



C O N T E N T S

Corporate Information	01
Financial Highlights	02
Notice	03 to 05
Directors' Report	06 to 21
Auditor's Report	22 to 24
Balance Sheet	25
Profit & Loss Account	26
Schedules	27 to 39
Cash Flow Statement	40
Statement pursuant to Section 212 (1) (e) of the Companies Act, 1956	41
Balance Sheet Abstract	42
Consolidated Financial Statements	43 to 59
Annual Reports of Subsidiary Companies	60 to 102

BOARD OF DIRECTORS

Mr.S.Sivathanu Pillai (Chairman)
Mr.S.Rajkumar (Vice Chairman & Managing Director)
Mr.A.Padmanabhan (Whole Time Director –Operations)
Mr.A.S.Unni
Mr.N.Ravindranathan
Mr.S.Subramoniam
Mr.S.Giridhar
Mrs.E.Kamalam
Mr.U.Gururaja Bhat
Mr.Deveshwer Kumar Kapila
Dr.A.R.K.Rao
Mr.N.Sreekumar

COMPANY SECRETARY

Mr.Binu Alex.V

AUDITORS

M/s.Balan & Co.
Ernakulam, Cochin -11

BANKERS

Federal Bank Limited
Industrial Development Bank of India Limited
Bank of India

REGISTERED OFFICE

57/2993, "Sree Kailas"
Paliyam Road, Ernakulam, Cochin -16, Kerala
Tel: 0484-2373230, 2382182
Fax: 0484-2370395
E-mail: secretary@sreekailas.com
Web: www.sreekailas.com

FACTORIES

Kraft Paper Unit 1 and 2

Industrial Development Area
Muppathadom, Edayar, Aluva-683 102,
Tel: 0484 -2540622,2555451

Duplex Board Unit

Kanjirapilly, Pariyaram, Chalakudy,Thrissur-680 721
Tel: 0487 -2746229, 2747527



FINANCIAL HIGHLIGHTS (7 YEARS)

(Rs. in Lakhs)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-2010
Sales (Gross)	4751.21	4963.80	6390.68	6782.46	11624.81	14416.14	14753.18
Sales (Net)	4219.82	4447.82	5761.54	6116.50	10638.30	13708.63	14152.04
Total Income	4253.70	4554.34	5841.12	6324.94	10729.89	13928.84	14325.32
Profit before tax	86.21	187.82	237.53	354.56	456.23	483.66	706.96
Profit after tax	53.20	102.85	170.73	200.10	302.46	331.79	464.43
Earnings Per Share (Rs.)	2.63	5.08	1.04	1.22	1.84	2.02	2.83
Dividend Rate (%)	8	10	5	10	15	15	18
Reserve & Retained Earnings	606.02	685.96	1822.72	1830.53	1844.55	1887.90	2010.77
Share Capital	202.50	202.50	1643.62	1643.62	1643.62	1643.62	1643.62
Shareholders' Funds	808.52	888.46	3466.34	3474.15	3488.17	3531.52	3654.39
Fixed Assets (Gross Block)	2181.58	2720.27	2923.57	4992.14	5756.44	6543.26	6918.93
Fixed Assets (Net Block)	1386.95	1811.32	1877.09	3792.04	4293.61	4772.94	4826.66



NOTICE

Notice is hereby given that the 19th Annual General Meeting of the Members of Sree Sakthi Paper Mills Limited will be held on Thursday, 9th September 2010, at 3.00 P.M at Hotel Abad Plaza, M.G.Road, Ernakulam, Cochin- 35 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2010, and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr.S.Giridhar, who retires by rotation according to Article 83 of the Articles of Association of the Company and who, being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr.U.Gururaj Bhat, who retires by rotation according to Article 83 of the Articles of Association of the Company and who, being eligible, offers himself for reappointment.
5. To appoint a Director in place of Mrs.E.Kamalam, who retires by rotation according to Article 83 of the Articles of Association of the Company and who, being eligible, offers himself for reappointment.
6. To appoint Auditors to hold office from the conclusion of the meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration and in this connection, to consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED that M/s. Balan & Co. Chartered Accountants be and are hereby re-appointed as Auditors of the Company to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting at remuneration to be determined by the Board exclusive of travel and other out of pocket expenses that may be incurred by them in conducting the audit".

By Order of the Board
For Sree Sakthi Paper Mills Limited

Sd/-

Binu Alex V.
(Company Secretary)

Place : Cochin-16
Date : 31.07.2010

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. Register of Members and Share Transfer Books of the Company will remain closed from 3rd September 2010 to 9th September 2010 (both days inclusive).
4. The dividend when approved will be payable to those members of the Company whose names appear on the Register of Members of the Company on 9th September 2010. In respect of the shares held in dematerialized form, the dividend will be paid on the basis of the beneficial ownership as per details to be furnished for this purpose by the Depositories.
5. For payment of dividend through ECS, (a) Members holding shares in physical form are advised to submit particulars of their bank account viz, Name and address of the branch of the Bank, 9 digit MICR Code of the Branch, type of account and account number latest by 2nd September 2010 to the Company's Registrar and Share Transfer Agents and (b) Members holding shares in demat are advised to inform their particulars to their respective Depository Participants.
6. Members are hereby informed that Dividend which remains unclaimed/ un encashed over a period of seven years, has to be transferred as per the provisions of Section 205A of the Companies Act, 1956 by the Company to "The Investor Education and Protection Fund" constituted by the Central Government under Section 205C of the Companies Act, 1956. It may please be noted that once unclaimed/un-encashed dividend is transferred to "The Investor Education and Protection Fund" as above, no claims shall lie in respect of such amount by the shareholder.
7. All the Members are requested to forward the share transfers deed(s) and other communications directly to Registrar and Share Transfer Agents of the Company in the following address;



M/s. Bigshare Services Private Limited, E/2, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (E), Mumbai-400 072, Tel: 022-28470652, Fax: 022-28475207".

8. Members holding shares in physical form are requested to notify, promptly, any change in their address, to the Registrar and Share Transfer Agents of the Company, M/s Bigshare Services Private Limited, Mumbai, quoting their Membership Number, besides changes, if any, in the Dividend Mandates given by them and those holding shares in Electronic Form, may communicate the above information to their respective Depository Participants.
9. Members may avail nomination facility as provided under section 109A of the Companies Act, 1956.
10. Members attending the meeting are requested to bring the attendance slip as well as their copy of the Annual Report. Members holding shares in DEMAT form are requested to incorporate the DP ID Number and Client ID Number in the Attendance Slip / Proxy Form, for easy identification of attendance at the meeting
11. Members desirous of obtaining any information concerning accounts of the Company are requested to ad-

dress their questions to the Company, so as to reach at least 7 days before the date of the meeting, to enable the information required to be made available at the meeting.

12. The Company is having agreements with NSDL & CDSL and Bigshare Services Private Limited (for connectivity with NSDL & CDSL) to enable the shareholders to have the option of holding and dealing in the shares of the Company in electronic form.

The ISIN of the equity shares of the Company is INE266H01014.

Members who are holding shares in physical segment are requested to dematerialize the same considering the advantages in eliminating several problems involved in the scrip based systems viz., bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, long settlement cycles, mutilation of share certificates etc.

13. As per requirement of Clause 49 of the Listing Agreement on Corporate Governance for appointment of the Directors/ re-appointment of the retiring Directors, a statement containing details of the concerned Directors are given below;

(in pursuance of Clause 49 of the Listing Agreement)

Name of Director	Date of Birth	Date of Appointment	Qualification	Experience	Share holding in the Company (Nos)
Mr. S. Giridhar	15.11.64	28.08.91	Graduation	More than twenty (20) years experience in business. Managing the transport operations of "Sree Kailas" Group for the past 15 years. As the Managing Director of Shri Kailash Logistics Ltd., he has achieved the group targets for the transport division. This operation has transported more than 10 lakh tons of goods during the year 2009-10. Under the management of Mr. S. Giridhar, the company has taken steps to extend its activities into warehousing operations in the year 2009-10 under the brand name "Logicity". The Logicity will be constructed in 32 acres of land meeting international standards and will provide a total solution for the ware housing needs of its customers.	1090328



Name of Director	Date of Birth	Date of Appointment	Qualification	Experience	Share holding in the Company (Nos)
Mr. U. Gururaja Bhat	15.04.38	29.08.05	Graduate in Science & Mathematics and Degree in Mechanical Engineering	About fortyfive (45) years of Experience - Twenty (20) years experience in Paper Mill Maintenance, Projects covering Development Activities and Expansion of the mill involving Engineering, procurement and construction activities - Twenty five (25) years experience in Managing large scale projects involving co-ordination of all phases of engineering, procurement, construction, start up and commencing activities of pulp & paper Mills in India.	50
Mrs. E. Kamalam	10.11.33	03.08.95	Metriculation	More than 15 years experience in cement business. She was director of the company since 1995	17868

Details of other Directorship and relationship between directors inter-se

Name of Director	Details of Directorship in other companies	Status in other Board Committees of the company	Relationships between directors inter-se
Mr. S. Giridhar	Shri Kailash Logistics Ltd. Sree Sakthi Constructions & Infrastructure (P) Ltd. Jalashaayi Alamparathodu Hydro Power Ltd. Sree Adi Sakthi Mukkuttathodu Hydro Power Ltd. Sree Kailas Palchuram Hydro Power Ltd.	Nil	Son of Mr. S. Sivathanupillai and Mrs. E. Kamalam and brother of Mr. S. Rajkumar and Mr. S. Subramoniam, Directors of the Company
Mr. U. Gururaja Bhat	Emami Paper Mills Ltd. SPB Projects & Consultants Limited	Remuneration committee member	Not related to any other directors of the company
Mrs. E. Kamalam	Sree Sakthi Ganapathy Packagings (P) Ltd.	Nil	Wife of Mr. S. Sivathanupillai and mother of Mr. S. Rajkumar, Mr. S. Subramoniam, Mr. S. Giridhar, Directors of the Company

By Order of the Board
For Sree Sakthi Paper Mills Limited

Sd/-

Binu Alex V.
(Company Secretary)

Place : Cochin -16
Date : 31.07.2010



DIRECTORS' REPORT

Your Directors have pleasure in presenting their 19th Annual Report and the Audited Financial Statements of the Company for the year ended 31st March 2010.

REVIEW OF OPERATIONS 2009-2010

During the year, the company's production increased by about 5%, from 68692 MT to 71926 MT on account of our continuous modernization efforts. Capacity utilization improved from 81% to 85%.

The gross turnover was Rs.14753.18 lacs for the year under review, as compared to Rs.14416.14 lacs in the previous year. The increase of about 2% in turnover is on account of improvement in sales volume. The average sales realization was less due to competitive pressures, especially in the first half of the year. However the prices improved and stabilized by second half and enabled the company to achieve higher turnover.

The Earnings before interest, depreciation and tax was Rs.1564.61 lacs, as against Rs.1255.46 lacs in the previous year – a significant improvement of 25% over the previous year. EBITDA Margin strengthened by 190 basis points. Major factors that contributed to higher profitability were reduction in the price of imported raw materials and change in the raw materials consumption pattern. The average price of imported raw materials declined about 21% and consumption of imported raw materials during the year increased by 3%. Further, the adverse impact on account of foreign exchange fluctuation was less this year as compared to the previous year.

After absorbing interest/financing charges and depreciation of Rs.515.14 lacs and Rs.342.51 lacs respectively, the profit before tax was Rs.706.96 lacs as compared to Rs.483.66 lacs in the previous year. Tax provision for the year under review was Rs.242.31 lacs as against Rs.153.28 lacs in the previous year. There was no MAT credit entitlement during the year as compared to Rs.60.80 lacs in the previous year. Profit after Tax of the company for the year ended March 2010 rose sharply, by 40%, to reach Rs.464.43 lacs as compared to Rs.331.79 lacs in the previous year, reflecting an improvement of 87 basis points in Net Profit Margin. Return of capital employed improved by 44% and Return on Net worth increased by 35%.

Capital expenditure incurred by the Company during the year under review was Rs.406.26 lacs. Productive Assets (Gross Block) increased by about 6% on account of modernization.

The operational efficiency of the company also improved by way of better working capital management, which was reflected by shorter debtor turnaround time, vast improvement in cash flows, significant rise in net cash generation and significant reduction of working capital borrowings despite higher turnover in FY 2009-10.

FINANCIAL PERFORMANCE

(Rs./Lacs)

Particulars	For the year ended 31.03.2010	For the year ended 31.03.2009
Sales (Gross)	14753.18	14416.14
Less : Excise Duty	601.14	707.51
Sales (Net)	14152.04	13708.63
Operating Profit	1564.61	1255.46
Interest and Finance	515.14	464.31
Depreciation	342.51	307.49
Profit before tax	706.96	483.66
Provision for tax	242.31	153.28
Income Tax provision w/off / (w/back)	0.22	(1.41)
Profit after tax	464.43	331.79
Balance of profit brought forward	100.98	74.63
Amount available for appropriation	565.41	406.42
Appropriation		
General Reserve	100.00	17.00
Proposed dividend & tax on dividend	341.56	288.44
Retained profit carried to Balance sheet	123.85	100.98

FINANCIAL HIGHLIGHTS

PARAMETERS	2009-10	2008-09
EBITDA Margin (%)	11.1	9.1
Net Profit Margin (%)	3.3	2.4
Return on Investment (%)	7.0	4.9
Return on Equity (%)	12.7	9.4
Gross Block (Rs./Lacs)	6918.93	6543.26
Debtor Days	49	58
Net cash from operations (Rs./Lacs)	1528.99	679.76
Dividend (%)	18	15



FINANCE

All the repayment and interest commitments were met as per terms of arrangement with the Banks.

DIVIDEND

For the first time in the company's history an interim dividend of 9% was paid during the year. With the proposed final dividend of another 9%, total dividend amounts to Rs 1.80 per share. This yields an impressive return of 10% on the average price of the company's share (Rs 18) during the financial year. In accordance with the provisions of the Income Tax Act, no tax will be deducted at source on the dividend but your company will absorb Rs.45.71 lacs towards tax on distributed profits.

DEVELOPMENTAL PLANS

- a. **Expansion-cum-Modernization:** As indicated in the previous year's Report, the company has scheduled its expansion-cum-modernization plans in a phased manner. As a result of modernization completed at the Duplex Board Unit in the previous year, the company was able to manufacture high quality paper to cater to the needs of high-end segment.

Kraft paper Unit 1

Kraft Paper Unit 1 has already been modernized and its capacity has been upgraded to 80 tpd by adding more dryers and installing second wire. Installation of second wire was completed in August 2010. The Unit manufactures kraft paper conforming to 14 -20 bf (bursting factor) and 100 to 150 gsm quality, the modernization program enabled the Unit to upgrade the quality to 18 -28 bf with a gsm range of 120 to 250 gsm and helped the company to retain the customers in medium segment.

Kraft paper Unit 2

Your company plans to modernize the Kraft Paper Unit 2, by adding dryers and by installing Third Wire. At present Kraft paper Unit-2 has two wires involved in the manufacture of kraft paper conforming 18-30 bf and 80 to 300 gsm quality. With the installation of the third wire, the company would be able to upgrade the quality to 22-34 bf and 80-450 gsm. With the third wire, the company would be able to cater to the needs of high-end segment, whose demand is huge.

Fiber treatment at kraft Paper Unit-2

Your company has proposed to install Krima Disperser Unit, which is meant for dispersing contaminants like wax, bitumen, ink spots, stickies, etc. in the pulp in the stock preparation process. The equipment has already been ordered and it is expected to be commissioned by October 2010.

Captive power – Co-generation Plant

Your company has also decided to install a 25 tone high pressure boiler with 2 MW back pressure turbine. The project will be helpful to the company to meet its entire steam requirement and will also cater to about 30 - 40% power requirement.

The modernization program of Kraft Paper Units involves an outlay of about Rs.20 crore. This is being met partly through debt and partly by internal accruals.

The expansion plans are designed in a scientific way that one Unit can cater the needs of medium segment and the other unit would take care of the high-end customers. Further with the planned expansion, the company could be able to cut down the production cost, expand product range, retain its stronghold on medium segment customers and offer its products to high-end customers. Moreover, with the planned expansion the company would be able to scale up its production upto 1,00,000 MT per annum. The expansion-cum-modernization of your company is scheduled to be completed by October 2010.

b. **Carbon credit through Methane Recovery Project**

Your company's project titled - "Methane recovery from wastewater generated at Paper manufacturing unit of Sree Sakthi Paper Mills Ltd., Kerala" was registered under CDM of UNFCCC on October 01, 2009. The estimated emission reduction is 3923 metric tones of CO₂ equivalent per annum. The detailed engineering of the Project is entrusted with M/s.KITCO, a leading engineering consultancy organization at Cochin and is in progress.

c. **Small Hydro Projects**

As reported in the previous year's Report, Your company is pursuing with Government of Kerala for assistance in connection with the land acquisition for the hydro-electric projects. The TEFR approval for the Palchuram Project is yet to be received.

**EXPORT PERFORMANCE**

Your company exported 744 MT of paper and paper boards during the year as compared to 8862 MT during the previous year. The export amounted Rs.147.61 lacs as against Rs 1764.87 lacs in the previous year. The Company scaled down its exports due to un-remunerative prices prevailing in international markets.

AWARDS - EXPORT HOUSE STATUS

Your company is granted with the Status Certificate of Export House by Government of India, Ministry of Commerce, Director General of Foreign Trade (DGFT). The certification is valid from April 01, 2009 to March 31, 2014. As such the Company is eligible for all the benefits of status holder as per EXIM Policy.

SUBSIDIARY COMPANIES

As of 31st March 2010 the company had 3 subsidiaries viz. Sree Kailas Palchuram Hydro Power Limited, Sree Adisakthi Mukkuttathode Hydro Power Limited and Jalashaayi Alamparathode Hydro Power Limited by virtue of the Company having control on the Board of these companies. The reports as required under section 212 of the Companies Act, 1956 and consolidated financial statement as required by the Listing agreement is also attached with the Annual Reports of the Company.

INDUSTRIAL RELATIONS

The industrial relations remained cordial and satisfactory during the year under review.

INTERNAL CONTROL SYSTEM

Your Company has adequate internal control and internal check system to ensure that the assets are safeguarded and transactions are authenticated and correctly recorded and reported. During the year the company appointed M/s.Peethambaran & Company, Cochin, as Internal Auditor to review and strengthen the internal controls in the company.

BOARD OF DIRECTORS

In accordance with Article 83 of the Articles of Association of the Company, Mr.S. Giridhar, Mr..U. Gururaja Bhat, and Smt. E. Kamalam, directors of the Company retire on rotation, and they being eligible offer themselves for re-appointment.

AUDIT COMMITTEE

The Audit Committee of the Board consists of four members and all of them are Non Executive Directors, viz.,

Mr.A.S.Unni, Mr.D.K.Kapila, Mr.N.Ravidranathan and Mr.S.Sivathanupillai. Mr.A.S.Unni is the Chairman of the Audit Committee.

AUDITORS

M/s Balan & Co. Chartered Accountants, the present Auditors of the Company retire and are eligible for re-appointment and the proposal has been placed before you. Necessary certificate has been obtained from the Auditors as per section 224(1) of the Companies Act, 1956.

FOREIGN EXCHANGE EARNINGS AND OUT-GO

During the year under review, foreign exchange earned by the Company by way of exports proceeds is Rs.117.13 Lacs. The foreign exchange outgo for the company were for import purchases - Rs. 3606.40 lacs, Export Commission - Rs.14.42 lacs and Export Claim - Rs.6.79 lacs.

PARTICULARS UNDER SECTION 217Conservation of Energy, Technology Absorption

Statement of particulars under section 217(1) (e) of the Companies Act, 1956 are annexed as Annexure -I

Particulars of Employees

Statement of particulars under section 217(2A) of the Companies Act,1956 are annexed as Annexure -II

CORPORATE GOVERNANCE

The Company's Equity Shares are listed with Bombay Stock Exchange. The Company has implemented all the mandatory provisions of Clause 49 of the Listing Agreement relating to the Corporate Governance. The Report on Management's Discussion and Analysis and Report on Corporate Governance are forming part of Directors' Report and are annexed as Annexure -III and Annexure - IV. As required by the Listing Agreement, an Auditors' Certificate on Corporate Governance and a Declaration by the Vice Chairman and Managing Director with regard to Code of Conduct are attached to the said Report. Further, as required by Clause 49 of the Listing Agreement, a Certificate, duly signed by the Vice-Chairman and Managing Director and General Manager-Finance, was submitted to the Board of Directors on the financial statements and cash flow statement of the Company for the year ended March 31, 2010 at the Meeting held on May 29, 2010.

Initial application for Listing of shares with National Stock Exchange (NSE) has been submitted and approval from NSE is awaited.



DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 Directors report that

1. In the preparation of the annual accounts for the financial year ended 31st March 2010 the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. The directors had selected such accounting policies and applied them consistently and made judgment and estimates that were 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.
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for

safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

4. The directors had prepared the Annual Accounts for the financial year ended 31st March 2010 on a 'going concern' basis.

ACKNOWLEDGEMENT

Your directors wish to thank the Government authorities, Banks, Shareholders customers, dealers, suppliers and employees of the company for their continued co-operation and support.

**By and on behalf of the
Board of Directors**

Sd/-

**S. Sivathanu Pillai
CHAIRMAN**

Place: Cochin -16

Date : 31.07.2010

ANNEXURES TO THE DIRECTORS' REPORT

ANNEXURE-I

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

CONSERVATION OF ENERGY :

(a) Energy conservation measures taken:

At Duplex Board Unit

- Reduced 135 hp of electrical power in various equipments
- Installed capacitors in the 420 volts systems to improve the system power factor
- Thickener was installed for back liner pulp. There was reduction in refining power and improved storage.
- Protective layer primary centri cleaner pump was changed

At Kraft Paper Units

- Installed 150 KV additional capacitors and increased the power factor from 0.93 to 0.96
- Changed incoming feeder from 66 KV to 110 KV which reduced power interruptions
- Coupled the transformers for improved efficiency and minimized the energy loss
- Fixed 40 W tube lights near the machine side and reduced the usage of 4000 W mercury vapour lamps
- Installed Hood over M.G in Paper Machine
- Installed control valve in place of PRV to reduce steam consumption
- Made flash steam recovery from condensate tank.

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

- Invested Rs.6.00 Lakh for capacitor panel board in the FY 2009-10 at its Duplex Board unit.
- The company also decided to install a 25 ton high pressure boiler with 2 MW back pressure turbine at Kraft paper units. This will help to the company to meet its entire steam requirement and also cater to about 30-40% of power requirement.
- Steam & Condensate audit of paper machine was carried through M/s. Kadant Johnson, England.

(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

- Reduction in running time of different layers processing.
- The overall measures and efforts taken by the company helped to reduce the power cost by Rs.201 per tone of paper.



FORM - A (See Rule 2)

	Current year 31.03.10	Previous Year 31.03.09		Current year 31.03.10	Previous Year 31.03.09
A. Power and Fuel consumption					
I. Electricity			ii) Through steam turbine/generator	-	-
a. Purchased			2 Coal	-	-
Unit	32905350	29538482	3 Furnace Oil	-	-
Total Amount	126090524	134255472	4 Others/Internal generation	-	-
Rate/Unit	3.83	4.55	B. Consumption per unit of production		
b. Own Generation			Electricity (kwh)	458	430
i) Through Diesel Generator			Furnace Oil	-	-
Unit	19687	24439	Coal	-	-
Unit per Ltr.of diesel oil	2.50	2.40	Others	-	-
Cost/Unit	14.42	14.59			

FORM - B (See Rule 2)

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

A RESEARCH AND DEVELOPMENT (R&D)

- Specific Areas in which (R& D) : Existing mould spare cylinders altered to suit the new formers. Purchase cost of new spare cylinder around 4.00 lakhs saved. Johnson vibrating screen SS304 plates were replace by synthetic nylon plates. All leaky PAC pumps were replaced by diaphragm pumps. Spillages were arrested. several special application have been developed and successfully introduced during the year to cater customer specific requirements.
- Benefit derived as a result of the above R&D : Better runnabilty and improvement in the quality.
- Future plan of action : The company would undertake appropriate R&D activities depending upon future requirements
- Expenditure on R&D : N.A.

B TECHNOLOGY ABSORPTION, ADAPTION INNOVATION

Particulars of imported technology

- The process of improvement is a continuous one and the Company is experimenting with use of new raw materials, fuels etc. to improve productivity further.
- No Technology has been imported.

ANNEXURE-II

Information as per Section 217 (2A) (b)(ii) read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March 2010

Name	Age	Designation	Date of commencement of employment	Remuneration received/receivable	Qualification	Total Experience (Years)	Particulars of Previous Experience
S.Rajkumar	52	Vice Chairman & Managing Director	03.10.1991	35.40 lakhs	M.Com	29	Finance Executive in Poysha during the years 1981-82 and Started his own Carton Unit during the year 1983.