of Directors by rotation."

5. To appoint Shri Vijay Sood (DIN: 00517512) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Vijay Sood (DIN: 00517512), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in

writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years up to the conclusion of the 28th Annual General Meeting of the Company in the calendar year 2019."

6. To appoint Shri Pawan Dewan (DIN: 00223802) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Pawan Dewan (DIN: 00223802), a Non-Executive Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 28th Annual General Meeting of the Company in the calendar year 2019."

7. To appoint Shri Sheoraj Singh Ahlawat (DIN: 02027282) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Sheoraj Singh Ahlawat (DIN: 02027282), a Non-Executive Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 28th Annual General Meeting of the Company in the calendar year 2019."

8. To appoint Shri Prakash Chandra Gupta (DIN: 02995984) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Prakash Chandra Gupta (DIN: 02995984), a Non-Executive Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 28th Annual General Meeting of the Company in the calendar year 2019."



## INDIAN SUCROSE LIMITED

9. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2015 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Ajay Singh & Associates, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid a remuneration of ₹ 50,000/- per annum.

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

10. To add new clause in the Object Clause of Memorandum of Association of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 13 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Shareholders of the Company be and is hereby accorded, subject to approval of the Registrar of Companies, Chandigarh to append following sub clause (6) & (7) after sub clause (5) of the Clause III A of the Memorandum of Association of the Company:

(6) To carry on the business as buyers, sellers, exporters, importers, manufacturers, stockiest, agents, exchangers, providers, distributors, collaborators, consultants, transporters, suppliers and dealers of all kinds, classes, applications, specifications, descriptions, characteristics, colours and uses of papers including writing papers, printing papers, absorbent papers, packing & wrapping papers, wall and ceiling papers, news print papers, filter papers, antique papers, ivory finish papers, art papers, card board papers, badami, brown or bugg papers, bible papers, cartridge papers, cloth lined papers, wove papers, creamlaid and wove papers, corrugated craft linear papers, speciality papers, tissue paper and articles made from paper or pulp, pulp plastics, gummed papers, handmade papers, parchment papers, drawing paper, manila papers, envelope papers, tracing papers, vellum papers, water proof papers, cartoon papers and craft papers, whether coated, glazed, polished, corrugated, laminated or otherwise and any raw materials, intermediates, ingredient, substances, consumables and allied materials.

(7) To manufacture, trade, import and export and to carry on the business of all varieties of paper, paper board and news print including tissue paper, crepe tissue paper, poster paper, grease proof paper, art paper, drawing paper, chart paper, decorative laminative paper, craft paper, insulation paper, coated paper and board, pulp of all varieties and products made thereof such as toilet rolls, face tissues, paper napkins, kitchen towels, C. fold wiper, JRT rolls, sanitary napkins and towels, diapers, nappy liners, wet tissues, coasters, saucer, plates, tray mats, paper core spool including packing material thereof and all varieties of aluminum and aluminum foil in rolls and sheets and its products such as domestic aluminum foil in rolls and sheets, wrap, containers, lids and envelopes, book binders, box makers.

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorized to do all acts, deeds, things and matters as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary e-Forms with the Registrar of Companies, Chandigarh."

11. To add new clause in the Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 ('the Act') read with Rules made there under (including any statutory modifications or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to amend the Articles of Association of the Company, by inserting following new Article 2A after Article 2:

"2A Wherever in the Companies Act, 2013 ('CA 2013'), it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction(s) only if the Company is so authorized by its Articles, then and in that case by virtue of this Article, the Company is hereby specifically authorized, empowered and entitled to have such right, privilege or authority, to carry out such transaction(s) as have been permitted by the CA 2013 without there being any separate/specific article in that behalf herein provided."

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorized to do all acts, deeds, things and matters as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary e-Forms with the Registrar of Companies, Chandigarh."

12. To approve conversion of 700,000 6% Convertible Preference Shares into Equity Shares and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 55 and all other applicable provisions of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the members be and is hereby accorded for conversion of 700,000 6% Convertible Preference Shares of ₹ 100/- each into equity shares of ₹ 10/- each ranking at a premium of ₹ 4/- pari passu with the existing equity shares of the Company.

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorized to do all acts, deeds, things and matters as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary e-Forms with the Registrar of Companies, Chandigarh."

**By Order of the Board of Director  
For Indian Sucrose Limited**

Sd/-  
**CS Manish Kumar Dixit**  
(Company Secretary)

Place: New Delhi  
Date: 22-08-2014



## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY IS ANNEXED HERewith AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The profile of the Directors seeking re-appointment/new appointment in terms of Clause 49 of the Listing Agreement, are annexed hereto and form part of this notice.
4. A Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
5. The relevant records of the company open for inspection by members as per provisions of the Companies Act can be inspected at the Registered Office of the company on all working days between 10:00 a.m. to 12:00 p.m.
6. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts. The members holding shares in physical form are requested to notify the change in their addresses, if any to the company immediately.
7. Members, desiring of any information/ clarification(s)/ intending to raise any query concerning the annual accounts and operations of the Company, are requested to write to the company at least 10 days prior to the date of this Meeting to the Company Secretary at the Registered Office of the Company, so that the same may be attended appropriately.
8. The Members are requested to bring their attendance slip along with their copy of Annual Report at the Meeting.
9. The Members are requested-
  - i. To bring their copy of Annual Report at the Meeting;
  - ii. To bring Attendance Slip duly completed and signed at the meeting; and
  - iii. To quote their Folio No. / DP Id - Client Id in all correspondence.
10. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 25, 2014

to Tuesday, September 30, 2014 (both days inclusive), for Annual Closing.

11. In terms of the provisions of the Companies Act, 2013, Notice of AGM may be served on the members through electronic means. Members who have registered their E-mail Ids with Depositories or the Company are being sent this notice by e-mail and Members who have not registered their E-mail Ids will receive notice through registered post/courier. In order to receive faster communication and enable the Company to serve the Members better and to promote green initiatives, the Members are requested to provide/update their e-mail addresses with their respective Depository Participants (DPs) or send an email at [islcare@yahoo.co.in](mailto:islcare@yahoo.co.in) to get the Annual Report other communication from the Company.
12. The members are requested to make their all correspondence with the Company at its Registered Office at G.T. Road, Mukerian-144211, Distt. Hoshiarpur (Punjab).
13. Members are requested to furnish the Nomination Form in the prescribed Performa in case they wish to avail the Nomination facility given by the Companies Act, 2013.

## STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM NO. 4

As per the provisions of Section 149(1) of the Act and amended Clause 49 of the Listing Agreement, the Company shall have at least one woman director.

Keeping in view the above legal requirements, the Board of Directors have proposed that Smt. Kunj Deep Kalra be appointed as a Director of the Company.

Smt. Kunj Deep Kalra was appointed as Additional Directors by the Board of Directors of the Company at their meeting held on August 14, 2014.

As per the provisions of Section 161(1) of the Companies Act, 2013, read with Article of Association of the Company, Smt. Kunj Deep Kalra holds office till the date of the forthcoming Annual General Meeting of the Company. The Company has received a Notice in writing from a Member of the Company along with the required deposit proposing the candidature of Smt. Kunj Deep Kalra for the office of Director under the provisions of Section 160 of the Companies Act, 2013.

Smt. Kunj Deep Kalra is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

Brief resume of the Smt. Kunj Deep Kalra is provided in the Corporate Governance Report forming part of the Annual Report. Further, the details required in terms of Clause 49 of the listing agreement, are attached and form part of this Notice.

Keeping in view her experience, and expertise, her appointment as Director of the Company is recommended by the Board.

No Director, Key Managerial Personnel or their relatives, except Sh. Kunal Yadav and Sh. Dharampal Singh to whom the resolution relate, is concerned or interested, financial or otherwise, in the resolution.

The Board commends the resolutions at item no. 4 for approval of the Members as Ordinary Resolution(s).

**ITEM NO. 5**

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Shri Vijay Sood as an Additional Director of the Company with effect from August 14, 2014. In terms of the provisions of Section 161(1) of the Act, Shri Vijay Sood would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Vijay Sood for the office of Director of the Company.

Shri Vijay Sood is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Shri Vijay Sood that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

Shri Vijay Sood possesses appropriate skills, experience and knowledge; inter alia, in the field of finance.

In the opinion of the Board, Shri Vijay Sood fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Shri Vijay Sood is independent of the management.

Brief resume of Shri Vijay Sood, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Shri Vijay Sood is appointed as an Independent Director.

Copy of the draft letter for appointment of Shri Vijay Sood as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Save and except Shri Vijay Sood and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other 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. 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

**ITEM NO. 6, 7 & 8**

Shri Pawan Dewan, Shri Sheoraj Singh Ahlawat and Shri Prakash Chandra Gupta are Independent Directors of the Company and have held the positions as such for more than 5 (Five) years.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint Shri Pawan Dewan, Shri Sheoraj Singh Ahlawat and Shri Prakash Chandra Gupta as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to the conclusion of the 26th Annual General Meeting of the Company in the calendar year 2017.

Shri Pawan Dewan, Shri Sheoraj Singh Ahlawat and Shri Prakash Chandra Gupta are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Shri Pawan Dewan, Shri Sheoraj Singh Ahlawat and Shri Prakash Chandra Gupta for the office of Directors of the Company.

The Company has also received declarations from Shri Pawan Dewan, Shri Sheoraj Singh Ahlawat and Shri Prakash Chandra Gupta that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Pawan Dewan, Shri Sheoraj Singh Ahlawat and Shri Prakash Chandra Gupta fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Shri Pawan Dewan, Shri Sheoraj Singh Ahlawat and Shri Prakash Chandra Gupta are independent of the management.

Brief resume of Shri Pawan Dewan, Shri Sheoraj Singh Ahlawat and Shri Prakash Chandra Gupta, nature of their expertise in specific functional.

No Director, Key Managerial Personnel or their relatives, except Shri Pawan Dewan, Shri Sheoraj Singh Ahlawat and Shri Prakash Chandra Gupta to whom the resolution(s) relate, is concerned or interested, financial or otherwise, in these resolution(s).

The Board commends the resolutions at item nos. 6, 7 & 8 for approval of the Members as Ordinary Resolution(s).

**ITEM NO. 9**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 as per the following details:

₹			
S. No.	Name of the Cost Auditors	Industry	Audit Fees
1.	M/s Ajay Kumar Singh & Associates	Sugar	50,000/-

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. 9 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.



## INDIAN SUCROSE LIMITED

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. 9 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

### ITEM NO. 10

The resolution mentioned in Item No. 10 of the Notice relates to the alteration of the Objects Clause of the Memorandum of Association of the Company with respect to inclusion of new objects therein, as set out in the resolution.

As a part of new strategy, the company could cater towards manufacturing of paper and other related activities.

The proposed alteration will enlarge the main objects and new objects will enable the company to carry on its business more economically and efficiently. Further this will also enlarge the areas of Company's operations. The Proposed alteration will be in the interest of the Company and its shareholders.

The present business of the Company consists, inter-alia, of to carry on the business of manufacturing and trading of all grades and types of Sugar and its allied products and to generate, distribute, and supply electricity out of steam generated in the process of manufacturing of Sugar and its by-products. It is now proposed to enlarge their area of operations and for the expansion of their business in a different line of activity so that the company can expand their business in industries to manufacture, trade, import and export of all varieties of paper, paper board and news print including tissue paper, crepe tissue paper, poster paper, grease proof paper, art paper, drawing paper, chart paper, decorative laminative paper, craft paper, insulation paper, coated paper and board, pulp of all varieties and products made thereof.

As per the provisions of Section 13 of the Companies Act, 2013 any alteration in the Memorandum of Association of the Company requires the approval of shareholders by way of special resolution and filing of the same with the Registrar of Companies for it to register the same and certify the registration. Hence the resolution is proposed for your consideration.

A copy of the Articles of Association of the Company together with proposed alteration would be available for inspection free of cost by the members at the Registered Office of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 10 of the Notice.

The Board commends the Special Resolution set out at Item No. 10 of the Notice for approval by the shareholders.

### ITEM NO. 11

The members may please note that the Ministry of Corporate Affairs ('MCA') vide its notifications dated 12th September, 2013 and 26th March, 2014 has notified many substantive provisions of the Companies Act, 2013 ('the Act'), which governs general working of companies. However, provisions relating to National Company Law Tribunal, compromise, arrangement and amalgamations, winding-up and some other provisions have yet to be notified by the MCA. With the notifications of various Sections of the Act, existing Articles of Association of the Company require alterations and empowerment to the Company to carry out certain transactions in accordance with the provisions of the Act.

It is proposed to amend the existing article by including an Article No. 2A to authorize and empower the Company to carry out certain transactions, as permitted under the Act without there being any separate/specific article in existing Articles of Association.

A copy of the Articles of Association of the Company together with proposed alteration would be available for inspection free of cost by the members at the Registered Office of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 11 of the Notice.

The Board commends the Special Resolution set out at Item No. 11 of the Notice for approval by the shareholders.

### ITEM NO. 12

The Company issued 700,000 6% Convertible Preference Shares of ₹ 100/- each convertible into Equity Shares of RS. 10/- each at a premium of ₹ 4/- each at any time after the expiry of 12 months but not later than 60 months from the date of issue i.e. 15-12-2010 subject to approval of the Shareholders of the Company. The Board has proposed to convert these shares into equity shares of the company to enable the Preference Shareholders to get a higher rate of return on their investment. A Special Resolution has already been passed to this effect at the Preference Shareholders' Meeting held on 14-08-2014. The said proposal is now placed before the meeting for approval since the shares will rank pari passu with the existing equity shares of the Company.

Sh. Kunal Yadav, Managing Director who is holding 100,000 Preference Shares of the Company, may be deemed to be interested in this resolution. No other director is interested or concerned in this resolution.

The Board commends the Special Resolution set out at Item No. 12 of the Notice for approval by the shareholders.

**By Order of the Board of Director  
For Indian Sucrose Limited**

Place: New Delhi  
Date: 22-08-2014

Sd/-  
**CS Manish Kumar Dixit**  
(Company Secretary)



## INDIAN SUCROSE LIMITED

### DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THE ANNUAL GENERAL MEETING (IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT)

<b>Name of the Director</b>	<b>Sh. Dharampal Singh</b>	<b>Smt. Kunj Deep Kalra</b>
<b>Date of Birth</b>	25/07/1948	31/10/1986
<b>Age</b>	66	27
<b>Date of Appointment</b>	03-05-2000	14/08/2014
<b>Qualification</b>	Master of Arts	B.A. (Hons) English from University of Delhi
<b>Expertise in functional area</b>	Strategy Formulation	Management and Corporate Strategies
<b>Number of Shares held</b>	535000	Nil
<b>Other Directorship</b>	Yadu Resorts (India) Limited Yadu Sugar Limited Yadu Overseas Limited Cosmos Industries Limited Yadu Corporation Private Limited Dharamputra Builders Private Limited Kunal Beverages Private Limited Chanaky Capital Market Pvt Ltd Indian Cellulose Private Limited	Live Reporters Private Limited
<b>Committee Positions in other Companies</b>	Nil	Nil
<b>Relationship Between Directors</b>	Sh. Kunal Yadav, Smt. Kunj Deep Kalra	Sh. Kunal Yadav, Sh. Dharampal Singh

  

<b>Name of the Director</b>	<b>Sh. Vijay Sood</b>	<b>Sh. Prakash Chandra Gupta</b>
<b>Date of Birth</b>	29/11/1959	06-07-1950
<b>Age</b>	54	64
<b>Date of Appointment</b>	14/08/2014	15/02/2012
<b>Qualification</b>	Graduate	L.L.B.
<b>Expertise in functional area</b>	Corporate Planning	Corporate and Commercial Laws
<b>Number of Shares held</b>	Nil	Nil
<b>Other Directorship</b>	Scorpion Media Private Limited Yadu (India) Limited	Raj Krishna Estate Brokers & Developers Private Limited
<b>Committee Positions in other Companies</b>	Audit Committee- Chairman Yadu Sugar Limited Nomination/Remuneration Committee- Chairman Yadu Sugar Limited Vigilence Committee- Chairman Yadu Sugar Limited Audit Committee- Chairman Cosmos Industries Limited Nomination/Remuneration Committee- Chairman Cosmos Industries Limited Vigilence Committee- Chairman Cosmos Industries Limited	Audit Committee- Member Yadu Sugar Limited Nomination/Remuneration Committee- Member Yadu Sugar Limited Vigilence Committee- Member Yadu Sugar Limited Audit Committee- Member Cosmos Industries Limited Nomination/Remuneration Committee- Member Cosmos Industries Limited Vigilence Committee- Member Cosmos Industries Limited
<b>Nomination/Remuneration Member</b>	<b>Committee-</b> None	None

  

<b>Name of the Director</b>	<b>Sh. Pawan Dewan</b>	<b>Sh. Sheoraj Singh Ahlawat</b>
<b>Date of Birth</b>	04/07/1949	01/06/1947
<b>Age</b>	65	67
<b>Date of Appointment</b>	30/10/2004	05/02/2008
<b>Qualification</b>	Graduate	Graduate
<b>Expertise in functional area</b>	Corporate Finance	Management Strategy and Corporate Planning
<b>Number of Shares held</b>	Nil	Nil
<b>Other Directorship</b>	Cosmos Industries Limited Copper Coin Finance Private Limited	Cosmos Industries Limited
<b>Committee Positions in other Companies</b>	Nil	Nil
<b>Relationship Between Directors</b>	None	None



# INDIAN SUCROSE LIMITED

## DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Twenty Third Annual Report of your Company together with the Audited Balance Sheet, Profit & Loss Account and the report on business and operation of the Company for 6 month period ended March 31, 2014.

### CHANGE IN FINANCIAL YEAR

The financial year 2013-14 of the Company was reduced by 6 months to end on March 31, 2014 (Financial Year) instead of September 30, 2014 to comply with the provision of the Companies Act, 2013 relating to "financial year" to mean the period ending on March 31 every year.

### FINANCIAL PERFORMANCE

The results for the Financial Year under review comprise of a period of 6 months and therefore are not comparable with the results of 2012-13, comprising a period of 12 months.

The summarized financial results of the Company for the 6 months period ended March 31, 2014 are presented below:

(₹ in Lacs)

	For the 6 months ended March 31, 2014	Year ended September 30, 2013
Sales and Other Income	11168.95	20137.97
Profit/ (Loss) before Finance Cost, Depreciation & Exceptional Items	1250.31	3622.57
Finance Cost	(876.08)	(2064.22)
Depreciation	(3.80)	(582.85)
Prior Period Items	(22.68)	(3.16)
Profit/ (Loss) before Tax (PBT)	50.76	972.35
Tax Expenses:		
Current Tax	(27.55)	431.70
Wealth Tax	2.00	1.80
Deferred Tax charge/ (Credit)	43.97	(143.45)
Profit/ (Loss) after Tax	32.34	682.29

### PERFORMANCE REVIEW

Your company achieved turnover of ₹ 11168.95 lacs for the 6 months period ended March 31, 2014 as compared to 20137.97 lacs in the previous year. The net operating profit after tax (PAT) was ₹ 32.34 lacs during the year under review as compared to ₹ 682.29 lacs during last year.

During the year under review, your Company has crushed 5770462 QTLS of Sugarcane and produced 579740 bags of Sugar in 129 crushing days, as compared to previous year crushing of 6118109.31 QTLS of sugarcane and production of 594,091 600,063 QTLS of Sugar in 131 crushing days.

The capacity utilization of the plant during the year under review was 89.68% and the average recovery was 9.79 % as compared to capacity utilization of 93.94% and average recovery of 10.21 % in the previous year.

### DIRECTORS

To comply with the provisions of Section 149(1) of the Act and amended Clause 49 of the Listing Agreement, the Company has appointed Smt. Kunj Deep Kalra as woman director. Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of

Association of Smt. Kunj Deep Kalra was co-opted on the Board as an Additional Director by the Board of Directors of the Company at its meeting held on August 14, 2014.

Shri Vijay Sood was appointed as an Additional Director designated as an Independent Director w.e.f. August 14, 2014 and he shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing Shri Vijay Sood for appointment as an Independent Director.

The Company has received requisite notices in writing from members proposing Sh. Pawan Dewan, Sh. Sheoraj Singh Ahlawat and Sh. Prakash Chandra Gupta for appointment as Independent Directors.

The Board has decided not to fill the vacancy caused by the retirement of Sh. Jitender Singh, Non-Executive Director, liable to retire by rotation at the ensuing Annual General Meeting, who has expressed his unwillingness to be re-appointed as Director of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

Brief resume of Directors seeking appointment/ re-appointment along with other details as stipulated under Clause 49 of the listing agreement, are provided in the Notice for convening the Annual General Meeting.

### CORPORATE GOVERNANCE

Your Company is committed to achieving the highest standards of Corporate Governance. Accordingly, your Board functions as trustees of the Shareholders and seek to ensure the long term economic value for its shareholders while balancing the interest of the stakeholders.

A separate section on Corporate Governances standards followed by your Company as stipulated under clause 49 of the listing Agreement with the stock Exchange is enclosed as an Annexure to this report.

### AUDITORS

M/s. Rakesh Grover & Co., Chartered Accountants, Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received certificate from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

### COST AUDITORS

During the financial year under review the Company has appointed M/s. Ajay Kumar Singh & Associates, Cost Accountants, Delhi as the Cost Auditors and the Cost Audit Report is required to be filed with the Central Government within 180 days from the end of financial year.

M/s. Ajay Kumar Singh & Associates, Cost Accountants, have also been re-appointed as the Cost Auditors of the Company for the current financial year (2014-15) by the Board upon the recommendation of the Audit Committee.

### STATUTORY DISCLOSURES

The Company has not paid remuneration to any employee of the Company beyond the prescribed limit under the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (particulars of Employees) rules 1975, as amended to date. Hence no particulars are required to be given under this Section.



## INDIAN SUCROSE LIMITED

In term of Section 219(1) (iv) of the Companies Act, 1956 the same is open for inspection at the Registered Office of your Company. Copy of this statement may be obtained by the member by writing to the Company Secretary of your Company.

Information as per Section 217(1) (e) of the Companies Act, 1956 Read with the Companies (Disclosure of Particular in Report of Board of Directors), 1988 and forms part of this Report.

### (A) CONSERVATION OF ENERGY

- The Company has installed most modern equipments in the plant and is able to save and minimize energy consumption.
- Total energy consumption and energy consumption per unit of production:

### 1) POWER AND FUEL CONSUMPTION

	Current Year	Previous Year
<b>1. ELECTRICITY</b>		
a) Purchased		
Units	11352	99,354
Amount (in Lacs)	0.59	6.95
Rate/Unit (in Lacs)	5.17	7.00
b) Own Generation		
i) Through Diesel Generator		
Units	735,723	824,600
Unit per Ltr. Of Diesel Oil	3.56	3.80
Rate/Unit (in ₹)	15.73	12.65
ii) Through Steam Turbine Generation		
Units	29,828,168	19,746,965
Units per Ton of Fuel	253.24	134.98
Rate/Unit (Being Generated out of steam required for process)	Nil	Nil
<b>Bagasse</b>		
Quantity M.T.	117783.51	146287.50
Total Cost (₹ In Lacs) (Estimated due to own generation)	2061.20	2194.50
Average Rate (in ₹)	1750	1500

### (B) TECHNOLOGY ABSORPTION (R & D)

Research & Development (R & D)

- The Company is regularly carrying on research and development for the development of Sugar Cane in the area.
- Agricultural implements, fertilizers, pesticides, and cane seeds are supplied to the cane growers on loan basis and at subsidized rates.
- Technology absorption, adoption and innovation:
  - The Company has adopted latest technology in the plant to maximize production, better quality, and to minimize consumption of energy.

- The Company has implemented its own Effluent Treatment Plant of latest technology.
- Technology imported during the year - Nil

### (C) FOREIGN EXCHANGE EARNING & OUTGO

- Total Foreign Exchange earned ₹ nil (previous year ₹ Nil)
- Total Foreign Currency used-Nil

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the Annual Accounts, for the financial year ended March 31, 2014 the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the profit of the Company for year under review;
- the director had 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;
- the directors have prepared the Annual Accounts on a going concern basis;

### LISTINGS

The shares of your company are currently listed with Bombay and Calcutta Stock Exchange. Application for delisting with Calcutta Stock Exchanges is still pending and expected to be approved very soon.

### FIXED DEPOSITS

Your Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

### INDUSTRIAL RELATIONS & HUMAN RELATIONS DEVELOPMENT

Human resources are the most important resource and your directors believe in to give them their due weightage for their crucial role-playing in the overall progress of the organization. The relationship between the management and the staffs/ workers has been comfortable and cordial during the year.

### ACKNOWLEDGEMENT

Your Directors take this opportunity to express their deep and sincere gratitude to all officers/ staffs/ workers, as team members, for their dedicated and sincere efforts and also to Bankers, creditors, suppliers and all concerned for showing their continued faith and extending their full and wholehearted support to our organization.

Your Directors would also like to express their gratitude to members for their trust and support.

**By Order of the Board of Directors  
For Indian Sucrose Limited**

Sd/-  
**Kunal Yadav**

Place: New Delhi  
Date: 22-08-2014

(Chairman & Managing Director)