

**JK SUGAR LTD.**



**A N N U A L   R E P O R T   2 0 1 0 - 1 1**

## **BOARD OF DIRECTORS**

**Bharat Hari Singhania**  
Chairman

**P. K. Jain**

**Gautam Khaitan**

**J. R. C. Bhandari**

**Vikrampati Singhania**

**A. K. Kinra**

**A. K. Jain**  
Whole-time Director

### **Auditors**

S. S. Kothari Mehta & Co.  
Chartered Accountants

### **Registered Office**

7, Council House Street,  
Kolkata - 700 001

### **Bankers**

Bank of India  
Axis Bank  
IDBI Bank  
Dena Bank

### **Plant**

Sindhauli Road,  
Meerganj,  
Bareilly (U.P.)

### **Company Secretary**

Bipin Bihari

### **Administrative Office**

Link House,  
3, Bahadurshah Zafar Marg,  
New Delhi-110 002.

## DIRECTORS' REPORT

### TO THE MEMBERS

The Directors have pleasure in presenting the annual report and Audited Accounts for the financial year ended 31<sup>st</sup> March 2011.

### OPERATIONS

During the year under review, sales of your Company increased to ₹ 164.71 crore as against ₹ 103.27 crore during the previous year. Net loss during the period stood at ₹ 12.74 crore after considering deferred tax asset against net loss of ₹ 2.70 crore last year.

The price of sugar kept falling during the first half of the financial year under review. The prices of sugar which were hovering around ₹ 30,000 per MT during March 2010, crashed to ₹ 25,500 per MT during September 2010. However, the prices started inching up from November, 2010 onwards and have been in the range of ₹ 27,000 per MT to ₹ 28,000 per MT. The average realization during the year was ₹ 26,873 per MT as against ₹ 27,770 per MT in financial year 2009-10.

There had been severe adverse climatic conditions during the year under review. Heavy rains and repetitive floods in the cane area of the factory resulted in substantial damage to cane crop and also restricted the sucrose formation in cane. As a result your Company crushed 4.20 lac MT of cane during the year under review with marginally improved recovery of 8.93% despite much better varieties composition of cane.

During the year, the State Government of Uttar Pradesh announced State Advised Price (SAP) for cane at ₹ 205 per quintal, registering a significant increase of about 24% over the previous year's SAP of ₹ 165 per quintal. The Central Government also announced an increased Fair and Remunerative Price (FRP) of ₹ 139.12 per quintal against ₹ 129.85 per quintal of last year.

The power export of the Company has gone up steeply from 122 Lac units in the previous year to 169 Lac units during the year under review registering an increase of about 39% by reducing internal consumption as well as improving boiler efficiency.

### CANE DEVELOPMENT

It is said "sugar is produced in the field and extracted in the factory". Your Company recognizes cane development as an area of prime focus. This year about 10000 hectares of cane has been sown with an optimum mix of high sugared and promising variety which is expected to yield better result in the coming seasons. Your Company has a full fledged cane development department with qualified professionals who with the help of scientists from various cane research institutes impart training and education to the farmers. The Company distributes improved variety of seeds, insecticides, pesticides and various agri-

equipment among the farmers. The team of Cane Development Department organizes various 'village gosthis' and 'Chaupals' to motivate farmers to adopt innovative techniques in the area of cane farming. Under seed multiplication program, your Company has developed various seed nurseries in its own farm as well as in farmers' fields.

As a part of Corporate Social Responsibility, the Company runs number of 'Adult Literacy Programs' to educate women folk from nearby villages. The year 2010 was celebrated as birth centenary year of Lala Lakshmipat Singhanian, the key architect of JK Organization. Special programs like tree plantation, various social and cultural programs, awarding high performers in Adult Literacy Programs etc, were organized as a humble respect to the founder Lala Lakshmipat Singhanian.

### CONSERVATION OF ENERGY

The details as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 are annexed.

### DIRECTORS

Shri P.K. Jain and Shri A.K. Kinra retire by rotation and being eligible; offer themselves for re-appointment at the ensuing Annual General Meeting.

### AUDITORS

M/s S.S. Kothari Mehta & Co., Chartered Accountants, Auditors of the Company retires and is eligible for re-appointment. The observations of the Auditors in their report on Accounts read with the relevant notes are self-explanatory.

### PARTICULARS OF EMPLOYEES

Information in accordance with the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 as amended regarding employees is annexed to this Report. However, as per the provisions of Section 219 (1) (b) (IV) of the Companies Act, 1956, the Report and Accounts are being sent to all shareholders of the Company excluding aforesaid information. Any shareholder interested in obtaining such particulars may write to the Secretary at the Company's New Delhi address.

### CORPORATE GOVERNANCE

Your Company reaffirms its commitment to the good Corporate Governance practices. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of this Annual Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, your Directors state that:

- i) in the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) the accounting policies selected and applied are consistent and judgments and estimates made 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 or loss of the Company for that period;
- iii) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and
- iv) the Annual Accounts have been prepared on a going concern basis.

## ACKNOWLEDGEMENTS

Your Directors wish to acknowledge, the continued support and cooperation received from valued Customers, Dealers, Suppliers, Farmers, Shareholders, Banks, Financial Institutions and various Central and State Government Agencies.

Your Directors also acknowledge and appreciate the commitment and dedication of the employees at all levels.

On behalf of the Board

New Delhi  
Date: 27<sup>th</sup> May, 2011

**B. H. SINGHANIA**  
**Chairman**

## ANNEXURE TO THE DIRECTORS' REPORT

### A. CONSERVATION OF ENERGY

- a. Steps taken by the company for conservation of energy during the season 2010-11 are as under :
  1. Replaced capacitors with upgraded technology to improve power factor.
  2. Replaced HDMV lamp with CFL lamp in street lights.
  3. Raw water consumption reduced around 10% by using excess condensate in wet scrubber.
  4. Upgradation of vacuum system by installing SEDL software to reduce water consumption at PAN station.
- b. Proposed specific areas of reduction in energy and steam consumption.

- 1) Installation of Steam economy and energy saving devices in boiling house to reduce steam and power consumption.
- 2) Installation of variable frequency drives at primary cane carrier, secondary rack carrier, raw juice pumps and injection pumps in boiling house for energy conservation.

c. The required data with regard to conservation of energy is furnished below:

Sl.No.	Particulars	2010-11	2009-10
1.	<b>Power and Fuel consumption</b>		
	Electricity		
a)	Purchased		
	Unit (Kwh In Lacs)	6.84	8.46
	Total Amount (₹ Lacs)	30.43	36.84
	Rate/Unit (₹)	4.45	4.35
b)	Own Generation		
i)	Through Diesel Generator		
	Units (Kwh In Lacs)	0.89	0.16
	Unit/Ltr. of Diesel Oil (Kwh)	2.07	1.99
	Cost/Unit (₹)	18.78	16.16
ii)	Through Turbo Generator		
	Unit (Kwh In Lacs)	156.78	173.23
2.	<b>Consumption per unit of production</b>		
	Electricity (Kwh/Mt)		
a)	Sugar production from cane and raw suger	—	346
b)	Sugar production from cane	378	389

### B. RESEARCH AND DEVELOPMENT

Due to urbanization and fragmentation of land holding it is necessary to maximize cane yield per unit area of land with high sugared and promising variety of cane. Following activities have been carried out in order to increase the intensity, production and quality of cane:

1. In addition to trench planting, modern technology of space planting at a distance of 4 feet from row to row has been experimented instead of traditional method of distance of 2.5 feet in order to increase the yield with low cost of cultivation.
2. Over 40000 quintals seed of early and promising variety sugarcane i.e. CO-0238, CO-0239, CO-118, COS-8436 have been distributed among the farmers.
3. Over 100 seed nursery of COS-8436, CO-238, CO-239 have been established in various villages at our reserved cane area.
4. Ratoon management has been widely propagated for early and improved variety through gap filling and inter culture technology.
5. To control insects and diseases, suitable pesticides, insecticides and other micro nutrient have been distributed among farmers.

### C. TECHNOLOGY ABSORPTION, ADAPTION & INNOVATION

1. Conservation of Energy by upgradation of cane unloaders grab by Hydraulic system.
2. Installation of Melt and Syrup Clarification System to improve the quality of Suger.

## MANAGEMENT DISCUSSION AND ANALYSIS

### GLOBAL SUGAR INDUSTRY SCENARIO

The Global production of sugar as per International Sugar Organisation (ISO) is estimated at a high of 168 million tons, up by 4.66% from the last year whereas consumption is estimated to be about 167.8 million tons, almost matching the production figure. Consumption is expected to grow at 2.01% slower than the 10 years average of 2.6%. After two seasons of large deficit, the stock/consumption ratio has reduced to lowest level in the last 20 years. The ratio is expected to decrease to 35.04% in sugar season 2010-11 from 35.73% in the last season. Global sugar price remained firm during the first half of the sugar season 2010-11 due to unfavorable weather conditions in Brazil, Thailand and China. Sugar production in Australia got affected due to Yasi cyclone. Global sugar prices scaled a new high of \$ 851.5 per ton in London on 3<sup>rd</sup> February 2011. As a result, Brazil, the largest sugar producer in the World diverted its cane from Ethanol to production of sugar. This increased the global availability of sugar and consequently prices started rapidly declining to the present level of about \$ 610 per MT, down by 28% from its peak.

### SUGAR INDUSTRY SCENARIO IN INDIA

After registering a record shortfall in sugar output during the last year 2009-10, the production level recovered significantly during the year 2010-11. The sugar output is estimated to be at around 24.5 million tons in 2010-11 against 18.9 million tons in the previous year, representing a growth of about 30%. Good rainfall coupled with high realisation of sugar cane encouraged farmers to increase cane plantation, resulting in increase of cane area by 16% and higher sugar production by 30%.

During the year, sugar price fell from ₹ 30,000 per MT in March 2010 to ₹ 25,500 per MT in September 2010. However, the realization improved to ₹ 28,000 per MT in the later half of the year.

This significant fall in sugar prices from March 2010 onwards and resultant fall in conversion margins (considering high cane price paid during the year 2009-10) caused pressure on the profitability of most of the sugar mills as they either have gone in red or reported huge drop in profitability.

Realising the plight of the Sugar Industry, the Government of India tried to give some respite to the industry by announcing the following positive policy changes during the financial year 2010-11

- Hike in Levy Sugar Price from ₹ 13,308 per MT to ₹ 18,085 per MT (based on FRP announced by Central Government)
- Relaxed the stock holding norms for bulk consumers to 90 days against 10 days in February, 2010 and 15 days in May, 2010.
- Sugar export of 5 lakh Tons under OGL.
- Levy sugar quota revised downward from 20% to 10%.

The Government of India has revised the Fair and Remunerative Price (FRP) of sugarcane from ₹ 129.85 per quintal in 2009-10 to ₹ 139.12 per quintal for the season 2010-11. Further, the State Government of Uttar Pradesh has increased the State Advisory Price (SAP) from ₹ 165 per quintal in 2009-10 to ₹ 205 per quintal for the season 2010-11. Last year due to shortage of cane and anticipating rise in sugar prices, millers paid substantial premium varying from ₹ 15 to ₹ 30 per quintal over SAP.

The Central Government in December 2010 had allowed an export of 5 Lac MT, while global prices were around \$750 per MT. However, the notification and clearance was released in the month of April 2011, after a delay of 4 months by which time, global prices had fallen to approximately \$625 per MT. Unfortunately due to this delay, Industry could not reap the desired benefits of high global sugar prices.

### OPPORTUNITIES

By-products of sugar like molasses, bagasse and press mud continue to play a greater role in mitigating the risk arising from cyclic sugar operation. Molasses is the basic raw material for production of alcohol and ethanol. Renewed push by the Central Government towards blending of ethanol with petrol up to 5% has offered a good opportunity for value creation. In view of rising global oil prices, this green fuel has a great future for sustainability of sugar Industry.

The threat of global warming has created great awareness for use of renewable energy across the world. Use of bagasse as fuel for co-generation of Power has immense potential to produce green power from renewable source of energy. Sugar Industry alone can produce over 7,500 MW of Power if given the right environment and favorable Government Policy. Co-generation plant using bagasse as fuel also qualifies for carbon credit under Clean Development Mechanism (CDM).

The increase in power tariff by UPPCL for bio-mass based power plant during the recent past has helped the Sugar Industry to overcome the falling margin in sugar to some extent. The Government should continue to lend its support to Sugar Industry by encouraging more investment in biomass Co-generation plants by offering incentives, attractive tariffs and a friendly regulatory regime.

National Action Plan for Climate Change (NAPCC) announced by Hon'ble Prime Minister of India on June 30, 2008 envisages various measures to address global warming. One of the important measures identified involves increasing the share of Renewable Energy. NAPCC has set the target of 5% renewable energy which is likely to increase to 15% in the next 10 years. Renewable Energy obligation can be met either by generating own energy by renewable source or purchasing required renewable certificates (REC) from the market. This has created an opportunity for Sugar Industry as most of the sugar mills produce power by using bagasse as fuel which is categorized as a renewable source. Central Electricity Regulatory Commission (CERC) has already announced the above scheme in 2010. The State Govt. of Uttar Pradesh is also actively considering issue of REC to eligible sugar mills.

### **THREATS AND CONCERNS**

Frequent policy changes and regular intervention by the government continues to create a lot of uncertainties for the Sugar Industry. As witnessed during the previous financial year 2009-10, steps like increasing the levy quota from 10% to 20%, decreasing stock holding limit period for bulk consumers, banning export etc. have caused deep negative financial impact on the Sugar Industry during the year 2010-11.

Due to unstable regulatory landscape and unfriendly moves by Central and State Government, Sugar Industry has been the biggest sufferer which in turn has impacted fresh investment in this sector. In fact the cane growers also remain in the state of confusion, as unlike other crops, the price of their cane crop fluctuates widely due to cane price not being synchronized with sugar realization.

As per the prevailing policy, the Government of India has prescribed a minimum distance of 15 KM for setting up a new sugar plant. Considering the minimum economic viable size of 6500 TCD plant, the minimum distance should be not less than 25 KM between two sugar mills otherwise operation of sugar

mill will not be economically viable and farmers community will not get the cane price dues in time which will affect cane sowing and subsequently availability of cane to sugar mill. It will further accelerate the un-viability of the sugar mill and ultimately will affect the mills and farmers as a whole.

Hence factors like uncertain regulations and volatility in the policies, sugar realization not being in line with raw material prices, have become the biggest impediment for healthy and consistent growth of the Sugar Industry and Farmers.

### **OUTLOOK**

Considering the sugar production of 24.5 million tons during the season 2010-11, availability of sugar in the country is going to exceed its demand. During the ensuing season, while sugar prices are not expected to increase, sugarcane prices are likely to go up as well as the area under cane cultivation is expected to grow by 10-15 percent leading to a higher cane crush.

Sugar Industry next to Textiles is one of the largest employers of Manpower in India. In order to ensure long term survival and growth of Sugar Industry, it is imperative that Govt should consider decontrolling the industry which is a long pending demand. This will be in the all-round interest of the farmers, industry and the consumers, as all the stakeholders will benefit from market driven economies.

### **HUMAN RESOURCES**

Your Company considers the employees as most valuable assets therefore, it recognizes the aspirations of employees and focus on their growth and development. The skills of the employees are constantly upgraded through training and development program. Your Company takes frequent feedback from its employees to ascertain their level of satisfaction and to ensure they are highly motivated and they contribute towards achievement of the objectives and goals of the Company. The working environment of the Company is very stimulating and conducive as the employees are encouraged to put forward their suggestions. Various cultural and social get-together programs are organized where employees and their families actively participate. Critical HR issues are analyzed and corrective measures are taken. The industrial relations of the Company have been cordial with employees.



## FINANCIAL PERFORMANCE

The Financial Results for the year ended 31<sup>st</sup> March, 2011 are summarized below :

(₹ in Crore)		
Particular	2010-11	2009-10
Turnover	164.71	103.27
Profit before Interest, Depreciation & Tax	(-)6.31	8.05
Profit before Depreciation	(-)14.44	2.30
Profit before Tax	(-)19.52	(-)2.70
Profit after Tax	(-)12.74	(-)2.70

During the year under review, the turnover of your Company was at ₹ 164.71 crore as against ₹ 103.27 crore in the previous year. The financials performance of your Company suffered during the year due to sharp correction in the Sugar price from ₹ 30,000 per MT in March 2010 to ₹ 25,500 per MT in September 2010. During the year, the profitability at PBDIT level turned negative at ₹ 6.31 crore against profit of ₹ 8.05 crore in 2009-10.

The quantity of cane crushed during the year under review was at 41.95 lacs quintals against 45.15 lacs quintals in the previous year. The recovery during the year, had marginally improved to 8.93% as against 8.81% during the last year. Power Export has gone up significantly from 122 lacs units in the previous year to 169 lacs units during the year under review.

## INTERNAL CONTROL SYSTEM

The internal control systems of the Company are designed to ensure that financial reporting and Management information is reliable. The Internal Audit Programmes are designed in a way that all the functions of the Company involving critical aspects are periodically audited and reviewed. The internal control system of the Company is regularly reviewed by the internal auditors for its effectiveness and is constantly modified in line with the changing business requirement. The key findings of the audit and action taken in response to audit observations are placed before the audit committee members. The Internal controls systems ensure that there is no revenue leakage and resources of the Company are efficiently utilized and are not prone to misappropriation, theft and fraud.

## CAUTIONARY STATEMENT

"Management's Discussion and Analysis Report" contains forward looking statements, which may be identified by the use of words in that direction, or connoting the same. All statements that address

expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results are forward looking statements. The Company's actual results, performance or achievement could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any onward looking statements, on the basis of any subsequent development, information or events.

# CORPORATE GOVERNANCE REPORT

## 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is an integral part of values, ethics and the best business practices followed by the Company. The core values of the Company are:

- Commitment to excellence and customer satisfaction
- Maximising long term shareholders' value
- Socially valued enterprise and
- Caring for people and environment.

In a nutshell, the philosophy can be described as observing of business practices with the ultimate aim of enhancing long-term shareholders' value and commitment to high standard of business ethics. The Company has in place a Code of Corporate Ethics and Conduct reiterating its commitment to maintain the highest standards in its interface with stakeholders and clearly laying down the core values and corporate ethics to be practised by its entire management cadre.

## 2. BOARD OF DIRECTORS:

The Board of Directors presently consists of seven Directors, out of which one is Executive Director, six Non-Executive Directors (NED) four of whom are Independent Directors (IND). The Chairman is Non-Executive. Attendance and other details are as given hereunder:-

Director	Category	Number of Board Meetings Attended	Whether last AGM attended	No. of other Directorships and Committee Memberships/ Chairmanships		
				Other Directorships\$	Committee Memberships*	Committee Chairmanships*
Shri Bharat Hari Singhania, Chairman	NED	4	Yes	4	1	-
Shri Vikrampati Singhania	NED	4	Yes	3	2	-
Shri Gautam Khaitan	IND	2	No	12	8	-
Shri P.K. Jain	IND	3	Yes	3	-	1
Shri J.R.C. Bhandari	IND	3	No	3	1	3
Shri A.K. Kinra	IND	4	Yes	4	-	-
Shri A.K. Jain, Whole-time Director	Executive	4	Yes	-	-	-

\$ As per Section 275 read with Section 278 of the Companies Act, 1956

\* Only covers Memberships/Chairmanships of Audit Committee and Shareholders/Investors Grievance Committee

Shri Bharat Hari Singhania is father of Shri Vikrampati Singhania

**NUMBER AND DATES OF BOARD MEETINGS HELD:-** Four Board Meetings were held during the financial year ended 31<sup>st</sup> March 2011 i.e., on 15<sup>th</sup> May 2010, 10<sup>th</sup> August 2010, 12<sup>th</sup> November 2010, and 4<sup>th</sup> February 2011.

The Board periodically reviews Compliance Reports of all laws applicable to the Company and has put in place procedure to review steps to be taken by the Company to rectify instances of non-compliances, if any.

Pursuant to the provisions of Clause 49 of the Listing Agreement, the Board has laid down a Code of Conduct for all Board members and Senior Management of the Company and the same is available on the website of the Company ([www.jksugar.net](http://www.jksugar.net)). All the Board Members and Senior Management Personnel have affirmed compliance with the Code. This Report contains a declaration to this effect signed by the Whole-time Director.

## 3. AUDIT COMMITTEE:

The Company has an Audit Committee of Directors which consists of four Directors – all of them are Non-Executive Independent Directors, namely Shri P.K. Jain (Chairman of the Committee), Shri Gautam Khaitan, Shri J.R.C. Bhandari and Shri A.K. Kinra.

The 'Terms of Reference' and the constitution of the committee are in conformity with the provisions of Section 292A of the Companies Act, 1956 and also Clause 49 of the Listing Agreement with the Stock Exchanges.

Four meetings of the Audit Committee were held during the financial year ended 31<sup>st</sup> March, 2011 on:

Date of Meeting	No. of Members attended
15 <sup>th</sup> May 2010	3
10 <sup>th</sup> August 2010	2
12 <sup>th</sup> November 2010	3
4 <sup>th</sup> February 2011	4

The Company Secretary acts as the Secretary of the Committee. The Statutory Auditors attended four meetings.



#### 4. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:

The Company has Shareholders / Investors Grievance Committee at the Board level, which consists of three Directors namely Shri Vikrampati Singhanian (Chairman of the Committee and Non Executive Director), Shri Gautam Khaitan and Shri A.K. Kinra, both being Non-Executive Independent Directors. The composition of the Committee is in conformity with Clause 49 (IV) (G) (iii) of the Listing Agreement.

Four Meetings of the Shareholders / Investors Grievance Committee were held during the financial year ended 31<sup>st</sup> March, 2011 on:

Date of Meeting	No. of Members attended
15 <sup>th</sup> May 2010	2
10 <sup>th</sup> August 2010	2
12 <sup>th</sup> November 2010	3
4 <sup>th</sup> February 2011	3

Shri Bipin Bihari, Company Secretary is the Compliance Officer w.e.f. 14<sup>th</sup> February, 2011.

During the financial year 2010-11, no grievance was received from the members. Also, no grievance pertaining to the previous financial year 2009-10 was pending at the end of the said previous financial year. As on date, there are no grievances pending.

The Board has delegated the power of share transfer to a Committee of Directors and the share transfer formalities are attended as required. All valid requests for transfer of shares in physical form were processed in time and there were no pending transfers of shares. During the financial year 2010-11, 24 meetings of this committee were held.

#### 5. REMUNERATION PAID TO DIRECTORS:

- i) Whole-time Director: The aggregate value of salary, perquisites and contribution to Provident Fund and Superannuation Funds for the financial year ended 31<sup>st</sup> March, 2011 to Shri A.K. Jain, Whole-time Director of the Company is ₹ 40.48 lacs. No Commission was paid during the year.

The Company does not have any Stock Option Scheme. In the case of Whole-time Director notice period is three months.

- ii) Non-Executive/Independent Directors: The Company has paid sitting fees aggregating

to ₹ 2.04 lacs to all the Non-Executive Directors for attending the meetings of the Board/Committees thereof.

No other payments were made to Non-Executive Directors and such Directors did not have any other pecuniary relationship or transactions vis-à-vis the Company during the year except as stated above.

The number of Equity Shares held by the Non-Executives Directors as on 31<sup>st</sup> March 2011 are: Shri Bharat Hari Singhanian - 1,54,183 Equity Shares (including 8,550 Equity Shares held as Karta of HUF), Shri Vikrampati Singhanian - 10,298 Equity Shares (includes 8,437 Equity Shares held as Karta of HUF), Shri A.K. Kinra - 75 Equity Shares, Shri Gautam Khaitan- Nil Equity Shares, Shri P.K. Jain- Nil Equity Shares, Shri J.R.C. Bhandari - Nil Equity Shares.

The Company does not have any outstanding convertible instruments.

#### 6. GENERAL BODY MEETINGS:

Location and time for the last three Annual General Meetings (AGMs) :

Year	Location	Date	Time
2007-2008	Shripati Singhanian Hall, Rotary Sadan, 94/2, Jawahar Lal Nehru Road (Chowringhee Road), Kolkata - 700 020	22.08.2008	11.30 AM
2008-2009	Same as above	21.08.2009	11.30 AM
2009-2010	Same as above	14.08.2010	10.00 AM

No Special Resolution was passed in the AGM held in 2008 and 2009. A Special Resolution was passed through Postal Ballot at the AGM held on 14<sup>th</sup> August 2010 under section 372A of the Companies Act, 1956 to give guarantees to Banks. No Special Resolutions were required to be put through Postal Ballot during the year.

#### 7. DISCLOSURES:

- (a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large :

None. Suitable disclosure as required by Accounting Standard (AS-18) – Related Party Transactions has been made in the Annual Report.

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

There was no case of non-compliance on any matter related to capital markets during the last three years.

- (c) The Company has strengthened its risk management system and has further laid down procedures to inform Board members about risk assessment and minimization procedures. These procedures are being periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

## 8. MEANS OF COMMUNICATION:

Quarterly, half-yearly and annual results are published in leading English Newspapers and also in a Bengali language Newspaper (published from Kolkata). The said results are promptly furnished to the Stock Exchanges for display on their respective websites and are also displayed on the Company's website- 'www.jksugar.net'.

Management Discussion & Analysis forms part of the Annual Report.

## 9. GENERAL SHAREHOLDERS' INFORMATION:

**Registered Office** 7, Council House Street,  
Kolkata – 700 001  
Ph : 033-22486181

### Annual General Meeting (AGM)

a) Date, Time & Venue: Saturday, the 3<sup>rd</sup> September, 2011 at 11:30 A.M at Shripati Singhania Hall, Rotary Sadan, 94/2, Jawahar Lal Nehru Road (Chowringhee Road), Kolkata-700 020

- b) As required under clause 49(IV)(G)(i), a brief resume and other particulars of Directors retiring by rotation and seeking re-appointment at the

aforesaid AGM are given in the Notes to the Notice convening the said Meeting.

## Financial Calendar (tentative):

Financial Reporting for the quarter ending :

1 <sup>st</sup> Quarter ending 30 <sup>th</sup> June 2011	Within 45 days of the end of the quarter
2 <sup>nd</sup> Quarter ending 30 <sup>th</sup> September 2011	Within 45 days of the end of the quarter
3 <sup>rd</sup> Quarter ending 31 <sup>st</sup> December 2011	Within 45 days of the end of the quarter
4 <sup>th</sup> Quarter ending 31 <sup>st</sup> March 2012	Within 60 days of the end of the 4 <sup>th</sup> quarter
Annual General Meeting for the financial year 2011-2012	Between July and September, 2012

**Date of Book Closure** 30<sup>th</sup> August to 3<sup>rd</sup> September 2011 (both days inclusive)

**Listing on Stock Exchanges** The Equity Shares of the Company are listed on 'Bombay Stock Exchange Ltd.', Mumbai (BSE) and 'The Calcutta Stock Exchange Ltd.' Kolkata (CSE). The annual listing fee for the financial year 2011-12 has been paid to both the Stock Exchanges.

**Security Code for Company's Equity Shares on Stock Exchanges and ISIN No.** BSE - 532519  
CSE - 10020254  
The ISIN number of the Equity Shares is INE210G01014

## Stock Market Price Data

Month	Bombay Stock Exchange Ltd. (BSE)	
	High (₹)	Low (₹)
April-10	29.10	23.55
May-10	27.90	19.10
June-10	26.00	18.75
July-10	29.20	22.60
August-10	26.85	22.05
September-10	27.95	23.15
October-10	28.50	24.10
November-10	33.80	21.80
December-10	26.75	22.00
January-11	25.90	18.75
February-11	25.60	16.90
March-11	21.75	17.05