



22nd ANNUAL REPORT 2004 -2005

Suvarna
Report  junction.com
Cements Limited



Suvarna Cements Limited

Board of Directors

Sri J S Krishna Murthy, Chairman
Sri J S Rao
Sri J V Choudary
Sri J Sivaram Prasad
Sri E Siva Sankaram
Sri Boddu Venkata Subbaiah
Smt. J Triveni, Managing Director

Auditors:

M/s. K.S. Rao & Company
Chartered Accountants
Hyderabad.

Cost Auditors:

M/s. Narasimha Murthy & Co.
Cost Auditors
Hyderabad.

Bankers :

Canara Bank
Somajiguda
Hyderabad.
State Bank of India
Industrial Finance Branch
Somajiguda
Hyderabad:

Registered Office & Factory :

Mellacheruvu (Village & Mandal)
Nalgonda District
Andhra Pradesh - 508 246.
Tel : 08683-226038

Administrative Office :

Plot No.40, I.D.A
Balanagar
Hyderabad - 500 037.
Tel : 040-23078748
E-mail ID : scements_ltd@yahoo.co.in

Share Transfer Agents:

M/s. Ikon Visions (P) Ltd.
Flat No 33 Sanali Heavens
8-3-948 Ameerpet
Hyderabad - 500 073-A.P.
Tel : 040-23744356



Suvama Cements Limited

NOTICE

NOTICE is hereby given that the Twenty second Annual General Meeting of Suvama Cements Limited will be held on Wednesday, the 28th day of September, 2005 at the Registered office & Factory situated at Mellacheruvu (Village & Mandal), Nalgonda District-508 246 Andhra Pradesh at 11.00 A.M. to transact the following business:

Ordinary Business :

1. To receive, consider, approve and adopt audited Profit & Loss Account for the year ended 31st March, 2005 and Balance Sheet as on that date and the Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Sri. J. Seshagiri Rao, Director who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sri. J. Sivaram Prasad who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration:

"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, the retiring Auditors, M/s. K.S. Rao & Company, Chartered Accountants, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be determined by the Board of Directors, in addition to traveling and other out of pocket expenses."

Special Business :

5. To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Sec 269, 198, 309, 314 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the said Act, 1956, Smt. Jasti Triveni be and is hereby Re-appointed as Managing Director for a period of 5 years with effect from 27th June, 2005 to 26th June 2010.

"RESOLVED FURTHER THAT Smt. J. Triveni shall be paid the following remuneration, perquisites, allowances and commission, if any, with effect from 27th June, 2005:

Salary: Rs. 60,000 per month.

Perquisites:

- i) In addition to the aforesaid salary she shall also be entitled to the following perquisites like unfurnished accommodation, gas electricity, water, medical reimbursement and leave travel concession for self and family, club fees, personal accident insurance, etc., in accordance with rules of the company. The monetary value of such perquisites being limited to Rs. 3,60,000/- per annum for the purposes of which limit.

Perquisites shall be evaluated as per Income Tax provisions/ Rules, wherever applicable, and in the absence of any such Rule, perquisites shall be evaluated at actual cost and use of company's car with driver for official purpose and telephone at residence (including payment for local calls and long distance official calls) shall not be included.

Housing: The expenditure on hiring unfurnished accommodation shall be subject to 60% of salary, over and above 10% payable by the appointee. The expenditure on gas, electricity, water shall be reimbursed at actual.

Reimbursement of Medical expenses: Expenses incurred for self and family at actuals.

Club Fees: Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

Personal accident Insurance: Premium not to exceed Rs.4000 per annum.

Leave Travel Concession: For self and her family once in a year incurred in accordance with the Rules of the Company. Company's contribution towards Provident Fund and Superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961, and the same shall not be included in the computation of limits for perquisites aforesaid.

Gratuity Payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure, which also shall not be included in the computation of limits for perquisites.

In the event of loss or inadequacy of profits in any financial year, the Managing Director shall be paid a minimum monthly remuneration according to Section II of Part II of Schedule XIII to the Companies Act, 1956.

FURTHER RESOLVED THAT remuneration specified above for Smt. J. Triveni may, subject to overall ceiling specified above and subject to Schedule XIII of the Companies Act, 1956, be modified as may be agreed to by the company and Smt. J. Triveni from time to time.

FURTHER RESOLVED THAT the Board of Directors may in their absolute discretion pay to smt. J. Triveni lower remuneration than the maximum remuneration stipulated herein above and revise it from time to time within the limits stipulated in the resolution.

RESOLVED FURTHER THAT Sri. J.S. Rao, Director of the company be and is hereby authorized to sign and file the relevant forms with the Registrar of Companies, and also to do such acts, deeds and things as may be needed to give effect to the resolution.

Members are requested to accord their consent to the above resolution.

6. CHANGE OF THE NAME OF THE COMPANY

To consider and if thought fit, to pass with or without modification (s), the following resolution as Special Resolution :



Suvurna Cements Limited

"RESOLVED THAT subject to the approval of the Central Government (Registrar of Companies) pursuant to Section 21 of the Companies Act, 1956 and other applicable provisions of the Act, 1956 be and is hereby changing the name of the company from SUVARNA CEMENTS LIMITED TO KEERTHI INDUSTRIES LIMITED

RESOLVED FURTHER THAT Sri. J.S. Rao, Director of the company be and is hereby authorized to sign and file the necessary forms, documents with the Registrar of Companies, and also to do such acts, deeds and things as may be needed to give effect to the above resolution.

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

"RESOLVED THAT Mr. E.Siva Sankaram be and is hereby appointed as a Director of the company, liable to retire by rotation.

8. To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT Sri. Boddu Venkata Subbaiah be and is hereby appointed as a Director of the company, liable to retire by rotation."

By, Order of the Board,

Place : HYDERABAD
Date : 29.08.2005

J.Triveni
Managing Director.

Notes:

- A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and proxy need not be a member of the Company.
- An explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of Special business items is annexed hereto this notice.
- The instrument appointing proxy should be deposited at the Registered Office of the Company not less than 48 hours before the Commencement of the Meeting.
- The Register of Members and Share Transfer Register of the Equity Share holders will remain closed from 26.09.2005 to 28.09.2005. (both days inclusive).
- Members are requested to notify any change in their address immediately to the Share Transfer Agents.
- Members are requested to bring their copies of Annual Reports to the Meeting.

In terms of Clause 49 of Listing Agreement with Stock Exchanges, a brief resume of directors who are proposed to be appointed at this meeting is given below:

Sri. J.Seshagiri Rao and Sri. J.Sivaram Prasad are retiring by rotation at the ensuing Annual General Meeting and are eligible for re-appointment and Sri.E. Siva Shankaram and Sri. Boddu Venkata Subbaiah who were appointed as a Additional Director of the company retires at ensuring annual general meeting and offers themselves for re appointment.

1. Name: Sri. J.Seshagiri Rao Age: 51 years Qualifications: B.S.c (eng), MIE, MIIPE Expertise: Promoter, Significant experience as Industrialist and he is rendering his services as a Director of the Company from 15.03.1999. Other Directorships: Kakatiya Cements Sugar Industries Ltd, Hyderabad Flextech Ltd, Kakatiya Textiles Ltd, Hyderabad Bottling Co. Ltd, JSK Aqua Minerals Pvt. Ltd, J.S.K. Holding Pvt. Ltd, Triveni Capital Leasing Inv. Pvt Ltd and Sri Venkateshwara crowns Pvt. Ltd Vijaya Estates Holdings Pvt. Ltd. Staypack Agri Exports Pvt. Ltd.

2. Name: Sri. J. Sivaram Prasad, Age: 45 Years, Qualifications: B.Com, Member of the Institute of Chartered Accountants of India Expertise: Director of the company, from 15.03.1999. He is also Member of Audit Committee, Share Transfer Committee, Shareholders grievance Committee and Remuneration Committee of the company. Other Directorships: Kakatiya Cements sugar & Industries Ltd., (Executive Director) & Kakatiya Finance & Leasing Co. Ltd and M/s. Greenesol Power Systems Pvt. Ltd.

3. Name: Sri. E. Sivasankaram Age: 68 years, Qualifications: B.com, F.C.A, CAIIB, L.L.B, Expertise: Finance Matters Other Directorships: Nil

4. Name: Sri. Boddu Venkata Subbaiah Age: 77 years, Qualifications. Advocate Expertise: Legal Matters. Other Directorships: Nil

Explanatory statement pursuant to provisions of Sec 173(2) of the Companies Act, 1956

Item No :5

Smt. J. Triveni who was appointed as Managing Director on 27th June, 2000. The tenure of the Managing Director will be come to an end by the 26th day of June, 2005. In consideration of the services rendered by Smt. J. Triveni from past 5 years the board of directors are of the view to re appoint smt. J triveni for another period of 5 years and also the company has received a proposal to re-appoint Smt. J Triveni as Managing Director for a further period of 5 years from 27th June, 2005 to 26th June 2010.

In order to Re appoint Smt. J. Triveni, the members are required give their consent.

Hence members are requested to accord their consent to the above resolution.

Except Smt. J. Triveni, Sri J.S Rao, Sri J.S. Krishna Murthy, Sri J.V. Chowdary and Sri J. Sivaram Prasad no other directors are interested.

Item No.6:

The company proposes to carry on the new businesses of production of sugar, Generation of Power and mining Activity. In order to carry on those businesses the company has to



Suvama Cements Limited

change its main objects by inserting objects relating to production of sugar, generation of power and Mining Activity as well as the name of the company so as to reflect the nature of the businesses the company carries.

Hence the Members are requested to accord their consent. None of the Directors are not interested in the above resolution.

Item No.7

In order to fill the board with independent and professional directors, The Board has appointed Mr. E. Siva sankaram as a additional director of the Company at the Board Meeting held on 25.04.2005. Intems of Sec 260 of the Companies Act, 1956, he will hold office only upto the date of this Annual General Meeting.

Notice has been received from a member of the company under Section 257 of the Companies Act, 1956, along with a deposit of Rs. 500/- signifying his intention to propose the candidature of Mr. E. Siva Sankaram for the office of director and to move the resolution as set out in Item No. 7 of this notice.

Item No.8

In order to fill the board with independent and professional directors, The Board has appointed Sri. Boddu Venkata Subbaiah, Advocate as a additional director of the Company at the Board Meeting held on 25.04.2005. In terms of Sec 260 of the Companies Act, 1956, he will hold office only upto the date of this Annual General Meeting

Notice has been received from a member of the company under Section 257 of the Companies Act, 1956, along with a deposit of Rs. 500/- signifying his intention to propose the candidature of Sri Boddu Venkata Subbaiah, for the office of director and to move the resolution as set out in Item No. 8 of this notice.

By Order of the Board,

Place : HYDERABAD
Date : 29.08.2005

J.Triveni
Managing Director

Directors' Report

To Members

Your Directors have pleasure in presenting the Twenty-second Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2005.

Financial Results:

The financial results for the year ended 31.03.2005 are summarised below:

	Current Year	(Rs. In lacs) Previous Year
Income (sales and other income)	4010.28	2563.02
Profit/(Loss) before interest and depreciation	518.26	375.16
Interest	188.53	213.67
Depreciation	160.18	155.31
Profit/ (Loss) for the year	169.55	6.18
Excess provision written back	—	4.87
Power Line Charges	17.42	—
Net Profit/ (Loss)	152.13	11.05
Loss Brought forward	1254.13	1265.18
Loss carried to Balance sheet	1062.01	1254.13

Performance Review:

Your Directors glad to inform you that the Company has started earning Profits. During the year under review, your company has made a profit of Rs. 152.13 lacs as against a profit of Rs.11.05 lakhs in the previous financial year. This situation has been achieved by reducing the power consumption and by optimising utilisation of men and material.

The expansion of plant from 300 TPD to 900 TPD carried out during the last year, got established on October, 2003 and improved company's production and turnover during the year.

Operations:

During the year under review your company has produced 266903 MTs of clinker 266180 MT of Cement as against 175410 MTs ; 155054.119 MTs respectively. We have sold cement of 266031 MTs and Clinker of 16399 MTs as against 156700 and 16653 MT respectively during the previous year.

Dividend :

Your Directors pleased to inform you that the company has started earning profits slowly. However, your Company is not in a position to declare any dividend, since the company is required to write off the previous years' accumulated losses. Hence your directors regret to recommend any dividend.

Fixed Deposits:

Your company has not accepted any fixed deposits from the public and as such no amount of principle or interest was outstanding as on the date of balance sheet.

Health Safety and Environmental Protection:

Your company has substantially complied with all applicable environmental Laws and Labour Laws. The Company has taken significant measures towards environment protection and conservation.

Cost Audit :

As per the Government's directive, the company's cost records in respect of cement for the year ended 31st March, 2005 are being audited by Cost Auditors, M/s. Narsimha Murthy & Company.

Insurance :

The properties of the company including its buildings, plant and machinery and stocks wherever necessary and to the extent required have been adequately insured.



Suvama Cements Limited

Directors Responsibility Statement :

Pursuant to provisions of Section 217 (2AA) of the Companies (Amendment) Act, 2000, the Board of Directors state and confirm:

- (i) that in preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and profit of the company for the year;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) That the directors have prepared the accounts on a going concern basis.

Corporate Governance:

The Company has taken adequate steps to ensure that the condition of corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchanges are complied with. The report on corporate Governance and the Management discussion and analysis is included as a part of the Director's Report. A certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement is attached to this report.

Directors :

Smt. J. Triveni was re-appointed as Managing Director of the Company by the board of directors in terms of the articles of association of the company for a further period of five years w.e.f. 27th June, 2005. Necessary resolution is being placed before the shareholders seeking their approval for the re-appointment and remuneration in the ensuing Annual General Meeting of the company.

Sri C. Madhusudana Rao, director resigned from the board with effect from 25th April, 2005. The Directors place on record their appreciation of the invaluable guidance and support rendered by Sri C. Madhusudana Rao to the company during his tenure as a director of the company.

Sri. E. Siva Sankaram, was appointed as a Additional Director of the Company by the Board of directors on 25-04-2005 in terms of the Sec 260 of the companies Act, 1956, Mr. E. Siva Sankaram hold office upto the date of ensuring Annual General Meeting. Notice has been received from a member of the company proposing his candidature for the office of director in terms of Sec 257 of the Companies Act, 1957.

Sri.Boddu Venkata Subbaiah, Advocate was appointed as a Additional Director of the Company by the Board of directors on 25.04.2005 in terms of the Sec 260 of The Companies Act, 1956, Mr. Boddu Venkata Subbaiah hold office upto the date of ensuring Annual General Meeting. Notice has been received from a member of the company proposing his candidature for the office of director in terms of Sec 257 of the Companies Act, 1957.

Registrar & Transfer Agents:

The Securities & Exchange Board of India (SEBI) vide its circular No.D & CC/FITTC/CIR/5/2002 dt. 27.12.2002 had directed that all the work related to Share Registry for Physical and Electronic Share holding should be maintained at a single point. The Company in compliance with the above, mentioned circular has appointed M/s. Ikon Vision Pvt. Ltd. Flat No. 33, Sanali Heavens, 8-3-948, Ameerpet, Hyderabad - 500 073 as the Registrar and Transfer Agent of the Company.

Auditors :

Shareholders are requested to appoint M/s. K S Rao & Co., Chartered Accountants who retire at the conclusion of this Annual General Meeting and are eligible for re-appointment. The company has received a certificate from them that their re-appointment, if made, would be within prescribed limits Under Section 224 (IB) of the Act.

Auditors Comments:

Regarding Auditor's qualification on sundry debtors, sundry creditors and for Loans and Advances the management is confident of realising the receivables at the stated values other than those disclosed as doubtful. In respect of sundry creditors and Loans & Advances the management acknowledges un-disputed balances in full. Whenever the disputes are there, management is trying to sortout the disputed amount and settle them in due course.

Energy, Technology and Foreign Exchange:

Particulars on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo as required to be disclosed in terms of Section 217 (1) (e) of the Companies Act, 1956, read with the companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 is annexed hereto (Annexure A) which forms part of this report.

Particulars of employees & Industrial Relations :

There were no employees falling within the purview of Section 217 (2A) of the Companies Act, 1956, read with the Companies (particulars of Employees) Rules, 1975 as amended by the Companies (Amendment) Act, 1988 during the year. Industrial relations in the company were very cordial and stable.

Acknowledgement :

Your Directors are thankful to Canara Bank, Somajiguda branch and State Bank of India, Industrial Finance Branch, Somajiguda for their continued support during the year under review and acknowledge with gratitude the help extended by the Central Government and Government of Andhra Pradesh.

Your Directors also wish to place on record their appreciation of the services rendered and co-operation extended by the Workmen, Staff, Dealers, Customers and other concerned.

For and on behalf of the Board

Place: Hyderabad
Date: 29th August, 2005.

J.S. KRISHNA MURTHY
Chairman


Suvama Cements Limited

Annexure 'A'

Information as required under Section 217 (1) (e) read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988.

FORM - A

Form for disclosure of particulars with respect to conservation of energy.

	Current Year	Previous Year
A. Power and Fuel Consumption:		
1. Electricity:		
a. Purchased		
Units (Nos.)	2,89,51,195	1,96,04,273
Amount (Rs.)	10,56,10,916	7,51,59,246
Rate/Unit (Rs.)	3.65	3.83
b. Own Generation:		
(i) Through Diesel Generator		
Units (Nos.)	9,485	23,075
Units per Ltr. of Diesel Oil	2.28	4.97
Cost/Unit (Rs.)	8.37	3.68
(ii) Through Steam Turbine/Generator:		
Units (Nos.)		
Units per Ltr. of Fuel Oil Gas	Nil	Nil
Cost/Unit (Rs.)		
2. Coal and Lignite used as fuel in Kiln:		
Quantity (M.T)	51,536	33,686
Total Cost (Rs.)	9,32,02,179	5,67,27,306
Average Rate/M.T.(Rs.)	1808.48	1,684.40
3. Furnace oil	Nil	Nil
4. Others/Internal Generation	Nil	Nil
B. Consumption per unit of Production:		
Electricity (Units)	104.82	125.90
Furnace Oil	Nil	Nil
Coal	0.193	0.192
Others (Specify)	Nil	Nil



Suvama Cements Limited

FORM - B

Form for disclosure of particulars with respect to Technology Absorption

Research and Development (R&D):

1. Specific areas in which R&D carried out by the Company
2. Benefits derived as a result of the above R&D
3. Future Plan of Action : No research & development has been carried out during the period and no expenditure incurred.
4. Expenditure on R&D
 - a) Capital
 - b) Recurring
 - c) Total
 - d) Total R&D expenditure as a percentage of total turnover

Technology absorption, adaptation and innovation:

1. Efforts, in brief, made towards innovation. : There has been no absorption, or innovation technology absorption, adaptation and of any new technology.
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, production development, import substitution etc.
3. In case of imported technology (Imported during the last 5 years reckoned from the beginning of the financial year), the following information may be furnished :
 - a) Technology : No Technology has
 - b) been imported :
 - c) Year of Import
 - d) Has Technology been fully absorbed
 - e) If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action :

Foreign Exchange earnings & outgo:

1. Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans : NIL
2. Total foreign exchange outgo and earned
 - a) Foreign Exchange outgo : NIL
 - b) Foreign Exchange earned : NIL

For and on behalf of the Board

J.S. KRISHNA MURTHY
Chairman

Place: Hyderabad
Date: 29th August, 2005.



Suvama Cements Limited

Annexure 'B' to the Directors' Report on Corporate Governance

Company's Philosophy on Code of Governance:

Your Directors philosophy on Corporate Governance aimed at the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and all its interactions with its stakeholders including shareholders, Employees and the Government.

Composition of Board :

The Board comprises Seven Directors of which one is Managing Director. The non-executive directors bring with them rich and varied experience in different facets of corporate functioning. They play active role in the meetings of the Board. The Chairman of the Board is a non-executive director. The composition of the Board is in conformity with the amendments in the listing agreement.

Tenure :

As per the statute two thirds of the total strength of the Board of Directors should be subject to retirement by rotation. Further, one third of the directors liable to retire by rotation are required to retire every year. This is being implemented.

Board Meetings :

During the year under review 5 meetings of the Board of Directors were held (as against the minimum requirement of 4 meetings) on the following dates namely, 24.04.2004, 29.07.2004, 25.08.2004, 30.10.2004 and 28.01.2005.

Attendance :

The Attendance at various meetings of the Board of directors and the Annual General Meetings is as follows:

Directors	No. of Meetings Attended	Attended Last AGM
Sri. J. S. Krishna Murthy	5	Yes
Sri J.S. Rao	5	Yes
Sri J.V. Choudary	5	Yes
Sri. J. Sivaram Prasad	3	Yes
Sri. C. Madhusudana Rao	5	Yes
Smt. J. Triveni	5	Yes

Number of other Directorships held :

Name of the Directors	Category	Number of other Directorship held	No. of Memberships in other Board Committees
Sri J. S. Krishna Murthy	Promoter - Chairman	7	7
Sri. J. S. Rao	Promoter - Non Executive Director	10	7
Sri. J.V. Choudary	Promoter - Non Executive Director	8	2
Sri. J. Sivaram Prasad	Non Executive Director	3	2
Sri. C. Madhusudana Rao	Non Executive Director	5	3
Smt. J. Triveni	Managing Director	2	-

Constitution of Audit Committee:

The Audit Committee of the Board was constituted consisting of the following Directors. The terms of reference of the Audit Committee have been defined so as to bring them in line with the amendments in the listing agreement and the Companies Act. The Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed and took a note of the same. During the year, the committee met 5 times and the attendance of Members at the meetings were as follows:



Suvama Cements Limited

S.No.	Name of the Member	Status	No. of Meetings Attended
1.	Sri. C. Madhusudana Rao	Chairman	5
2.	Sri. J.S. Rao	Member	5
3.	Sri. J. Sivaram Prasad	Member	5

Share Transfer Committee :

The Share transfer committee has been constituted by the Board and delegated the authority to approve transfer of shares to a committee of Directors. The Share transfer committee consists of Sri. J.S. Krishna Murthy, Sri. J.S. Rao and Sri. J. Sivaram Prasad. The committee meetings are held every month to approve transfers, transmissions, split and consolidation of shares etc., issued by the company. The minutes of the meeting of the share transfer committee are placed before the board for its confirmation.

Shareholders' / Grievance Committee:

The Board of Directors of the company has constituted a shareholders/Investors Grievance Committee for redressing shareholders and investor complaints. The Committee consists of Sri. J.S. Krishna Murthy, Sri. J. Seshagiri Rao and Sri. J. Sivaram Prasad. The committee oversees the performance of the Registrars & Transfer Agents, and recommends measures for over all improvement in the quality of investor services. During the year under review, company received 4 shareholders complaints. All these complaints were redressed/replied to the satisfaction of the shareholders and no complaints were outstanding.

Remuneration Committee:

The Company has constituted Remuneration Committee consisting of Non Executive Directors. The members of the committee are Sri. J.S. Krishna Murthy, Sri. J. Seshagiri Rao and Sri. J. Sivaram Prasad. Sri. J.S. Krishna Murthy is the Chairman of the Committee. The Committee did not meet during the year, as there was no agenda for consideration ever since the committee was constituted. The only executive Director is Managing Director and no other Director receives any remuneration from the company excepting Sitting Fees for attending the Board Meetings. The details of remuneration paid to the Managing Director is mentioned in Schedule 16 (Notes to Accounts) to the Balance Sheet of the Company.

Remuneration to the Directors:

Except in the case of Managing Director no other Directors are receiving any remuneration apart from sitting fee. Total remuneration paid to the Managing Director during the year is Rs. 360000/-

Information required to be furnished under the Listing Agreement:

As required under the listing agreement, the particulars of Directors who are proposed to be appointed/re-appointed are given below:

1. Name: Sri. J. Sheshagiri Rao Age: 51 years Qualifications: B.S.c (eng), MIE, MIPE Expertise: Promoter, Significant experience as Industrialist and he is rendering his services as a Director of the Company from 15.03.1999. Other Directorships: Kakatiya Cements Sugar Industries Ltd, Hyderabad Flextech Ltd, Kakatiya Textiles Ltd, Hyderabad Bottling Co. Ltd, JSK Aqua Minerals Pvt. Ltd., J.S.K. Holding Pvt. Ltd, Triveni Capital Leasing Inv. Pvt Ltd and Sri venkateshwara crowns Pvt. Ltd Vijaya Estates Holdings Pvt. Ltd. Staypack Agri Exports Pvt. Ltd,

2. Name: Sri. J. Sivaram Prasad, Age: 45 Years, Qualifications: B.Com, Member of the Institute of Chartered Accountants of India Expertise: Director of the company; from 15.03.1999. He is also Member of Audit Committee, Share Transfer Committee, Shareholders grievance Committee and Remuneration Committee of the company. Other Directorships: Kakatiya Cements sugar & Industries Ltd., (Executive Director) & Kakatiya Finance & Leasing Co. Ltd, and M/s. Greenesol Power Systems Pvt. Ltd.

3. Name: E. Sivasankaram Age: 68 years, Qualifications: B.com, F.C.A, CAIIB, L.L.B, Expertise: Finance Matters. Other Directorships: Nil

4. Name: Sri. Boddu Venkata Subbaiah Age: 77 years, Qualifications: Advocate Expertise: Legal Matters. Other Directorships: Nil