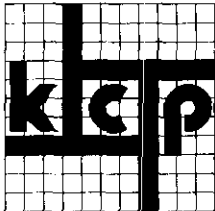


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ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1999

HIGHLIGHTS

(Rs. in Lakhs)

	Year Ended									
	31.3.90	31.3.91	31.3.92	31.3.93	31.3.94	31-3-95	31.3.96	31.3.97**	31.3.98	31.3.99
SHARE CAPITAL	1146	1146	1719	1719	1719	2578	2578	1289	1289	1289
RESERVES & SURPLUS	3049	3304	2744	2791	4908	5969	7263	9035	9425	9399
NET WORTH	4195	4450	4463	4510	6627	8547	9841	10324	10714	10688
FIXED ASSETS (NETT)	6082	6510	8013	8923	8751	9056	10146	5292	6628	9357
GROSS INCOME	13191	14772	16681	21837	26002	35870	37654	21941	15466	19235
GROSS PROFIT	1694	2140	1921	2757	4752	6614	4569	7176	1702	2039
DEPRECIATION	407	638	623	794	636	632	692	360	356	419
INTEREST	586	1004	1088	1670	1577	1262	1738	487	590	1152
PROFIT BEFORE TAX	701	498	210	292	2538	4720	2139	6328	756	468
PROFIT AFTER TAX	701	498	210	292	2537	3369	1939	5478	656	318
EARNINGS PER SHARE (Rs.)	6.12	4.35	1.22	1.7	14.76	13.07	7.52	42.49	5.09	2.47
BOOK VALUE PER SHARE (Rs.)	36.6	38.83	25.96	26.24	38.55	33.15	38.17	80.08	83.11	82.91
DIVIDENDS ON EQUITY (%)	18	18	12	15	25	35 *	25	25	25	25
DEBT EQUITY RATIO	1.00	1.08	1.14	1.28	0.77	0.51	0.55	0.40	0.68	0.77

* Including 10% recommended as Founder's Centenary Bonus Dividend.

** After Re-Organisation



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THE KCP LTD., CHENNAI

DIRECTORS

DUTT V.L.,
Chairman & Managing Director

INDIRA DUTT V.L.,
Whole-time Director

KAVITHA D. CHITTURI

CHARI A.K.T.,
Nominee of IDBI

PANIKAR C.V.R.

PINNAMANENI KOTESWARA RAO

RAJU G.S.

RAMAKRISHNAN P.R.

REDDY D.S.

SWAMINATHA REDDY O.

SECRETARY AND CORPORATE GENERAL MANAGER (Finance)

PRANESH K.B.

AUDITOR

M/s. BRAHMAYYA & CO.,
Chartered Accountants, Vijayawada

COST AUDITOR

M/s. P. PARANKUSAM & CO., HYDERABAD

BANKERS

STATE BANK OF INDIA
CANARA BANK
STANDARD CHARTERED BANK

REGISTERED AND CORPORATE OFFICE

"RAMAKRISHNA BUILDINGS"
2, Dr.P.V.CHERIAN CRESCENT
CHENNAI - 600 008.



NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Fifty-Eighth Annual General Meeting of the Shareholders of the Company will be held at "Rani Seethai Hall", 603 Anna Salai, Chennai 600 006 on Wednesday, the 22nd September, 1999 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report, the accounts of the Company for the year ended 31st March, 1999 and the Auditors Report thereon.
2. To declare a Dividend.
3. To appoint auditors for the current financial year and to authorise the Board of Directors to fix their remuneration. Messrs. Brahmayya & Company, Chartered Accountants, Vijayawada, retire at this Annual General Meeting and are eligible for re-appointment.
4. To appoint a Director in the place of Mr. P R Ramakrishnan, who retires by rotation and who is eligible for re-appointment and to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

RESOLVED that Mr. P R Ramakrishnan, who retires by rotation be and is hereby re-appointed a Director of the Company.

5. To appoint a Director in the place of Mr. C V R Panikar, who retires by rotation and who is eligible for re-appointment and to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

RESOLVED that Mr. C V R Panikar, who retires by rotation be and is hereby re-appointed a Director of the Company.

6. To appoint a Director in the place of Mr. Pinnamaneni Koteswara Rao, who retires by rotation and who is eligible for re-appointment and to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

RESOLVED that Mr. Pinnamaneni Koteswara Rao, who retires by rotation be and is hereby re-appointed a Director of the Company.

SPECIAL BUSINESS

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

RESOLVED that the consent of the Company be and is hereby accorded to the Board of Directors of the Company in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to mortgaging and/or charging of all the immovable and movable properties of the Company pertaining to the units at Macherla in the State of Andhra Pradesh, and at Chennai in the State of Tamil Nadu, as second charge, present and future and the whole of the undertaking of the Company and/or conferring power to take over the management of the business and undertaking of the Company in certain events (whether such power is contained in the documents creating the mortgage/charge or otherwise) to :

- a) Canara Bank of its guarantee of USD 5 million equivalent to Rs.21,31,00,000/-
- b) together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated

damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and other monies payable by the Company to Canara Bank, under the respective terms of sanction/letters of sanction/memorandum of terms and conditions, as amended from time to time.

RESOLVED further that the Board of Directors of the Company be and are hereby authorised to execute such of the documents in favour of Canara Bank for creating the aforesaid mortgage and/or second charge and to do all such acts and things as may be necessary for giving effect to the above resolution.

8. To consider and if thought fit, to pass with or without modification, the following resolution as a special resolution: Resolved that pursuant to the provisions, if any, of the Companies Act, 1956 ("The Act") the Articles of Association of the Company be and are hereby altered in the manner and to the extent as set out below :

- i) The existing Article 4 (i) and 4(ii) be substituted with the following new text :

"4. Notwithstanding anything contained in the Act, but subject to the provisions of sub-section (2) of section 77A and sections 77AA and 77B, and rules thereof, the Company shall have power to purchase, from time to time, its own shares and any securities that may have right to subscribe for shares of the Company and make payment in respect of such purchase(s) including power to resell and/or reissue such shares and securities.

This Article shall be deemed to include:

- (a) The provision by the Company, in accordance with any scheme for the time being in force, of money for the purchase or subscription for fully paid shares in the Company, or its holding Company being a purchase or subscription by trustees of or of shares to be held by or for the benefit of employees of the Company, including any Director holding a salaried office or employment in the Company; or
- (b) The making by the Company of loans, within the limits laid down in sub-section 3 of section 77 of the Act to persons (other than Directors, or Managers) bona fide in the employment of the Company, with a view to enable those persons to purchase or subscribe for fully paid shares in the Company to be held by themselves by way of beneficial ownership."

- ii) The following new Article 11A be inserted after Article 11 :

"11A. Notwithstanding anything contained in these Articles, every holder of the shares in or holder of debentures or deposits in the Company may, at any time nominate, in the prescribed manner a person to whom his shares or debentures or deposit shall vest in the event of his death, and the provisions of Section 109A and 109B of the Act shall apply in respect of such nomination."

THE KCP LTD., CHENNAI

- iii) The following new Article 13A be inserted after Article 13 :
 "13A. Notwithstanding anything contained in the Act, but subject to the provisions of Section 79A and the rules thereof, the Company shall have the power to issue Sweat Equity Shares of a class of shares already issued."
- iv) The text of Article 163 of the Articles of Association shall be substituted with the following new text :
 "163. All dividends that remain unpaid or unclaimed would be dealt with in accordance with section 205C of the Act."

(BY ORDER OF THE BOARD OF DIRECTORS)

Place: Chennai - 600 008

for THE K C P LIMITED

Date : 31st May, 1999

V L DUTT

Chairman

NOTES:

1. Any member entitled to attend and vote may appoint a proxy to attend and vote instead of himself, and a proxy need not be a member.
2. Any member/proxy wishing to attend the meeting must complete the admission slip and hand it over at the entrance.
3. The Company had transferred from the Unpaid Dividend A/c 1994-95, a sum of Rs.17,71,581/- during the year.
4. Shareholders are requested to notify their change of address, if any, without delay. IN ALL CORRESPONDENCE, THE LEDGER FOLIO NUMBER SHOULD BE INDICATED.
5. Shareholders are requested to bring with them their copies of the Annual Report as due to the prohibitive cost of printing, it will not be possible to supply extra copies.
6. The Register of Members and the Register of Share Transfer will remain closed from 16th September to 22nd September, 1999 - both days inclusive.
7. No money has been transferred from the Unpaid Dividend Account of the Company in pursuance of amended Sec.205A of The Companies (Amendment) Act, 1999 to the Investor Education and Protection Fund established under Sec.205C of The Companies (Amendment) Act, 1999.
8. Members who wish to have their dividend warrant printed with their bank account for direct credit may please forward a mandate for payment of dividend, to avoid loss during postal transit or interception and encashment by unscrupulous persons.

EXPLANATORY STATEMENT ANNEXED TO THE NOTICE

Explanatory Statement annexed to the notice, pursuant to Section 173(2) of the Companies Act, 1956.

Note on Item No. 7

The company had requested Canara Bank for a guarantee limit of USD 5 million equivalent to Rs.21,31,00,000/- to enable M/s KECEPE Investments Pvt. Ltd., Singapore to raise a term loan of USD 5 million.

Canara Bank, vide its letter no. 185 CR 1983 98 SHA dated 11/09/1998 sanctioned the ST Guarantee limit on the terms and conditions as stated therein. The terms and conditions, inter alia, require of the Company, a *pari passu* second charge on the fixed assets of the Company.

Section 293(1)(a) of the Companies Act, 1956, provides, *inter alia*, that the Board of Directors of a Public Limited Company shall not without the consent of such Public Company in general meeting, sell, lease, or otherwise dispose off the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking.

Since, the mortgaging by the company of its moveable and immovable properties of the Company pertaining to its units at Macherla in the State of Andhra Pradesh and at Chennai in the State of Tamil Nadu aforesaid in favour of Canara Bank may be regarded as disposal of the business of the company's properties/undertakings, it is necessary for the members to pass a Resolution under Section 293(1)(a) of the Companies Act, 1956, before creation of the second mortgage/charge.

A copy of the letter of sanction dated 11/09/1998 received from Canara Bank and copies of relevant documents/

correspondence between the Bank and the Company are open for inspection at the Registered Office of the Company, between 11.00 a.m. and 1.00 p.m. on any working day prior to the date of the meeting.

None of the directors of the company is interested in this resolution except Dr V L Dutt, Chairman & Managing Director and Mrs. V L Indira Dutt, Whole-time Director, as directors of KECEPE INVESTMENTS PVT. LTD., Singapore.

Note on Item No. 8

The Companies (Amendment) Ordinance, 1999, permits the Companies to buy back its own shares/securities by including section 77A to the Companies Act, 1956. By virtue of this, the Companies will be in a position to buy back its own shares/securities.

Article 4 of the Articles of Association of the Company prohibit the buy back of shares as well as providing of loans, guarantee or financial assistance to any person for purchase of its shares of the Company.

Hence, this Article is suitably amended to incorporate the new sections 77A, 77AA and 77B as also providing for the proviso in section 77 (2)(a) and (b) of the Companies (Amendment) Ordinance, 1999 and the Companies Act, 1956.

Further, the Companies (Amendment) Ordinance, 1999 newly introduced sections 109A, 109B and 58(11), whereby every holder of shares or debentures or deposits of a company has been given the option to nominate a person to whom his shares or debentures or deposits of a Company shall vest in the event of his death.



The Companies (Amendment) Ordinance, 1999 further allows companies to issue Sweat Equity shares of a class already issued under section 79A. The company incorporates this provision by way of an amendment to the Articles of Association of your Company to enable any such issue at a further date.

In regard to unpaid/unclaimed dividends, the relevant section 205A of the Companies Act, 1956 has been amended with effect from October 31, 1998 to provide that any money transferred to

the Unpaid Dividend Account of the Company which remains unpaid for a period of seven years (instead of three years as hitherto) from the date of such transfer shall be transferred by the Company to a special fund called "Investor Education and Protection Fund" established by the Central Government under new section 205C of the Act, instead of to the General Reserve Account of the Government, as earlier provided.

None of the directors of the Company is interested in the said resolution.

ADDENDUM TO THE NOTICE TO SHAREHOLDERS

ADDENDUM NOTICE is hereby given to the notice to shareholders dated 31st May, 1999 convening the 58th Annual General Meeting of the shareholders of the Company to be held at "Rani Seethai Hall", 603, Anna Salai, Chennai - 600 006 on Wednesday, the 22nd September, 1999 at 3.00 p.m. to transact the following additional business :

SPECIAL BUSINESS

1. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution of which a special notice has been received by

the Company from a member pursuant to section 257 of the Companies Act, 1956.

Resolved that Mr S Nandagopal be and is hereby appointed a Director of the Company, liable for retirement by rotation under the Articles of Association of the Company.

(BY ORDER OF THE BOARD OF DIRECTORS)

Place: Chennai - 600 008

Date : 26th July, 1999

for THE K C P LIMITED

V L DUTT

Chairman

EXPLANATORY STATEMENT ANNEXED TO ADDENDUM NOTICE

Explanatory Statement annexed to the notice, pursuant to Section 173(2) of the Companies Act, 1956.

Note on Item No.1

Mr S Nandagopal was co-opted to the Board of Directors as a Director with effect from 26th July, 1999 and vacates office at this Annual General Meeting.

He is a fellow member of the Institute of the Chartered Accountants of India. He is also a member of the Institute of Certified Public Accountants of Singapore. He was a practising Chartered Accountant for four decades and formerly senior partner of M/s Brahmayya & Co. Chartered Accountants, Chennai.

Your Company has received a Special Notice from a shareholder proposing him as a Director.

Hence, this enabling resolution.

None of the directors is interested in this resolution.

NOTES:

1. Any member entitled to attend and vote may appoint a proxy to attend and vote instead of himself, and a proxy need not be a member.
2. Any member/proxy wishing to attend the meeting must complete the admission slip and hand it over at the entrance.

THE KCP LTD., CHENNAI

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH, 1999

Submitted to the Shareholders at the 58th Annual General Meeting held at "Rani Seethai Hall", 603, Anna Salai, Chennai 600 006 on Wednesday the 22nd day of September 1999 at 3.00 p.m.

1. Your Directors have pleasure in submitting their report for the financial year ended 31st March, 1999 together with the Balance Sheet on that date and the Profit and Loss Account for the year ended on that date.

2. PROFIT & APPROPRIATIONS

	Rs.	Rs.
The accompanying accounts show a net profit..		3,17,85,857
for the year 1998-99 after providing for interest of Rs.11,52,48,621, Depreciation of Rs.4,18,87,036, and Provision for Taxation of Rs.1,50,00,000 to which are added:		
Refund of Income Tax		13,58,158
Balance brought forward from 1997-98		53,18,02,052
		56,49,46,067
Add: Transfer from Debenture Redemption Reserve		3,60,00,000
		60,09,46,067

Deduct :

Transfer to General Reserve	34,00,000	
Proposed Dividend	3,22,30,290	
Tax on Distributed Profit	35,45,332	
		3,91,75,622
Leaving the balance to be carried to the next year of account amounting to		56,17,70,445

3. DIVIDENDS

Your Directors recommend payment of a Dividend of Rs. 2.50 per share on 1,28,92,116 equity shares of Rs.10/- each amounting to Rs. 3,22,30,290/-.

4. CAPITAL & RESERVES

Capital of the Company stood at Rs.12,89,21,160 and the Reserves stood at Rs.93,99,11,809/- as on 31st March, 1999.

5. FIXED DEPOSITS

As at 31st March, 1999, there were deposits matured and unclaimed amounting to Rs.23,88,000 of 243 depositors. Since then, Rs.11,53,000/- of 89 depositors were renewed and Rs. 1,40,000/- of 15 depositors were repaid.

6. REVIEW OF OPERATIONS SALES & PROFITS

FINANCIAL YEAR	1998-99	1997-98
		(Rs. In Lakhs)
Sales	182,82	145,75
Profit before Depreciation	8,87	12,01
Profit after Depreciation,		
Interest and tax	3,18	7,45

The Operating results during the year of the Company pertain to its Cement, Engineering, Hydel Units, Export Cell and the Techno-Management Research and Development unit.

(A) CEMENT UNIT :

RAMAKRISHNA CEMENT, MACHERLA

FINANCIAL YEAR	1998-99	1997-98
Cement Produced (M.T.)	4,48,918	4,49,807
Capacity Utilisation (%)	112	112
Turnover(Rs. in Lakhs)	88,43	96,65

This Unit continued to retain the accreditation under the ISO 9002:1994 International Standard for quality obtained on 19th April, 1995.

During the year the Company expended a sum of Rs.600 lakhs towards the modernisation of this Unit for installing the balancing equipment required for maintaining high standards of quality and stability in production. The Company had availed a term loan of Rs.360 lakhs from Punjab National Bank during the year towards this programme.

(B) ENGINEERING UNIT, TIRUVOTTIYUR

FINANCIAL YEAR	1998-99	1997-98
		(Rs. in Lakhs)

Turnover including Service & Erection receipts.	57,61	49,10
---	-------	-------

The closing stock of finished goods to the tune of Rs. 91,56,390/- has not been valued in the Stock of this Unit as the same has not been lifted by the buyers who had placed an order for the same with us. Efforts are underway to commercially liquidate these stocks for some economical value to the Company.

This Unit continued to retain the accreditation ISO 9001: 1994, International Standard for Quality obtained on 1st September, 1997 and is valid upto 30th August, 2000.

The Engineering Unit continues to hold the accreditation to use the symbol "S" and "U" of the American Society of Mechanical Engineers (ASME) for the manufacture and assembly of Power Boilers and Pressure Vessel, respectively.

(C) EXPORT CELL

FINANCIAL YEAR	1998-99	1997-98
		(Rs. in Lakhs)
Turnover - Supply of Products	36,73	-
Supply of Service	-	60

The export of sugar machinery to M/s KCP Vietnam Industries Limited, Vietnam subsequent to its amendment to USD 1,00,17,164 has been completed to the stage of commercial production of plantation white sugar to the satisfaction of the Government of Vietnam. However, the supply of equipment for manufacture of refined sugar is underway.



The Company, in the current year, procured an export order to the tune of USD 13,16,484 equivalent to Rs.5,48,97,383/- for the supply of Ball Mills through M/s Alstom Energy Systems S A, Velizy, France to be supplied to the ultimate customer - M/s Ho Ping Power Project, Taiwan.

(D) HYDEL UNIT, NEKARIKALLU

FINANCIAL YEAR	1998-99	1997-98
Hydel Power (KWH)	1,14,53,709	-
Turnover (Rs. in lakhs)	4,07	-

Your Directors are pleased to place on record the commencement of operations by 3 of the 5 schemes during the current financial year. Expenses incurred on these schemes have been capitalised during the financial year. The Company has also entered into Power Wheeling and Purchase Agreement with the APSEB.

During the year, the Company has absorbed a sum of Rs. 90,75,000/- towards evacuation charges payable to APSEB for the 33 KV gridline. The balance two schemes are expected to go on stream in August, 1999.

(E) UNIT - TECHNO-MANAGEMENT RESEARCH AND DEVELOPMENT (TMRD)

During the year, this Unit had a total income of Rs.13 lakhs.

7. INVESTMENTS

During the year, the Company has made a provision to the tune of Rs.99,48,637/- towards shortfall in the value of investments to comply with the accounting standards and compliance with the Companies (Amendment) Act, 1999. KECEPE INVESTMENTS PVT. LTD, SINGAPORE.

Your Company has completed the investment in 97,35,163 equity shares of Singapore Dollar 1 each, equivalent to USD 6 million amounting to Rs. 23,71,43,668/- representing 66.67% of the share capital of the Investee Company.

8. SAFETY & POLLUTION CONTROL

Your Company continued to accord high priority to safety and environment protection. Sponsorship of the Safety Officers to training courses, conducted by Regional Labour and Safety Training Institutes have exposed them to new industrial safety measures and knowledge up-gradation resulting in an overall improvement.

As on 31st March, 1999, all units have a valid consent from the respective Pollution Control Board wherever necessary, that the pollution levels are well below the standards set by the Pollution Control Board.

9. CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION, EXPORT AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A statement giving the details of conservation of energy, technology absorption, export and foreign exchange earned and outgo in accordance with the companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 is enclosed.

10. Y2K COMPLIANCE

The Hardware employed by the Company has been certified as Y2K compliant. The Company is taking necessary steps to ensure that all its Software also becomes Y2K compliant in time.

The costs pending the said conversions are not expected to be material.

11. SUBSIDIARIES

The financial details required under Sec.212 of the Companies Act, 1956 in respect of subsidiaries, M/s KECEPE Investments Pvt. Ltd. Singapore and M/s KCP Vietnam Industries Limited, Vietnam have been attached to the Balance Sheet of the current year. KCP Vietnam Industries went into commercial production of plantation white sugar, on 27th March, 1999 and the plant is expected to commission the equipment for refined sugar by July '99.

12. DIRECTORS

Messrs PR Ramakrishnan, C V R Panikar and Pinnamaneni Koteswara Rao retire by rotation at the forthcoming Annual General Meeting. Being eligible, they offer themselves for reappointment.

13. MANAGEMENT STAFF

Particulars of employees required under Section 217(2A) of the Companies Act, 1956, are given in the Annexure forming part of this report. The Company, during the current year, as committed in the previous years' report, took necessary steps and provided for the liability to leave encashment amounting to Rs.75,45,135/-.

14. STAFF RELATIONS

Staff relations continued to be cordial and satisfactory at all the Units.

ENGINEERING UNIT - TIRUVOTTIYUR

The period of the labour agreement came to an end in October '98. Fresh agreement is underway.

15. AUDITORS

M/s Brahmayya & Co., Chartered Accountants, Vijayawada, retire at the conclusion of this Annual General Meeting and are eligible for reappointment.

M/s Parankusam & Company, Hyderabad are the Cost Auditors of the Company to conduct the cost audit for the Cement Unit for the year ending 31st March, 2000.

16. ACKNOWLEDGEMENT

The Board wish to thank the public financial institutions, and the bankers for their continued and positive support. The Board also placed on record their appreciation of the work done by all the employees of the Company.

(By Order of the Board of Directors)

Chennai - 600 008.

31st May, 1999

V.L.DUTT
Chairman

THE KCP LTD., CHENNAI

ANNEXURE

FORM A

FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, CEMENT UNIT, MACHERLA

Power and Fuel Consumption	Current Year 1998-99	Previous Year 1997-98
1. ELECTRICITY		
A) PURCHASED FROM APSEB		
Unit KWH	2,67,48,345	2,69,71,792
Total Amount Rs	10,86,71,165	10,31,52,016
Rate/Unit (Rs.)	4.06	3.82
B) I) OWN GENERATION		
Through Diesel Generator		
Unit KWH	96,93,101	2,04,97,531
Unit per Ltr. Of Diesel Oil	3.63	3.69
Cost/Unit (Rs.)	4.08	3.35
II) Through Hydel Power from Hydel Unit, Nekarikallu		
Unit KWH	1,12,12,963	0.00
Total Amount (Rs.)	4,00,16,852	0.00
Cost/Unit Rs.	2.10	0.00
(including Interest Cost of Rs.1.10 per Unit)		
2. COAL (SPECIFY QUANTITY AND WHERE USED)		
Quantity Tonnes	69,270	65,306
Total Cost Rs.	10,75,38,694	9,95,63,524
Average rate Rs.	1,552.46	1,524.56
3. LIGNITE		
Quantity Tonnes	12,696	15,134
Total Cost Rs.	1,48,88,139	1,81,53,925
Rate/Unit Rs.	1,172.69	1,199.55
4. DIESEL OIL		
Quantity (Ltrs.)	17,800	19,006
Total Cost (Rs.)	1,69,478	1,72,019
Average Rate (Rs.)	9.52	9.05
5. CONSUMPTION PER UNIT OF PRODUCTION		
Electricity KWH	106.15	105.53
Coal	0.156	0.153
Others (Specify)		
Lignite	0.029	0.035
Rice Husk	0.001	0.000

FORM B (See Rule 2)

Form for Disclosure of particulars with respect to TECHNOLOGY ABSORPTION.

1) EXPENDITURE ON RESEARCH AND DEVELOPMENT	31-3-1999 Rs.	31-3-1998 Rs.
(a) Capital	-	-
(b) Recurring	26,00,753	17,64,734
(c) Total	26,00,753	17,64,734
(d) Percentage of R&D Expenses on total turnover	0.14%	0.12%
2) TECHNOLOGY ABSORPTION :		
The Company continues to utilise the in-house R & D facilities of the Company.		
C. FOREIGN EXCHANGE EARNINGS AND OUTGO	Used Rs.	Earned Rs.
Total foreign exchange used and earned	60,61,639	36,73,69,834