



## **RAJSHREE SUGARS & CHEMICALS LIMITED**

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**Transcript of the 38th Annual General Meeting of Rajshree Sugars & Chemicals Limited, held on 27th September 2024, at 4:00 PM via video conferencing (deemed venue: The Registered Office at 'The Uffizi', 338/8 Avanashi Road, Peelamedu, Coimbatore 641004).**

### **Ms.Rajshree Pathy**

Good evening, ladies and gentlemen.

I have been advised that the quorum is present, and I hereby call the meeting to order. Pursuant to various circulars issued by the Ministry of Corporate Affairs, this AGM is being held through the two-way Video conferencing facility arranged with the National Securities Depository Limited (NSDL). I now request all the directors present to introduce themselves by stating their name and location from where they are participating.

I am Rajshree Pathy, Chairperson participating from the registered office of the company at Coimbatore.

### **Mr.R.Varadarajan**

I am Varadarajan, Wholetime Director participating from the registered office of the company.

### **Mr.S.Krishnaswamy**

Krishnaswamy, Independent Director I am in Chennai. I am in my house. Nobody is with me.

### **Mr.Sheilendra Bhansali**

Good Afternoon, I am Sheilendra Bhansali, Independent Director. I have joined this meeting from my office at Coimbatore.

### **Mr.S.Vasudevan**

I am Vasudevan, Independent Director joining this meeting from my residence in Chennai.

### **Mr.K.Ilango**

I'm Ilango, Independent Director, joining this meeting from my office in Coimbatore.

## **Ms. Rajshree Pathy**

Thank you.

Statutory auditors, Secretarial auditor and Scrutinizer are also present.

I have satisfied myself that all efforts feasible under the circumstances have indeed been made by the company to enable members to participate and vote on the items being considered in this meeting. The Annual Report for the financial year ended 31<sup>st</sup> March 2024, along with notice of AGM has already been circulated to the members only through emails registered with the company or with the depository. The said documents have also been uploaded on the websites of the company, NSDL and stock exchanges. Our company had also published a notice in the newspapers informing the members on the above.

I am pleased to deliver the Chairman's speech.

Ladies and gentlemen

I welcome you to the 38<sup>th</sup> Annual General Meeting of your Company. The notice convening the meeting has been with you for some time now and with your permission I shall take it as read.

The Indian economy has seen a robust recovery in 2023-24 though the world geopolitical scene is still weighed down with uncertainty over Russia's invasion of Ukraine, the on-going tension between Israel and Iran and the Euro region narrowly avoiding mild recession.

The International Monetary Fund's (IMF) global growth is projected to be at 3.2% & 3.3% in 2024 and 2025 respectively, while the World Bank forecasts the same to be at 2.6% and 2.7% respectively. IMF has projected a growth of Indian GDP at 7% for the year 2024 & 6.5% for the year 2025 while the Reserve Bank of India estimates growth of Indian GDP at 7.2% for the financial year 2024-25.

Food Inflation has been a global phenomenon in the last two years. Research indicates the rising vulnerability of food prices to climate change. In FY23 and FY24, the agriculture sector was affected by extreme weather events, lower reservoir levels and damaged crops that adversely affected farm output and food prices. Consequently, food inflation based on the Consumer Food Price Index (CFPI) increased from 3.8 per cent in FY22 to 6.6 per cent in FY23 and further to 7.5 per cent in FY24. However, proactive steps by the government, including open market sales, retailing in specified outlets, and timely imports ensured an adequate supply of essential food items.

## **The Sugar Industry**

It is estimated that the sugar production for the sugar season 2023-24 would be 320 lakh tons, down by 8.5 lakh tons (after diversion to ethanol) from the previous year. Domestic consumption

is estimated at 278 lakh tons compared to 275 lakh tons the previous year. With export of 70 lakh tons, the closing stock is estimated at 80.5 lakh tons against last year's closing stock of 45.5 lakh tons.

The Government had banned sugar export fearing a drop in production and though subsequent events proved otherwise is yet to take a call on export considering the higher closing stock.

The sugarcane price for the 2023-24 season has been revised upward marginally to Rs 3150 per ton for a base sugar recovery of 10.25% with a pro-rated discount for low recovery regions up to 9.5%. The Government expecting lower sugar stock in the end of season 2023-24 had banned, from December 2023, direct conversion of sugarcane juice and B-heavy molasses to ethanol but announced a price incentive for ethanol produced from C-Heavy molasses.

In light of improved sugar production in India, the Government, in end-August 2024, has allowed sugar mills and distilleries to produce ethanol from direct conversion of sugarcane juice and B-heavy molasses. Further, the Government in September 2024 has also allowed direct conversion of sugarcane juice and B-heavy molasses to Rectified Sprit and Extra Neutral Alcohol. This way the Government hopes to leverage the surplus sugar production to support its ethanol blending target of 20% by 2025.

The sugar recovery was drastically affected in the main season between December 2023 and March 2024 due to extended wet weather resulting in an inconspicuous winter. The vagaries of weather over the past seasons have also had a deleterious effect on harvesting and planting of sugarcane with the estimated sugar production in Tamil Nadu for the season 2023-24 at 11 lakh tons, a decrease of 26% over the previous season (2022-23).

## **Operations**

Your Company has crushed 18.09 lakh tons of sugarcane which includes a diversion of Sugarcane Juice of 33,000 tons for producing ethanol during the financial year 2023-24 as against 17.81 lakh tons during the previous year. The Company has produced 1.51 lakh tons of sugar with an average recovery of 8.53% as against the production of 1.58 lakh tons with average recovery of 8.87% during the previous year.

Your Company has produced 240 lakh litres of Alcohol during the year under review against 223 lakh litres during the previous year.

The Company has generated 2,233 lakh units of electricity against 2,042 lakh units during the previous year. After captive consumption, the Company exported 1,414 lakh units to the state grid and third party consumers.

## **Financials**

Your Company has recorded a total income of Rs.776.38 crores for the financial year 2023-24 as against Rs.773.95 crores in the previous financial year. Your Company has earned a profit before tax of Rs.21.06 crores as against of Rs.20.73 crores in the previous year. The profit after tax is at Rs.13.76 crores as against a loss of Rs.8.97 crores in the previous year.

## **Acknowledgements**

I thank the lender banks, the central and state governments for their support. I am ever grateful to the sugarcane growers, business associates, employees and shareholders for their continued support.

On behalf of the Board of Directors and on my own behalf, it is my honour to convey our sincere thanks to every one of you.

I had the privilege to have the guidance and advice of your Board of Directors and I thank them for their unstinted support at all times.

I pray to Goddess Lakshmi for the continued prosperity of the Company and all its stakeholders.

Thank you!

Now the auditor's report does not contain any qualification, observations or comments.

Shareholders have been advised to register as 'Speakers' if they wish to speak at the AGM on or before September 21, 2024, but no requests have been received in this regard.

As per the provisions of the Companies Act 2013 & SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company had made arrangements for remote e-voting by entering into an agreement with NSDL. The remote e-voting had commenced at 9 AM on 24th September 2024 and closed at 5 PM on 26th September 2024 and that Mr.K Murali Mohan, Practicing Chartered Accountant, who was the scrutinizer for the remote e-voting would be the scrutinizer for the e-voting process at the AGM.

The resolutions along with explanatory statements have already been circulated to the members by e-mail, which explains the objectives and implications of each of the resolutions placed for voting. I request the members, who have not already voted through remote e-voting system, to cast their votes through the e-voting access which will be available on this portal for a further 30 minutes and the meeting will be treated as closed after completion of the voting.

The results of voting on the resolutions shall be declared within 2 days of conclusion of this meeting. The results declared along with the Scrutinizer's report shall be placed on the Company's website & Notice Board at the Registered office and on the website of NSDL for the information of the members and will also be communicated to the Stock Exchanges.

Thank you !

**Mr.R.Varadarajan**

Mr.Gopal, the meeting can be considered closed.

**Mr. Gopal-NSDL**

Thank you Sir; Thank You Madam. We are closing the meeting based on your confirmation.  
Tech. support, please end the meeting for all.

For and on behalf of

RAJSHREE SUGARS & CHEMICALS LIMITED

M.Ponraj

Company Secretary

ICSI Membership No.A29858