

## 29TH ANNUAL REPORT 2004-2005



# MANGALAM CEMENT LIMITED



## **B K BIRLA GROUP OF COMPANIES**

### *The 21st Century Atlas*

#### **Atlas, The Titan - Collective strength of the Group :**

This symbol as a whole, represents the collective strength of the Group. The astute and dynamic management which binds the group together and gives it leadership and direction, is personified in the figure of Atlas. A pillar of strength, Atlas also stands for steadfastness, consistency and reliability.

#### **The Sun - Enlightenment and Growth:**

The head of the Atlas, also represents the Sun. In this context, the Sun stands for a luminous and powerful presence that the Group has over the industrial arena on one hand, and resourcefulness in terms of finance, technological skill, and intellectual leadership on the other.

#### **Earth Segments - Diversified Activities:**

Each latitude around the Titan, represents the different industries or activities that constitute the Group. They individually draw and give strength and support to the central figure of Atlas.

#### **The Globe - Global Vision:**

The Group's Global vision and presence is visually inherent in the figure of the Earth.

#### **The Symmetry and Balance - The resilience, Versatility and stability:**

The overall design, balance and harmonious blend of all the elements, sum up a well conceptualised Industrial conglomerate.

*Strong Foundation*

*Sustained Growth*

*Proven Leadership*



## **29TH ANNUAL REPORT 2004-2005**

### **BOARD OF DIRECTORS**

Shri O.P. Gupta	Chairman
Shri K.K. Mudgil	
Shri T.S. Vishwanath	Nominated by U.T.I.
Shri N.G. Khaitan	
Smt. Aruna Makhan	Special Director Appointed by BIFR
Shri K.C. Jain	Managing Director

### **JOINT PRESIDENT (FINANCE & ADMINISTRATION)**

#### **& COMPANY SECRETARY**

Shri R.C. Gupta

### **REGISTERED OFFICE & FACTORIES**

P.O. Aditya Nagar - 326520

Morak

Distt. Kota (Rajasthan)

### **HEAD OFFICE**

9/1, R.N. Mukherjee Road

Kolkata - 700 001.

### **AUDITORS**

Messrs Jain Pramod Jain & Co.

Chartered Accountants

### **BANKERS**

State Bank of India

State Bank of Bikaner & Jaipur

The Bank of Rajasthan Ltd.

HDFC Bank Ltd.

### **REGISTRAR & SHARE TRANSFER AGENT**

M/s. Mas Services Pvt. Ltd.

(Unit Mangalam Cement Ltd.)

AB-4, Safdarjung Enclave.

New Delhi-110 029.

Tel. No. - 26104142

## NOTICE

NOTICE is hereby given that the 29th Annual General Meeting of the Members of Mangalam Cement Ltd will be held on Wednesday, the 21st December, 2005 at 10.30 A.M. at the Club Hall of Mangalam Cement Ltd, Basant Vihar, Adityanagar 326520, Morak, Dist. Kota (Rajasthan) to transact, with or without modifications, the following business:

1. To receive, consider and adopt the Audited Accounts for the year ended 30th September, 2005 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri N.G. Khaitan who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration and in that connection to pass with or without modification, the following Resolution to be moved as an Ordinary Resolution.

"RESOLVED THAT subject to provisions of Section 224A and other applicable provisions of the Companies Act, 1956, M/s.Jain Pramod Jain & Co., Chartered Accountants, New Delhi, be and are hereby appointed as Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and the Board of Directors of the Company be and is hereby authorised to fix their remuneration and terms of payment as per the recommendations of its Audit Committee.

### Special Business.

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

'RESOLVED THAT Shri K.K. Mudgil, who was appointed as an Additional Director by the Board of Directors of the company with effect from 18th January 2005 and who, as per provisions of Section 260 of the Companies Act, 1956, holds office up to the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section 257 of the Companies Act, 1956 received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company subject to retirement by rotation."

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 the revised Clause 49 of the Listing Agreement with Stock Exchange(s) where the shares of the Company are listed and in further compliance with the conditions prescribed under Companies Act 1956 including any

statutory modification thereof from time to time as also the rules framed by Central Government in this regard the Company do hereby accord its consent to the continuance of payment of sitting fees of Rs.5,000/- or such other sum as may hereafter be decided by the Board of Directors of the Company at its absolute discretion to the non-executive directors of the Company for attending each of the meeting of the Board of Directors of the Company and/ or the Committees thereof."

By Order of the Board,

Registered Office:  
P.O.Adityanagar 326520,  
Morak, Dist.Kota (Rajasthan)

R.C.GUPTA  
Company Secretary

Dated, the 26<sup>th</sup> Day of October 2005

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER. PROXIES IN THE FORM ANNEXED HERETO MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
2. Register of members and Share Transfer Books of the Company shall remain closed from Wednesday the 14th December 2005 to Wednesday, the 21st December 2005, both the days inclusive.
3. The Explanatory Statment Pursuant to section 173 (2) of the Companies Act, 1956 for Special Business mentioned in the above Notice is annexed hereto.
4. a. Pursuant to Section 205 A of the Companies Act, 1956, all unclaimed/ unpaid dividends upto the financial year ended 31st March 1995, have been transferred to the General Revenue Account of the Central Government. Those shareholders who have so far not claimed or collected their dividend for the said period may claim their dividend directly from the Registrar of Companies, Rajasthan, Jaipur, by submitting an application in the prescribed form.
- b. (i) Pursuant to Section 205A of the Companies Act, 1956, read together with 205C of the Act, as amended, Dividend for the financial years ended 31st March, 1996 and 31st March 1997, which remained unpaid or unclaimed for 7 years, has been transferred to the Investor Education and Protection Fund constituted by the Central Government.  
(ii) It may be noted that as per amended Companies

Act, once the unclaimed dividend is transferred to the Government as above, no claim shall lie in respect of such amounts.

#### 5. **Re-appointment of Directors**

As per Clause 49 of the Listing Agreement with the Stock Exchanges, the Company is required to provide a brief resume, expertise and names of the companies in which the proposed Directors hold the Directorship and Membership of the Committees of the Board and accordingly, the said information is given herein below in respect of Shri N.G. Khaitan and Shri K.K. Mudgil.

##### a) **Shri N.G. Khaitan**

Shri N.G. Khaitan aged 55 years is practicing as Attorney and Advocate in the Hon'ble High Court of Kolkata and Hon'ble Supreme Court of India. He is Director in this Company since December 2000. He is also Director in the following Companies:

##### Public Limited Companies

1	Chase Bright Steel Ltd.
2	DPIL Ltd.
3	Gobind Sugar Mills Ltd.
4	Hindustan Sanitaryware & Industries Ltd.
5	JK Corp Limited
6	Kesoram Textile Mills Ltd.
7	Mangalam Timber Products Ltd.
8	Naga Dhunseri Group Ltd.
9	Polar Industries Ltd..
10	Polar Pharma India Ltd.
11	Reliance Chemotex Inds.Ltd.
12	Rasoi Ltd

##### Private Limited Companies

1	Kumar Holdings (P) Ltd.
2	Rowdon Business (P) Ltd.
3	Xenix Services (P)Ltd.
4	CD Equi Search ( Pvt. ) Ltd.

He is also Chairman/ Member in the following Committees of Directors:

S.No.	Name of the Company	Particulars of Committees	As Chairman/ Member
1	Mangalam Timber Products Ltd.	Audit Committee Share Transfer Committee	Chairman Member
2	Kesoram Textiles Mills Ltd.	Audit Committee Share Transfer Committee	Chairman Chairman
3	J.K.Corp Ltd.	Audit Committee Shareholder/ Investor Grievance Committee	Member Member
4	Hindustan Sanitaryware & Inds. Ltd.	Audit Committee Share holder/ Investor Grievance Committee	Member Member
5	DPIL Ltd.	Shareholder's Grievance & Share Transfer Committee	Member
6	Gobind Sugar Mills Ltd.	Investor's Grievance Committee	Member
7	Reliance Chemotex Inds Ltd.	Audit Committee	Member
8	Mangalam Cement Ltd.	Audit Committee	Member

He is also member of Bharat Chamber of Commerce and FICCI New Delhi.

##### b) **Shri K.K. Mudgil**

Shri K.K. Mudgil holds office upto the date of this Annual General Meeting and in respect of whom Company has, pursuant to Section 257 of the Companies Act 1956 received a notice in writing proposing his candidature for the office of Director. The resume and expertise of Shri K.K. Mudgil are given in the Explanatory statement, which form part of this Notice.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

### Item No.4

Shri K.K. Mudgil was the Director on the Board of the Company nominated by Industrial Development Bank of India (IDBI). His nomination was withdrawn by IDBI with effect from 4th December 2004. After IDBI withdrew the nomination, Shri K.K. Mudgil was appointed as Additional Director, by the Board of the Company, with effect from 18th January 2005, under the provision of Article 104 of the Articles of Association of the Company.

Shri K.K. Mudgil holds office up to the date of the ensuing Annual General Meeting. The Company has received a notice u/s 257 of the Companies Act 1956 from a member, proposing the name of Shri K.K. Mudgil as Director of the Company. A brief resume of Shri K.K. Mudgil as required under clause 49(vi)(A) of the Listing Agreement is provided below.

Shri K.K. Mudgil aged 68 years did his B.A.(Hons.) in Economics and Advance Course of Organisation, Management and Financing of Small Scale & Village Industries. He rose to the position of Chief General Manager, Reserve Bank of India (RBI) and retired on 30th November 1997 as Executive Director (On deputation from RBI), National Housing Bank.

Since January 1998 he is holding position of Secretary General, Council of State Industrial Development and Investment of India, New Delhi.

He is holding Directorship in DCM Shriram Industries Ltd as nominee of UTI.

He is also Chairman/ member in the following committees of Board of Company:

- |                              |            |
|------------------------------|------------|
| i) Audit Committee           | - Member   |
| ii) Remuneration Committee   | - Member   |
| iii) Shareholders/ investors |            |
| Grievance Committee          | - Chairman |
| iv) Share Transfer Committee | - Chairman |

Shri Mudgil does not hold any share in the Company as on the date of appointment. The Directors recommend appointment of Shri K.K. Mudgil as Director of the Company.

Except Shri K.K. Mudgil, no other Director has any interest or concern in the Resolution.

### Item No.5

In terms of Sub-clause (1)(B) of the revised Clause 49 of the Listing Agreement, which will be effective from 1st January 2006, all fees payable to Non-executive Directors shall be fixed by the Board of Directors and shall require prior approval of the members in a general meeting. Presently, sitting fee of Rs.5,000/-

is paid to the Non-executive Directors, as approved by the Board of Directors, for attending every meeting of the Board and Committees thereof which they attend. In order to meet the requirements under Sub-Clause (1)(B) of the revised Clause 49 of the Listing Agreement, the approval of the members is sought for payment of sitting fees to the Non-Executive Directors. Further, authorization to the Board to increase the quantum of sitting fees payable to the Non-executive Directors within the overall limits fixed from time to time under the Companies Act 1956 is also requested.

The Directors recommend the proposal for approval of the members.

All the Non-executive Directors are concerned or interested in this Resolution.

Registered Office:  
P.O.Adityanagar 326520  
Morak  
Dist.Kota (Raj)

By Order of the Board

R.C.GUPTA  
Company Secretary

Dated, 26<sup>th</sup> day of October 2005.

## MANGALAM CEMENT LIMITED



## REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2005.

Dear Shareholders,

We present the 29th Annual Report of the Company with audited statements of accounts for the year ended 30th September, 2005.

## FINANCIAL RESULTS

	Current year ended 30 <sup>th</sup> September, 2005 (Rs. In Lacs)	Previous year ended 30 <sup>th</sup> September, 2004 (Rs. In Lacs)
Gross Sales	36585.41	33177.41
Less: Excise Duty	6293.61	5631.19
Net Sales	<u>30291.80</u>	<u>27546.22</u>
Operating Profit before Interest and Financial Charges, Depreciation and Tax	3828.01	4040.30
Less: Interest and Financial Charges	1072.97	1312.92
Gross Profit before Depreciation and Tax	2755.04	2727.38
Less: Depreciation (net of transfer from Revaluation Reserve)	1167.81	1174.87
Net Profit before Tax and Exceptional Items	1587.23	1552.51
<b>Exceptional Items</b>		
a. Sales Tax liability written back	--	3238.26
b. Interest liability written back	100.65	10134.90
Profit after Exceptional Items	1687.88	14925.67
Less: Provision for Fringe Benefit Tax	10.55	--
Net Profit after Tax	1677.33	14925.67
Add Income Tax Refund for earlier years	0.19	--
Surplus/(Deficit) of Profit & Loss Account brought forward from previous year	(5421.53)	(20347.20)
Surplus/(Deficit) carried to Balance Sheet	<u>(3744.01)</u>	<u>(5421.53)</u>

## INCOME TAX

The Company did not attract MAT under Section 115-JB of the Income Tax Act, 1961 upto 31st March 2005 in view of exemption to Sick Companies and in regard to applicability of MAT thereafter the Company has made application for exemption from MAT pursuant to Scheme Sanctioned by Hon'ble BIFR, which is pending with the Income Tax Authorities, hence no provision for MAT amounting to Rs.60.51 lacs has been made for the six months ended 30th September, 2005, for which the Company is contingently liable in the event if the same is not approved by the competent authority.

## DEFERRED TAX

As a measure of prudence, the deferred tax assets (net) representing un-absorbed losses including depreciation has not been recognized owing to absence of virtual certainty as regards to future profitability.

## DIVIDEND

Your Directors do not recommend any dividend in view of the carried forward losses and also in order to conserve resources.

## PRODUCTION AND PERFORMANCE

Performance figures of both the units as compared to that of previous year are given below.

	1.10.2004 to 30.9.2005 (MT)	1.10.2003 to 30.9.2004 (MT)
<b>Clinker Production</b>		
Mangalam Cement	370475	299935
Neer Shree Cement	<u>1044520</u>	<u>941875</u>
	<u>1414995</u>	<u>1241810</u>
<b>Cement Production</b>		
Mangalam Cement	558851	426144
Neer Shree Cement	<u>909603</u>	<u>923993</u>
	<u>1468454</u>	<u>1350137</u>
<b>Cement Despatches</b>		
Mangalam Cement	556089	429083
Neer Shree Cement	<u>908938</u>	<u>930017</u>
	<u>1465027</u>	<u>1359100</u>
<b>Power Consumption</b> (Per MT on Cement)		
Mangalam cement	102Kwh	103 Kwh
Neer Shree Cement	80Kwh	79 Kwh
<b>Coal Consumption</b> (Per MT on Clinker)		
Mangalam cement	205 Kg	187 Kg
Neer Shree Cement	184 Kg	179 Kg

During the year under review, your Company achieved an all time record performance. The Clinker production from both units combined was 14,14,995 MT compared to 12,41,810 MT in the previous year, registering a growth of 14% and the Cement production was 14,68,454 MT as compared to 13,50,137 MT in the previous year, registering a growth of 9%.

Total Sales of Cement and clinker were 1464856 MT and 108984 MT respectively as against 1362051 MT and 100116 MT respectively in the last financial year. In terms of value, turnover was Rs.365.85 Crs against 331.77 Crs. In the previous year, representing an increase of 10%.

Production of Clinker would have been still higher but the accident, which took place in Unit-I in November 2004 prolonged the planned shut down.

Production of Cement and despatches of Cement could

also have been higher but 100% power cut imposed by the State Government from 30th August 2005 to 8th September 2005 affected the production and sales during this period.

The Operating profits are marginally lower to Rs.38.28 crores (i.e. 12.64% of net sales) as compared to Rs.40.40 crores (i.e. 14.66% of net sales) in the previous year. Profit before exceptional items is Rs.15.87 crores as against Rs.15.53 crs. in the previous year.

Though the Cement price improved and were more stable during the year but the sharp increase in prices of inputs, fuel, freight etc. neutralized the gains of productivity improvement and better price realization.

### FINANCES

As reported last year, dues of the Financial Institutions and Banks have been settled and Company does not have any secured loan outstanding.

During the year Company has repaid Rs.11 crores towards the Short Term Loan, which was raised from the Promoter Companies for the settlement of dues of the Financial Institutions & Banks.

### SHARE CAPITAL

Pursuant to the Scheme sanctioned by Hon'ble BIFR, remaining 9758952 14% Optionally Convertible Cumulative Redeemable Preference Shares (OCCPS) were converted into Equity Shares of Rs.10 each at par during the year under review and no arrears of dividend is payable on these OCCPS till the date of conversion. After conversion, Equity Share Capital of the Company has increased to Rs.28.25 crores.

### REVIVAL PACKAGE

On the revival Scheme as submitted by Industrial Development Bank of India (IDBI), operating agency hearing took place before the Hon'ble Bench of BIFR on 18th January 2005 and a scheme was sanctioned by the Hon'ble BIFR for the revival of the Company. M/s. IDBI was appointed as Monitoring Agency. The Scheme Sanctioned by Hon'ble BIFR envisages certain concessions and / or benefits from the State/ Central Government, for which necessary applications have been submitted to the concerned Authorities.

### SALES TAX INCENTIVE

Government of Rajasthan has extended the period for availing Sales Tax Incentive by Neer Shree Cement for a further period of two years i.e. upto 4th April 2007 subject to overall limit of eligible fixed capital investment which has also been increased by Rs.17.74 crores.

### CAPTIVE POWER PLANT

For reducing the cost of production and dependence on the grid power, your company will set up a captive power plant of 17.5 MW capacity involving a capital expenditure of Rs.70 crores appx. State Bank of India has sanctioned a Rupee

Loan of Rs.52.50 crores for financing the captive power plant. The Plant is expected to be commissioned within 18 months from the date of placement of order.

### LISTING ARRANGEMENT

The application of the Company for voluntary de-listing of its Equity Shares from the Calcutta Stock Exchange Association Ltd is still pending with it.

The Company's Equity Shares continue to be listed on the Bombay Stock Exchange Ltd, Mumbai and the National Stock Exchange of India Ltd.

### DIRECTORS

The nomination of Shri K.K. Mudgil was withdrawn by Industrial Development Bank of India with effect from 4th December 2004. However, considering the vast experience of Shri K.K. Mudgil and the valuable guidance he has been giving, the Board of Directors appointed him as an Additional Director and as per provisions of Section 260 of the Companies Act, 1956, he holds office upto the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section 257 of the Companies Act, 1956 received a notice in writing proposing him to be appointed as a Director of the Company.

Hon'ble BIFR vide its order dated 1st February, 2005 has appointed Smt. Aruna Makhan as Special Director on the Board of the Company as per provisions of the Sick Industrial Companies Act, 1985.

In accordance with Articles 99 of the Articles of Association of the Company, Shri N.G. Khaitan retires by rotation and being eligible offers himself for re-election.

Resume in respect of S/Shri K.K.Mudgil and N.G. Khaitan is given in the notice to Annual General Meeting.

### DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE COMPANIES ACT, 1956.

As required u/s 217(2AA) of the Companies Act, 1956, we hereby confirm:

- That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at September, 30, 2005 and of the profit or loss for the year ended 30<sup>th</sup> September, 2005;
- That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and

**MANGALAM CEMENT LIMITED**

other irregularities;

- d. That the Directors have prepared the annual accounts on a going concern basis.

**INSURANCE**

The assets of your company are adequately insured against fire, earthquake and other risks which are considered necessary.

**AUDITOR'S REPORT**

Auditor's remarks for non provision of liability of MAT have been suitably explained under the Head "Income Tax " of this report.

**STATUTORY AUDITORS**

M/s. Jain Pramod Jain & Co., Chartered Accountants, auditors of the Company will retire at the ensuing Annual General Meeting and are eligible for re-appointment and they have confirmed that their re-appointment, if made, shall be within the limits of Section 224 (1B) of the Companies Act, 1956. The Board recommend their re-appointment.

**COST AUDITORS**

Pursuant to the directives of the Central Government under provisions of Section 233-B of the Companies Act, 1956, a Cost Auditor has been appointed to audit Cost Accounts of your Company for the year ended 30th September 2005.

**ENVIRONMENTS AND POLLUTION CONTROL**

The Rajasthan Pollution Control Board (RPCB), vide its order dt.26<sup>th</sup> August, 2005, had directed to close down the mining operations of the company pending environment clearance from the Ministry of Environment and Forests (MoEF), Government of India, in the matter and the Company has filed appeal with the Appellate Authority against the aforesaid order of RPCB. The Expert Committee constituted by MoEF at its meeting held on 15<sup>th</sup>-17<sup>th</sup> June, 2005 had principally decided to grant the permission and barring any unforeseen circumstances, the permission is expected shortly.

The Company's operations can be affected if the approval is not received within a period of appx four months time as the available stock of limestone will last till that time only.

**INDUSTRIAL RELATIONS**

The Company enjoyed cordial relations with its employees at all levels. Your Directors record their appreciation of the support and co-operation of all employees and counts on them for the accelerated growth of the Company.

**PARTICULARS OF EMPLOYEES**

There is no employee during the year under review in respect of whom the particulars as required to be disclosed with reference to the Companies (Particulars of Employees) Rules, 1975 as amended.

**PARTICULARS OF ENERGY CONSERVATION ETC.**

Particulars as required to be disclosed as per Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out in the statement attached hereto and form part of this Report.

**CORPORATE GOVERNANCE**

Your Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as provided in the Listing Agreement with the Stock Exchanges with which Company's shares are listed, are duly complied with.

A separate report each on Corporate Governance and Management Discussions and Analysis are annexed hereto along with Auditors' Certificate as part of Annual Report.

**PUBLIC DEPOSITS**

The Company has neither invited nor accepted any deposits from the public within the meaning of Section 58(A) of the Companies Act, 1956 during the year under review. As such no amount of principal or interest was outstanding on the date of the Balance Sheet.

**ACKNOWLEDGEMENTS**

Your Directors express their grateful appreciation and sincere thanks to IDBI, various Departments of Central and State Governments and Local Authorities for their continued guidance and support. The Directors also sincerely thank the Company's dealers, distributors, contractors and suppliers for their contribution and support and the shareholders of the Company for the confidence and faith they have always reposed.

Yours faithfully,

O. P. Gupta	Chairman
K. K. Mudgil	Director
K. C. Jain	Managing Director

New Delhi

The 26th day of October 2005.

**INFORMATION AS PER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURES OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 30TH SEPTEMBER, 2005.**

**1. CONSERVATION OF ENERGY:**

**A) ENERGY CONSERVATION MEASURES TAKEN**

**i). Projects Implemented:**

**Unit-II**

- a. Installation of 3 Nos VFC system for compressors.
- b. Installation of 2 Nos refrigeration type air dryer in place of heatless dryer.

**ii) Other energy Conservation measures taken:**

**Unit-I**

- a. 30 KW compressor of packing plant is stopped by providing compressed air from cement mill compressor.
- b. Replacement of 1 No Kiln shell cooling fan (3.7 KW) with energy efficient FRP Fan.
- c. Idle running of 8 Nos Exhaust Fans of packing plant wagon loading platform is stopped.
- d. Reduction of energy consumption in secondary firing blower by reducing its speed by change of pulley size.

**Unit-II**

- a. Electrical energy saving by modification in air slide.
- b. Optimization of lighting power of 8 Nos HPSV 70 watt lamp in packing plant Silo No.1 and 2.
- c. V/F Drive was installed for ISP bag filter fan.
- d. Analyser water pump running hours reduced.
- e. Reduction in electrical energy of Polycor bag filter fan by reducing fan speed with the help of pulley.

**B) ADDITIONAL INVESTMENTS AND PROPOSALS, IF ANY, BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY.**

NIL

**C. IMPACT OF THE MEASURES AT (A) & (B) ABOVE FOR REDUCTION OF ENERGY CONSUMPTION AND CONSEQUENT IMPACT ON THE COST OF PRODUCTION OF GOODS.**

By the efforts mentioned in A(i) and A(ii) saving achieved in electrical energy is 486204 units/annum appx.

**2 TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION AS PER FORM-A OF THE ANNEXURE TO THE RULES IN RESPECT OF INDUSTRIES SPECIFIED IN THE SCHEDULE.**

**A. POWER AND FUEL CONSUMPTION**

	<b>1.10.2004 To 30.9.2005</b>	<b>1.10.2003 To 30.9.2004</b>
<b>1. Electricity</b>		
a. Purchased(Net)		
Unit (in lacs)	<b>1347.64</b>	1184.90
Total amount (Rs.in lacs)	<b>5495.02</b>	5008.42
(Rate/Unit (Rs.))	<b>4.08</b>	4.23
b. Own Generation(Net)		
i. Through Diesel Generators		
Units (in lacs)	<b>21.57</b>	0.96
Unit per Ltr. of Diesel Oil	<b>3.70</b>	3.53
Cost/unit (Rs.)	<b>8.71</b>	53.35
ii. Through Steam Turbine/Generator	<b>N.A.</b>	N.A.
<b>2. COAL</b>		
(Used for Calcining of Raw Meal)		
Qty. (Tonnes)	<b>268407</b>	224390
Total cost (Rs. in lacs)	<b>6824.24</b>	5184.34
Average Rate (Rs. /MT)	<b>2542.50</b>	2310.42
<b>3. FURNACE OIL</b>	<b>N.A.</b>	N.A.