

K.M. Sugar Mills Limited  
48th Annual Report 2020-21



# SUSTAIN-ABLE

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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 natural environment sustains the life of all beings universally.”

-Dalai Lama





# VISION



To be a socially responsible corporate with environment-friendly practices, innovative approaches, keen focus on corporate governance, professionally manage our organisational setup and contribute for the benefit of the society, farmers, employees and generally increase stakeholder value.



# 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 farmers and our businesses.
- Enhance innovation and research to increase organization and cane growers' efficiency and competitiveness.







# WHO WE ARE

## Parentage

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 the present site at Faizabad between 1949 and 1950. In 1971, the firm was converted to a 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 engaged in the manufacturing of sugar, ethanol (and related products) and power.

## Plants

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

## Sugar division

The Sugar Division of the company currently has a crushing capacity of 9500 TPD and produces white crystal sugar and raw sugar for domestic consumption and exports.

## Distillery division

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

- Rectified spirit
- Ethanol
- Sanitisers

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 initiated a bagasse-based Co-Generation Plant with a capacity of 25 MWh in 2007, which was commissioned in 2008. The company has a Power Purchase Agreement with the Uttar Pradesh Power Corporation Ltd. for the sale of power generated by the Co- Gen plant.

## People

The Company has a workforce of 339 employees as on 31st March, 2021, across its manufacturing facilities and offices.

## Presence

The Company is listed on the National Stock Exchange and Bombay Stock Exchange. As on 31st March, 2021, it enjoyed a market capitalisation of Rs 107 crore.

At KM Sugar, our financial discipline reflects in our numbers not only for this fiscal, but over the years; because discipline is a part of our DNA.



Milestones achieved  
in Sugar division

1971  
1800 TCD



1980  
2500 TCD



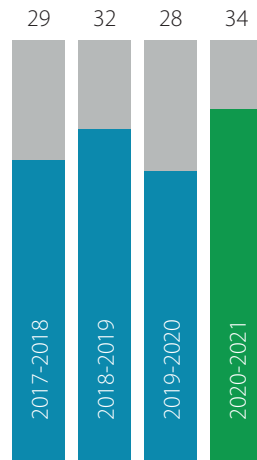
2000  
3500 TCD



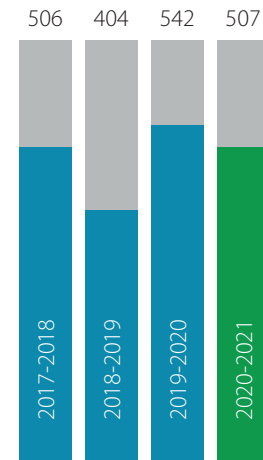


# HIGHLIGHTS

**PAT**  
(in Cr.)



**TURNOVER**  
(in Cr.)



2003  
5000 TCD



2006  
6500 TCD



2014  
9000 TCD



2020  
9500 TCD

# OUR MANAGEMENT



**Mr. L.K. JHUNJHUNWALA**

**Chairman**

He has been associated with the Company since inception as a Promoter and has been actively managing the affairs of the Company. He has been also associated with various industry associations, particularly in the sugar industry. He is the former President of the U.P. Sugar Mills Association and East U.P. Sugar Mill Association and the Past President of Associate Chamber of Commerce & Industry, U.P.



**Mr. ADITYA JHUNJHUNWALA**

**Managing Director**

He is responsible for the overall operations of the Company. He is actively associated with industry organizations and is the Vice-President of India Sugar Mills Association. He was the Past Chairman of the Eastern Zone (northern region) of Confederation of Indian Industries (CII) and also the ex- President of the Indian Small Hydro Power Association. He is also a Member of YPO.



**Mr. SANJAY JHUNJHUNWALA**

**Joint Managing Director**

Mr. Sanjay Jhunjhunwala is responsible for the overall operations of the Company. He is a Commerce graduate and has also completed his MBA from the University of Wales, Cardiff, UK. He has 16 years of experience in the sugar industry and has implemented modern management techniques, which have proved immensely beneficial to the Company. He is presently also actively engaged in the Finance and taxation of the company. He is, additionally, the Regional Director of the Entrepreneur Organisation of South Asia.



**Mr. SUBHASH CHANDRA AGGARWAL**

**Executive Director**

Mr. Subhash Chandra Aggarwal is a Science Graduate and Sugar Technologist from the National Sugar Institute, Kanpur (NSI), a very renowned institute of Asia in the field of Sugar Technology. He started his career from production lines and has worked for many renowned organizations. Due to his meticulous working, keenness about latest Technology, Development and Leadership, he joined Piccadilly Agro Industries as General Manager in 1997. He is now the Executive Director, since 2001, at KM Sugar. He is the key person who implements management policies and decisions, setting targets for outputs and ensuring their achievement. He is also involved in the planning and coordination of various departments of the organization.