

K.M. Sugar Mills Limited
49th Annual Report 2021-22



CONSOLIDATING
SUCCESS

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Forward looking statement

Statement in this report that describe the company's laws and regulations. The Company cautions that such objectives, projections, estimates, expectations or statements involve risk and uncertainty and that actual predications of the future may be 'forward looking results could differ materially from those expressed and statements' within the meaning of applicable securities implied.

“The journey of a
thousand miles begins
with a single step.” - Lao Tzu





VISION

Ensure raw materials security and better living conditions for cane growers and develop sugar, renewable energy and by-product businesses for sustainable growth and harmonized living between communities, society and nation with responsibility for all stakeholders

MISSION

- Excellence in management and quality control of sugarcane production, sugar product and all-by product with maximum efficiency.
- Encourage the sugarcane farmers in the area to have high productivity and good quality yields with the principle, care and responsible guidance for the farmers.
- Develop our administration and management systems continuously for the sustainability of profits of the sugarcane farmer and our businesses.
- Enhance innovation and research to increase organization and cane growers' efficiency and competitiveness.

HIGHLIGHTS

PROFIT BEFORE TAX (in Cr.)

2021-2022	<div></div>	56
2020-2021	<div></div>	34
2019-2020	<div></div>	28

TURNOVER (in Cr.)

2021-2022	<div></div>	548
2020-2021	<div></div>	502
2019-2020	<div></div>	531

OUR BUSINESS AT A GLANCE

Lineage

Our Company was originally formed as a partnership firm known as Kamlapat Motilal at Kanpur; the founder partners were Jhunjhunwalas & Singhania and they had set up a small sugar milling plant at Kanpur in the year 1942 which was shifted to present site at Faizabad between 1949 and 1950.

In 1971, the firm was converted into Private Limited Company known as K. M. Sugar Mills (Pvt.) Ltd., and got registered with the Registrar of Companies, Uttar Pradesh, Kanpur.

Promoters

Mr. L. K. Jhunjhunwala joined as Managing Director in 1971 and was driven by the objective to create one of the most reputed sugar companies in India. As a result, K M Sugar Mills Ltd has emerged as one of the most sustainable multi-product sugar companies in India, manufacturing sugar, ethanol and co-generated power.

Products

The Company is manufacturing sugar, ethanol (and related products) and power.

Plants

The Company's manufacturing units are located in District Ayodhya, Uttar Pradesh.



Sugar division

The Sugar Division of the company has a crushing capacity of 9500 Tonnes per day and produces white crystal sugar and raw sugar for domestic consumption and export purpose.

Distillery division

The Distillery division of the company has a capacity of 50 KLPD and manufactures the following:

- Rectified spirit
- Ethanol
- Other Related Products

The distillery division of our Company was set up in the year 1995 to manufacture Rectified Spirit (45 KLPD) and Extra Neutral Alcohol (20 KLPD).

In the year 2003 the division started production of Ethanol (30KLPD) and in 2004 the Extra Neutral Alcohol plant was modified to produce Ethanol, thereby increasing the total Ethanol production capacity to 45 KLPD which increased to 50 KLPD in 2020.


Power division

The company has its own baggase based co-gen Power plant with the capacity of 25 MW in Motinagar, Ayodhya, Uttar Pradesh. The company supply the power to Uttar Pradesh Power Corporation Limited (UPPCL).

Presence

The Company is listed on the National Stock Exchange and Bombay Stock Exchange. As on 31st March 2022 our company enjoys Market Capitalisation in BSE is 1461 and in NSE is 1296.

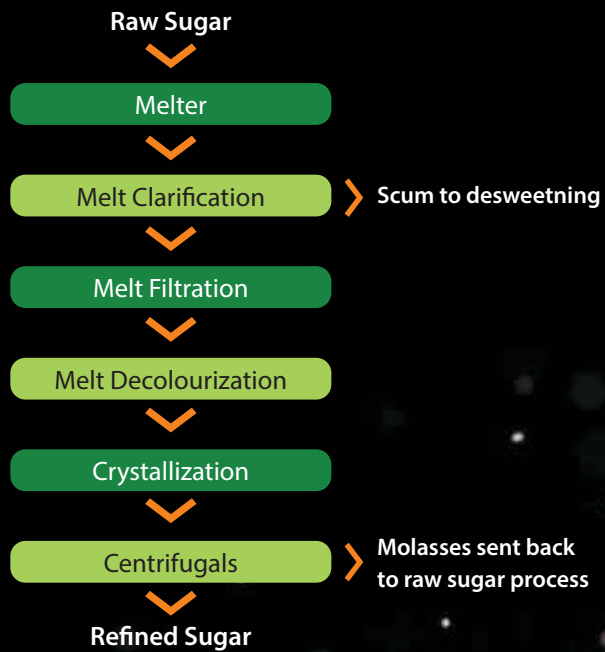




JOURNEY TOWARDS REFINED SUGAR

We have placed sustainability as an ongoing process of our business strategy and culture. These principles are fundamental to meet the increasing demand for more sustainable emulsion and achieving our long-term vision. The company is coming up with the Modernisation of its sugar plant by changing its double sulphitated sugar process to refinery at its plants at District Ayodhya, Uttar Pradesh.

Simple Flow chart for refined sugar process





A SOCIALLY RESPONSIBLE CORPORATE



OXYGEN PLANT

The challenge to access oxygen can be the difference between life and death for patients with severe COVID-19. It is also a critical treatment for children with pneumonia, which remains the leading infectious killer of children under 5 years, claiming over 800,000 lives every year.

The COVID-19 pandemic has turned an existing oxygen gap in many low- and middle-income countries (LMICs) into a crisis. The overwhelming number of patients in need of oxygen therapy far outstrips the existing capacity at hospitals and health facilities during the second wave of COVID-19. An estimated 4.2 million children with pneumonia also cannot access this life-saving medical gas each year.

KM Sugar provided an oxygen plant in Government Community Health Center at District Ayodhya, UP in F.Y. 2021-22.

EDUCATION

Education is considered a vital element in the development of a society, a system, and a country. It is important to understand the need for good quality education in rural areas, as it helps keep rural areas populated. Young people move to urban areas for better opportunities in education and employment; improved rural education is one possible strategy for keeping them in rural areas. Quality education is a pertinent tool for enhancing quality of life, creating awareness and capability, increasing freedom, and improving overall holistic human development for the people and the nation.

KM Sugar contributed towards education infrastructure for Government school in District Ayodhya, UP in F.Y. 2021-22.

