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ANNUAL REPORT

2007-2008



**SAYAJI INDUSTRIES LIMITED**

# SAYAJI INDUSTRIES LIMITED

## DIRECTORS

Shri Bipinbhai V. Mehta  
Shri Priyambhai B. Mehta  
Dr. Biharilal Kanaiyalal  
Shri Mahendrabhai N. Shah  
Shri Dashrathbhai G. Patel  
Shri Vishvajitbhai M. Mehta  
Shri Varunbhai P. Mehta

## MANAGING DIRECTORS

Shri Bipinbhai V. Mehta  
Shri Priyambhai B. Mehta

## COMPANY SECRETARY

Shri Rajesh H. Shah  
B. Com., LL.B., A.C.S.

## AUDITORS

M/s.C.C.Chokshi & Co.,  
Chartered Accountants, Ahmedabad.

## LEGAL ADVISORS

M/s.Nanavati & Nanavati, Advocates,  
Ahmedabad.

## BANKERS

Punjab National Bank

## REGISTERED OFFICE

P.O.Kathwada-Maize Products,  
Ahmedabad - 382 430.

## FACTORY

Maize Products  
Ahmedabad, Gujarat.

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**SAYAJI INDUSTRIES LIMITED**

P.O. KATHWADA - MAIZE PRODUCTS  
AHMEDABAD - 382 430.

**NOTICE**

NOTICE IS HEREBY GIVEN THAT the 67th Annual General Meeting of the shareholders of the Company will be held on Friday, the 22nd day of August, 2008 at 4.30 p.m. at Bhuriba Lallubhai Mehta Primary School, Kathwada - Maize Products, Ahmedabad - 382 430, to transact the following business :

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008, Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare a Dividend.
3. To appoint a Director in place of Dr. Shri Biharilal Kanaiyalal, who retires by rotation from the Board of Directors in terms of Article 108 of the Articles of Association of the Company, but being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Mahendrabhai N. Shah, who retires by rotation from the Board of Directors in terms of Article 108 of the Articles of Association of the Company, but being eligible, offers himself for reappointment.
5. To appoint auditors and to fix their remuneration and for the purpose, to consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** M/s. C. C. Chokshi & Co., Chartered Accountants, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, on a remuneration of Rs.2,00,000/- (Rupees Two Lacs only) plus applicable service tax and actual out of pocket expenses."

**SPECIAL BUSINESS**

6. To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:  
**"RESOLVED THAT** pursuant to the provisions of Sections 269, 198, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the said Act as amended from time to time, the consent of the members of the Company be and is hereby given to the reappointment of Shri Priyambhai Bipinbhai Mehta, as the Managing Director of the Company for a period of 5 years from 12th August, 2008 on the remuneration and other terms and conditions as contained in the draft agreement placed before the meeting and initialed by the Chairman for the purpose of identification, with power to the Board of Directors to alter and vary the said terms and conditions of reappointment and remuneration in such manner as the Board in their discretion deem fit and as acceptable to Shri Priyambhai Bipinbhai Mehta."
- "FURTHER RESOLVED THAT** Board of Directors are hereby authorised to enter into the said agreement with such modifications or amendments as they may think fit."
7. To consider and if thought fit. To pass with or without modification, the following Resolution as a Special Resolution:  
**"RESOLVED THAT** pursuant to the provisions of Section 294, 294 AA and other applicable provisions, if any, of the Companies Act, 1956 or any statutory amendment or substitutions thereof, the consent of the Company be and is hereby accorded to the re-appointment of M/s L. G. & Doctor Associates Private Limited as the Sole Selling Agents for the sale of products manufactured by the Company for a further period of five years from 1st October, 2008 on the terms and conditions contained in the draft agreement placed before the meeting duly initialed by the Chairman for the purpose of identification."
- "FURTHER RESOLVED THAT** such reappointment shall be subject to the approval of Central Government, if required under the law, and the Board of Directors be and is hereby authorised to agree to such terms and conditions as may be prescribed by the Central Government while granting its approval or otherwise considered fit by the Board and accordingly execute the Agreement with the Sole Selling Agents with or without modifications."

Place : Ahmedabad  
Date : 27th June, 2008.

By order of the Board of Directors  
**RAJESH H. SHAH**  
COMPANY SECRETARY.

NOTICE



NOTICE

**Notes:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 14th August, 2008 to Friday, the 22nd August, 2008 (both days inclusive).
3. The Dividend on shares, if sanctioned by the Annual General Meeting, will be payable at specified Branches of AXIS Bank Limited, in India from 1st September, 2008, by Dividend Warrants valid for a period of three months to those shareholders whose names appear on the Register of Members of the Company on 13th August, 2008. Thereafter, the dividend shall be paid by Account Payee Cheque only at the Registered Office of the Company at P.O. Maize Products-Kathwada, Ahmedabad - 382 430.
4. Pursuant to Section 205 A (5) of the Companies Act, 1956, all unclaimed/unpaid dividends in respect of the Company's Accounting Year ended 31st March, 2001 will be transferred to the Investor Education and Protection Fund set up by the Government of India pursuant to Section 205 C of the Companies Act, 1956, within 30 days from 20th September, 2008. Members are requested to make their claim to the Company for unclaimed/unpaid dividend for the year 2000-2001 before 20th September, 2008.  
  
Members who have not yet encashed their dividend warrant (s) for the financial year ended on 31st March, 2002 and onwards, are requested to make their claims to the Company without delay.
5. Members are requested to note that Equity Shares of the Company are dematerialised and ISIN of the Company is INE327G01016. The Shareholders having their accounts with DPs having connectivity with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL) may submit their shares for dematerialisation to their respective DPs.
6. The Company has appointed M/s Karvy Computershare Private Limited as the Registrars and Transfer Agents for carrying out all the work relating to transfer, transmission, issue of duplicate share certificates in lieu of misplaced/ lost certificate, change of address etc. and to establish connectivity with NSDL and CDSL and to process the Demat/ Remat requests received from the DPs with whom members have opened their respective beneficiary accounts. The Members are requested to send all their requests for share transfer, transmission, issue of duplicate share certificates, change of address to M/s Karvy Computershare Private Limited at Plot No. 17-24, Vithal Rao Nagar, Madhapar, Hyderabad - 500 081.
7. Members are requested to quote their Folio Numbers in all their correspondence.
8. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company Secretary at least 7 days before the date of the meeting so that the information referred by the members may be made available at the meeting.
9. Members are requested to notify their Bank Account Number to the Company/ M/s Karvy Computershare Private Limited so as to ensure the smooth process of payment of Dividends. Change, if any, in the Bank Account Number should also be informed to the Company/ M/s Karvy Computershare Private Limited at the earliest.

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

As required by Section 173(2) of the Companies Act, 1956 (the Act) the following explanatory statement sets out all material facts regarding Special Business mentioned in the accompanying notice dated 27th June, 2008 convening the Annual General Meeting of the Shareholders of the Company.

**Regarding Resolution No. 6 :**

Shareholders are aware that Shri Priyambhai Bipinbhai Mehta, the Managing Director of the Company, is currently holding the office for a period of 5 years from 12th August, 2003 in terms of Agreement dated 11th November, 2003. The terms of appointment were approved by the Shareholders at the Annual General Meeting held on 29th September, 2003.

Under the management of Shri Priyambhai Bipinbhai Mehta, the Company has shown commendable progress as is evident from the Annual Reports that have been adopted by the Shareholders from year to year. The Board of Directors have therefore, considered it in the interest of the Company to reappoint Shri Priyambhai Bipinbhai Mehta as Managing Director for a further period of 5 years with effect from 12th August, 2008 to 11th August, 2013. The said reappointment was made by the Board of Directors at its meeting held on 27th June, 2008. The terms of reappointment are contained in the draft agreement which is initialed by the Chairman for the purpose of identification and the same is open for inspection of the members as stated in the notice.

Under Sections 269 and 309 of the Act, the reappointment and the terms of remuneration of the Managing Director are required to be approved by the Company in General Meeting. Accordingly, a special resolution is being moved for the approval of Shareholders.

The terms of remuneration of the new contract with the Managing Director for the period of **3 (three)** years from 12.08.2008 to 11.08.2011 are as follows:

- (a) Salary: Up to Rs.2,50,000/- Per month as approved by the Board of Directors from time to time and as permissible under Schedule XIII to the Companies Act, 1956.
- (b) Perquisites: Including residential accommodation, furniture; furnishings and fixtures, gas, electricity, water, medical benefits in India or overseas, leave and leave travel facilities, club fees, insurance, retirement benefits, car, residential telephone and communication facilities, employees stock option schemes etc. as may be approved by the Board of Directors from time to time. Such perquisites may also be provided by way of cash allowances in lieu thereof wherever appropriate.

Salary and the monetary value of perquisites as computed under the Income Tax Rules shall be within the overall ceiling on remuneration under Section 309 of the Act and as per terms and conditions prescribed under Schedule XIII to the Act as amended from time to time.

- (c) Commission : Within the overall ceiling on remuneration of 5% and 10% of the net profits of the Company computed in the manner laid down under Section 309(5) of the Act in each year.

In the opinion of the Board, the terms of remuneration are fair and reasonable and commensurate with his long-standing experience in management of the industrial enterprise as Managing Director.

As the reappointment of Shri Priyambhai Bipinbhai Mehta is being made in accordance with the conditions and provisions of Schedule XIII to the Act, it would be sufficient to pass a Special Resolution approving such reappointment.

The resolution placed before the shareholders authorises the Board to execute the agreement with such modifications or variations as they may think fit. The other terms and conditions of the agreement are the usual terms and conditions as per the existing agreement with the Managing Director.

Where in any financial year the Company has no profit or its profit is inadequate, remuneration payable to Shri Priyambhai Bipinbhai Mehta by way of salary and perquisites will be in accordance with the provisions of Section II of Part II of Schedule XIII to the Act or any other statutory provision, modification or re-enactment thereof. The draft agreement proposed to be entered into with Shri Priyambhai B. Mehta the Managing Director of the Company is open of the inspection of the members between 11.00 a.m. and 1.00 p.m. on all working days at the registered office of the Company.





**The relevant information as required by Notification No. GSR 36(E), dated 16th January, 2002 issued by the Central Government for amendment of Schedule XIII to the Companies Act, 1956 is as given below :**

Sayaji Industries Limited is engaged in the manufacture of Starches and their derivatives, Liquid Glucose, Dextrose Monohydrate, Anhydrous Dextrose, Sorbitol etc. The Company has been established more than six decades back and has shown a consistent growth from year to year.

**General Information:**

During the year under review, the company has achieved a higher turnover of Rs.23930.05 Lacs as compared to Rs.21597.64 Lacs in previous year. This is partly due to marginal increase in the activity by about 5% and partly due to better realization of finished products. Though, there has been a steep increase in all input costs during the year under review, by adopting policy of stringent cost cutting measures, the company has been able to achieve a higher operating profit of Rs.1060.68 Lacs as against Rs.893.91 Lacs in the previous year. Net profit during the year, however has been more or less maintained at Rs.87.17 Lacs as against Rs.92.60 Lacs in the previous year due to higher impact of interest, depreciation and taxation. Exports of the company has reduced during the year under review mainly on account of appreciation in the value of rupee by approx. 11% against US Dollar. However, there has been depreciation in the value of Rupee against the US Dollar in the current year since April, 2008 and so the company expect that there would be an increase in its export turnover in the current year.

The Company has been very consistent in payment of dividend to its shareholders. During the year under review, the Directors have recommended a dividend of Rs.60 /- Per Equity Share of the face value of Rs.100/- .

**Information about Shri Priyambhai Bipinbhai Mehta :**

Under the guidance and able management of Shri Priyambhai Bipinbhai Mehta, the Company has achieved commendable progress and it would therefore, be in the interest of the Company to reappoint Shri Priyambhai Bipinbhai Mehta as the Managing Director of the Company on the terms and conditions as mentioned above. Presently, Shri Priyambhai Bipinbhai Mehta is being paid a Salary of Rs.1,76,000/- and the other perquisites. Additionally he is also entitled to commission within the overall ceiling on remuneration of 5% and 10% of the net profits of the Company computed in the manner laid down under Section 309(5) of the Act.

Shri Priyambhai Bipinbhai Mehta, Managing Director is interested in the resolution as it concerns his appointment. Shri Bipinbhai Vadilal Mehta and Shri Varunbhai Priyambhai Mehta to whom Shri Priyambhai Bipinbhai Mehta is related may also be regarded as interested or concerned in the appointment of Shri Priyambhai Bipinbhai Mehta.

The above may also be treated as an abstract of the terms of contract with Shri Priyambhai Bipinbhai Mehta pursuant to Section 302 of the Act.

**Regarding Resolution No. 7 :**

This resolution relates to the reappointment of M/s L. G. & Doctor Associates Private Limited as the Sole Selling Agents of the Company for a period of 5 years with effect from 1st October, 2008 for the sale of products manufactured by the Company, as their existing terms of appointment as approved by the Central Government expires on 30th September, 2008.

The previous appointment of the Sole Selling Agents was made pursuant to the consent of the Shareholders by a Special Resolution passed at the 62nd Annual General Meeting of the Shareholders of the Company held on 29th day of September, 2003 and approval of the Central Government was obtained vide its Letter dated 28th May, 2004.

The Shareholders of the Company are aware that there has been a substantial growth in the Turnover of the Company as a result of the persistent and untiring efforts on the part of the Sole Selling Agents of the Company; M/s L.G. & Doctor Associates Private Limited and the Company has been able to strengthen its position as a Market Leader despite the stiff competition and overall recessionary conditions in the Industry. The Company has been in a position to maintain debtors at lower lever despite of increase in turnover due to strong follow up by its Sole Selling Agents.

Keeping in view the aforesaid facts and also the interests of the Company your Directors have considered it appropriate to avail invaluable services rendered by the Sole Selling Agents for a further period of five years and pay them a Commission as mentioned in the draft agreement proposed to be entered into with the Sole Selling Agents. Other terms of the draft agreement proposed to be entered into with the Sole Selling Agents are the same as approved earlier by the Central Government and the said draft agreement is open of the inspection of the members between 11.00 a.m. and 1.00 p.m. on all working days at the registered office of the Company. The appointment of M/s L.G. & Doctor Associates Private Limited as the Sole Selling Agents for a further period of five years w.e.f. 1st October, 2008 to 30th September, 2013 will be subject to approval of Central Government, if required.

The Board of Directors recommend the resolution for your approval.

None of the Directors is concerned or interested in the resolution.

Place : Ahmedabad  
Date : 27th June, 2008.

By order of the Board of Directors  
**RAJESH H. SHAH**  
COMPANY SECRETARY

To

**THE SHAREHOLDERS,**

Your Directors have pleasure in presenting the 67th Annual Report together with Audited Statements of Accounts of the Company for the financial year ended 31st March, 2008.

**FINANCIAL RESULTS :**

	2007-2008 (Rs. In Lacs)	2006-2007 (Rs. In Lacs)
Sales	23930.05	21597.64
Operating Profit before Interest, Depreciation and Taxation	1060.08	893.91
Less : Interest	544.42	429.68
<b>Gross Profit</b>	<b>515.66</b>	<b>464.23</b>
Less: Depreciation	341.34	288.63
<b>Profit before Tax</b>	<b>174.32</b>	<b>175.60</b>
Less : Current Taxation	21.00	14.00
Fringe Benefit Tax	13.00	12.00
Provision for Deferred Tax	53.15	83.00
<b>Net Profit for the year</b>	<b>87.17</b>	<b>92.60</b>
Add: Balance brought forward from previous year	102.42	101.94
<b>Amount available for Appropriation</b>	<b>189.59</b>	<b>194.54</b>
<b>Appropriations:</b>		
Transfer to General Reserve	50.00	50.00
Proposed Dividend on Equity Shares	36.00	36.00
Tax on Dividend	6.12	6.12
Balance carried forward to Balance Sheet	97.47	102.42
	<b>189.59</b>	<b>194.54</b>

**YEAR IN RETROSPECT :**

During the year under review, your company has achieved a higher turnover of Rs.23930.05 Lacs as compared to Rs.21597.64 Lacs in previous year. This is partly due to increase in the activity and partly due to better realization of finished products. Though, there has been a steep increase in all input cost during the year under review, by following stringent cost cutting measures, your company has been able to achieve a higher operating profit of Rs.1060.68 Lacs as against Rs.893.91 Lacs in the previous year. Net profit during the year, however has been more or less maintained at Rs.87.17 Lacs as against Rs.92.60 Lacs in the previous year due to higher impact of interest, depreciation and taxation. Efforts to improve performance in all technical areas continued during the year under review.

**FUTURE OUTLOOK :**

Your directors are of the opinion that due to phenomenal increase in crude prices, there would be further increase in the cost of all inputs including maize, lignite, coal, chemicals, packing etc. during the current year. Interest cost is also expected to go up during the current year. Added to this, expansion of capacity by some of the existing units has intensified the competition in the industry. Your company would therefore exercise cautious approach during the current year and would try to cut the cost at all levels.

**DIVIDEND :**

Your Directors recommend dividend at the rate of Rs.60/- per Equity Share (Previous Year Rs. 60/- per Equity Share) for the financial year ended 31st March, 2008, which if approved by the members at the forthcoming Annual General Meeting will be paid to those members whose names appear on the Register of Members of the Company on 13th day of August, 2008.

The total outflow on account of dividend will be Rs.42.12 Lacs including dividend tax of Rs.6.12 Lacs.

**TECHNICAL KNOW HOW & SERVICE AGREEMENT WITH AMYLUM :**

The Company has continued to avail the benefits of technical expertise from M/s Amylum Europe N. V. Belgium.

**EXPORTS :**

Export has continued to remain focused area of your company. However, during the year under review, the export turnover of your company decreased to Rs.4441.17 Lacs as compared to Rs.5242.58 Lacs in the previous year. This decline is mainly on account of appreciation in the value of Rupee against US Dollar by approx. 11% during the year under review. However, there has been depreciation in the value of Rupee against the US Dollar in the current year since April, 2008 and so your company expect that there would be an increase in its export turnover in the current year. The company will continue with its long-term export oriented marketing policy by exploring new avenues for its high value products.



**MARKETING :**

The company continues its thrust on aggressive marketing to be amongst the front-runners in the starch industry. Due to extensive and effective efforts of the company's sole selling agents, M/s L G & Doctor Associates Private Limited, despite of severe competition in the domestic starch industry, your company has been able to achieve better sales realisation for its products as compared to last year. It is heartening to note that despite of increase in the volumes, your company has been able to reduce the average credit period during the year under review as results of untiring efforts on the part of the sole selling agents.

The Term of appointment of M/s L.G. & Doctor Associates Private Limited, as the Sole Selling Agents expires on 30th September, 2008. Considering the persistent untiring efforts of the Sole Selling Agents for maintaining the existing customers, creating new markets, exploring new avenues for the products of the Company and follow up for the collection of dues, it is proposed to continue to avail invaluable services rendered by our Sole Selling Agents for a further period of five years subject to approval of shareholders by way of a Special Resolution and approval of Central Government, if required.

**PUBLIC DEPOSITS :**

Deposits totaling Rs.28.00 Lacs due for repayment on or before 31st March, 2008 were not claimed by the depositors on that date. As on the date of this report, deposits aggregating Rs.3.00 Lacs from the aforesaid deposits have been claimed/paid/renewed. Your company continues to be one of the most sought after company amongst the investing community of this region investing in Fixed Deposits.

**INSURANCE :**

All the properties and insurable interests of the company including buildings, plant and machinery, stocks, loss of profit and standing charges and liabilities under legislative enactments are adequately insured.

**DIRECTORS :**

Pursuant to Article 108 of the Articles of Association of the Company read with Section 256 of the Companies Act, 1956, Dr. Shri Bihari Lal Kanaiyalal and Shri Mahendrabhai N. Shah, Directors of the company are due to retire at the ensuing Annual General Meeting, but being eligible, have offered themselves for reappointment.

**AUDITORS :**

At the ensuing Annual General Meeting members are requested to reappoint the Auditors for the current year and fix their remuneration.

**STATUTORY INFORMATION :**

Particulars of employees as required in terms of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 forms the part of this report. However, as per the provisions of Section 219 (1) (b) (iv) of the Companies Act, 1956, the report is being sent to all shareholders of the company excluding the aforesaid information. Any shareholder interested in obtaining the particulars may obtain the same by writing to the company secretary of the company.

The information required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 with respect to Conservation of Energy, Technology Absorption and Foreign Exchange earning/outgo is appended hereto and forms part of this report.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to the provisions of sub-section (2AA) of Section 217 of the Companies Act, 1956, your Directors confirm that:

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed.
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year as on 31st March, 2008 and of the profit of the Company for that period.
- (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 on a "going concern" basis.

**APPRECIATION :**

Your Directors express their deep sense of appreciation for the valuable and devoted services rendered by both the Managing Directors in the management and conduct of the affairs of the company. The Directors also express their appreciation for the devoted services of the Sole Selling Agents. Your Directors also thank Punjab National Bank, the Sole Banker of the company for enhancing working capital facilities at very competitive rates. Your Directors wish to place on record their deep sense of appreciation for the devoted services of the company's Executives, Staff, Workers and all those concerned, directly and indirectly with the affairs of the company.

For and on behalf of the Board of Directors

Place : Ahmedabad  
Date : 27th June, 2008

**Dr. Bihari Lal Kanaiyalal**  
Chairman



## ANNEXURE TO DIRECTORS' REPORT

Information under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2008.

### A. Conservation of Energy:

#### (a) Energy conservation measures taken :

- I. The following energy conservation measures were taken in the manufacturing activity and every endeavour has been made to ensure the optimal use of energy and conserve energy as far as possible:
  1. Water ejectors consuming higher electricity were replaced by Barometric condensers in Anhydrous Dextrose Plant.
  2. High efficiency Agitators/ Stirrers were installed in reaction tanks of High Maltose Syrup making plant which consumes less power.
  3. Due to switch over of fuel having high calorific value in Boiler, running hours of fuel, handing/ transportation system was reduced which has resulted into power savings.
  4. Process pumps with conventional designs were replaced by energy efficient pumps in various departments.
  5. For efficient use of steam in process, desuperheating station was installed on steam line supplying steam to evaporators in various plant resulting into optimal use of steam.
  6. For reducing line losses and for making efficient use of L P Steam new line of 10 Inches was installed from old turbine to Anhydrous Dextrose/ Sorbitol Departments.

#### (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

1. The company is planning to use alternate sources of water in the process which would minimize the usage of bore well water which in turn would save energy.
2. The company is considering a proposal to replace single effect and double effect evaporators by multiple effect evaporators.
3. The company is considering a proposal to install one more reactor in effluent treatment plant which will lead to generation of additional methane gas which would be consumed in Boiler/ Drying equipments. This would save substantial quantity of fuel.

#### (c) Impact of measures taken:

As a result of the aforesaid efforts, there has been substantial power savings during the year under review.

#### (d) Total energy consumption and energy consumption per unit of production are as under :

##### (A) Power and Fuel Consumption:

		2007-2008	2006-2007
<b>1. Electricity</b>			
a) Purchased			
Units	000 Kwh	11366	13911
Total amount	Rs. In Lacs	520.44	622.68
Rate/Unit	Rs.	4.58	4.48
b) Own Generation			
(i) Through Diesel Generator			
Units	000 Kwh	37	216
Unit per ltr. of diesel oil	Kwh	2.10	2.64
Cost/Unit	Rs.	31.59	15.77
(ii) Through steam turbine/generator			
Units	000 Kwh	23305	17216
<b>2. Coal</b>			
Quantity	000 tons	72	57
Total cost	Rs. In Lacs	1678.67	1168.78
Average rate	Rs./Ton	2345	2044
<b>3. Furnace Oil</b>			
Quantity	K. Ltrs.	0	0.00
Total amount	Rs. In Lacs	0	0.00
Average rate	Rs./Ltr.	0	0.00
<b>4. Diesel Oil</b>			
Quantity	K. Ltrs.	17	82
Total amount	Rs. In Lacs	6.13	29.26
Average rate	Rs./Ltr.	35.21	35.79

