



K.C.P. SUGAR AND INDUSTRIES
CORPORATION LIMITED

Seventeenth Annual Report
2011- 2012

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BOARD OF DIRECTORS

WHOLETIME DIRECTORS:

Shri.Vinod R. Sethi	Executive Chairman
Smt.Irmgard Velagapudi M. Rao	Managing Director
Smt.V.Kiran Rao	Executive Director

NON-WHOLETIME DIRECTORS:

Shri.K.A.Rangaswamy	Independent Director
Shri.Ranvir R.Shah	Independent Director
Dr.Vithal Rajan	Independent Director
Shri.M.S.V.M.Rao	Independent Director

Board Committees

Audit Committee

Shri.K.A.Rangaswamy
Shri. Vinod R. Sethi
Dr.Vithal Rajan
Smt.V.Kiran Rao
Shri.M.S.V.M.Rao

Remuneration Committee

Shri.K.A.Rangaswamy
Dr. Vithal Rajan
Shri. Vinod R. Sethi
Shri. Ranvir R.Shah

Share Transfer & Grievances Committee

Shri. K.A. Rangaswamy
Smt.Irmgard Velagapudi M.Rao
Smt.V.Kiran Rao

Chief Financial Officer

Shri.R. Ganesan

General Manager (Finance) and Company Secretary

Shri.S.Chidambaram, B.Sc., ACMA, ACS.

Auditors

Messrs. B.Purushottam & Co.
Chartered Accountants,
Flat No.3-D, "Pioneer Homes"
23/A, North Boag Road, T.Nagar
Chennai 600017.

Cost Auditor

Shri.V.Srinivasan, No.28, 'BETA' Block, Jaihind Apts
175-A, Velachery Main Rd, Gowrivakkam, Chennai 600073.

Legal Advisor

Shri.T.Raghavan

Bankers

State Bank of India
Punjab National Bank
ICICI Bank Ltd
ING Vysya Bank Ltd
Axis Bank Ltd

Registered & Corporate Office

"Ramakrishna Buildings"
239, Anna Salai, Chennai - 600 006.
Telephone: 044-28555171-76 / E-mail: kcpsugar@vsnl.com
Website: www.kcpsugar.com

Plant Locations:

- 1) Vuyyuru, Krishna Dist, Andhra Pradesh 521 165**
Sugar, Industrial Chemicals, Incidental Co-generation Power, Biotech, CO2, Calcium Lactate Divisions.
- 2) Lakshmipuram, Krishna Dist, Andhra Pradesh 521 131**
Sugar, Incidental Co-generation Power.

Registrars to Deposits

Being handled In-House at the Registered Office of the Company.

Registrars & Share Transfer Agent & Depository Registrars

M/s Integrated Enterprises (India) Limited,
2nd Floor, "Kences Towers", No.1,Ramakrishna Street,
North Usman Road, T.Nagar, Chennai - 600 017.
Ph: 28140801 to 28140803 Fax: 28142479
Website: www.ieindia.com

FINANCIAL HIGHLIGHTS

Rs. in Lakhs – except Ratios

Particulars	Year Ended									
	31.03.2012	31.03.2011	31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004	31.03.2003
Share Capital	1,133.85	1,133.85	1,133.85	1,133.85	1,133.85	1,133.85	1,133.85	1,133.85	1,133.85	1,133.85
Reserves and Surplus	18,239.50	16,519.46	15,925.95	14,546.49	14,342.19	14,475.97	12,784.19	9,012.45	6,554.82	4,962.81
Net Worth	19,373.35	17,653.31	17,059.80	15,680.34	15,476.04	15,609.82	13,918.04	10,146.30	7,688.67	6,096.66
Fixed Assets (Net)	12,243.88	13,102.44	13,698.22	13,959.19	14,758.28	15,541.25	13,970.66	10,448.77	9,649.21	10,141.13
Gross Income	34,760.85	22,111.97	26,306.43	19,954.65	25,428.43	33,611.64	36,184.68	29,977.81	20,890.02	17,690.59
Gross Profit	4,892.15	2890.57	4,813.10	3,270.26	2,280.74	5,000.54	10,555.24	8,033.82	3,022.50	1,535.38
Depreciation	1,082.87	1,095.44	1,062.54	1,085.35	1,059.37	1,001.49	743.45	619.97	626.02	611.21
Finance Cost*	*634.16	*500.57	319.62	360.18	459.93	351.56	420.53	915.01	1,373.05	1,501.80
Profit / (Loss) before Tax	3,175.12	1,328.03	3,430.94	1,824.73	761.44	3,647.49	9,391.26	6,498.84	1,023.43	-577.63
Profit / (Loss) after Tax	2,642.50	1,183.23	2,374.37	1,132.88	710.97	2,355.05	5,711.05	4,065.21	1,911.79	-422.13
Earnings per Share (Rs.)	2.33	**1.04	**2.09	**0.999	**0.63	**2.08	**5.04	35.85	16.86	-3.72
Cash Earnings per Share (Rs.)	**3.29	**2.01	**3.03	**1.96	**1.56	**2.96	**5.69	41.32	22.38	1.67
Book Value per Share (Rs.)	**17.09	**15.57	**15.05	**13.83	**13.65	**13.77	**12.28	89.49	67.81	53.77
Dividends on Equity %	70.00	45.00	75.00	70.00	50.00	50.00	150.00	100.00	25.00	--
Long term Debt Equity Ratio (excluding working capital borrowings)	0.14	0.16	0.25	0.25	0.22	0.12	0.16	0.30	0.49	0.58

* Finance cost in FY 2011-12 & 2010-11 consists Interest and other borrowing costs as per Revised Sch.VI. Rest of the Financial Years, it represents only Interest.

** Face value of each equity share of Rs.10/- has been sub-divided into 10 equity shares of Face Value of Re.1/- each w.e.f. 17.03.2006.

SEASON WISE CANE CRUSHED, SUGAR BAGGED AND RECOVERY

SEASON	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03
SUGAR UNIT, VUYYURU										
Cane Crushed in MTS	8,71,574	7,86,393	4,89,522	5,38,686	8,46,674	12,21,209	10,72,145	9,97,945	10,14,957	9,74,932
Sugar bagged in QTLS	8,59,940	8,05,960	4,64,110	5,64,150	9,19,000	13,19,880	11,97,470	11,44,442	10,60,812	9,81,994
Recovery (%)	9.88	10.25	9.50	10.45	10.85	10.83	11.15	11.46	10.47	10.07
SUGAR UNIT, LAKSHMIPURAM										
Cane Crushed in MTS	2,81,847	2,75,222	1,50,759	1,35,957	2,74,193	4,53,307	4,35,534	3,72,153	3,13,619	2,27,826
Sugar bagged in QTLS	2,41,447	2,50,160	1,29,206	1,22,686	2,68,948	4,67,905	4,61,679	4,13,580	3,14,879	2,09,638
Recovery (%)	8.57	9.09	8.58	9.05	9.80	10.32	10.63	11.10	10.05	9.07

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of the Company will be held at "Sathguru Gnanananda Hall" Narada Gana Sabha, 314, T.T.K.Road, Alwarpet, Chennai 600018, on Friday, the 28th day of September 2012 at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012, the Profit and Loss Account for the year ended on that date, and the Report of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri.Ranvir R.Shah, who retires by rotation, and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri. Vinod R. Sethi, who retires by rotation, and being eligible, offers himself for reappointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, on such remuneration as shall be fixed by the Board of Directors.

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass with or without modification, the following resolution as a Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Sections 198, 269, 309, 310 and 316 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, and Article 147 and 148 of the Articles of Association of the Company, and subject to the approval of the Shareholders and such other approvals including that of the Central Government, if so required and as may be necessary, the Company be and hereby approve the reappointment of Smt.V. Kiran Rao as Executive Director of the Company, for a period of five years i.e. from 29th July 2012 to 28th July, 2017 during which term of office she shall not be liable to retirement by rotation and on the terms and conditions as to remuneration, recommended by the Remuneration Committee of the Board, as hereunder:

- | | | |
|----------------------------|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i. Salary | : | Rs.3,00,000/- (Rupees three lakhs only) per month, with an authority to the Remuneration Committee / Board of Directors to grant one or more suitable increments at the appropriate time within the ceiling prescribed under Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956. |
| ii. Perquisites | : | Provision of car with driver for use on Company's business and telephone at the residence and cell phone (including payment for local calls and long distance official calls).Personal long distance calls on telephone and use of car for private purposes shall be charged to the Executive Director; Rent free furnished residential accommodation; Personal accident insurance; Contribution to provident fund and gratuity; Electricity to be valued as per Income Tax Rules. These perquisites shall be in accordance with the Company's practice, rules and regulations in force, from time to time as may be applicable to her. |
| iii. Commission | : | Remuneration by way of commission on net profits in addition to salary such that the amount of salary and commission in aggregate is subject to an overall ceiling of 3 % of the net profits of the Company in a particular financial year as laid down in Section 198 and 309 read with Section 349 of the Act. |
| iv. Minimum Remuneration : | | Notwithstanding anything to the contrary herein contained, where in any financial year during her said tenure, the Company has no profits or its profits are inadequate, the Company will pay to her as minimum monthly remuneration the salary mentioned in (i) and the perquisites mentioned in (ii) above, however not exceeding the limits specified under Section II of Part II of Schedule XIII of the Act and she shall not be entitled to any commission. |

RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation in the provisions relating to the payment of remuneration to the managerial persons or to Schedule XIII of the Act, the Board of Directors be and are hereby authorized to vary or increase the remuneration within the prescribed limits.

RESOLVED FURTHER THAT Smt.V.Kiran Rao be and is hereby authorized to exercise such powers of management, as may be delegated to her by the Board of the Company, from time to time, subject however to the overall superintendence, control and direction of the Board.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps as may be deemed expedient or desirable to give effect to this resolution."

// **BY ORDER OF THE BOARD** //

Place : Chennai

Date : 11.05.2012

VINOD R. SETHI

EXECUTIVE CHAIRMAN

NOTES:

a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The **proxy form**, in order to be effective must be duly completed, stamped and lodged with the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.

b. The Register of Members, Register of Beneficial Owners and Share Transfer Books of the Company will remain closed from 21st day of September 2012 to 28th day of September 2012, both days inclusive, **for the purpose of payment of dividend.****c. Dividend on equity shares**, recommended by the Board, if approved by the shareholders at the AGM, will be paid on or after 28.09.2012 but within the stipulated time:

- i. to those Members whose names appear on the Register of Members of the Company as on 20.09.2012. and
- ii. in respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as at the close of 20th September 2012 as per the details furnished by the National Securities Depository Ltd (NSDL) and the Central Depository Services (India) Ltd. (CDSL) for the purpose as on that date.

d. M/s. Integrated Enterprises (India) Ltd, Kences Towers, II Floor, No.1 Ramakrishna Street, T.Nagar, Chennai 600 017 are the Registrar and Transfer Agents and Depository Participants of the Company for physical / electronic shares and all correspondences with regard to transfer of shares etc may be addressed to them directly.**e. Securities and Exchange Board of India** has made **trading** in the shares of the company **compulsory in dematerialized form** for all investors. Members are requested to open a Beneficiary owner account with a Depository Participant, if not done so far.**f. In order to provide protection against fraudulent encashment of dividend warrants**, members who hold shares in physical form are requested to intimate the Company's Registrars and Transfer Agents, M/s. Integrated Enterprises (India) Ltd, Chennai, under the signature of the sole / first joint holder, the following information to be incorporated on dividend warrants:

- i. Name of the Sole / First joint holder and the Folio Number.
- ii. Particulars of Bank Account, viz, Name of the Bank, Name of the Branch, Complete address of the Bank with PIN code, Account type and the Bank Account Number.

g. Members holding shares in dematerialized form, may please note that while opening a depository account with participants they might have given **their bank account details**, which will be printed on their dividend warrants. However, if Members want to change/correct the Bank details, they should send the same immediately to the concerned Depository Participant. Members are also requested to give MICR code of their bank to their Depository Participant. **The Company will not entertain any direct request from Members for addition/deletion/change in bank account details furnished by Depository Participants to the Company.****h. Electronic Clearing System (ECS)** credit has been moved completely to the National Electronic Clearing System (NECS) platform through core banking system, effective from 01.10.2009. Accordingly, dividend will be credited to the shareholders bank account through NECS where complete core banking details are available with the Company. In the event any branch of a bank has not migrated to core banking system, or where core banking account is not furnished by the shareholders to the Depository / Company, as the case may be, the Company will print details available in its records on the Dividend Warrants to be issued to such shareholders. This service provides instantaneous credit to the shareholders and also protects against fraudulent interception and encashment of dividend warrants, besides eliminating dependence on the postal system, loss or damage of dividend warrants in transit and correspondence relating revalidation / issue of duplicate warrants.**i. Members who are holding shares in identical order of names in more than one folio** are requested to send to the Registrar the details of all such folios together with the Share Certificates for **consolidation of their holdings into a single folio.****j. Members who hold shares in the physical form** can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the **nomination facility** by filling **Form 2B printed with this Annual Report**. Members holding shares in dematerialized form may please contact their Depository Participants for recording nomination in respect of their shares.**k. As required under the provisions of the Section 205A(5) of the Companies Act, 1956**, dividend for the financial year ended 31st March, 2004 and thereafter, which remain unclaimed for a period of seven years will be transferred to the **Investor Education and Protection Fund (IEPF)** established by the Central Government pursuant to Section 205C of the Companies Act, 1956.

K.C.P. SUGAR AND INDUSTRIES CORPORATION LIMITED

NOTICE (CONTD.)

Information in respect of such unclaimed dividend when due for transfer to the said Fund is given below:

Financial year ended		Date of declaration of dividend	Last date for claiming unpaid dividend	Due date for transfer to IEP Fund
31.03.2005	(Final)	31.08.2005	04.09.2012	03.10.2012
31.03.2006	(interim)	27.10.2005	07.11.2012	06.12.2012
	(Final)	12.10.2006	17.10.2013	16.11.2013
31.03.2007		27.09.2007	02.10.2014	01.11.2014
31.03.2008		11.09.2008	12.09.2015	11.10.2015
31.03.2009		23.09.2009	24.09.2016	23.10.2016
31.03.2010		19.08.2010	22.08.2017	21.09.2017
31.03.2011		29.09.2011	28.09.2018	27.10.2018

- I. Members are informed that the final dividend for the financial year 2004-05 and the interim dividend for the financial year 2005-06 shall become due for transfer to IEPF on 03.10.2012 and 06.12.2012 respectively. Any member who has not claimed dividend in respect of the said financial years is requested to approach the Company / Registrar and Share Transfer Agents of the Company for claiming the same as early as possible but not later than 04.09.2012 and 07.11.2012 respectively. The Company has already sent reminders to all such members at their registered address in this regard.

Shareholders are requested to **encash their Dividend Warrants on receipt** as Dividend remaining **unclaimed for seven years**, are required to be **transferred to the Investor Education and Protection Fund** established by the Central Government under Section 205C of the Companies Act, 1956. **Once** unclaimed dividends are **transferred** to this fund, shareholders **will not be entitled to claim** these dividends.

[The Unclaimed Dividend for the above year(s), 2004 – 05 (final), 2005–06 (interim & final), 2006-07, 2007-08, 2008-09, 2009-10 and 2010-11 are held in separate Bank Accounts and Shareholders who have not received the dividend/ encashed the said warrants, are in their own interest advised to write to the Registrar immediately with complete details. Shareholders are requested to note that no claim shall lie against the Company or the said Fund in respect of any amounts which were unclaimed and unpaid for a period of seven years from the date they first became due for payment and no payment shall be made in respect of any such claim.]

- m. Shareholders who have **not lodged their old share certificates of “The K.C.P.Ltd”** for exchange of new share certificates of both the Companies in terms of the approved Scheme of Arrangement are requested to surrender the same to The K.C.P.Ltd, No.2, Dr.PV.Churian Crescent, Chennai – 600 008 at the earliest with a copy marked to the Registrar. New share certificates of this Company will be despatched after receipt of confirmation from The K.C.P.Ltd.
- n. Members/Proxy holders must bring the **Attendance Slip duly filled and signed, to the meeting** and hand it over at the entrance. Xerox copy/torn attendance slips will not be accepted at the entrance of the Meeting Hall. Members are requested to **bring their copy of the Annual Report to the Meeting**, as copies will not be distributed at the Meeting hall, as a measure of austerity. Corporate Members are requested to send to the Company's Registrar and Transfer Agents, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM.
- o. **Members desirous of obtaining any information** concerning the accounts and operations of the Company are requested to **address their queries in writing** to the Secretarial Division **at least two weeks before the Meeting** so that the information may be made available at the Meeting.
- p. The members are requested to register their e-mail address / any change in the already registered e-mail address, to the Company / Registrar and Transfer Agents to enable service of documents through electronic mode, in line with the Green Initiatives in Corporate Governance taken by the Ministry of Corporate Affairs, allowing paperless compliance by the Companies.
- q. Information required under Clause 49 of the Listing Agreement (relating to Corporate Governance) with respect to the Directors retiring by rotation at the Seventeenth Annual General Meeting and being eligible seeking re-appointment is as under:

	Shri. Ranvir R. Shah	Shri. Vinod R. Sethi
<i>Profile of the Director</i>	<p><i>Shri.Ranvir Shah has a Masters Degree in Political Science and is a businessman with over two decades of experience in the domestic and international markets in garment exports.</i></p> <p><i>The Directors recommend the appointment of Shri.Ranvir Shah as a Director.</i></p> <p><i>No other Director other than Shri.Ranvir Shah may be deemed to be concerned or interested in this resolution</i></p> <p><i>He was co-opted on the Board of the Company on 26th Oct' 05 as an Independent Additional Director and held Office upto the date of the Eleventh Annual General Meeting. He was reappointed at the said Annual General Meeting. He retired by rotation at the Fourteenth Annual General Meeting held on 23.09.2009 and was reappointed.</i></p> <p><i>Again, he retires by rotation at the ensuing Seventeenth AGM and being eligible, seeks reappointment.</i></p>	<p><i>Shri. Vinod R. Sethi is a Chemical Engineer from IIT, Mumbai, and an MBA (Finance) and a Beta Gamma Sigma Graduate from New York University, with rich experience in investment banking for more than a decade, heading the Indian business of Morgan Stanley Investment Management, Inc, New York.</i></p> <p><i>He was co-opted as an additional Director on the Board of the Company on 26.10.2005 and was elected as Chairman of the Board of Directors for a period of five years. He was appointed as Director of the Company liable to retire by rotation at the 11th Annual General Meeting held on 12.10.2006. He was reappointed at the said Annual General Meeting. He again retired by rotation at the Fifteenth Annual General Meeting held on 19.08.2010 and was reappointed as a wholetime Director designated as Executive Chairman liable to retire by rotation.</i></p> <p><i>Again, he retires by rotation at the ensuing Seventeenth AGM and being eligible, seeks reappointment.</i></p>
Directorships and Committee Memberships in other Companies.	<ul style="list-style-type: none"> • Eagle Apparels Pvt.Ltd., • P.S.A. Textile Processors Pvt.Ltd. 	<ul style="list-style-type: none"> • Axsys HealthTech Ltd – Director. - Member, Audit Committee. - Member, Remuneration Committee. • Geodesic Ltd – Director. - Member, Audit Committee. - Member, Remuneration Committee • United Phosphorus Ltd. – Director • Itz Cash Card Ltd. – Director • Advanta India Ltd – Director - Member, Audit Committee. • KCP Sugars Agricultural Research Farms Ltd. – Director. • G.G.Dandekar Machine Works Ltd – Director - Member, Audit Committee. • ISMT Limited – Director - Chairman, Audit Committee. • India Green Grid Group Ltd - Director
No. of Shares held in their own name.	138642 equity shares of F.V.Re.1/- each.	10 equity shares of F.V.Re.1/- each.

Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956:

Item No.6:

Smt. V.Kiran Rao, alias Kiran Velagapudi, was appointed as Executive Director of the Company for a period of five years from 29.07.2002 to 28.07.2007 and her appointment was approved by the shareholders at the Seventh Annual General Meeting held on 11.09.2002. On expiry of the term, she was reappointed as Executive Director for a further period of five years from 29.07.2007 to 28.07.2012, as recommended by the Remuneration Committee and approved by the shareholders at the Twelfth Annual General Meeting held on 27.09.2007. Smt.V.Kiran Rao, aged 47 years, is a German National, an Anthropologist, Historian, and a graduate from the University of London and had worked in various assignments in Europe and the United Kingdom. As Executive Director, she was instrumental in maintaining cordial relations with the cane growers and ensuring their continued support to the Company. In recognition of Smt.V.Kiran Rao's efforts in the management of the affairs of the Company, based on the recommendation of the Remuneration Committee, the Board of Directors have proposed to reappoint her for a further period of five years with effect from 29.07.2012 during which term of office she shall not be liable to retirement by rotation, on the terms and conditions as stated in the resolution.

The Board recommends this resolution for approval of the members.

Intimation under section 302 of the Companies Act, 1956, to all the members within the stipulated time is complied with.

Memorandum and Articles of Association and relevant resolutions passed by the Remuneration Committee and the Board, are available for inspection by Members at the Registered Office of the Company between 11.00 AM and 1.00 PM on any working day.

Smt.V.Kiran Rao is the Vice Chairperson of The Eimco K.C.P.Ltd, a wholly owned Subsidiary of the Company.

Memorandum of Interest

Smt. V.Kiran Rao is interested in this resolution which pertains to her reappointment and remuneration payable to her. Smt. Irmgard Velagapudi M.Rao, and Shri.Vinod R.Sethi, being relatives of Smt.V.Kiran Rao, may be deemed to be concerned or interested in this resolution. Save and except the above, none of the other Directors of the Company is, in any way, concerned or interested in this Resolution.

// BY ORDER OF THE BOARD //

Place : Chennai

Date : 11.05.2012

VINOD R. SETHI

EXECUTIVE CHAIRMAN

DIRECTORS' REPORT

Your Directors present their 17th Annual Report and the audited statement of accounts for the year ended 31st March 2012. The financial statements have been presented in the new format in accordance with the changes brought about by the Revised Schedule VI to the Companies Act, 1956.

I. FINANCIAL RESULTS:

	For the Year ended 31.03.2012	For the Year ended 31.03.2011
Physical Performance		
Cane crushed – in Tonnes	11,16,558	10,49,613
Sugar bagged – In Quintals	10,63,267	10,34,579
Financial Performance – Rs. Crores		
Turnover	410.60	269.76
Other Income	8.61	8.30
Profit Before Tax	31.75	13.28
Profit After Tax	26.42	11.83
Surplus from Previous Year	56.89	52.22
Amount available for appropriation	83.31	64.05
Appropriations		
Transfer to General Reserve	2.70	1.27
Proposed Dividend	7.94	5.10
Tax on proposed Dividend	1.28	0.79
Carried forward	71.39	56.89

II. PERFORMANCE:

During the financial year under review your Company recorded a Turnover of Rs. 410.60 crores (Prev. Year: Rs. 269.76 cr.) including Excise Duty of Rs. 11.05 crores (Prev. Year: Rs. 7.12 cr.) and Inter-divisional transfers of Rs. 71.60 crores (Prev. year: Rs. 56.97 cr.). The profit before finance cost and depreciation is Rs. 48.92 crores. Profit before tax is Rs. 31.75 crores and after adjustments relating to refund / payment of Income Tax pertaining to earlier years, provision for current tax and Deferred Tax, the Profit after tax is Rs. 26.42 crores.

The increase in profit is due to higher quantum of sale of sugar and Rectified Spirit coupled with improved realisations.

III. DIVIDEND:

The Board of Directors recommends a dividend of Re.0.70 per equity share of face value of Re.1/- each on the Paid-up Equity Capital for the year ended 31.03.2012 as against Re.0.45 per equity share, approved for the previous year ended 31.03.2011. The dividend recommended by your Directors, if approved at the ensuing Annual General Meeting by the Shareholders would be paid within the stipulated time.

IV. SHARE CAPITAL AND RESERVES:

The Share Capital of the Company is Rs. 11.33 crores. The General Reserve as at 01.04.2011 was Rs. 106.30 crores and after transferring from Net Profits a sum of Rs. 2.70 crores to the General Reserve for the year ended 31.03.2012 the General Reserve stood at Rs. 109.00 crores as on 31.03.2012. The total Reserves and Surplus has increased to Rs. 182.40 crores as on 31.03.2012 as against Rs. 165.19 crores as on 31.03.2011.