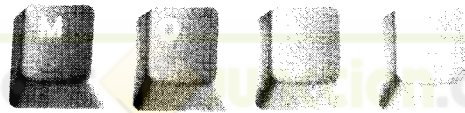


33RD ANNUAL REPORT 2005-06

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SRI CHAMUNDESWARI SUGARS LIMITED

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SRI CHAMUNDESWARI SUGARS LIMITED

Chairman
ಅಧ್ಯಕ್ಷರು

Dr. N. Mahalingam
ಡಾ|| ಎನ್. ಮಹಾಲಿಂಗಂ

Managing Director
ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರು

Sri M. Srinivaasan
ಶ್ರೀ ಎಂ. ಶ್ರೀನಿವಾಸನ್

Directors
ನಿರ್ದೇಶಕರುಗಳು

Sri M. Manickam
ಶ್ರೀ ಎಂ. ಶ್ರೀನಿವಾಸನ್

Sri M. Balasubramaniam
ಶ್ರೀ ಎಂ. ಬಾಲಸುಬ್ರಹ್ಮಣ್ಯಮ್

Sri K.N.V. Ramani
ಶ್ರೀ ಕೆ.ಎನ್.ವಿ. ರಮಣಿ

Sri V.K. Swaminathan
ಶ್ರೀ ವಿ.ಕೆ. ಸ್ವಾಮಿನಾಥನ್

Dr. A. Selvakumar
ಡಾ|| ಎ. ಸೆಲ್ವಕುಮಾರ್

Sri K. Prakash
ಶ್ರೀ ಕೆ. ಪ್ರಕಾಶ್

Sri K. Kalyana Sundaram
Nominee IFCI
ಶ್ರೀ ಕೆ. ಕಲ್ಯಾಣ ಸುಂದರಂ
ಐ.ಎಫ್.ಸಿ.ಐ. ನಾಮನಿರ್ದೇಶನ

Sri A. Arjunaraj
w.e.f. 21-08-2006
ಶ್ರೀ ಎ. ಅರ್ಜುನರಾಜ್
w.e.f. 21-08-2006

Sri S. Srinivasan
ಶ್ರೀ ಎಸ್. ಶ್ರೀನಿವಾಸನ್
w.e.f. 02-06-2006

Company Secretary
ಕಂಪೆನಿ ಕಾರ್ಯದರ್ಶಿ

Sri G.S. Lakshmi Narasimhan
ಶ್ರೀ ಜಿ.ಎಸ್. ಲಕ್ಷ್ಮೀನರಸಿಂಹನ್

Auditors
ಲೆಕ್ಕ ಪರಿಶೋಧಕರು

P.N. Raghavendra Rao & Co.
Chartered Accountants
Coimbatore
ಪಿ.ಎನ್. ರಾಘವೇಂದ್ರರಾವ್ ಅಂಡ್ ಕಂ.
ಬಾರ್ಡರ್ಡ್ ಅಂಕೌಂಟೆಂಟ್ಸ್
ಕೊಯಮತ್ತೂರು

Internal Auditors
ಆಂತರಿಕ ಲೆಕ್ಕ ಪರಿಶೋಧಕರು

Sri G. Srinivas
Chartered Accountant
Gogeneni & Co.
Chartered Accountants
Bangalore
ಶ್ರೀ ಜಿ. ಶ್ರೀನಿವಾಸ್
ಬಾರ್ಡರ್ಡ್ ಅಂಕೌಂಟೆಂಟ್ಸ್
ಗೋಗಿನೇನಿ ಅಂಡ್ ಕಂ.
ಬಾರ್ಡರ್ಡ್ ಅಂಕೌಂಟೆಂಟ್ಸ್
ಬೆಂಗಳೂರು

Registered Office
ನೋಂದಾಯಿತ ಕಛೇರಿ

76, Ulsoor Road,
Bangalore - 560 042.
76, ಅಲಸೂರು ರಸ್ತೆ,
ಬೆಂಗಳೂರು - 560 042.

Factory
ಕಾರ್ಖಾನೆ

Bharathinagara (K.M. Doddi)
Maddur Tq., Mandya Dist.
Karnataka State
ಭಾರತಿನಗರ (ಕೆ.ಎಂ. ದೊಡ್ಡಿ)
ಮದ್ದೂರು ತಾಲ್ಲೂಕು, ಮಂಡ್ಯ ಜಿಲ್ಲೆ,
ಕರ್ನಾಟಕ ರಾಜ್ಯ

Bankers
ಬ್ಯಾಂಕರುಗಳು

State Bank of Mysore
ಸ್ಟೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಮೈಸೂರು

Vijaya Bank
ವಿಜಯಾ ಬ್ಯಾಂಕ್

Dena Bank
ದೇನಾ ಬ್ಯಾಂಕ್

Syndicate Bank
ಸಿಂಡಿಕೇಟ್ ಬ್ಯಾಂಕ್

State Bank of Travancore
ಸ್ಟೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಟ್ರಾವನ್ಕೋರ್

State Bank of Indore
ಸ್ಟೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡೋರ್

The Lakshmi Vilas Bank Ltd.
ದಿ ಲಕ್ಷ್ಮೀ ವಿಲಾಸ್ ಬ್ಯಾಂಕ್ ಲಿಮಿಟೆಡ್

Mandya District Co-operative
Central Bank Ltd., Mandya
ಮಂಡ್ಯ ಡಿಸ್ಟ್ರಿಕ್ಟ್ ಕೋ-ಆಪರೇಟಿವ್ ಸೆಂಟ್ರಲ್
ಬ್ಯಾಂಕ್ ಲಿಮಿಟೆಡ್, ಮಂಡ್ಯ

Notice is hereby given that the 33rd Annual General Meeting of the Members of the Company will be held at **NDK Kalyana Mandira, 13th Main, HAL II Stage, Indiranagar, Bangalore 560 008 on Monday, the 25th September, 2006 at 3.30 p.m. to transact the following business :**

1. To consider and adopt the Director's Report and the Audited Profit and Loss Account for the year ended 31st March, 2006, the Audited Balance Sheet as at that date and the Auditor's Report thereon.
2. To appoint a Director in the place of Dr. A. Selvakumar who retires by rotation and is eligible for reappointment.
3. To appoint a Director in the place of Sri K. Prakash who retires by rotation and is eligible for reappointment.
4. To appoint a Director in the place of Sri K.N.V. Ramani who retires by rotation and is eligible for reappointment.
5. To appoint M/s. P.N. Raghavendra Rao & Co., Chartered Accountants, as Auditors of the Company for holding office upto the conclusion of the next Annual General Meeting and to fix their remuneration.

Special Business :

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

RESOLVED THAT pursuant to Section 260 of the Companies Act, 1956, Sri S. Srinivasan who was co-opted as an Additional Director of the Company on the Board as per Article 99 of the Articles of Association of the Company and holds office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose him as a candidate for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

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

RESOLVED THAT pursuant to Section 260 of the Companies Act, 1956, Sri A. Arjunaraj who was co-opted as an Additional Director of the Company on the Board as per Article 99 of the Articles of Association of the Company and holds office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose him as a candidate for the office of Director, 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, the following resolution as an ordinary Resolutions :

Resolved that the consent of the Company be and is hereby accorded to the Board of Directors under the provisions of Section 293(1)(a) of the Companies Act, 1956 :

- (i) to mortgage and / or charge the whole of the undertakings of the Company pertaining to sugar and distillery division (save and except the immovable and movable properties pertaining to co-generation plant, the land at defense colony and apartment in Kensington road Bangalore) including all the immovable and movable properties wheresoever situate, present and future, and / or for conferring power to enter upon and take possession of the aforesaid assets of the company in certain events to or in favour of various Banks and Financial Institutions that have granted / agreed to grant financial facilities to the Company upto Rs. 110 Crores, pursuant to the Corporate Debt Restructuring (CDR) Package approved by CDR Empowered Group; and

- (ii) to authorise the Board of Directors of the Company for agreeing with said Banks / Financial Institutions the terms and conditions to reserve a right to take over the management of the whole of the undertakings of the company (i.e., sugar and distillery division) in certain events in terms of the agreements / letters of sanction / terms and conditions in connection with the creation of security and other incidental matters.

Resolved further that the Board of Directors of the Company be and is hereby authorised to finalise with the said banks / Financial Institutions the documents for creating the aforesaid mortgage / charge and / or for conferring the aforesaid rights and to do all such acts and things as may be necessary for giving effect to the above resolution.

9. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary Resolutions :

Resolved that the consent of the Company be and is hereby accorded to the Board of Directors under the provisions of Section 293(1)(a) of the Companies Act, 1956 :

- (i) to mortgage and / or charge the whole of the undertakings of the company pertaining to cogeneration plant of the company including all the immovable and movable properties wheresoever situate, present and future, and / or for conferring power to enter upon and take possession of the aforesaid assets of the Company in certain events to or in favour of various Banks and Financial Institutions that have granted / agreed to grant financial facilities to the Company upto Rs. 75 Crores, for the Company's cogeneration project; and

- (ii) to authorise the Board of Directors of the Company for agreeing with said Banks / Financial Institutions the terms and conditions to reserve a right to take over the management of the whole of the undertakings of the Company (i.e., cogeneration plant) in certain events in terms of the agreements / letters of sanction / terms and conditions in connection with the creation of security and other incidental matters.

Resolved further that the Board of Directors of the Company be and is hereby authorised to finalise with the said banks / Financial Institutions the documents for creating the aforesaid mortgage / charge and / or for conferring the aforesaid rights and to do all such acts and things as may be necessary for giving effect to the above resolution.

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

"RESOLVED that pursuant to Section 293(1)(d) of the Companies Act, 1956 consent be and is hereby accorded to the Board of Directors of the Company to borrow for the business purpose of the Company upto a sum of Rs. 400 Crores (apart from temporary loans obtained and / or to be obtained from the Company's Bankers in the ordinary course of business) over and above the paid-up capital of the Company plus its free reserves, i.e. to say reserves not set apart for any specific purpose".

By order of the Board
for **SRI CHAMUNDESWARI SUGARS LIMITED**

Place : Coimbatore **G.S. LAKSHMI NARASIMHAN**
Date : 21st August, 2006 Company Secretary

NOTE :

1. The relative Explanatory Statement as required under Section 173 of the Companies Act, 1956 in respect of Special Business / Resolutions is given forming part of the Notice.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy. Proxy need not be a

member of the Company. Proxy cannot speak at the meeting or vote on a show of hands. The Proxy Form signed across Re. 1/- Revenue Stamp should reach the Company's Registered Office atleast 48 hours before the scheduled time of the meeting.

3. Shareholders who have not encashed their dividend warrants sent to them for the Financial Year ended 31st March, 2001 are requested to write to the Company immediately returning the Time Barred Dividend Warrants for revaluation and for claiming the dividend amounts within the stipulated period of seven years.
4. The Register of Members of the Company will be closed from 18th September, 2006 to 25th September, 2006. (Both days inclusive).
5. M/s. Cameo Corporate Services Limited, Chennai are the authorised Registrar and share transfer agent. Members are requested to correspond with them directly for non receipt of share certificates, for share transfers, transmission, change of address, consolidation, splits, registration of power of attorney, non-receipt of dividend and on all other queries, in the following address.

Cameo Corporate Services Limited
Subramanian Building,
No. 1, Club House Road,
Chennai - 600 002.
Ph.: 044-28460390
Fax: 044-28460129
e-mail: cameo@cameoindia.com

6. Nomination facility :

Section 109(A) of the Companies Act, 1956 provides inter alia the facility of nomination for shareholders. This facility is mainly useful for all shareholders holding the shares in the single name. In case where the securities are held in joint names, the nomination will be effective only in the event of the death of all the shareholders.

Shareholders are advised to avail of this facility, especially those holding securities in single name, to avoid the process of transmission by law.

7. Members are requested to bring their copies of the Annual Report to the Meeting.
8. Attendance slip has to be signed and delivered at the entrance of the Meeting Venue.

Explanatory Statement under Section 173 of the Companies Act, 1956 :

Item No. 6

Sri S. Srinivasan, aged 65, was appointed as an additional director of the Company as per Article 99 of the Articles of Association of the Company by the Board of Directors at their meeting held on 2nd June, 2006. He holds office till the conclusion of the ensuing Annual General Meeting and a resolution to appoint him as a director of the Company is proposed under Item No. 6 of the agenda.

He carries with him over 38 years of rich experience in both finance & administration and before his retirement he has been the Managing Director of State Bank of Indore. The Board feels that his vast experience in various areas will be of immense help to our organisation in its future growth. The Board of directors recommend the resolution for the approval of members.

Except Sri S. Srinivasan, none of the other directors are interested in the resolution.

Particulars of Sri S. Srinivasan as required in terms of Clause 49 of Listing Agreement is given in the annexure to the notice.

Item No. 7

Sri A. Arjunaraj, aged 56, was in the Board as a nominee director of IREDA since 31st May, 2002. IREDA has withdrawn his nomination with effect from 29th June, 2006. The Board of Directors at their meeting held on

21st August, 2006 appointed him as additional Director under Section 260 of the Companies Act, 1956 and Article 99 of the Articles of Association of the Company. He holds office till the conclusion of the ensuing Annual General Meeting and a resolution to appoint him as a Director of the Company is proposed under Item No. 7 of the agenda.

Sri A. Arjunaraj is a Chartered Accountant by profession and carries with him rich experience in the areas of accounts & finance. The Board feels that his continuation in the Board as a Director will be of immense help to our organisation in its future growth and recommend the resolution for approval of members.

Except Sri A. Arjunaraj, none of the other Directors are interested in the resolution.

Particulars of Sri A. Arjunaraj as required in terms of Clause 49 of Listing Agreement is given in the annexure to the notice.

Item No. 8

In terms of the Restructuring Package approved by CDR Empowered Group, all the Company's loans covered under the Package are to be secured by first pari passu mortgage or charge on all the undertakings pertaining to sugar and distillery division (save and except the immovable and movable properties pertaining to co-generation plant, the land at defence colony and apartment in Kensington road Bangalore). The package includes the loans, funded interest and debentures sanctioned / subscribed by the Financial Institutions and Banks i.e., IDBI Bank, IFCI and consortium of banks lead by State Bank of Mysore. As per Section 293(1)(a) of the Companies Act, 1956 members approval is required to the Board of Directors to mortgage or charge the aforesaid assets of the Company. The necessary resolutions are placed for the approval of the Members.

Copies of letters received from CDR Cell approving the CDR restructuring package is available for inspection of the Members at the Registered Office of the Company between 10.00 am and 3.00 pm on all working days upto the date of the ensuing Annual General Meeting.

None of the Directors is interested in the said resolution.

Item No. 9

For the upcoming 26 MW co-generation project necessary arrangements have been made for availing Term loan from IDFC, Allahabad Bank and Sugar Development Fund. This has to be secured by exclusive mortgage / or charge on the assets of the Company pertaining to cogeneration plant. As per Section 293(1)(a) of the Companies Act, 1956 members' approval is required to the Board of Directors to mortgage / charge the aforesaid assets of the Company. The necessary resolutions are placed for the approval of the Members.

None of the Directors is interested in the said resolution.

Item No. 10

Members at the 32nd Annual General Meeting held on 30th September, 2005 had approved for increasing the borrowing limits up to Rs. 300 Crores over and above paid-up capital and free reserves.

Considering the future projects and to enhance the over all crushing capacity, it is proposed to increase the borrowing limits to Rs. 400.00 Crores over and above paid-up capital and free reserves under Section 293 (1)(d) of the Companies Act, 1956.

Necessary resolution in this regard authorising the Board of Directors to borrow up to the above limit is placed before the members for approval.

None of the Directors is interested in this resolution.

By order of the Board

for **SRI CHAMUNDESWARI SUGARS LIMITED**

Place : Coimbatore

G.S. LAKSHMI NARASIMHAN

Date : 21st August, 2006

Company Secretary

A brief resume in respect of the proposed re-appointment / appointment of Directors is given below in terms of Clause 49 of the Listing Agreement.

Name : **Dr. A. SELVAKUMAR**
Date of birth & age : 30th April, 1955, (51 years)
Date of Appointment : 19th February, 2001
Qualification : PHD in Engineering
Experience : 22 years Experience in Technology
 15 years in Canada
 07 years in India

No. of Shares held in the Company : 534
Other Directorships : Sakthi Finance Ltd.,
 SA International Ltd.,
Member of Committees : Sri Chamundeswari Sugars Ltd.,
 Audit Committee
Member of Committees in other Public Ltd., Companies : Sakthi Finance Ltd.,

Name : **PRAKASH KASIAPPAN**
Date of birth & age : 30th September, 1958, (48 years)
Date of Appointment : 28th June, 2002
Qualification : BA
Experience : Over 15 years as Industrialist.

No. of Shares held in the Company : 600
Other Directorships : Akhilandeswari Carbon Gases
 (P) Ltd.,
 Sakthi Synthetic Gem Co. Ltd.
Member of Committees : Sri Chamundeswari Sugars Ltd.,
 Share Transfer Committee - Member
Member of Committees in other Public Ltd., Companies : NIL

Name : **K.N.V. RAMANI**
Date of birth & age : 05th October, 1931, (74 years)
Date of Appointment : 14th February, 1997
Qualification : M.A., B.L.,
Experience : Leading Advocate specialised in corporate Laws with rich experience of more than Four Decades.

No. of Shares held in the Company : 524
Other Directorships : Sri Kannapiran Mills Ltd.,
 Coimbatore
 K.G. Denim Ltd., Coimbatore
 Bannari Amman Spinning Mills Limited, Coimbatore
 Sree Sankara College Association
 Kalady - (Section 25 Company).

Member of Committees : NIL
Member of Committees in other Public Ltd., Companies : Sri Kannapiran Mills Ltd.,
 Audit Committee - Member / Chairman
 Remuneration Committee - Member
 K.G. Denim Ltd.,
 Audit Committee - Member
 Remuneration Committee - Member
 Bannari Amman Spinning Mills Limited,
 Audit Committee - Member

Name : **S. SRINIVASAN**
Date of birth & age : 12th August, 1941, (65 years)
Date of Appointment : 2nd June, 2006
Qualification : B.Sc., B.L., CAIIB
Experience : Over 38 years of vast experience in various fields of Banking, Finance and administration, in scheduled banks at various levels. He was the Managing director of State Bank of Indore at the time of his retirement.

No. of Shares held in the Company : NIL
Other Directorships : NIL
Member of Committees : NIL
Member of Committees in other Public Ltd., Companies : NIL

Name : **A. ARJUNARAJ**
Date of birth & age : 5th November, 1949, (56 years)
Date of Appointment : 21st August, 2006
Qualification : Chartered Accountant
Experience : Practicing Chartered Accountant for over 2 decades.

No. of Shares held in the Company : NIL
Other Directorships : NIL
Member of Committees : Sri Chamundeswari Sugars Ltd.,
 Audit Committee
 Remuneration Committee
Member of Committees in other Public Ltd., Companies : NIL

Your Directors present their 33rd Annual Report together with Audited Financial Accounts of the Company for the year ended 31st March, 2006.

Financial Results :	Rs.	Rs.
Profit before tax		18,44,63,426
Less : Direct taxes for current year	-2,94,510	
Income tax for Prior year	4,57,849	
Fringe Benefit tax	6,03,497	
Deferred Tax (Net)	1,04,82,268	1,18,38,124
		17,26,25,302
Provision for diminution in Market value of investments		1,72,074
Surplus carried over to Balance Sheet		17,24,53,228

Review of operations :

During the year 6.3 lakh tones sugar cane was crushed at an average recovery of 9.28% as against 2.9 lakh tones at an average recovery of 8.83% in the previous year. The average sales realization was higher compared to previous year.

The Distillery Operations, which was under lease till 31st July, 2005, has been taken over by the Company with effect from 1st August, 2005. During this period sale of industrial alcohol registered over Rs. 16.00 crores.

The working results of the Company are considered satisfactory. The net profit for the year is Rs. 17.25 crores. The debt restructuring programme has been executed and is under implementation. In view of this consideration of dividend is deferred.

In the current year we expect to crush at much higher level. The implementation of Cogeneration project is in progress and is likely to be completed by July, 2007. Your Company also has proposals to set up a 3500 TCD sugar complex in Hassan district.

Deposits :

All Fixed Deposits and Cumulative deposits matured and claimed as on 31st March, 2006 have been paid. At the end of the financial year 26 deposits amounting to Rs. 9,97,369/- which were due for re-payment remained unclaimed.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Out Go :

The particulars required to be included in terms of Section 217(1)(e) of the Companies Act, 1956 with regard to conservation of energy, technology absorption, foreign exchange earnings and out go are given in Annexure I forming part of this report.

Particulars of Employees :

During the year none of the employees in the Company are covered under Section 217(2A) of the Companies Act.

Directors :

Dr. A. Selvakumar, Sri K. Prakash & Sri K.N.V. Ramani are liable to retire by rotation in the ensuing Annual General Meeting and are eligible for reappointment.

Sri S. Srinivasan and Sri A. Arjunaraj have been appointed as Additional Directors and they hold office upto the date of the ensuing Annual General Meeting. Necessary resolutions proposing to appoint them as Directors is placed before the members for approval.

Auditors :

M/s. P.N. Raghavendra Rao & Co., Chartered Accountants, who were appointed as auditors at the previous Annual General Meeting hold office till the conclusion of this Annual General Meeting and are eligible for re-appointment.

Reply to Auditor's remarks :

With regard to the auditor's remark we state that

1. We have been advised that the accounting treatment is not violative of any statute.
2. The documentation for reduction of interest will be executed in a short time.

Cost Audit :

The Central Government has approved the appointment of Sri G.I. Srinivasa Murthy, Cost Accountant as cost Auditor for the year ended 31st March, 2006. Company has applied to Central Government seeking approval for the appointment of Sri G.I. Srinivasa Murthy, Cost Accountant, as Cost Auditor for the year ending 31st March, 2007.

Director's responsibility statement :

Pursuant to requirements under Section 217 (2AA) of the Companies Act, 1956 with respect to Director's responsibility statement, it is hereby confirmed :

- i) that in the preparation of the annual accounts for the financial year ended 31st March, 2006, the applicable accounting standards had been followed.
- ii) that the directors had 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 at the end of the financial year and of the profit of the Company for the year under review.
- iii) that the directors had 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 other irregularities
- iv) that the directors had prepared the annual accounts on a going concern basis.

Corporate Governance :

As per the requirement of the Listing Agreement, a Report on Corporate Governance together with Auditor's Certificate and its compliance is included as part of the Annual Report.

Management's Analytical Report :

Management's Analytical Report as required under the Listing Agreement is given in the Section of the Corporate Governance.

Acknowledgement :

Board of Directors wish to express their thanks to all the cane growers, share holders, State and Central Governments, Financial Institutions, Consortium of Bankers, Local Authorities and also appreciation to the Employees at all levels for their services and excellent support rendered to the Company.

For and on behalf of Board of Directors

Place : Coimbatore
Date : 21st August, 2006

N. Mahalingam
Chairman

(Disclosure of Particulars in the Report of Board of Directors) Rule, 1988

ANNEXURE - I

A. Conservation of Energy

- (a) Energy conservation measures taken : Conversion of crystalizer drives Electrical motor connections from Delta mode to Star mode where the power consumption of motor is less than 50%.
- (b) Measures have been taken up to bring down the steam consumption in boiling house, by adopting new steam economy methods.
- (c) It is proposed to implement power saving scheme by using TRF in II Mill instead of TRPF.
- (d) It is proposed to install a new concept two roller Mill with TRF rollers as 6th Mill.
- (e) Bio Methanisation plant has been commissioned.
- (f) Impact of the measures at (a) Reduction of power consumption upto 120 KW in boiling house, (b) To bring down the steam consumption from 50% to 42-43% on cane, (c) for better extraction and increase the feedability / reduction in power consumption, (d) To increase the feedability and better extraction, and also, to attain 30% power savings & lower bagasse moisture (e) By producing Bio gas which improves the quality of spent wash as well as reduction of other fuel consumption with the production of steam to the extent of 4-5 tons.

B. Technology absorption

- (g) Efforts made in technology absorption as per Form B of the Annexure.

C. Foreign exchange earnings and outgo

- (h) Activities relating to exports, initiatives taken to increase exports; development of new export markets for products and services; and export plans : NIL
- (i) Total foreign exchange used and earned.
Foreign exchange used : NIL
Foreign exchange earned : NIL

FORM - A**Disclosure of Particulars with respect to conservation of energy (From 1st April, 2005 to 31st March, 2006)**

Particulars	Current Year	Previous Year
-------------	--------------	---------------

A. POWER AND FUEL CONSUMPTION**I. Electricity:**

a. Purchased - Units	899997	1152570
Total amount - Rs.	48,02,418	56,96,039
Rate per unit - Rs.	5.34	4.94

b. Own Generation:

I. Through Diesel Generator	30220	58,888
Units per ltr. of diesel oil	2.40	3.25
Cost per unit - Rs.	13.32	7.88
II. Through Steam Turbine / Generator Units	17397832	7737408
Units / Tonne of Steam	77	77

II. Others / Internal Generation :

a. Bagasse - Qty. (MT)	181429.082	84707.635
Total cost - Rs.	(Own Bagasse used) 1374.44	(Own Bagasse used) 722.59
b. Firewood - Qty. (MT)	15,20,339	6,92,957

B. CONSUMPTION PER UNIT OF PRODUCTION

Product	Sugar	Sugar
Units	Quintals	Quintals
Electricity - Units (Including Distillery)	31.19	31.31
Electricity - Units (Excluding Distillery)	29.32	—

Note : Cost per unit of Diesel generator is increased by Rs. 5.44 due to less generation and rate of diesel increased.

FORM - B**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:**

- a) Popularising wider row cane plantation under 5 feet row. Presently about 1050 acres of cane is under this method planting.
- b) Introduced cane cultivation in pit & trench method with drip irrigation.

2. Benefits derived as result of the above R&D :

- a) Lesser water consumption for the crop, mechanization in cane cultivation, promotion of more ratoons, increase in yield by 10% and recovery by 0.5% wider row plantation will also help in preventing attack of White Wholly Aphid.
- b) Production and supply of Bio-compost fertilizer is being made by the factory and disbursing the same to the farmers of the area.
- c) Application of Bio compost leads to improvement in soil fertility, helps in withholding the moisture to the greater extent and helps in multiplication of earth worms.

3. Future plan of action :

- a) Multiplication of high yielding high sugar varieties such as Co 86032, Co 8371.
- b) Farm trials for new promising high yielding high sucrose varieties, such as CoA 96081, Cosi (SC)6 and CoG (SC)5 and Co 92012.
- c) Introduction of 1000 borewell scheme-II under tie up with SBM.
- d) Supplying Trichogramma Parasite Egg cards @ free of cost to the farmers to control Early Shoot Borer attack on sugarcane.
- e) Supplying insecticides viz., Chlorophyriphos to the farmers to control White Wholly Aphid attack on sugarcane at subsidized rate.
- f) Supplying Pre emergent Chemical Weedicide - immediately after plantation at nominal rate (on pronote basis) to the registered farmers.
- g) Centralized automation for the entire plant.
- h) Enhancement of capacity by introducing one more Mill, Spare set of Evaporators and one number of 100 MT Pan.

4. Expenditure on R&D : Not significant**5. Technology absorption, adaptation and innovation (Conservation of Energy) :****1. Efforts in brief made towards technology absorption and innovation -**

- a) introducing 6th Mill with new technology.
- b) Introduction of syrup clarifier using colour precipitant.
- c) Introduction of steam saving scheme in boiling house
- d) Introduction of sizer in sugar drier house

2. Benefits derived as a result of the above efforts -

- a) Feedability and better extraction can be increased, and also 20 to 30% power saving can be made compared to conventional mills, because it has no trash plates.
- b) Improves the sugar quality to get sugar of 70 to 80 ICUMSA to meet the EXPORT MARKET.
- c) Steam can be saved upto 7% on cane. The saving of bagasse will be around 140 MT/day i.e., about 42,000 MT per 10 months crushing season, which can be utilized for production of steam to run distillery.
- d) Better separation and grading of M-30 and S-30 sugar to have better market and additional revenue in M-30 sugar.

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished;

- a) Technology imported : NIL
- b) Year of import : NIL
- c) Has technology been fully absorbed : NIL
- d) If not fully absorbed, areas where this has not taken place, reasons therefore and further plans of action : NIL

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ನಿರ್ದೇಶಕರ ಹೊಣೆಗಾರಿಕೆಯ ವಿವರಗಳು :

1956ರ ಕಂಪನಿಗಳ ಕಾಯಿದೆ ನಿಯಮ 217(2ಎಎ) ಪ್ರಕಾರ, ನಿರ್ದೇಶಕರ ಹೊಣೆಗಾರಿಕೆಯ ವಿವರಗಳನ್ನು ಈ ಕೆಳಕಂಡಂತೆ ಗೊತ್ತುಪಡಿಸಲಾಗಿದೆ :

- 1) 31ನೇ ಮಾರ್ಚ್, 2006ಕ್ಕೆ ಅಂತ್ಯವಾಗುವ ಆರ್ಥಿಕ ವರ್ಷದ ವಾರ್ಷಿಕ ಲೆಕ್ಕಗಳನ್ನು ಸಿದ್ಧಪಡಿಸುವಲ್ಲಿ ಅನ್ವಯವಾಗುವಂತೆ ಲೆಕ್ಕಗಳ ನೀತಿ ಧೋರಣಿಗಳನ್ನು ಅನುಸರಿಸಲಾಗಿದೆ.
- 2) ಆರ್ಥಿಕ ವರ್ಷಾಂತರದಲ್ಲಿ, ಕಂಪನಿಯ ವ್ಯವಹಾರಗಳು ಮತ್ತು ಲಾಭ-ನಷ್ಟ ಲೆಕ್ಕಗಳು ಪ್ರಾಮಾಣಿಕವಾಗಿರುವುದನ್ನು ಎತ್ತಿ ತೋರಿಸುವ ದೃಷ್ಟಿಯಿಂದ ಲೆಕ್ಕ ಪತ್ರವಿಡುವುದರಲ್ಲಿ, ದೂರದೃಷ್ಟಿ ಇಚ್ಛು, ಅಂದಾಜುಗಳನ್ನು ತೀರ್ಪುಗಳನ್ನೂ ವಿವೇಕಯುತವಾಗಿ ತೆಗೆದುಕೊಂಡು ಲೆಕ್ಕಾಚಾರ ಮಾಡುವುದರಲ್ಲಿ ಅವುಗಳನ್ನು ಸತತವಾಗಿ ಜಾರಿ ಮಾಡುವ, ಲೆಕ್ಕವಿಡುವ ವಿಧಾನವನ್ನು ನಿರ್ದೇಶಕರುಗಳು ಆಯ್ಕೆ ಮಾಡಿಕೊಂಡಿದ್ದಾರೆ.
- 3) ಕಂಪನಿಯ ಆಸ್ತಿಗಳನ್ನು ರಕ್ಷಿಸಲು ಮತ್ತು ವಂಚನೆ ಹಾಗೂ ಇತರೆ ಅಕ್ರಮಗಳನ್ನು ತಡೆಗಟ್ಟಲು, ಕಂಪನಿಗಳ ಕಾಯಿದೆಯ ನಿಯಮಗಳ ಅನುಸಾರ ಲೆಕ್ಕ ಪುಸ್ತಕಗಳ ದಾಖಲೆ, ಕಡತಗಳನ್ನು ಸಾಕಷ್ಟು ಎಚ್ಚರವಹಿಸಿ ನಿರ್ದೇಶಕರುಗಳು ಸಂರಕ್ಷಿಸಿಕೊಂಡು ಬಂದಿದ್ದಾರೆ.
- 4) ವಾರ್ಷಿಕ ಲೆಕ್ಕ ಪತ್ರವನ್ನು ಪ್ರಗತಿಪರ ವ್ಯಾಪಾರಿ ಸಂಸ್ಥೆಯ ಆಧಾರದಂತೆ ತಯಾರಿಸುತ್ತಾರೆ.

ಕಾರ್ಪೊರೇಟ್ ಗವರ್ನನ್ಸ್ :

ಲಸ್ಟಿಂಗ್ ಕರಾರಿನನ್ವಯ, ಕಾರ್ಪೊರೇಟ್ ಗವರ್ನನ್ಸ್ ಬಗ್ಗೆ ವರದಿ, ಲೆಕ್ಕ ಪರಿಶೋಧಕರ ದೃಢೀಕರಣ ಪತ್ರ ಮತ್ತು ಸಮಜಾಯಿಷಿಗಳನ್ನು ವಾರ್ಷಿಕ ವರದಿಯ ಅಂಗವಾಗಿ ಲಗತ್ತಿಸಿದೆ.

ಆಡಳಿತ ಮಂಡಳಿಯ ವಿಮರ್ಶಾ ವರದಿ :

ಲಸ್ಟಿಂಗ್ ಕರಾರಿನನ್ವಯ, ನೀಡಬೇಕಾದ ಆಡಳಿತ ಮಂಡಳಿಯ ವಿಮರ್ಶಾ ವರದಿಯನ್ನು ಕಾರ್ಪೊರೇಟ್ ಗವರ್ನನ್ಸ್ ವಿಭಾಗದಲ್ಲೇ ನೀಡಲಾಗಿದೆ.

ಕೃತಜ್ಞತೆಗಳು :

ಎಲ್ಲಾ ಕಬ್ಬು ಬೆಳೆಗಾರರಿಗೂ, ಷೇರುದಾರರಿಗೂ, ರಾಜ್ಯ ಹಾಗೂ ಕೇಂದ್ರ ಸರ್ಕಾರಗಳು, ಹಣಕಾಸು ಸಂಸ್ಥೆಗಳು, ಬ್ಯಾಂಕುಗಳ ಸಮೂಹ, ಸ್ಥಳೀಯ ಸಂಸ್ಥೆಗಳು ಇವರೆಲ್ಲರಿಗೂ ಕೃತಜ್ಞತೆಯನ್ನು ನಿರ್ದೇಶಕರುಗಳ ಮಂಡಳಿ ಸಲ್ಲಿಸುತ್ತದೆ. ಹಾಗೂ ಎಲ್ಲಾ ಮಟ್ಟದ ಉದ್ಯೋಗಿಗಳು ಕಂಪನಿಗೆ ಸಲ್ಲಿಸಿರುವ ಸೇವೆಯನ್ನು ಶ್ಲಾಘಿಸುತ್ತದೆ.

ನಿರ್ದೇಶಕರುಗಳ ಮಂಡಳಿ ಪರವಾಗಿ,

ಸ್ಥಳ : ಕೊಯಮತ್ತೂರು

ಎನ್. ಮಹಾಲಿಂಗಂ

ದಿನಾಂಕ : 21ನೇ ಆಗಸ್ಟ್, 2006

ಅಧ್ಯಕ್ಷರು

ನಮೂನೆ - 1 :

ಕಂಪನಿಗಳ (ನಿರ್ದೇಶಕರುಗಳ ವರದಿಯಲ್ಲಿ ಒಹರಂಗ ಪಡಿಸಬೇಕಾದ ವಿವರಗಳ) ನಿಯಮ, 1988.

ಎ. ಎನರ್ಜಿ (ಇಂಧನ) ಬಳಕೆಯಲ್ಲಿ ಉಳಿತಾಯ :

- (ಅ) ಇಂಧನ ಬಳಕೆಯಲ್ಲಿ ಉಳಿತಾಯ ಮಾಡಲು ಕ್ರಮಗಳು : ಸ್ಟಾರ್ ಪದ್ಧತಿಯಿಂದ ಡೆಲ್ಟಾ ಪದ್ಧತಿಗೆ ವಿದ್ಯುತ್ ಮೋಟಾರುಗಳ ಸಂಪರ್ಕವನ್ನು ಮಾಡುವುದರ ಮೂಲಕ ಮೋಟಾರುಗಳಲ್ಲಿನ ವಿದ್ಯುತ್ ಬಳಕೆ ಶೇ. 50ರಷ್ಟು ಕಡಿಮೆಯಾಗಿದೆ.
- (ಆ) ಹೊಸ ಹಬೆ ಉಳಿತಾಯ ಕ್ರಮಗಳನ್ನು ಅಳವಡಿಸುವ ಮೂಲಕ ಬಾಂಟ್ಲಿಂಗ್ ಹೌಸಿನ ಹಬೆ ಬಳಕೆಯ ಪ್ರಮಾಣವನ್ನು ಕಡಿಮೆ ಮಾಡಲು ಕ್ರಮವಿಡಲಾಗಿದೆ.
- (ಇ) ಎರಡನೇ ಮಿಲ್ಲಿನಲ್ಲಿ ಟಿ.ಆರ್.ಪಿ.ಎಫ್.ಗೆ ಬದಲಾಗಿ ಟಿ.ಆರ್.ಎಫ್. ಅಳವಡಿಸಿ ವಿದ್ಯುತ್ ಉಳಿತಾಯ ಮಾಡಲು ಉದ್ದೇಶಿಸಲಾಗಿದೆ.
- (ಈ) ಎರಡು ರೋಲರ್‌ನ ಟಿ.ಆರ್.ಎಫ್. ಹೊಸ ಪದ್ಧತಿಯನ್ನು 6ನೇ ಮಿಲ್ಲಿನಲ್ಲಿ ಅಳವಡಿಸಲು ಉದ್ದೇಶಿಸಲಾಗಿದೆ.
- (ಉ) ಬಯೋ ಮೆಥನೈಸೇಷನ್ ಘಟಕವನ್ನು ಪ್ರಾರಂಭಿಸಲಾಗಿದೆ.
- (ಊ)ಮೇಲಿನ ಕ್ರಮಗಳಿಗಾಗುವ ಪರಿಣಾಮಗಳು : (ಎ) ಬಾಂಟ್ಲಿಂಗ್ ಹೌಸಿನ ವಿದ್ಯುತ್ ಬಳಕೆಯಲ್ಲಿ 120 ಕಿಲೋ ವ್ಯಾಟ್‌ನಷ್ಟು ವಿದ್ಯುತ್ ಉಳಿತಾಯ, (ಬಿ) ಕಬ್ಬಿನ ಮೇಲಿನ ಹಬೆ ಬಳಕೆಯನ್ನು ಶೇ. 50 ರಿಂದ ಶೇ. 42-43ಕ್ಕೆ ಇಳಿಸುವುದು, (ಸಿ) ಉತ್ತಮ ಕಬ್ಬಿನ ಬಾಲನೆ ಮತ್ತು ಚೆನ್ನಾಗಿ ಹಿಂಡಿದ ಸಾರವನ್ನು ಯಶಸ್ವಿಯಾಗಿ ತೆಗೆಯುವುದು,

(ಡಿ) ಉತ್ತಮ ಕಬ್ಬಿನ ಬಾಲನೆ ಮತ್ತು ಉತ್ತಮ ಸಾರ ಸಂಗ್ರಹಣೆ ಜೊತೆಗೆ ಶೇ. 30ರಷ್ಟು ವಿದ್ಯುತ್ ಉಳಿತಾಯ ಹಾಗೂ ಬಗಾಸಿನ ಕಡಿಮೆ ತೇವಾಂಶ, (ಇ) 4 ರಿಂದ 5 ಟನ್ ಹಬೆಯನ್ನು ಉತ್ಪಾದಿಸಿ ತ್ಯಾಜ್ಯ ವಸ್ತುವಿನ ಗುಣಮಟ್ಟವನ್ನು ಸುಧಾರಿಸಲಾಗುವುದಲ್ಲದೆ, ಇತರೆ ಇಂಧನ ಬಳಕೆಯಲ್ಲಿ ಉಳಿತಾಯ ಮಾಡಲಾಗುತ್ತದೆ.

ಬಿ. ತಂತ್ರಜ್ಞಾನ ಬಳಕೆ :

(ಮಿ) ಪರಿಶಿಷ್ಟ 'ಬಿ' ನಮೂನೆಯಂತೆ ತಂತ್ರಜ್ಞಾನ ಬಳಕೆಯಲ್ಲಿ ಮಾಡಲಾದ ಪ್ರಯತ್ನ.

ಸಿ. ವಿದೇಶಿ ವಿನಿಮಯ ಗಳಿಕೆ ಮತ್ತು ಕೊಡುವಿಕೆ :

- (ಎ) ರಫ್ತಿಗೆ ಸಂಬಂಧಪಟ್ಟ ಚಟುವಟಿಕೆಗಳೂ, ರಫ್ತನ್ನು ಹೆಚ್ಚಿಸಲು ಕೈಗೊಂಡ ಕ್ರಮಗಳು, ಉತ್ಪಾದನಾ ವಸ್ತುಗಳ ಹಾಗೂ ಸೇವೆಗಳ ಕುರಿತಂತೆ ಹೊಸ ರಫ್ತು ಮಾರುಕಟ್ಟೆ ಅಭಿವೃದ್ಧಿ ಬಗ್ಗೆ ಕೈಗೊಂಡ ಕ್ರಮಗಳು : ಇಲ್ಲ
- (ಬಿ) ಉಪಯೋಗಿಸಿದ ವಿದೇಶಿ ವಿನಿಮಯದ ಒಟ್ಟು ಬಳಕೆ. ಉಪಯೋಗಿಸಿದ ವಿದೇಶಿ ವಿನಿಮಯ : ಇಲ್ಲ
ಗಣಿಸಲಾದ ವಿದೇಶಿ ವಿನಿಮಯ : ಇಲ್ಲ