



NAGARJUNA AGRICHEM LIMITED

**Annual Report
2012-13**



Research and Development Lab at Shadnagar



Plant at Srikakulam

Plant at Ethakota



Zero Liquid Discharge (ZLD) unit at
Srikakulam Biological Plant

ZLD - MEE 4 (15 KL/hr)

ZLD - Biological Plant

BOARD OF DIRECTORS

| | |
|-------------------------------------------|---------------------|
| Dr.Nitish K Sengupta | : Chairman |
| Mr.K.S.Raju | : Director |
| Mrs.K.Lakshmi Raju | : Director |
| Mr.K.Rahul Raju (up to 29-12-2012) | : Director |
| Mr.D.Ranga Raju | : Director |
| Mr.K.Raghuraman | : Director |
| Mr.Sudhakar Kudva | : Director |
| Mr.N.Vijayaraghavan | : Director |
| Mr.V.Vijay Shankar | : Managing Director |



Day - **Wednesday**
 Date - **7th August, 2013**
 Time - **10.00 a.m**
 Venue - **Surana Udyog Auditorium**
 Federation of Andhra Pradesh
 Chamber of Commerce and Industry
 Federation House, 11-6-841
 Red Hills, Hyderabad-500 004, A.P.

SENIOR MANAGEMENT

| | |
|----------------------------------|------------------------------------------------------|
| Mr.Amit Taparia | : Sr. General Manager - Procurement & SCM |
| Mr.G.Jagannadha Rao | : Vice President - Exports |
| Mr.Harish Chandra Bijlwan | : Sr. General Manager - Business Tech. & Outsourcing |
| Dr. Venkatesan Subbusamy | : General Manager - Registration & Regulatory |
| Mr.J.Satyanarayana Das | : Vice President - Manufacturing (Ethakota) |
| Mr.K.G.Vadivel | : Vice President - Manufacturing (SKLM) |
| Mr.Manikkam Natarajan | : Vice President - Marketing & Sales |
| Mr.R.K.S.Prasad | : Chief Financial Officer |
| Mr.Satish Kumar Subudhi | : Company Secretary & Head - Legal |
| Mr.S.Chandra Sekhar | : Vice President - Corporate HPD |
| Mr.S.V.S.Rama Raju | : President - Operations |

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Registered Office :

Plot No12-A, "C"Block,
 Lakshmi Towers
 No.8-2-248/1/7/78
 Nagarjuna Hills,Punjagutta
 Hyderabad-500082, A.P.

Factories :

Arinama Akkivalasa
 Etcherla Mandal
 Srikakulam, A.P.

Ethakota P.O, Ravulapalem
 East Godavari (Dist.) A.P.

Shadnagar
 Nandigaon Village
 Kothur Mandal
 Mahaboobnagar, A.P.

R&D Centre :

Shadnagar
 Nandigaon Village
 Kothur Mandal
 Mahaboobnagar, A.P.

Windmill :

Tirunelveli
 Tamilnadu

Auditors :

M.Bhaskar Rao & Co.,
 Chartered Accountants
 5-D,Kautilya, Somajiguda
 Hyderabad-500082, A.P.

Cost Auditors :

K.Narasimha Murthy & Co.,
 Cost Accountants
 3-6-365, 104 & 105
 Pavani Estate
 Himayathnagar
 Hyderabad - 500029, A.P.

Bankers :

State Bank of India
 HDFC Bank Ltd
 IDBI Bank Ltd
 New India Co-Op.Bank Ltd

Share Transfer Agents :

XL Softech Systems Ltd.,
 No.3 Sagar Society,
 Road No.2, Banjara Hills
 Hyderabad - 500034. A.P.
 Ph : 040 - 23545913/14/15
 Fax : 040 - 23350234
 E-mail: xlfield@gmail.com

NOTICE

NOTICE is hereby given that the **26th Annual General Meeting** of M/s.Nagarjuna Agrichem Limited will be held at 10.00 A.M on Wednesday, the 7th day of August, 2013 at Surana Udyog Auditorium, M/s. Federation of Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, P.B. No. 14, Red Hills, Hyderabad – 500004 (A.P) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Profit and Loss Account and Cash Flow Statement for the year ended 31st March, 2013, the Balance Sheet as at that date and the Auditors' Report and the Directors' Report thereon.
2. To appoint a Director in place of Dr. Nitish K Sengupta, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. K.S.Raju who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. N.Vijayaraghavan who retires by rotation and being eligible, offers himself for re-appointment.
5. To re-appoint M/s. M. Bhaskara Rao & Co., Chartered Accountants, the retiring Auditors as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix the remuneration of the Statutory Auditors.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 the mortgage and/or charge created / to be created by the Company of the immovable and movable properties of the Company wheresoever's situated, both present and future, and/or conferring power to enter upon to take possession of assets of the Company in certain events, to or in favour of

- i) HDFC Bank Limited, Begumpet, Hyderabad for securing Fund & Non Fund Based Limits and Term Loan of ₹69 Crores.
- ii) IDBI Bank Limited, Abids, Hyderabad for securing Fund & Non Fund based Limits and Term Loan of ₹90 Crores.
- iii) State Bank of India, CAG Branch, Hyderabad for securing Working Capital Limits and Term Loan of ₹125 Crores.
- iv) New India Co-Operative Bank Ltd, Mumbai for securing Working Capital Term Loan of ₹34 Crores.

together with interest, liquidated damages, commitment charges, premium on prepayment or on redemption, costs, charges, expenses be and the same are hereby confirmed, approved and ratified."

By Order of the Board

Date : 18th May, 2013
Place : Hyderabad

Satish Kumar Subudhi
Company Secretary
& Head-Legal

Notes:

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her stead and such proxy need not be a member of the Company.** Proxies / Power of Attorneys, in order to be effective must be received at the Registered Office of the Company not later than 48 hours before the scheduled time of the meeting. A blank Proxy Form is annexed to this Annual Report.
2. **Explanatory Statement:**
The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956, relating to the Special Business items is given below and forms part hereof.
3. **Directors proposed to be re-appointed:**
Dr.Nitish K Sengupta, Mr.K.S.Raju and Mr.N. Vijayaraghavan are retiring by rotation and eligible for re-appointment. Members may kindly refer "Corporate Governance Report"(Forms part hereof), for their details.
4. **Book Closure:**
The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, 8th July, 2013 to Thursday, 11th July, 2013(both days inclusive).
5. I) The members are hereby informed that the Company would transfer the dividends, which remain unclaimed for a period of 7 years, to the Investors Education and Protection Fund (IEPF) constituted by the Central

Government under Section 205C of the Companies Act, 1956.

- (II) Further the Company shall not be in a position to entertain the claims of the Shareholders for the unclaimed dividends which have been transferred to IEP Fund.
- (III) In view of the above, the Shareholders are advised to send their requests for payment of unpaid dividend pertaining to the years 2005-06 (final dividend) through 2011-12(final dividend) to the Share Transfer Agent (RTA) office or to the Registered Office of the Company at Hyderabad for issue of cheques / demand drafts before the due dates for transfer to the IEP Fund.

6. Members Nomination:

Members are advised to avail themselves of nomination facility as per the amended provisions of Companies Act, 1956 for which Nomination Form (Form 2B) available with the RTA.

7. Corporate Members:

Corporate Members are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their representatives to attend and vote at the Annual General Meeting (AGM).

8. Important Communication to Members:

The Ministry of Corporate Affairs, Government of India has taken a "Green initiative in the Corporate Governance"

by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses by submitting the e-mail Registrations Form attached with this Annual Report.

9. Communication:

All communications relating to the shares are addressed to our Share Transfer Agent (RTA) Office i.e., M/s XL Softech Systems Limited, No.3, Sagar Society, Road No.2, Banjara Hills, Hyderabad-500034 (AP) Telephone No:040-23545913 /914/915 ; Fax No.040-23553214, E-mail:xlfield@gmail.com. The website of your Company is www.nagarjunaagrichem.com where you can find more information about the Company. All the investors' related communications may be addressed to said RTA Office.

10. Listing Fees:

The Company has paid the listing fees for the year 2013-14 to the Stock Exchange, Mumbai where the equity shares of the Company are listed.

11. Members are requested to:

- i. send their queries, if any, to reach the Company's Registered Office at Hyderabad at least 15 days before the date of the meeting so that information can be made available at the meeting.
- ii. bring their copy of the Annual Report and Attendance Slip with them to the meeting.
- iii. to bring their DPID and Client ID numbers for easy identification of attendance to the venue of AGM, who hold shares in dematerialized form;
- iv. send their e-mail address to the Company / RTA for prompt communication.
- v. to quote their Regd. Folio Number / DP and Client ID Numbers in all their correspondence with the Company / RTA.

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

Item No.7:

The Company has renewed / borrowed monies from the following Banks / FIs towards meeting its various funds requirement from time to time:

- i) HDFC Bank, Hyderabad for securing Fund & Non Fund Based Limits and Term Loan of ₹69 Crores.
- ii) IDBI Bank Ltd, Abids, Hyderabad for securing Fund & Non-Fund Based Limits and Term Loan of ₹90 Crores .
- iii) State Bank of India, CAG Branch, Hyderabad for securing Working Capital Limits and Term Loan of ₹125 Crores.
- iv) New India Co-operative Bank Ltd, Mumbai for securing Working Capital Term Loan of ₹34 Crores

In terms of the agreements entered into with the said Banks/ Financial Institutions secured/continuation or extension of security of these borrowing(s) is mortgaging of all fixed assets (movable and immovable properties of both present and as well as in future acquisition) of the Company.

The said mortgage and/or charge created / modification of charge by the Company in favour of aforesaid Bank(s) / Financial Institutions may be regarded as a disposal of the Company's undertaking(s) within the meaning of Section 293(1) (a) of the Companies Act, 1956 which requires the approval of the Members of the Company under the said Section 293(1) (a) of the Act. Accordingly, the Ordinary Resolution at item No. 6 of the Notice seeking the approval, confirmation and ratification to the creation of the mortgage by the Company in favour of the aforesaid Banks / FIs, is submitted for your approval.

The copies of the said Agreements entered into with the said Banks / FIs will be available for inspection by the Members at the Registered Office of the Company between 10.00 A.M and 1.00 P.M on any working day except Saturdays, Sundays and holidays upto the date of the meeting.

None of the Directors of the Company are in any way concerned / interested or deemed to be concerned / interested in the proposed resolution.

By Order of the Board

Date :18th May, 2013
Place : Hyderabad

Satish Kumar Subudhi
Company Secretary
& Head-Legal

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting the **26th Annual Report** of the Company together with the Audited Accounts for the year ended 31st March, 2013.

Operating Results:

Your Company's performance during the year as compared with that during the previous year is summarized below:

(₹ In Lakhs)

| Particulars | 2012-13 | 2011-12 |
|---------------------------------------------------|---------|---------|
| Sales / Income from Operations | 61444 | 64306 |
| Other Income | 784 | 386 |
| Operating Expenditure | 64222 | 63268 |
| Total Income | 62228 | 64692 |
| Profit Before Taxation | (-)1994 | 1424 |
| Less : Provision for Taxation | (-)727 | 693 |
| Profit After Taxation | (-)1267 | 731 |
| Add : Surplus Brought Forward | 14803 | 14372 |
| Amount available for Appropriation | 13536 | 15103 |
| Appropriations | | |
| Your Directors recommend Appropriations as under: | | |
| Transfer to General Reserve | | 40 |
| Dividend: | | |
| - Final (Proposed) | | 223 |
| - Provision for Corporate Dividend Tax | | 36 |
| Surplus Carried Forward | 13536 | 14803 |
| Total Appropriations | 13536 | 15102 |

Performance:

The major fire incident in June 2012 and the subsequent closure of the Srikakulam plant had a dampening effect on the performance of your Company. Your Company has reported annual sales revenue of ₹614.44 Crores for the year 2012-13, as against ₹643.07 Crores recorded in 2011-12.

Despite the closure of the Srikakulam plant, your Company has been able to achieve turnover close to that of the previous year. This has been mainly due to the growth in domestic sales.

The Operating Profit and Cash Profit stood at ₹12.48 Crores and ₹5.35 Crores during the year under review, compared to ₹47.47 Crores and ₹41.21 Crores respectively in the previous year.

Domestic & Export Markets:

The monsoon was delayed last year and the rainfall was below normal, particularly in the key months of June and July, 2012 triggering drought in some parts of the country. This affected sowing particularly in Paddy and resulted in a lower growth

rate of agriculture and allied sectors. Despite challenging market environment, your Company could achieve the record domestic sales of ₹407.00 Crores as against ₹316.00 Crores in the previous year recording a growth of 29%. This growth is mainly attributable to various policy decisions taken by the Company coupled with the production support of Ethakota Formulation Plant and various newer supply chain initiatives.

Exports have been significantly affected due to the closure of Srikakulam Plant for about 5 months and the incapacitation of Block 5 which was affected by the Fire, during the year under review. Block 5 is the largest Block in the plant and contributes to around 40% of the total capacity. The sales has accordingly decreased to ₹128.35 Crores in the year under review from ₹208.04 Crores in the previous year.

However, the Export customers have been understanding and co-operative during the period.

Plant Operations:

As you are aware the unfortunate fire incident occurred in the Company's Srikakulam Technical Plant in the month of June, 2012, it has resumed its operation after closure of approximately 5 months, effective from November 26, 2012, as per terms of the statutory approvals/ permissions accorded for manufacture a few products in few of the Blocks. The plant has taken various initiatives and additional safety measures as per the regulatory requirement, to prevent any such untoward events in future. The operations in the other Blocks, except the affected Block and in other Products, were also resumed as soon as their approvals are received. Given the above, the plant could achieve the annual production of 2129 MT/KL during the year under review as against 5309 MT/KL in the previous year.

Your Company has started work on rebuilding Block 5 and has lodged claim with the Insurance Company.

The Ethakota plant has been able to meet the increased demand of domestic markets. It has achieved a record production of 22327 MT/KL in the year under review, comparing to the previous year production of 12514 MT/KL. The continued focus on streamlining the production facilities, debottlenecking, quality control and enhanced productivity has yielded the desired results. However, rising input costs, erratic & irregular power supply from Electricity Board, manpower issues etc. continue to be causes of concerns. The operations in the Formulation unit in Shadnagar were suspended in the year under review, as focus in the location is on the R&D Unit.

Dividend:

Keeping in view the continuing investment in its operations, restoration of fire affected block in Srikakulam plant, sustainable development / improvement and also with an eye to improved production in the plants, your Directors have considered it prudent not to declare any dividend for the year under review.

Bonus Issue:

In compliance with the requirements of Clause 40A of the Listing Agreement with the Stock Exchanges to raise public shareholding of the Company to not less than 25%, your

Directors have recommended issue of bonus shares only to the public shareholders in the ratio of three Equity Shares for every fourteen Equity Shares of the Company. Necessary steps are being taken to give effect to the same, including obtaining approval of the Shareholders for such bonus issue and also for amendment of the Articles of Association of the Company.

Windmills:

As you are aware, your Company has 3 Windmills having a total capacity of 6.3 MW, located near Tirunelveli in Tamilnadu State. The operations of these are managed by M/s Suzlon Limited and the performance of the Windmills for the year was satisfactory. During the year under review, there are delays in getting the receivables from TNEB, who purchase the entire power generated as per the terms of the PPA. However, as per the Court directives, interest is being paid for the delayed payments.

New Projects/Products:

During the year under review your Company has commissioned a 'State-of-the-art R&D Centre' at Shadnagar, Nandigaon Village, Kothur Mandal, Mahaboobnagar District, Andhra Pradesh. This facility is intended to further assist the Company in leveraging the substantial opportunities in the Crop Protection Business. The main objectives of setting up the said R&D centre are to develop cost effective processes for manufacture of Active Ingredients (AI) and the intermediates for Herbicides, Insecticides & Fungicides and to develop new Formulations of Pesticides. It is planned to have an accredited GLP (Good Laboratory Practices) Lab also.

The Company lays emphasis on Research and Development (R&D) for improvement in existing processes for better productivity and development of new products.

Subsidiary Companies and Consolidation of Financial Statements:

In Accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other financial statements /documents of the Subsidiary Companies viz., Nagarjuna Agrichem (Australia) Pty Ltd and LR Research and Laboratories Pvt.Ltd (which are yet to commence its operations / activities) are not being attached with the Balance Sheet of the Company. The Audited annual accounts and related information of subsidiaries as applicable will be made available upon request. The Statement required under section 212 of the Companies Act, 1956 is attached to the annual accounts of the Company.

Pursuant to clause 32 of the Listing Agreement with Stock Exchanges, applicable provisions of the Companies Act, 1956 and as per Accounting Standard (AS) 21 and other applicable Accounting Standards, the audited Consolidated Financial Statements for the year ended on 31st March, 2013 are provided in this Annual Report.

Environment Protection:

Emphasis on safety in the operations and proper environment management towards this, new ETP was commissioned at Ethakota Unit and a new Scrubber system was commissioned at Shadnagar during the year. The operations of Zero Liquid Discharge (ZLD) facility at Srikakulam Unit have been

stabilized. Steps and efforts are in place in the direction of demonstrating constantly improved environmental performance.

Your Company continues to enjoy the certifications ISO: 9001:2008, ISO : 140001 and OHSAS : 18001 accredited for its proven standards covering in the areas of Quality, Environment, Safety and Health Management Systems respectively.

Corporate Social Responsibility:

As a responsible corporate citizen, the Company is carrying out various social activities in diverse fields. Such activities include but not limited to ongoing drinking water supplies to villages and installing RO plants in neighboring villages, contribution to Vidya Volunteer Scheme and for Mythri Police, streetlight & borewell maintenance, development of school facilities, community centers & bus shelters in surrounding villages of the factories, providing medical services & vocational courses and conducting various medical camps etc.

Directors:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Dr. Nitish K Sengupta, Mr.K.S.Raju and Mr.N.Vijayaraghavan, Directors of the Company will be retiring by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

Mr. K. Rahul Raju, Director has resigned with effect from 29th December, 2012. The Board wishes to place on record the significant contribution that Mr. K. Rahul Raju made to your Company during his association, for over one decade.

Auditors:

M/s. M. Bhaskara Rao & Company, Chartered Accountants, Hyderabad, the Company's Auditors, retire at the conclusion of the ensuing Annual General Meeting. They have signified their willingness to accept re-appointment and have further confirmed their eligibility under Section 224(1-B) of the Companies Act, 1956.

Directors' Responsibility Statement:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed that :

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- (ii) 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 31st March, 2013 and of the profit of the Company for the year ended on that date.
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

Transfer of Un-claimed Dividend:

Pursuant to Section 205C (2) of the Companies Act, 1956 read with the Investor Education and Protection Fund (awareness and protection of investors) Rules, 2001 as amended from time to time, the un-claimed dividend amounting ₹.2,61,480/- (Rupees two Lakhs sixty one thousands four hundred eighty only) for the final dividend of the year 2004-05 were transferred to the Investors Education and Protection Fund. The un-claimed final dividend for the year 2005-06 is due for transfer to the said fund account.

Fixed Deposit:

Your Company has not accepted any Fixed Deposits from the public during the year.

Industrial Relations:

The industrial relations at the factories and head office continued to be cordial. The agreement with the Workers Union at Srikakulam was signed in the first week of April, 2013.

Personnel:

Your Directors would like to place on record their deep sense of appreciation of the devoted services of the executives, staff and workers of your Company. In terms of the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 as amended from time to time, the names and particulars of the employees are set out in the Annexure-II to the Directors' Report.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo:

Disclosures required under the provisions of Section 217 (1) (e) of the Act relating to conservation of energy, technology absorption and foreign exchange outgo and earning, in terms of the Companies (Disclosure of particulars in the report of the Board of Directors) Rules 1988, are set out in a separate statement attached hereto and forms part of this report.

Management Discussion and Analysis Report:

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of this Annual Report.

Corporate Governance:

A separate section on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange forms part of this Annual Report.

Acknowledgement:

Your Directors thank the Company's Bankers and the Financial Institutions for their help and co-operation extended throughout the year. Your Directors place on record their appreciation for the support and co-operation that the Company received from its stakeholders, customers, agents, suppliers, employees, various Government /Non-Government Departments, Associates and Community in the vicinity of the plants. Your Directors also record their appreciation for the excellent operational performance of the staff of the Company that contributed to the achievements of the Company. The Directors also acknowledge with much gratitude, the continued trust and confidence reposed by the Dealers / Customers of the Company.

Your Directors look forward to the future with confidence.

For and on behalf of the Board

Place : Hyderabad
Date : 18th May, 2013

Dr.Nitish K.Sengupta
Chairman

FORM - A

FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

| A . POWER AND FUEL CONSUMPTION | UNIT | 2012-13 | 2011-12 |
|--------------------------------------------------|-------------------------|-----------------|----------|
| 1) ELECTRICITY: | | | |
| (A) PURCHASES | | | |
| Unit | KWH | 11586627 | 23934566 |
| Total Amount (Net of Subsidy) | ₹ In Lakhs | 866 | 1024 |
| Rate/Unit | ₹ | 7.47 | 4.28 |
| (B) OWN GENERATION | | | |
| (i) Through Diesel Generator Unit | KWH | 1928227 | 3355030 |
| Unit per Litre of Diesel Oil | | 2.49 | 2.81 |
| Cost/Unit | ₹ | 19.29 | 17.43 |
| 2. COAL(SPECIFY QUALITY & WHERE USED) | C Rom - Used for Boiler | | |
| Quantity | MT | 15400 | 33170 |
| Total Cost | ₹ In Lakhs | 517.75 | 1134.66 |
| Average Rate/Mt | ₹ | 3362.01 | 3420.74 |
| 3. FURNACE OIL | | | |
| Quantity | KL | 55.48 | 126.00 |
| Total Cost | ₹ In Lakhs | 24.32 | 44.70 |
| Average Rate/Mt | ₹ | 43833 | 35479 |
| 4. OTHERS / INTERNAL GENERATION | | | |
| Diesel/Furnace Oil | | | |
| Quantity | KL | 77.68 | 206.81 |
| Total Cost | ₹ In Lakhs | 30.73 | 70.70 |
| Rate/Unit (KL) | ₹ | 39565 | 34187 |
| 5. CONSUMPTION PER TONN OF PRODUCTION | | | |
| Electricity | KWH | 5850.75 | 4411.63 |
| Furnace Oil | KL | 0.03 | 0.02 |
| Coal-Quality C Rom | MT | 7.17 | 6.27 |
| Other (Specify)-Diesel/Farm Waste | MT | 0.00 | 0.04 |

FORM - B

Form for Disclosure of Particulars with respect to Technology Absorption.

A. RESEARCH AND DEVELOPMENT (R&D):

- | | |
|-----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1, Specific areas in which R&D carried out by the Company | : a. R & D Work on the existing processes to make them environmentally friendly and cost effective. b. Indigenous process developments for new products. |
| 2. Benefits derived as a result of the above R&D | : Increased export business and improved product quality. |
| 3. Future plans of action | : Introduction of new products through indigenously developed technology. |
| 4. Expenditure on R&D: | |
| a) Capital | : ₹12,45,76,067/- |
| b) Recurring | : ₹1,03,13,564/- |
| c) Total Expenditure as a percentage of total turnover | : 2.20% |

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| 1. Efforts in brief, made towards technology absorption, adaptation and innovation. | : Increased size of R&D process development, purchase of new equipments and generation of process technical for new products. |
| 2. Benefits derived as a result of the above effort e.g. product improvement, cost reduction product development, import substitution etc., | : a. The plants operate effectively with new addition of products. b. Exports started growing. |
| 3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the technical year) following information may be furnished | |
| a) Technology imported | : None |
| b) Year of import | : Not Applicable |
| c) Has technology been fully absorbed | : Not Applicable |
| d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action | : Not Applicable |

C. PARTICULARS OF FOREIGN EXCHANGE EARNINGS AND OUTGO:

- | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i. Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services, and export plans | : Exports are an important part of NACL future growth strategy. As a result of new product introduction and Research & Development investments, Exports have shown a satisfactory results. |
| ii. Foreign Exchange Outgo and Earnings: | : ₹ In Lakhs |
| Foreign Exchange Outgo | |
| Raw Materials | : 11264.12 |
| Capital Goods | : 14.29 |
| Traded Goods | : - |
| Others | : 66.41 |
| Total | : 11344.82 |
| Foreign Exchange Earnings (FOB Value) | : 12009.29 |