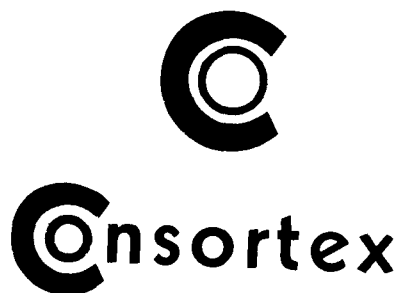


21ST ANNUAL REPORT

2005 - 2006



Report Junction.com



Consortex Karl Doelitzsch (India) Ltd.

CONSORTEX KARL DOELITZSCH (INDIA) LIMITED

BOARD OF DIRECTORS:

- | | |
|-------------------------|------------------------------|
| 1. Shri..M.Sudhakar Rao | Managing Director. |
| 2. Shri. V. Manohar | Independent Director. |
| 3. Shri.G.Krishna Mohan | Independent Director |
| 4. Shri. Parag Patwa | Independent Director |
| 5. Shri. N.Rama Rao | Independent Director |

COMPANY SECRETARY CUM COMPLIANCE OFFICER:

S.Sridhar Rao

BANKERS:

State Bank of India.
Central Bank of India.

AUDITORS:

Nataraja Iyer &Co.,
1-10-26, Ashok Nagar,
Hyderabad – 500020.

REGISTERED OFFICE:

“Sri Fort”, Sadbhavana Nagar,
On Kadri Road, Balampalli Village,
Hindupur, Ananthapur Dist, A.P.

REGISTRARS AND SHARE TRANSFER AGENTS:

IKON VISION (P) LTD.
33, Sanali Haven
Ameerpet, Hyderabad, A.P.

CONSORTEX KARL DOELITZSCH (INDIA) LIMITED
REGD OFF: "SRIFORT",SADBHAVANAGAR, ON KADRI ROAD,
BALAMPALLI, HINDUPUR, ANANTHAPUR DIST,
ANDHRA PRADESH

NOTICE

NOTICE is hereby given that "Twenty First" Annual General Meeting of M/S. Consortex Karl Doelitzsch (India) Ltd, will be held on **SATURDAY the 30th September, 2006 at 11.00 A.M** at the Registered Office of the Company at "SriFort" Sadbhavana Nagar, on Kadri Road, Balampalli, Hindupur, Ananthapur Dist, Andhra Pradesh. to transact the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at **31st March 2006** Profit and Loss Account for the year 2005-2006 along with the Report of Directors and Auditors thereon.
2. To appoint a director in place of Shri V.Manohar who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Shri G.Krishna Mohan who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration.

SPECIAL BUSINESS:

To consider and pass the following resolutions with or without modification(s):-

4. AS ORDINARY RESOLUTION:

"RESOLVED THAT Shri. Parag Patwa be and is hereby appointed the director of the company from the date of this Annual General meeting in respect of whom the company has received notice from some members under section 257 of the Companies Act 1956 proposing his candidature as the director of the company.

5. AS ORDINARY RESOLUTION:

"RESOLVED THAT Shri. N.Rama Rao be and is hereby appointed the director of the company from the date of this Annual General meeting in respect of whom the company has received notice from some members under section 257 of the Companies Act 1956 proposing his candidature as the director of the company.

Dated : 03-08-2006
Place : Hindupur

BY ORDER OF THE BOARD
Sd/
M.Sudhakar Rao
Managing Director

NOTES:

- 1) The explanatory statement pursuant to section 173 of the Companies Act 1956 in respect of the items 4 to 5 is attached and forms part of this notice.
- 2) The register of members and share transfer books will remain closed from 25th September 2006 to 30th September 2006 (both days inclusive) for the purpose of the ensuing Annual General Meeting of the company.
- 3) All the relevant documents pertaining to the notice is available for inspection at the registered office of the company from 1-09-2006 to 30-09-2006 on all working days from 10.00 am to 3.00 pm.
- 4) The members are requested to send their queries or questions to be raised at the Annual General meeting to reach the Registered Office of the Company 10 days before the date of the meeting for enabling the directors to prepare their answers.
- 5) A member is entitled to appoint a proxy to attend and vote instead of him selves/her selves and that the proxies need not be a member of the company
- 6) The proxies to be effective should be received at the Registered office of the company 48 hours before the commencement of the meeting
- 7) All the investors and shareholders are requested to contact the companies Share Transfer Agent M/s. Ikon Vision (P) Ltd., 33, Sanali Haven, Ameerpet, Hyderabad, A.P.

**CONSORTEX KARL DOELITZSCH (INDIA) LIMITED
REGDOFF: "SRIFORT", SADBHAVANAGAR, ON KADRI
ROAD, BALAMPALLI, HINDUPUR,
ANANTHAPUR DIST, ANDHRA PRADESH**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE
COMPANIES ACT 1956 IN RESPECT OF THE SPECIAL BUSINESS IN THE
FIFTEENTH ANNUAL GENERAL MEETING.**

1. ITEM NO 4:

Shri. Parag Patwa was appointed the director of the company during the year by the Board of Directors. He holds office as director of the Company up to the date of the ensuing Annual General Meeting of the Company. The Company has received notices from some members proposing his candidature as the director of the company. The Directors feel that the association of Shri. Parag Patwa as the Director of the Company would benefit the company immensely.

The Directors recommend passing of the resolution.

Expect for Shri. Parag Patwa no other Directors are concerned or interested in the resolution.

2. ITEM NO 5:

Shri. N.Rama Rao was appointed the director of the company during the year by the Board of Directors. He holds office as director of the Company up to the date of the ensuing Annual General Meeting of the Company. The Company has received notices from some members proposing his candidature as the director of the company. The Directors feel that the association of Shri. N.Rama Rao as the Director of the Company would benefit the company immensely.

The Directors recommend passing of the resolution.

Expect for Shri. N.Rama Rao other Directors are concerned or interested in the resolution.

Dated : 03-08-2006
Place Hindupur

BY ORDER OF THE BOARD

Sd/
M.Sudhakar Rao
Managing Director

CONSORTEX KARL DOELITZSCH (INDIA) LIMITED
REGDOFF: "SRIFORT", SADBHAVANAGAR,
ON KADRI ROAD, BALAMPALLI, HINDUPUR,
ANANTHAPUR DIST, ANDHRA PRADESH

DIRECTORS REPORT

TO

DEAR MEMBERS,

Your Directors have pleasure in presenting the "Twenty First" Annual Report of the company together with the Audited Accounts for the period ended. 31st March, 2006.

1. FINANCIAL RESULTS:

	For the Period ended 31 st March, 2006 (Rs. Lakhs).	For the year ended 31 st March, 2005.. (Rs. Lakhs).
Turnover	0.00	0.00
Profit before Tax	-	-
Provision for Tax	-	-
Profit After Tax	-	-
Appropriation	-	-
Transfer to General Referee	-	-
Transfer to Balance Sheet	-	-

2. OPERATIONS:

During the Period the company has a turnover of Rs. 0.00 lakhs, as against Rs. 0.00 Lakhs incurred during the corresponding period of the previous year. After meeting the expenses the company loss of Rs.781.01 as against Rs.1426.72 loss made during the previous year.

3. DIRECTORS:

Shri. V.Manohar and G.Krishna Mohan retires by rotation in the ensuing Annual General Meeting as per the provisions of the Companies Act 1956 and the Articles of Association of the company being eligible has offered him selves for re-appointment.

During the year Shri.K.Satyanarayana and Shri. S.Surya Prakasa Rao Resigned from the his Director ship from the Board. The Board was Accepted.

4. THE SEBI ORDERS ON THE COMPANY:

The Board of Directors of the company wish to inform the members of the company that SEBI passed an order No. MO/195/IVD/02/2006, dated 07.02.2006. The said order for dismissal before SAT. Further SEBI is also passed another order on the company No. WTM/GA/49/IVD/2/06, dated 01.02.2006 the company made an appeal before Hon'ble Whole Time Member (WTM) for the revocation. The prayer is before Hon'ble Whole Time Member for disposal.

The company unable to furnish the shareholding pattern of the company. Since NSDL and CDSL electronic connectivity is disconnected w.e.f. March 15th, 2006 with Ikon Vision (P) Ltd. RTA of the company. The company appointing RTA in order to take the responsibility of reconciliation of share holding pattern and resume RTA.

5. DEPOSITS:

The company has not accepted any deposits from the public attracting the provisions of section 58A of the Companies Act 1956 and the rules made thereunder during the year under review.

6. AUDITOR:

The present Auditors of the company M/S. Nataraja Iyer & Co, Chartered Accountants retire at the conclusion of the Annual General Meeting and they are eligible for re-appointment.

7. PARTICULARS OF EMPLOYEE:

During the year there was no employees drawing remuneration attracting the salary mentioned under Section 217 of the Companies Act 1956 and the rules made thereunder.

8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUT GO:

As the company had not carried out any manufacturing activities no details of energy consumption and conservation is provided in the report.

The company had not adopted any foreign technology during the year.

The company had not earned nor spent any foreign exchange during the year.

9. ACKNOWLEDGEMENT:

The directors thank the shareholders, bankers for their support extended to the company.

Dated : 03-08-2006

Place : Hindupur

BY ORDER OF THE BOARD

Sd/
M.Sudhakar Rao
Managing Director

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Code of Governance:

Consortex Karl Doelitzsch (India) Ltd. (CKDIL) a constituent of the, is committed to the highest standards of corporate governance in all its activities and processes. Looks at corporate governance as the corner stone for sustained superior financial performance, for serving all its stakeholders and for instilling pride of association. Apart from drawing on the various legal provisions, the group practices are continuously benchmarked in terms of the CII Code and international studies. The entire process begins with the functioning of the board of directors, with treading professional, and exports serving as independent directors and represented in the various board committees. Systematic attempt is made to eliminate informational asymmetry between executive and non-executive directors.

Key elements of corporate governance are transparency, disclosure, supervision and internal controls, risk management, internal and external communications, and high standards or safety, health, accounting fidelity, product and service quality. The Board has empowered responsible persons to implement its broad polices and guidelines and has set up adequate review processes.

The Company has always believed in and progress on major aspects of Corporate Governance since its inception.

The following is a report on the status and progress on major aspects of corporate governance that mark the operations and management of the Company. In many areas, the compliance is ahead of the statutory requirements.

Board of Directors Composition:

The present strength of the Board is Eight Directors. The Board comprises of Executive and Non-Executive Directors. Tow Directors Viz., Executive Director and Whole time Director are Executive Directors. There are seven Non-Executive Directors. The Non-Executive Directors bring independent judgment in the Board's deliberating and decisions.

Attendance of each Director at the Board Meetings and the last AGM and details of other Directorships etc.

Name of the Directors	Category of Directorship	Attendance Particulars		No. of other directors ship and committee membership (other than CKDIL)	
		Board Meeting	Last AGM Directorships	Other Memberships	Committee
Shri.M.Sudhakar Rao	M.D	5	Yes	Nil	Nil
Shri. Parag Patwa	ID	2	NO	Nil	Nil
Shri. N.Rama Rao	ID	2	NO	Nil	Nil
Shri. V.Manohar	ID	3	Yes	Nil	Nil
Shri. G.Krishna Mohan	ID	3	Yes	Nil	Nil

- MD- Managing Director
- ID - Independent Director

Directorships in private limited companies and associations as well as alternate Directorships are excluded.

Number of Board Meetings held and the dates on with held

Four Board Meetings were held during the years, as against the minimum requirement of 4 meetings. The dates on which the meetings were held are as follows: April 30th 2005 - July 30th 2005 - August 28th, 2005 - October 30th 2005 - January 19th, 2006

* Audit Committee

Terms of Reference & Composition, Names of members and Chairman.

The Audit Committee comprises of Shri. V.Manohar, Chairman besides Shri. G.Krishna Mohan and Shri.Parag Patwa all being Non-Executive Directors. along with the statutory Auditors are invitees to the Meeting. The terms of reference of this Committee are wide enough covering the matters specified for Audit Committee under the listing Agreements with the stock exchanges.

Meeting and attendance during the year.

There were three meetings of the Audit Committee during the year 2005-2006. The attendance of each Member of the Committee is given below:

Name of the Director	No. of Meeting Attended
Shri. V. Manohar	4
Shri. G. Krishna Mohan	4
Shri. Parag Patwa	2