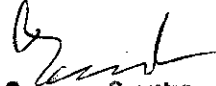
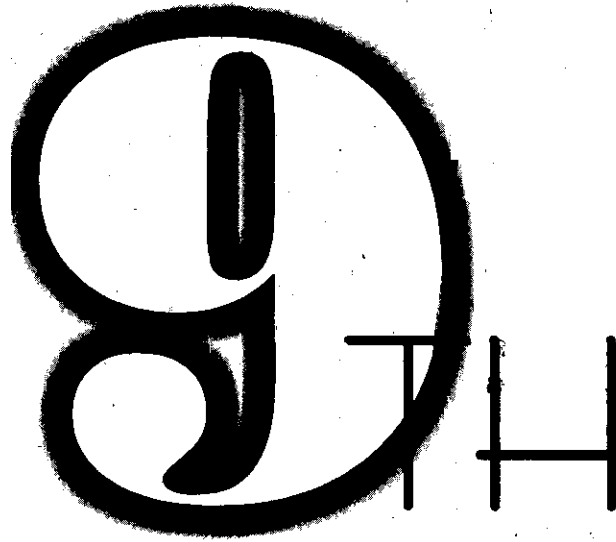


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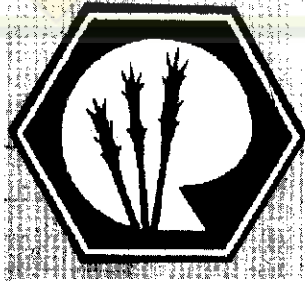

Company Secretary
Rana Sugars Limited
Chandigarh



ANNUAL REPORT

1999-2000

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RANA SUGARS LIMITED

RANA SUGARS LIMITED**BOARD OF DIRECTORS**

Shri A. R. Talwar, IAS
 Rana Gurjeet Singh
 Shri Om Sahai
 Shri Sukhjit Singh
 Rana Ranjit Singh
 Rana Hardeep Singh
 Shri A. S. Sodhi
 Shri S. A. S. Bajwa
 Dr. R. S. Kanwar
 Shri H. C. Jain
 Shri R. P. Singh
 Shri R. Subramanian

Chairman
Managing Director
Director
Director
Director
Director
Director
Director
Director
Director
Director (Nominee of IFCI)
Director (Nominee of IREDA)

COMPANY SECRETARY

Manmohan K. Raina

AUDITORS

Kansal Singla & Associates
 Chartered Accountants
 SCO 1114-15, Sector 22-B,
 Chandigarh - 160 022

BANKERS

State Bank of India
 Industrial Finance Branch
 Sector 22-C,
 Chandigarh - 160 022

State Bank of Patiala
 Industrial Finance Branch
 Sector 8-C,
 Chandigarh - 160 018

Bank of Baroda
 Sector 22-B,
 Chandigarh - 160 022

REGD. OFFICE

SCO 49-50, Sector 8-C,
 Madhya Marg,
 Chandigarh - 160 018

WORKS

Vill. Buttar Savian,
 Teh. Baba Bakala,
 Distt. Amritsar, Punjab

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RANA SUGARS LIMITED



NOTICE

Notice is hereby given that the NINTH ANNUAL GENERAL MEETING of the Members of the Company shall be held as scheduled below :-

Day : Thursday

Date : 28th September, 2000

Time : 3.00 P.M.

**Place : The Institution of Engineers (India),
Madhya Marg, Sector 19-A,
Chandigarh.**

to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Annual Accounts for the financial year ended 31st March, 2000 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Om Sahai, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Rana Ranjit Singh, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri S.A.S. Bajwa, who retires by rotation and being eligible, offers himself for re-appointment.

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

"RESOLVED THAT M/s. Kansal Singla & Associates, Chartered Accountants, Chandigarh the retiring Auditors be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company and that the Board of Directors be and is hereby authorised to fix their remuneration for the said period."

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 the Articles of Association of the Company be and are hereby amended as follows :-

- a) The definition of 'member' be inserted in Article 2 of the Articles of Association of the Company after the definition of 'these presents or Regulations' :

Member in respect of dematerialized shares means the beneficial owner thereof, i.e. the persons whose name is recorded as a beneficial owner in the

RANA SUGARS LIMITED



Register maintained by a Depository under the Depositories Act, 1996 and in respect of other shares the person or persons whose name is duly registered as holder of a share in the Company from time to time and includes the subscribers to the Memorandum of Association.

'Beneficial Owner' means a person or persons whose name is recorded in the Register maintained by a Depository under the Depositories Act, 1996.

'SEBI' means the Securities and Exchange Board of India.

'Depository' means a Company formed and registered under the Act and which has been granted a certificate of registration by SEBI under the Securities and Exchange Board of India Act, 1992.

'Security' means such security as may be specified by SEBI from time to time.

- b) The following heading and Article be inserted as Article 57A after Article 57 of the Articles of Association of the Company :-

Dematerialization of Securities

1. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the provisions of the Depositories Act, 1996 or otherwise.

Issue of Securities and Option for Investors

2. Notwithstanding anything contained in these Articles, every issue of security by the Company shall be in the dematerialized form and the Company shall intimate the details of allotment to the depository immediately on allotment of such securities.

Investors in a new issue and the beneficial owners shall have the option to dematerialize the share subsequent to the allotment or dematerialization, as the case may be, in which event the Company shall issue to the investor/beneficiary the required certificates of securities subject to the provisions of applicable laws, rules, regulations or guidelines. The shares so dematerialized shall bear new distinguishing numbers so as to identify them from the shares not dematerialized.

Securities in depository mode to be fungible from

3. All securities held in the depository mode with a depository shall be dematerialized and be in fungible form. To such securities held by a depository on behalf of a beneficial owner, nothing contained in sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply.

Rights of Depositories and Beneficial Owners

4. (a) Notwithstanding anything to the contrary

RANA SUGARS LIMITED



contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have other membership rights in respect of the securities held by it.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the register maintained by a depository shall be deemed to be a member of the Company. The beneficial owner of securities shall alone be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities held in the depository mode of which he or she is the beneficial owner.

Service of documents

5. Notwithstanding anything in the Act, or these Articles to the contrary, where securities are held in a depository mode, the records of the beneficial owner may be served by a depository on the Company by means of electronic mode or by delivery of floppies or discs.

Transfer of Securities

6. Nothing contained in section 108 of the

Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered in the Register maintained under the Depositories Act by a depository as beneficial owners.

Distinctive numbers of securities held in the depository mode

7. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held in the depository mode.

Register and Index of Beneficial Owners

8. The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of members and holders of securities for the purposes of these Articles and the Act."

By order of the Board
for RANA SUGARS LIMITED

MANMOHAN K. RAINA
Company Secretary

Place : Chandigarh
Dated : 1st September, 2000

RANA SUGARS LIMITED



NOTES :

- (a) The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the business under item No. 6 set out above is annexed hereto.
- (b) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and *the proxy in order to be effective must be received by the Company at its Registered Office not less than 48 hours before the meeting.*
- (c) Register of Members shall remain closed from 16th September, 2000 to 30th September, 2000 (both days inclusive).
- (d) *Members are requested to bring their copy of Annual Report alongwith them at the Meeting.*
- (e) Members desirous of seeking any further information about the accounts and/or operations of the Company are requested to send their queries to the Secretary of the Company atleast seven *days in advance of the Meeting so that the information, to the extent practicable, can be made available at the Meeting.*
- (f) According to the circular dated 29th May, 2000 the Securities and Exchange Board of India has notified that trading in the equity shares of the Company would be compulsorily in dematerialized form by all class of investors w.e.f. 30th October, 2000.

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

ITEM NO. 6

The Securities and Exchange Board of India has notified that trading in the equity shares of the Company would be compulsorily in dematerialized form by all class of investors w.e.f. 30th October, 2000.

As the shares of the Company would be traded in dematerialized form w.e.f. 30th October, 2000 and for the applicability of the Depositories Act, 1996, certain articles of the Articles of Association of the Company have to be amended. Therefore, the resolution is placed before the members of the Company.

None of the Directors is interested or concerned in this Resolution.

The Board commends the resolution for your approval.

By order of the Board
for **RANA SUGARS LIMITED**

MANMOHAN K. RAINA
Company Secretary

Place : Chandigarh
Dated : 1st September, 2000

RANA SUGARS LIMITED



DIRECTORS' REPORT

Your Directors have pleasure in presenting the Ninth Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2000.

1. FINANCIAL RESULTS :

| | (Rs. in Lacs) | |
|---|-------------------------|-------------------------|
| | Current | Previous |
| | Year ended 31.3.2000 | Year ended 31.3.1999 |
| Profit before interest, depreciation & tax | 1588.25 | 1424.12 |
| Less: Financial Expenses | 1034.64 | 976.15 |
| Depreciation | 364.28 | 268.63 |
| Misc. Expenses written off | 30.97 | 29.29 |
| Profit before Tax | 158.36 | 150.05 |
| Provision for Tax | 9.42 | 11.29 |
| Net Profit after Tax | 148.94 | 138.76 |
| Profit carried forward to Balance Sheet | 148.94 | 138.76 |

OPERATIONS :

Cane Crushed (Qtls) 49,52,994 44,20,972

Production (Qtls)

| | | |
|----------|----------|----------|
| Sugar | 4,89,356 | 3,81,390 |
| Molasses | 2,07,970 | 1,65,279 |

Recovery (%)

| | | |
|-------|------|------|
| Sugar | 9.88 | 8.63 |
|-------|------|------|

2. SUGAR INDUSTRY & FUTURE OUTLOOK :

During the current year the sugar production in the country has gone up to 182 lac tonnes, which is all time highest, against 154 lac tonnes during 1998-99. The internal consumption is expected to be about 150 lac tonnes as

opposed to 148 lac tonnes last year.

The Company has also increased its production of sugar to 4.89 lac quintals as compared to 3.81 lac quintals during the last year. There was adequate sugarcane available during the year. The Company achieved highest ever Sugar Recovery of 9.88% as against 8.63% during the last year. It has earned a net profit of Rs. 148.94 lacs as compared to Rs. 138.76 lacs last year. The Company has maintained good quality of its product. It has envisaged to produce 6.50 lac quintals of sugar during the ensuing season of 2000-2001. In order to achieve this target the Company has brought an area of 55000 acres under cane cultivation in its catchment area.

The Company's project regarding Co-generation of surplus power is under implementation which is likely to be completed during next year.

3. DIVIDEND :

Due to insufficient profit during the year the Board of Directors has not recommended any dividend.

4. DIRECTORS :

Shri Om Sahai, Rana Ranjit Singh and Shri S. A. S. Bajwa, Directors retire by rotation and being eligible, offer themselves for re-appointment.

5. FIXED DEPOSITS :

The Company has not accepted any deposits under Section 58-A of the Companies Act, 1956 during the year under review.