



NOTICE

ALL THE SHAREHOLDERS

NOTICE is hereby given that the **48th Annual General Meeting** of the Members of the Company will be held on Monday, the 30th day of September, 2019 at 11 AM at **Thogataveera Samudhaya Bhavana, M.C.C 'A' Block, Davangere - 577 004**, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Directors' Report and Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Shamanur Shivashankarappa Mallikarjun (DIN 00451644) who retires by rotation and being eligible, offers himself for re-appointment.

II. SPECIAL BUSINESS

3. Appointment of Mr. Abhijit Shamanur (DIN: 03451918) as Executive Director.

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

"RESOLVED THAT Mr. Abhijith G Shamanur (DIN: 03451918) who was appointed as an Additional Director by the Board of Directors of the Company on August 30, 2019 and as per the provision of Section 161(1) of the Companies Act, 2013 whose terms of the office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director be and is hereby appointed as an Executive Director of the Company.

"RESOLVED FURTHER THAT in terms of Section 197, 198 and 203 if any, of the Companies Act, 2013 (Act) and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, the consent of the members of the Company be and is hereby granted to appoint Mr. Abhijith G Shamanur (DIN: 03451918) as Executive Director of the Company on such terms as may be decided by the Board and Mr. Abhijith G Shamanur (DIN: 03451918) for a period of 5 (five) consecutive years w.e.f. August 30, 2019,

subject to retirement by rotation, on the terms and conditions including remuneration as set out in the explanatory statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Abhijith G Shamanur (DIN: 03451918), subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof"

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. Appointment of Cost Auditor

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

"RESOLVED THAT pursuant to the provisions of sub-section (3) of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Mr. M.R. Krishna Murthy, Cost Accountant, (having Registration No. FCMA 7658) appointed by the Board of Directors of the Company as Cost Auditors to conduct audit of cost records maintained by the Company for the financial year 2018-19 at Rs.50,000/- (Rupees Fifty Thousand only) plus GST as applicable and reimbursement of out of pocket expenses incurred be and is hereby ratified."

PLACE : DAVANGERE

DATED : 30.08.2019

By order of the Board
(S.S.GANESH)
MANAGING DIRECTOR
DIN: 00451383

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and the proxy need not be a member of the company or a relative of such member.
2. Proxies in order to be effective should be duly stamped, signed and completed and must be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting.

The instructions for filing, stamping, signing and/or depositing Proxy:

No instrument of Proxy shall be valid unless it is signed by the members/s or by his /her attorney duly authorized in writing or in the case of body corporate, it is executed under its common seal, if any, or signed by its attorney duly authorized in writing, provided that an instrument of Proxy shall be sufficiently signed by any member who for any reason is unable to write his/her name, if his/her thumb impression is affixed thereto and attested by a Judge, Magistrate, Registrar or Sub-Registrar of assurances or Govt. Gazetted officers or any officer of nationalized bank.

Person appointed as the Proxy shall prove his/her identity at the time of attending the meeting and for the purpose such person shall carry proof of his/her identity via PAN Card, Voters ID or Adhar Card, Driving License or Passport.

(Proxy Form and Attendance Slip as per act are attached)

3. Members are requested to bring their Attendance Slip along with their copy of Annual report to the meeting.
4. Particulars of the venue of the meeting including route map and prominent Landmark for easy location is attached.

Additional Information on the Directors proposed to be appointed / re-appointed at the Annual General Meeting

Sl. No.	Particulars	Details of the Directors	Details of the Directors
1.	Name of the Director	Shamanur Shivashankarappa Mallikarjun	Abhijith Ganesh Shamanur
2.	Date of Birth	<u>22/09/1967</u>	<u>29/04/1988</u>
3.	Date of Appointment	<u>16/02/2016</u>	Appointed as Additional Director w.e.f. 30 th August 2019
4.	DIN	<u>00451644</u>	03451918
5.	Nationality	Indian	Indian
6.	Expertise in specific functional areas	Industrialist	Industrialist
7.	Qualification	Graduate	Post Graduate
8.	List of Public/ Private Companies in which outside Directorship held as on 31 st March 2019	5 (Five)	1 (One)
9.	Chairman/ Member of the Committees of the Public Companies on which he is a Director as on 31 st March 2019	None	None
10.	No of Shares held	2,08,174	69,14,724 Equity Shares of Rs. 10/- each
11.	Relationship with any Director of the Company	Brother of the Managing Director	Son of the Managing Director

**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 3:**

Mr. Abhijith G Shamanur (DIN: 03451918) was appointed as Director of the Company according to the Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 for a period of 5 (Five) consecutive years w.e.f. August 30, 2019 on the terms and conditions including terms of remuneration as may be discussed between Mr. Abhijith G Shamanur (DIN: 03451918) and the Board of Directors of the Company.

The brief profile of Mr. Abhijith G Shamanur (DIN: 03451918) is annexed to this notice.

With Appointment of Mr. Abhijith G Shamanur (DIN: 03451918), the Company has complied with the optimum combination of Directors & KMP. The Board of Directors are of the opinion that Mr. Abhijith G Shamanur (DIN: 03451918) who devotes his whole time of working hours to the company and has a significant interest in the company as his source of income.

Your Board is of the opinion that considering the experience of Mr. Abhijith G Shamanur (DIN: 03451918) his appointment as Executive Director be beneficial to the Company. The terms and conditions including the remuneration to be paid in the event of loss or inadequacy of profit in any financial year during the tenure of his appointment is mentioned in the draft letter of appointment placed before the meeting and approved by the Board of Directors/Nomination & Remuneration Committee.

Now, this resolution is put before the shareholders of the Company for ratification of appointment of Mr. Abhijith G Shamanur (DIN: 03451918) as Executive Director of the Company.

The Board recommends the Resolution set out at Item No. 3 in this Notice for approval of the Members as Special Resolution.

Except Mr. Abhijith G Shamanur (DIN: 03451918) and his relatives, none of the other Directors or Key Management Personnel of the Company or their relatives is concerned or interested in the proposed Resolution.

Item No. 4:

The Board, on the recommendation of Audit Committee, has approved the appointment of M/s. GVK Associates, Bangalore, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending 2018-19 at a remuneration of Rs. 50,000/- (Rupees fifty thousand only) plus service tax as applicable and reimbursement of out of pocket expenses.

In accordance with the provisions of the sub-section (3) of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly consent of the members is sought.

The Directors recommends the resolution for members' approval as an Ordinary Resolution. None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

**PLACE : DAVANGERE
DATED : 30.08.2019**

By order of the Board
(S.S.GANESH)
MANAGING DIRECTOR
DIN: 00451383



ನೋಟೀಸ್

ದಾವಣಗೆರೆ ಷುಗರ್ ಕಂಪನಿ ಲಿ., ಕುಕ್ಕುವಾಡ, ಈ ಕಂಪನಿಯ ಸಮಸ್ತ ಷೇರುದಾರರಿಗೆ ಈ ನೋಟೀಸ್ ಮೂಲಕ ತಿಳಿಯಪಡಿಸುವುದೇನೆಂದರೆ, ದಿನಾಂಕ 30ನೇ ಸೆಪ್ಟೆಂಬರ್ 2019ನೇ ಸೋಮವಾರ ಬೆಳಿಗ್ಗೆ 11.00 ಘಂಟೆಗೆ ತೊಗಟವೀರ ಸಮುದಾಯ ಭವನ, ಎಂ.ಸಿ.ಸಿ 'ಎ' ಬ್ಲಾಕ್, ದಾವಣಗೆರೆ, ಈ ಸ್ಥಳದಲ್ಲಿ ಮೇಲ್ಕಂಡ ಕಂಪನಿಯ ಸಮಸ್ತ ಷೇರುದಾರರ 48ನೇ ವಾರ್ಷಿಕ ಮಹಾಸಭೆಯನ್ನು ಕರೆಯಲಾಗಿದ್ದು ಮತ್ತು ಮಹಾಸಭೆಯಲ್ಲಿ ಈ ಕೆಳಗಿನ ಕಾರ್ಯಕಲಾಪಗಳನ್ನು ನಡೆಸಿಕೊಡಲು ಷೇರುದಾರರಿಗೆ ಈ ನೋಟೀಸ್ ಮೂಲಕ ತಿಳಿಸಲಾಗಿದೆ.

ಸಾಮಾನ್ಯ ಕಲಾಪ :

1. ದಿನಾಂಕ 31-03-2019 ರಂದು ಇದ್ದಂತೆ ಲೆಕ್ಕ ಪರಿಶೋಧಕರಿಂದ ಪರಿಶೋಧಿಸಲ್ಪಟ್ಟ ಲಾಭ ಮತ್ತು ನಷ್ಟದ ಪಟ್ಟಿ ಹಾಗೂ ಇದೇ ಅವಧಿಗೆ ಕೊನೆಗೊಂಡ ಆಸ್ತಿ ಹೊಣೆ ಪಟ್ಟಿ ಹಾಗೂ ಈ ಬಗ್ಗೆ ಪರಿಶೋಧಕರ ಹಾಗೂ ನಿರ್ದೇಶಕರ ವರದಿಯೊಂದಿಗೆ ಸ್ವೀಕಾರ ಮತ್ತು ಅಂಗೀಕಾರ ;
2. ಸರದಿ ಮೇರೆಗೆ ನಿರ್ದೇಶಕರಾದ ಶ್ರೀ ಶಾಮನೂರು ಶಿವಶಂಕರಪ್ಪ ಮಲ್ಲಿಕಾರ್ಜುನ್ (DIN No 00451644) ರವರು ನಿರ್ದೇಶಕರ ಸ್ಥಾನದಿಂದ ನಿವೃತ್ತರಾಗುತ್ತಿದ್ದು ಮತ್ತು ಇವರು ಪುನಃನೇಮಕ ಅರ್ಹತೆ ಹೊಂದಿದ್ದು ಪುನಃ ನಿರ್ದೇಶಕರಾಗಿ ನೇಮಕಗೊಳ್ಳಲು ಪ್ರಸ್ತಾಪಿಸಿದ್ದಾರೆ.

ವಿಶೇಷ ಕಲಾಪ :

3. ಶ್ರೀ ಅಭಿಜಿತ್ ಶಾಮನೂರು (DIN No 03451918) ಅವರನ್ನು ಕಾರ್ಯನಿರ್ವಾಹಕ ನಿರ್ದೇಶಕರಾಗಿ ಆಯ್ಕೆ ಮಾಡುವುದು. ಈ ವಿಷಯವನ್ನು ಸಮರ್ಪಕವಾಗಿದ್ದರಿಂದ ಅಥವಾ ಬದಲಾವಣೆಯೊಂದಿಗೆ ಈ ಕೆಳಕಂಡ ಠರಾವನ್ನು ವಿಶೇಷ ಕಲಾಪವಾಗಿ ಪರಿಗಣಿಸಲಾಗಿದೆ.

“ಶ್ರೀ ಅಭಿಜಿತ್ ಜಿ. ಶಾಮನೂರು (DIN No 03451918) ಇವರನ್ನು ಸಹನಿರ್ದೇಶಕರಾಗಿ ಆಡಳಿತ ಮಂಡಳಿಯು ದಿನಾಂಕ 30-08-2019ರಂದು ಕಂಪನಿ ಕಾಯ್ದೆ 2013ರ ಕಲಂ 161(1)ರ ಪ್ರಕಾರ ಆಯ್ಕೆ ಮಾಡಲಾಗಿದ್ದು, ಇದರ ಅವಧಿಯು ಈ ವಾರ್ಷಿಕ ಮಹಾಸಭೆಯಲ್ಲಿ ಮುಕ್ತಾಯಗೊಳ್ಳುವುದರಿಂದ ಮತ್ತು ಈ ಸದಸ್ಯರಿಂದ ಪುನಃ ನಿರ್ದೇಶಕರಾಗಿ ಆಯ್ಕೆಯಾಗಲು ಪ್ರಸ್ತಾವನೆ ನೀಡಿರುವುದರಿಂದ ಅವರನ್ನು ಈ ಮೂಲಕ ಕಾರ್ಯನಿರ್ವಾಹಕ ನಿರ್ದೇಶಕರಾಗಿ ಆಯ್ಕೆ ಮಾಡಲಾಗಿದೆ”.

“ಕಂಪನಿ ಕಾಯ್ದೆ 2013 ಕಲಂ 197, 198 ಮತ್ತು 203 ಮುಂತಾದ ಕಾಯ್ದೆಗಳೊಂದಿಗೆ ಮತ್ತು ಷೆಡ್ಯೂಲ್ 4ರ ಪ್ರಕಾರ ಮತ್ತು ಕಾಲನುಕಾಲಕ್ಕೆ ಬದಲಾವಣೆಯಾದ ಕಾಯ್ದೆಯೊಂದಿಗೆ ಶ್ರೀ ಅಭಿಜಿತ್ ಜಿ. ಶಾಮನೂರು (DIN No 03451918) ರವರನ್ನು ಕಂಪನಿಯ ಕಾರ್ಯನಿರ್ವಾಹಕ ನಿರ್ದೇಶಕರಾಗಿ ಎಲ್ಲಾ ಸದಸ್ಯರ ಅನುಮತಿಯೊಂದಿಗೆ 5 ವರ್ಷಗಳ ಕಾಲ ದಿನಾಂಕ 30-8-2019ರಿಂದ ಆಯ್ಕೆ ಮಾಡಲಾಗಿದೆ ಎಂದು ಠರಾವು ಮಾಡಿದೆ. ಈ ಆಯ್ಕೆಯು ಟಿಪ್ಪಣಿಯಲ್ಲಿ ನಮೂದಿಸಲಾಗಿರುವ ಸಂಬಳ ಭತ್ಯೆ, ಸರದಿಯಂತೆ ನಿವೃತ್ತಿ ಹೊಂದುವುದು ಮುಂತಾದ ನಿಬಂಧನೆಗಳಿಗೆ ಒಳಪಟ್ಟಿರುತ್ತದೆ. ಕಂಪನಿಯ ನಿರ್ದೇಶಕ ಮಂಡಳಿಯು ಇವರ ಕಾರ್ಯಭಾರ ಮತ್ತು ಇತರ ನಿಬಂಧನೆಗಳನ್ನು ತಮಗೆ ಸರಿ ಅನಿಸಿದಂತೆ ಮತ್ತು ಶ್ರೀ ಅಭಿಜಿತ್ ಜಿ. ಶಾಮನೂರು (DIN No 03451918) ರವರು ಅಂಗೀಕರಿಸಿದಂತೆ ಬದಲಾವಣೆ ಮಾಡುವ ಹಕ್ಕನ್ನು ಹೊಂದಿರುತ್ತಾರೆ ಮತ್ತು ಈ ಎಲ್ಲಾ ಸಂಬಳ ಮತ್ತು ನಿಬಂಧನೆಗಳು ಕಂಪನಿ ಕಾಯ್ದೆ 2013ರ ಷೆಡ್ಯೂಲ್ 5 ರ ಪ್ರಕಾರ ಮೀರುವಂತಿರುವುದಿಲ್ಲ ಮತ್ತು ಮುಂದೆ ಬರುವ ಎಲ್ಲಾ ಬದಲಾವಣೆಗೆ ಅನುಗುಣವಾಗಿರುತ್ತದೆ.”

“ನಿರ್ದೇಶಕ ಆಡಳಿತ ಮಂಡಳಿಯು ಈ ಠರಾವನ್ನು ಅನುಷ್ಠಾನಗೊಳಿಸಲು ತೆಗೆದುಕೊಳ್ಳಬೇಕಾದ ಕ್ರಮಗಳಿಗೆ ಬೇಕಾದ ಅಧಿಕಾರವನ್ನು ಹೊಂದಿರುತ್ತಾರೆ”.

4. ಈ ವಿಷಯವನ್ನು ಸಮರ್ಪಕವಾಗಿದ್ದರಿಂದ ಅಥವಾ ಬದಲಾವಣೆಯೊಂದಿಗೆ ಈ ಕೆಳಕಂಡ ಠರಾವನ್ನು ಸಾಮಾನ್ಯ ಕಲಾಪವಾಗಿ ಪರಿಗಣಿಸಲಾಗಿದೆ.

“ಕಂಪನಿ ಕಾಯ್ದೆ 2013ರ ಸಹಕಲಂ 3, ಕಲಂ 148 ಮತ್ತು ಕಂಪನಿ (ಆಡಿಟ್ ಮತ್ತು ಆಡಿಟರ್ಸ್) ನಿಯಮ 2014ರಂತೆ ಶ್ರೀ ಕೃಷ್ಣಮೂರ್ತಿ, ಕಾಸ್ಪ್ ಅಕೌಂಟೆಂಟ್ (ರಿ.ನಂ. ಎಫ್.ಸಿ.ಎಂ.ಎ. 7658) ರನ್ನು ಕಂಪನಿಯ ನಿರ್ದೇಶಕಮಂಡಳಿಯು ಕಂಪನಿಯ ಲೆಕ್ಕಪತ್ರಗಳನ್ನು ಪರಿಶೀಲಿಸಲು ವಾರ್ಷಿಕ 2018-19 ಇಸವಿಗೆ ರೂ. 50,000/- + ಜಿ.ಎಸ್.ಟಿ. ಶುಲ್ಕದೊಂದಿಗೆ ಮತ್ತು ಇತರೆ ವಿಚಾರಗಳನ್ನು ನೀಡಲು ಒಪ್ಪಿಗೆಯೊಂದಿಗೆ ಈ ಠರಾವನ್ನು ಮಾಡಲಾಗಿದೆ.”

ಆಡಳಿತ ಮಂಡಳಿ ಅಪ್ಪಣೆ ಮೇರೆಗೆ
ದಾವಣಗೆರೆ ಷುಗರ್ ಕಂಪನಿ ಲಿಮಿಟೆಡ್ ಪರವಾಗಿ

ಎಸ್.ಎಸ್. ಗಣೇಶ್

ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರು

DIN : 00451383

ಸ್ಥಳ : ದಾವಣಗೆರೆ
ದಿನಾಂಕ : 30-08-2019



DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the 48th (Forty Eighth) Annual Report together with Audited Financial Statements for the year ended 31st March, 2019.

We, as the Directors of your Company, are very eager to insight in the Company's affairs during the operating year 2018-19. We are presenting before you, the significant information as per the requirements of Section 134 of the Companies Act, 2013.

STATE OF COMPANY'S AFFAIRS

Crushing Operations and Sugar Produced :

The Crushing Operations were commenced from 21.09.2018 and closed on 13.02.2019 and your Company crushed 4,36,176 MTs of sugarcane during the Financial Year 2018-19

Year	Sugarcane Crushed (MTs)	Sugar Produced (Qtls)	Recovery (%)
2018-19	4,36,176	4,11,450	9.45%
2017-18	1,41,225	1,21,500	8.50%

The Company is anticipating to crush about 6,00,000 MTs of Sugarcane for the ensuing season 2019-20.

Area covered under sugarcane cultivation :

The management is making continuous and sincere efforts of bringing more and more land under sugarcane cultivation. The following are the acreage of sugar cane cultivation in the last four years & the estimation for the ensuing year.

Year	Area under sugarcane cultivation (in acres)
2015-16	15,732
2016-17	6,456
2017-18	5,280
2018-19	10218
2019-20 (estimated for ensuing year)	15200

Sugar Export : During the 2018-19 an amount of rupees 10,46,23,470/- was generated from exporting sugar.

Co-gen and Power Export : Company is having a Co-gen power plant having an installed capacity of 24 MWs. During the Financial Year 2018-19 the Company has generated 7,16,85,530 units of power and has exported 5,36,53,430 units of power to ESCOMS compared to previous year export of 2,98,62,000 units. The Company has imported 7,45,000 units of power from KPTCL during the year under review compared to previous year's import of 9,32,400 units of power. The Co-gen unit has worked for 146 days during the year 2018-19 against 85 days during previous year 2017-18.

SUGAR INDUSTRY OVERVIEW : The Indian Sugar industry is under pressure due to various internal and external factors. There is excess production in the country and at global level also. The international stock of the sugar has hit the highest level and there is no scope for export of sugar from India. During the year 2018-19, Central Government has come out with fixing of MSP at Rs. 31 per kg of sugar to maintain uniform and remunerative price throughout India and to encourage the sugar industry.

During the year 2018-19 our Karnataka State and especially the Southern region received good rain fall and it was encouraging to the farmers to go for sugarcane cultivation. Our Company took aggressive measures to bring at least 15,200 acres of land under sugarcane cultivation during the ensuing year 2019-20.



During the ensuing season 2019-20 there is no scarcity of sugarcane. Our Company is expecting a crushing of about 6.00 lakh MTs of Sugarcane. Government has taken steps to encourage production of Ethanol and to increase Ethanol blending with the Petrol. Due to change in the Government policy to encourage the production of Ethanol the excess stock of sugar cane may not be available since some portion of sugarcane shall be used for ethanol production. In view of the favourable measures taken by the Central Government the Sugar Industry may see a good time coming in near future.

GOVERNMENT MEASURES

The Government has taken the following measures to encourage and stabilize the sugar industries in the coming years :

- 1) The Government has levied 100% import duty on import of raw sugar / finished sugar in order to avoid falling of domestic sugar prices ;
- 2) The Government is encouraging production of Ethanol directly from the sugarcane juice diverting major portion of sugarcane production towards Ethanol production. It has also made it compulsory to mix 10% Ethanol with Petrol ;
- 3) The Government is thinking of re-introduction of monthly release mechanism to control the supply of sugar in the market, so that the domestic price for the sugar is maintained at higher level ;
- 4) The Government is taking necessary steps to adopt a policy of running complete Ethanol based public vehicle to control pollution at Major cities.

SUGAR POLICY : The Central Government has opened the Sugar industry to open market policy, where the price is determined by demand and supply derivatives. The Central Government has permitted the State Government to purchase Sugar for PDS from open market at the prevailing market prices, but has extended subsidy to the States. Earlier Levy system has been removed. The Central Government policy is to make sugarcane cultivation more remunerative to the farmers. On the other side the central Government is trying to make sugar production profitable to sugar industries as well. It is providing equal importance for production of Ethanol. The government is discouraging import of sugar from other countries to stabilize the sugar production.

GOVERNMENT POLICY ON POWER SECTOR : The Government of Karnataka does not have a stable energy procurement policy. Consequently the Independent Power Producers are in state of dilemma or confusion. The energy sector needs a firm and remunerative policy by the State Government of Karnataka to sustain the stable and remunerative operation of Independent power producers including Co-gen power plants.

EFFLUENT TREATMENT PLANT : The Company has set up an effective Effluent Treatment Plant as per the standards prescribed by the Karnataka State Pollution Control Board. The Company has renewed the licenses under both the Water (prevention and control) Act 1974 and emission of Air (prevention and control) Act 1981.

UPGRADATION OF TECHNOLOGY : The Management believes in the principle that the change is inevitable, and the Company should be equipped to face the challenges on account of the inevitable changes. Our Company is in continuous process of updating the technology in sugar production to accommodate new changes. Recently, our Company has taken up and completed the project of increasing the Boiler House capacity from 3500 TCD to 4500 TCD along with installation of FFE (Falling Film Evaporator Technology) in sugar processing with steam saving devices.

MANAGEMENT OUT LOOK FOR 2019-20 : Our Company Management is very eager to crush about 6.00 lakh MTs of Sugarcane during the crushing season 2019-20. Our Management took very aggressive steps during the year 2018-19 to bring more area under sugarcane cultivation. The Company is supplying the cane seeds to the farmers to encourage the sugarcane growing. Our Company has given advance against sugarcane supply from the ensuing year. Management has booked in advance about 350 labour gangs to facilitate harvesting of Sugarcane and to avoid



uninterrupted supply of labour gang to the farmers for harvesting sugarcane. In view of the various aggressive steps taken by the Management of the Company, the crushing for the ensuing season 2018-19 is very much encouraging.

MANAGEMENT POLICY : The Management believes its policy of continuous effort to produce the high quality of white sugar through adoption of modern & advanced technology from time to time. It believes in team effort of all people who are directly and indirectly working with the Company as one family. It strongly believes in “give and take policy” that is more production & more efficiency means more rewards.

FINANCIAL RESULTS

The financial results for the year ending 31st March, 2019 are summarized below :

Rs. In Lakhs

	Particulars	Current Year 2018-19	Previous Year 2017-18
1.	Revenue from operations (Gross)	10625.86	6390.15
2.	Less – Excise duty	—	24.86
3.	Revenue from operations (Net)	10625.86	6365.29
4.	Other Income	780.58	1833.28
5.	Total	11406.64	8198.57
6.	Cost of Material Consumed	11656.57	6488.09
7.	Operating Expenses	745.70	642.76
8.	Changes in Inventories of finished goods	(5602.31)	(1317.73)
9.	Other expenses	1442.71	790.88
10.	Profit before depreciation and financial expenses	3161.97	1594.59
11.	Financial cost	1795.52	1380.52
12.	Depreciation and amortization	898.38	901.95
13.	Profit before exceptional and extraordinary items	469.86	(687.88)
14.	Exceptional & Extraordinary Expenses	—	—
15.	Profit before tax	469.86	(687.88)
16.	Income Tax	96.69	—
17.	Deferred tax	50.95	(172.86)
18.	Profit / Loss for the year	322.21	(860.75)

DIVIDEND : No dividend was recommended in order to conserve resources for the current year.

TRANSFER TO RESERVES : Your Directors do not propose to carry any amount to reserves of the company.

CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY : There is no change in the nature of business carried on by the company during the said financial year.

**MEETINGS OF THE BOARD :**

11 (Eleven) meetings of the Board of Directors were held during the year on following dates

Sl. No.	Date of Board meeting	Sl. No.	Date of Board meeting
1.	06.04.2018	7.	01.12.2018
2.	24.04.2018	8.	13.12.2018
3.	06.06.2018	9.	29.01.2019
4.	24.08.2018	10.	12.02.2019
5.	22.10.2018	11.	25.03.2019
6.	07.11.2018		

The Board of Directors duly met 11 (Eleven) times on the above dates during the financial year 2018-19. The intervening gap between any two meetings was within the period prescribed under the provisions of section 173 of the Companies Act, 2013. The number of Board Meetings attended by each of the Directors of the Company held during the financial year 2017-18 as required under clause - 9 of SS -1 – Secretarial Standard on Meetings of the Board of Directors issued under section 118(10) of the Companies Act, 2013 is as follows :

Sl. No.	Name of the Director	Number of Board Meetings attended during the financial year 2018-19
1	S.S Ganesh	11
2	S.S. Mallikarjun	06
3	K.V. Somashekar	11
4	A.C. Jayanna	09
5	Smt. Rekha Ganesh	11

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31st 2019, the board of directors consists of Mr. Shamanur Shivashankarappa Ganesh, Mr. Shamanur Shivashankarappa Mallikarjun, Mr. Anekonda Channabasappa, Mr. Kiravadi Veerabasappa Somashekar and Smt. Rekha Ganesh are the Directors of the company.

Director retires by rotation at the ensuing Annual General Meeting and being eligible himself for reappointment pursuant to the provisions of section 152 of the Companies Act 2013.

KEY MANAGERIAL PERSONNEL

The key managerial personnel of company are as follows :

1. Mr. Shamanur Shivashankarappa Ganesh (DIN 00451383) Managing Director
2. Ms. Reshma Manjunath (PAN CLPPM 1598B) Company Secretary

Mr. Shamanur Shivashankarappa Ganesh managing director of the company is entrusted with substational powers of managment as per provisions of the Companies Act, 2013 and rules made thereunder.



2. Ms. Reshma Manjunath (PAN CLPPM 1598B) Company Secretary is entrusted with compliance of as per provisions of the Companies Act, 2013 and rules made thereunder.

The Board of Directors further confirms that none of the Directors are disqualified as on 31st March, 2019 from being appointed as Director of the Company within the meaning of Section 164(2) of the Companies Act, 2013.

The remuneration paid to Managing Director of the Company during the FY 2018-19 was Rs. 36,00,000/- per annum.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS : The Company has received necessary declaration from each Independent Directors of the Company under Section 149(6) of the Companies Act, 2013.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION : The Company has constituted Nomination and Remuneration Committee which has been entrusted with the responsibility of formulate the criteria for determining qualifications, positive attributes and independence of Directors and recommends to the Board a policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

COMPOSITION OF COMMITTEES

a.	AUDIT COMMITTEE Chairman Other Members	Sri. K.V. Somashekar, (Independent) Sri. A.C. Jayanna (Independent) Sri. S S Ganesh, Managing Director
b.	NOMINATION AND REMUNERATION COMMITTEE Chairman Other Members	Sri. K.V. Somashekar, (Independent) Sri. A.C. Jayanna (Independent) Smt. Rekha S Ganesh, (Non-executive Director)
c.	SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE Chairman Other Members	Sri. A.C. Jayanna (Independent) Sri. K.V. Somashekar, (Independent) Smt. Rekha S Ganesh, (Non-executive Director)
d.	CORPORATE SOCIAL RESPONSIBILITY COMMITTEE Chairman Other Members	Sri. A.C. Jayanna (Independent) Sri. K.V. Somashekar, (Independent) Sri S S Ganesh, Managing Director

CORPORATE SOCIAL RESPONSIBILITY : Corporate Social Responsibility Committee meeting was held on 29th January, 2019. The committee has observed that the company is contributing regularly to Davangere Sugar Company Education Society (Regd.) which is running schools for the benefit of children of poor farmers residing in the villages surrounding the factory area. The Company is also spending money every year on promoting sports among the rural youths. The Company is also distributing note books and uniforms to the poor children of the village. During the Financial Year 2018-19 the Company has spent Rs. 4,19,800/- for the purpose of education and other charitable activities. During the last five years the Company has spent total amount of Rs. 24,03,251/- towards discharging the Corporate Social Responsibility.



The calculation for CSR contribution is provided below :

Financial year	Net profit / (loss) (Rs.)
2018-19	3,22,21,299
2017-18	(-) 8,60,75,584
2016-17	77,58,689
Total	(-) 4,60,95,597
Average of three years	(-) 1,53,65,199
2% of average	NIL

VIGIL MECHANISM : The Vigil Mechanism acts as an additional internal element of the Company's compliance and integrity policies. All employees, directors, vendors, suppliers, dealers and consultants, including auditors and advocates who are associated with the Company can raise concerns regarding malpractices and may negatively impact the Company. Vigil Mechanism has been established under the supervision of the Deputy Financial Officer(DCFO) of the Company. The Audit Committee and the DCFO reviews the working of the Vigil Mechanism from time to time and make suggestions, if needed. The Vigil protects the whistleblower against victimization for the disclosure made by him/her and ensures complete confidentiality of the whistleblower's identity and the information provided by him/her. The investigation is conducted honestly, neutrally and in an unbiased manner. The subject or other involved persons in relation with the protected disclosure are also given an opportunity to be heard. Strict disciplinary actions are taken against anyone who conceals or destroys evidences related to protected disclosures made under this mechanism. The Vigil Mechanism policy also provides for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors in terms of Section 134(3) (c) states that:

- In the Preparation of the annual accounts for the year ended 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profits and Loss of the Company for that year.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the accounts for the financial year ended 31st March, 2019 on a "going concern" basis.
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CHANGES IN SHARE CAPITAL : Authorized Capital of the Company is Rs. 60,00,00,000/- divided into 6,00,00,000 Equity Shares of Rs. 10/- each and the Paid up Capital being Rs. 55,68,44,620/- divided into 5,56,84,462 Equity Shares of Rs. 10/- each. During the year under review, the company came out with Bonus issue 1,08,28,005 of shares of face value of Rs.10/- each, in order to bring the promoters shareholding below 75% of total shareholding of the company issued bonus shares and to comply the listing requirement of BSE.

In principle approval is taken from BSE for the Bonus Issue and the company is in process of listing its shares on stock exchange.



ANNUAL RETURN : The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure-I is attached to this Report.

AUDITORS AND AUDITORS' REPORT : Mr. Lingaraju.V. (M.No. 218951) is the statutory auditor of the Company for the year 2018-19. He has been appointed as Statutory Auditor of the Company in the Annual General Meeting held on 29th September, 2017 for a period of 5 years. He holds the office until the conclusion of the 51st Annual General Meeting of the Company.

FORMAL ANNUAL EVALUATION : The Company is covered under Section 134(3)(p) read with Rule 8(4) of the Companies (Accounts) Rule, 2014. Accordingly formal annual evaluations of performance of Board, Committees and individual directors have been conducted by the Nomination & Remuneration Committee in the following manner.

The evaluation is done internally. The evaluation is done on the basis of inputs received from the directors regarding the performance of board & committees as a whole and also of director in individual capacity. Specific inputs have been collected from Independent Directors regarding performance of Managing Director and Whole-time Director.

Broad parameters for board performance have been the efficiency to guide the Company in its core business operation, Supplementary parameter is exploring opportunities for bringing new business opportunities for the company. Specific parameter for Managing Director and Whole-time Director is achievement of targets on the core business. Specific parameter for independent directors and other non-executive directors is attendance at board/committee meetings and providing independent judgments on the board decisions. Specific parameter for committees is execution of their terms of reference.

SUBSIDIARY COMPANIES : There is no Subsidiary / Joint Ventures or Associate Company.

RISK MANAGEMENT : The RISK MANAGEMENT POLICY is in compliance with Section 134(3)(n) of the Companies Act, 2013 which requires the Company to lay down procedures for risk assessment and procedure for risk minimization. The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structure and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

The Board ensures that all the current and future material risk exposures of the company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e., to ensure adequate systems for risk management. The Company enables compliance laws and regulations, wherever applicable, through the adoption of best practices.

The Board of Directors of the Company and the Audit Committee periodically reviews and evaluates the risk management system of the Company so that the management controls the risks through defined network. Head of Departments are responsible for implementation of the risk management system as may be applicable to their respective areas of functioning, and they report to the Board and Audit Committee when circumstances require.

SECRETARIAL AUDIT REPORT : Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Amit R. Dadheech & Associates, firm of Company Secretaries in Practice (CP No. 8952), to undertake the Secretarial Audit of the Company for the year 2018-19.

The Secretarial Audit Report is annexed herewith in Form MR-3 & same is marked as Annexure - III

INTERNAL FINANCIAL CONTROL : The Company has in place adequate internal financial controls with reference to financial statements. There are sound internal controls commensurate with nature and size of the company that have been incorporated in the Policy to detect the financial discrepancies well in time. Key policies are defined, understood and enforced. Operating procedures are clearly defined; detailed and harmonized procedures are available across the organization. Several controls are preventive in nature and automated. All stakeholders are aware of their roles and responsibilities with respect to processes and controls.



The culture of compliance with laid down guidelines and procedures is evident though the actions and behavior of individuals and teams. The Management Information System ensures that adequate and accurate information is available for reporting and decision making. The Audit committee also evaluates the operating effectiveness of Internal Financial Control system.

CONSERVATION OF ENERGY : Particulars with respect to conservation of energy pursuant to rule 8 (3) of the Companies (Accounts) Rules 2014 are given in FORM – A.

TECHNOLOGY ABSORPTION : Particulars with respect to technology absorption pursuant to Rule 8(3) of the Companies (Accounts) Rules 2014 are given in FORM –B.

FOREIGN EXCHANGE EARNINGS AND OUTGO : The company had foreign exchange earnings of Rupees 10,46,23,470/- and outgo Nil for the year 2018-19.

DEPOSITS : The Company has not accepted deposits either from members or public within the meaning of section 73 or 76 of Companies Act, 2103 read with Rules made thereunder.

RELATED PARTY TRANSACTIONS : The Company has entered into transactions with the related parties within the meaning of Section 188 of the Companies Act, 2013 and the same is enclosed as Form AOC-2.

PARTICULARS OF EMPLOYEES : There is no employee, drawing remuneration of more than Rs. 1,02,00,000.00 (Rupees One crore and Two Lakhs only) during the financial year or Rs. 8,50,000.00 (Rupees Eight lakhs fifty thousand only) per month for part of the financial year.

COST AUDITORS : Mr. M.R. Krishna Murthy, Bangalore, have been appointed as Cost Auditors of the Company as per the provisions of Section 148(1) of the Act.

DE-LISTING : Your Company was listed on Bangalore Stock Exchange (BgSE). SEBI had come out with Circular for closure of Regional Stock Exchanges in India which are not meeting certain criteria specified by SEBI. Accordingly, Bangalore Stock Exchange surrendered its stock exchange license.

The Companies exclusively listed on BgSE, were moved to dissemination board of NSE / BSE / MCS-X. Your Company was moved to dissemination board of BSE vide BgSE letter dated 14th November, 2014. Presently the company is in the process of listing its shares with BSE and hopefully getting listed shortly.

SUMMARY OF COMPLAINTS RECEIVED AND DISPOSED OFF DURING EACH CALENDAR YEAR AS REQUIRED UNDER THE PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 AND DISCLOSURE THAT THE COMPANY HAS IN PLACE AN ANTI SEXUAL HARASSMENT POLICY IN THE LINE WITH THE REQUIREMENTS OF THE ACT AND THAT AN INTERNAL COMPLAINTS COMMITTEE HAS BEEN SET UP FOR REDRESSAL OF COMPLAINTS AND THAT ALL EMPLOYEES (PERMANENT, CONTRACTUAL, TEMPORARY, TRAINEES) ARE COVERED UNDER THE POLICY

Your Board of Directors report that during the year under report Anti Sexual Harassment Policy in line with the requirement of Workplace (Prevention, Prohibition and Redressal) Act, 2013 is in place and has complied with the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and further the employees have been advised to address their grievances under this Act to the Working Director of the Company for redressal.

COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS BY THE COMPANY : Your Directors report that during the year under report, the Company has complied with the applicable clauses of Secretarial Standards issued by



the Institute of Company Secretaries of India and approved by the Government of India under sub-section (10) of section 118 of the Companies Act, 2013.

MAINTENANCE OF COST RECORDS : Your Directors report that maintenance of cost records specified by the central Government pursuant to the provisions of sub-section (1) of section 148 of the Companies Act, 2013 are applicable to the Company and the Company has maintained the prescribed accounts and cost records during the financial year under report.

GENERAL : Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review.

- a) Issue of equity shares;
- b) Company has issued Corporate Guarantee to the Harvesting & Transport (H&T) farmers contractors to facilitate borrowing from Canara Bank and State Bank of India. Company has issued CG to the extent of Rs. 53.00 crores. These farmers contractors facilitate harvesting and transportation of sugarcane from the fields of the farmers to the Company which is very important from the point of view of procurement of sugarcane for business of the Company. Company does not assign contract or work order to H & T contractors. Farmers are assigning work of harvesting and transportation to supply sugarcane to Company. The disclosure is made as per Section 186 of the Companies Act, 2013 during the year under review ;
- c) Issue of shares with differential rights ;
- d) Issue of shares (including sweat equity shares) under Employees Stock Option Scheme;
- e) Purchase by Company of its own shares or giving of loans for such purchase;
- f) Buyback of shares;
- g) No significant orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operations in future;
- h) No material change affecting Financial Statements between the end of financial year and the date of this report;
- i) There was no change in business activity of the Company;
- j) No fraud has been reported by the Auditors to the Audit Committee of the Board;
- k) No cases of child labour, involuntary labour, sexual harassment and discriminatory employment were reported in the Financial Year 2018-19.

CONDOLENCE TO DEMISED DIRECTOR : Your Directors feel very sad to inform the shareholders that our beloved independent director Sri A.C. Jayanna passed away on 02.03.2019. We express our deep regret for his demise and remember his past valuable services, guidance and contributions for the growth of the company. We place on record our deep condolence for his demise and pray God to give strength to bear sorrow to his family and let his soul rest in peace at the abode of the God.

ACKNOWLEDGEMENT : Your directors wish to thank and acknowledge the Banks, Government authorities and associates for their assistance and co-operation.

Place : Davangere
Date : 30-08-2019

By the order of the Board
for Davangere sugar company limited
S.S. Ganesh
Managing Director
DIN: 00451383



ನಿರ್ದೇಶಕರ ವರದಿ

ಸನ್ಮಾನ್ಯ ಸದಸ್ಯರೇ,

ನಿಮಗೆಲ್ಲಾ ತಿಳಿದಿರುವಂತೆ ನಿಮ್ಮ ಸಂಸ್ಥೆಯು ತನ್ನ ಪ್ರಾರಂಭದಿಂದ ಇದುವರೆಗೂ ತನ್ನ ಯಶಸ್ವಿ ಕಾರ್ಯನಿರ್ವಹಣೆಯ ನಲವತ್ತೆಂಟು ವರ್ಷಗಳನ್ನು ಪೂರೈಸಿದೆ. ನಿಮ್ಮ ಕಂಪನಿಯ ನಿರ್ದೇಶಕರಿಗೆ, ಈ 48ನೇ ವಾರ್ಷಿಕ ವರದಿಯನ್ನು ಮತ್ತು 31ನೇ ಮಾರ್ಚ್ 2019 ಕೊನೆಗೊಂಡ ವರ್ಷದ ಪರಿಶೋಧಿಸಿದ ಲೆಕ್ಕಪತ್ರಗಳನ್ನು ತಮ್ಮ ಮುಂದೆ ಮಂಡಿಸಲು ಅತೀವ ಸಂತೋಷವೆನಿಸಿದೆ.

ನಿಮ್ಮ ಕಂಪನಿಯ ನಿರ್ದೇಶಕರಾಗಿ ನಾವು ನಿಮ್ಮ ಕಂಪನಿಯ 2018-19ನೇ ವರ್ಷಾವಧಿಯ ಕಾರ್ಯಾಚರಣೆಯ, ಕೆಲಸಕಾರ್ಯಗಳ ನಿರ್ವಹಣೆಯಲ್ಲಿನ ಏಳುಬೀಳುಗಳನ್ನು ಅತ್ಯಂತ ಆಸಕ್ತಿಯಿಂದ ನಿಮ್ಮೊಂದಿಗೆ ಹಂಚಿಕೊಳ್ಳಲಿಚ್ಛಿಸುತ್ತೇವೆ. ಕಂಪನಿಗಳ ಕಾಯ್ದೆ 2013 ರ ಕಲಂ 134 ರಡಿ ಅವಶ್ಯಕವಾದ ಮಹತ್ವದ ಮಾಹಿತಿಯನ್ನು ತಮ್ಮ ಮುಂದಿಡುತ್ತಿದ್ದೇವೆ.

1. ಕಂಪನಿಯ ವಸ್ತು ಸ್ಥಿತಿ :

ಎ] ಆರ್ಥಿಕ ಫಲಿತಾಂಶಗಳು

ದಿನಾಂಕ 31.03.2019ಕ್ಕೆ ಆರ್ಥಿಕ ಫಲಿತಾಂಶಗಳನ್ನು ಈ ಕೆಳಗಿನಂತೆ ನೀಡಲಾಗಿದೆ :

ಕ್ರ. ಸಂ.	ವಿವರಗಳು	31-03-2019ಕ್ಕೆ ಕೊನೆಗೊಂಡ ವರ್ಷಕ್ಕೆ	31-03-2018ಕ್ಕೆ ಕೊನೆಗೊಂಡ ವರ್ಷಕ್ಕೆ
1	ಆದಾಯ ಒಟ್ಟು ವಹಿವಾಟುಗಳಿಂದ	10625.86	6390.15
2	ಕಳೆಯಿರಿ: ಅಬಕಾರಿ ಸುಂಕ	--	24.86
3	ವ್ಯಾಪಾರ ವಹಿವಾಟುಗಳಿಂದ (ನಿವ್ವಳ ಮೊತ್ತ)	10625.86	6365.29
4	ಇತರೆ ಆದಾಯ	780.58	1833.28
5	ಒಟ್ಟು	11406.64	8198.57
6	ಬಳಕೆ ಮಾಡಿದ ಸರಕು ಸಾಮಗ್ರಿಗಳ ವೆಚ್ಚ	11656.57	6488.09
7	ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯಕ್ಕೆ ಇರುವ ಸಿದ್ಧ ಮತ್ತು ಕಚ್ಚಾ ದಾಸ್ತಾನುಗಳ ಬದಲಾವಣೆ ಮೊತ್ತ	(5602.31)	(1317.73)
8	ಕಾರ್ಯನಿರ್ವಹಣೆಯ ವೆಚ್ಚ	745.70	642.76
9	ಇತರೆ ವೆಚ್ಚಗಳು	1442.71	790.88
10	ಸವಕಳಿ ಕಳೆಯುವ ಮುಂಚಿನ ಲಾಭ	3161.97	1594.59
11	ಹಣಕಾಸು ವೆಚ್ಚ	1795.52	1380.52
12	ಸವಕಳಿ	898.38	901.95
13	ಪ್ರತಿಷೇದ ಮತ್ತು ವಿಶೇಷ ಬಾಬುಗಳ ಮೊದಲಿನ ಲಾಭ	469.86	(687.88)
14	ಪ್ರತಿಷೇದ ಮತ್ತು ವಿಶೇಷ ಬಾಬುಗಳ ಮೇಲಿನ ವೆಚ್ಚ	-	-
15	ತೆರಿಗೆ ಮುಂಚಿನ ಲಾಭ	469.86	(687.88)
16	ವರಮಾನ ತೆರಿಗೆ	96.69	-
17	ಮುಂದೂಡಿದ ತೆರಿಗೆ	50.95	(172.86)
18	ನಿವ್ವಳ ಲಾಭ	322.21	(860.75)

(ಬಿ) ಕಬ್ಬು ಅರೆಯುವಿಕೆ ಕಾರ್ಯ ಮತ್ತು ಸಕ್ಕರೆ ಉತ್ಪಾದನೆ :

2018-19ನೇ ವರ್ಷದ ಕಬ್ಬು ಅರೆಯುವಿಕೆಯ ದಿನಾಂಕ 2ನೇ ಸೆಪ್ಟೆಂಬರ್, 2018 ರಂದು ಪ್ರಾರಂಭಗೊಂಡು 13ನೇ ಫೆಬ್ರವರಿ, 2019 ರಲ್ಲಿ ಅಂತ್ಯಗೊಂಡಿತು. ಹಣಕಾಸಿನ ವರ್ಷ 2018-19 ರಲ್ಲಿ ನಿಮ್ಮ ಕಂಪನಿಯು 4,36,176 ಮೆಟ್ರಿಕ್ ಟನ್ ಕಬ್ಬು ಅರೆದಿರುತ್ತದೆ.



ವರ್ಷ	ಕಬ್ಬು ಅರೆದಿರುವುದು ಮೆ.ಟನ್	ಸಕ್ಕರೆ ಉತ್ಪಾದನೆ [ಕ್ವಿಂಟ]	ಇಳುವರಿ
2018-19	4,36,176	4,11,450	9.45
2017-18	1,41,225	1,21,500	8.50

ಕಂಪನಿಯ 2019-20ನೇ ಸಾಲಿನಲ್ಲಿ 6,00,000 ಮೆ.ಟನ್ ಕಬ್ಬನ್ನು ಅರೆಯುವ ನಿರೀಕ್ಷೆ ಇದೆ.

[ಸಿ] ಕಬ್ಬು ಬೆಳೆಪ್ರದೇಶದ ವಿಸ್ತೀರ್ಣ :

ನಿಮ್ಮ ಕಂಪನಿಯ ಕ್ರಿಯಾಶೀಲ ಆಡಳಿತದಲ್ಲಿ ಹೆಚ್ಚು ಹೆಚ್ಚು ಭೂಮಿಯನ್ನು ಕಬ್ಬಿನ ಬೆಳೆಯಡಿಯಲ್ಲಿ ತರುವ ನಿರಂತರ ಪ್ರಯತ್ನದಲ್ಲಿದೆ. ಕಳೆದ ನಾಲ್ಕು ವರ್ಷಗಳಲ್ಲಿ ಕಬ್ಬು ನಾಟಿ ಮಾಡಿದ ನಿಖರ ವಿಸ್ತೀರ್ಣ ಹಾಗೂ ಮುಂದಿನ ವರ್ಷದ ಅಂದಾಜು ನಾಟಿ ವಿವರ ಕೆಳಗಿನಂತಿದೆ.

ವರ್ಷ	ಕಬ್ಬಿನ ಬೆಳೆಯ ವಿಸ್ತೀರ್ಣ [ಎಕರೆಗಳಲ್ಲಿ]
2015-16	15,732
2016-17	6,456
2017-18	5,280
2018-19	10,218
2019-20 [ಮುಂಬರುವ ವರ್ಷ]	15,200

[ಡಿ] ಸಕ್ಕರೆ ರಫ್ತು : ಹಲವಾರು ವಿಧಿಬದ್ಧ ತೊಡಕುಗಳು ಹಾಗೂ ವಿದೇಶಿ ಬೇಡಿಕೆ ಕುಗ್ಗಿದ ಕಾರಣ ಹಣಕಾಸು ವರ್ಷ 2018-19 ರಲ್ಲಿ ನಿಮ್ಮ ಕಂಪನಿಯು ಸಕ್ಕರೆಯನ್ನು ರಫ್ತು ಮಾಡಿರುವುದಿಲ್ಲ. ಆದ್ದರಿಂದ ಸಕ್ಕರೆ ರಫ್ತಿನಿಂದ ಯಾವುದೇ ಆದಾಯ ಇರುವುದಿಲ್ಲ.

[ಇ] ವಿದ್ಯುತ್ ಉತ್ಪಾದನೆ [CO-GEN] ಮತ್ತು ವಿದ್ಯುಚ್ಛಕ್ತಿ ನಿಯಾತ :

ಕಂಪನಿಯು 24 ಮೆ.ವ್ಯಾ. ಸಾಮರ್ಥ್ಯದ ಉತ್ಪಾದನಾ ಘಟಕ ಹೊಂದಿರುತ್ತದೆ. ಹಿಂದಿನ ವರ್ಷದ ಯೂನಿಟ್‌ಗಳ ವಿದ್ಯುತ್ ರಫ್ತಿಗೆ ಹೋಲಿಸಿದರೆ ಪ್ರಸಕ್ತ ವರ್ಷ 2018-19ನೇ ಅವಧಿಯಲ್ಲಿ 7,16,85,530 ಯುನಿಟ್ ವಿದ್ಯುತ್ ಉತ್ಪಾದಿಸಿ 5,36,53,430 ಯುನಿಟ್‌ಗಳನ್ನು ESCOMS/IEX ಗಳಿಗೆ ರಫ್ತು ಮಾಡಿರುತ್ತದೆ. 2017-18ರಲ್ಲಿ 2,98,62,000 ಯೂನಿಟ್‌ಗಳನ್ನು ರಫ್ತು ಮಾಡಿರುತ್ತದೆ. ಕಂಪನಿಯು ಕೆ.ಪಿ.ಟಿ.ಸಿ.ಎಲ್‌ನಿಂದ 7,45,000 ಯುನಿಟ್ ವಿದ್ಯುತ್‌ನ್ನು ಆಮದು ಮಾಡಿಕೊಂಡಿದೆ. ಕಳೆದ ವರ್ಷ 2017-18ನೇ ಇಸವಿಯಲ್ಲಿ 9,32,400 ಯೂನಿಟ್ ಆಮದು ಮಾಡಿಕೊಂಡಿರುತ್ತದೆ. ಕೋಜನ್ ಘಟಕವು 2018-19ನೇ ಸಾಲಿನಲ್ಲಿ 146 ದಿನಗಳ ಕಾಲ ಕಾರ್ಯನಿರ್ವಹಿಸಿದ್ದು ಮತ್ತು ಕಳೆದ ವರ್ಷ 2017-18ನೇ ಸಾಲಿನಲ್ಲಿ 85 ದಿನಗಳು ಕಾರ್ಯನಿರ್ವಹಿಸಿರುತ್ತದೆ.

1. ಸಾಮಾನ್ಯ ಕಾಯ್ದುಟ್ಟ ನಿಧಿ :

ಪ್ರಸಕ್ತ ಆರ್ಥಿಕ ವರ್ಷದ ಸಂಪೂರ್ಣ ಲಾಭವನ್ನು ಸರ್ವ ಸಾಮಾನ್ಯ ಕಾಯ್ದುಟ್ಟ ನಿಧಿಯಲ್ಲಿ ಪ್ರತ್ಯೇಕ ಲೆಕ್ಕ ಶೀರ್ಷಿಕೆಯಡಿ ತೋರಿಸಲಾಗಿದೆ. ಕಲಂ 134(3)(ಜೆ) ನಡಿ ಅವಶ್ಯಕವಾಗಿರುವಂತೆ ವಿವರ ನೀಡಲಾಗಿದೆ.

2. ಭೌತಿಕ ಬದಲಾವಣೆ ಮತ್ತು ಕಟ್ಟುಪಾಡುಗಳು :

ಕಂಪನಿಯ ಆರ್ಥಿಕ ಸ್ಥಿತಿಯ ಮೇಲೆ ಪ್ರಭಾವ ಬೀರುವಂತಹ ಯಾವ ಪ್ರಮುಖ ಬದಲಾವಣೆಗಳು ಮತ್ತು ಕಟ್ಟುಪಾಡುಗಳು ಕಂಪನಿ ಕಾಯ್ದೆ 2013 ರ ಕಲಂ 134(3)(ಎಲ್) ಅನ್ವಯ ಹಣಕಾಸು ವರ್ಷ ಕೊನೆಯಂದಿನಿಂದ ಈ ವರದಿಯ ದಿನದವರೆಗೂ ಆಗಿರುವುದಿಲ್ಲ.

3. ವಿದ್ಯುಚ್ಛಕ್ತಿ [ಶಕ್ತಿ] ಉಳಿತಾಯ, ತಂತ್ರಜ್ಞಾನ ಅಳವಡಿಕೆ ಮತ್ತು ವಿದೇಶಿ ವಿನಿಮಯ :

(ಎ) ವಿದ್ಯುಚ್ಛಕ್ತಿ ಉಳಿತಾಯ : ವಿದ್ಯುಚ್ಛಕ್ತಿ ಉಳಿತಾಯವು ಆಡಳಿತ ಮಂಡಳಿಯ ನಿರಂತರ ಪ್ರಯತ್ನವಾಗಿದೆ. ತನ್ನ ಗೃಹ [ಅಂತರಿಕ] ಬಳಕೆಯಲ್ಲಿ ಮತ್ತು ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯಲ್ಲಿ ಗರಿಷ್ಠ ಪ್ರಮಾಣದಲ್ಲಿ ವಿದ್ಯುತ್ ಬಳಕೆಯನ್ನು ಕಡಿಮೆ ಮಾಡುವ ಗುರಿಯನ್ನು ಆಡಳಿತ ಮಂಡಳಿಯು ಹೊಂದಿರುತ್ತದೆ. ಅದರಂತೆ ಆಡಳಿತ ಮಂಡಳಿಯು ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯ ಪ್ರತಿ ಯೂನಿಟ್‌ಗೆ ಬಳಕೆಯಾಗುವ ವಿದ್ಯುತ್ ಪ್ರಮಾಣವನ್ನು ತಗ್ಗಿಸಲು ನಿರಂತರ ಪ್ರಯತ್ನ ಮಾಡುತ್ತಿದೆ. ಆಡಳಿತ ಮಂಡಳಿಯು ಇದರಲ್ಲಿ ಹೆಚ್ಚಿನ ಹೂಡಿಕೆಗೆ ಯೋಜಿಸಿರುವುದಿಲ್ಲ ಮತ್ತು ಗರಿಷ್ಠ ಪ್ರಮಾಣದಲ್ಲಿ ವಿದ್ಯುತ್ ಉತ್ಪಾದನೆಯ



ಮತ್ತು ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯ ಕಾರ್ಯಕ್ರಮತೆಯನ್ನು ಇನ್ನಷ್ಟು ಸುಧಾರಿಸಿ ವಿದ್ಯುತ್ ಉಳಿತಾಯ ಸಾಧಿಸಲು ಆಡಳಿತ ಮಂಡಳಿಯು ಪ್ರಯತ್ನ ಮಾಡುತ್ತಿದೆ. ಕಂಪನಿಗಳ (ನಿರ್ದೇಶಕರ ಮಂಡಳಿ ವರದಿಯಲ್ಲಿ ವಿವರಗಳ ಪ್ರಕಟಣೆ) ನಿಯಮ 1988ರ ನಿಯಮ 2ರಡಿ ಅವಶ್ಯವಿರುವಂತೆ ಮಾಹಿತಿಯನ್ನು ಈ ವರದಿ ಜೊತೆ ಲಗತ್ತಿಸಿರುವ “ಫಾರ್ಮ್-ಎ” ನಲ್ಲಿ ಕೊಡಲಾಗಿರುತ್ತದೆ.

(ಬಿ) ತಾಂತ್ರಿಕತೆ ಅಳವಡಿಕೆ : ಆಡಳಿತ ಮಂಡಳಿಯು ಹಂತಹಂತವಾಗಿ ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯಲ್ಲಿ ತೀರ ಇತ್ತೀಚಿನ ತಾಂತ್ರಿಕತೆಯನ್ನು ಅಳವಡಿಸಿಕೊಳ್ಳುತ್ತಿದೆ. ಪ್ರಸಕ್ತ ವರ್ಷ 2017-18 ರಲ್ಲಿ ಕಂಪನಿಯ ಆಡಳಿತ ಮಂಡಳಿಯು, ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯಲ್ಲಿ ಹೊಸ ಎಫ್.ಎಫ್.ಇ. ತಾಂತ್ರಿಕತೆಯನ್ನು ಅಳವಡಿಸಿದೆ. ಇದರಿಂದ ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯಲ್ಲಿ ಮತ್ತು ಗುಣಮಟ್ಟ ಹೆಚ್ಚುತ್ತದೆ ಮತ್ತು ಈ ತಾಂತ್ರಿಕತೆಯನ್ನು ದೇಶದಲ್ಲಿ ಕೆಲವೇ ಕಾರ್ಖಾನೆಗಳು ಅಳವಡಿಸಿಕೊಂಡಿರುತ್ತವೆ ಮತ್ತು ನಮ್ಮ ಕಂಪನಿಯು ಇಂಥ ಕಂಪನಿಗಳ ಪೈಕಿ ಒಂದಾಗಿದೆ. ಈ ತಾಂತ್ರಿಕತೆಯಿಂದ ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯಲ್ಲಿ ಹಬೆಯ ಉಪಯೋಗವನ್ನು ನಿಯಂತ್ರಿಸುತ್ತದೆ. ಕಂಪನಿಗಳ [ನಿರ್ದೇಶಕರ ಮಂಡಳಿ ವರದಿಯಲ್ಲಿ ವಿವರಗಳ ಪ್ರಕಟಣೆ] ನಿಯಮ 1988 ರ ನಿಯಮ 2 ರ ಮೇರೆಗೆ ಅವಶ್ಯಕವಾಗಿರುವ ಮಾಹಿತಿಯನ್ನು ಈ ವರದಿಗೆ ಜೋಡಿಸಿರುವ “ಫಾರ್ಮ್-ಬಿ” ಯಲ್ಲಿ ಕೊಡಲಾಗಿರುತ್ತದೆ.

(ಸಿ) ವಿದೇಶಿ ವಿನಿಮಯ ಗಳಿಕೆ ಮತ್ತು ವೆಚ್ಚ :

ಗಳಿಕೆ : ವರದಿ ವರ್ಷದಲ್ಲಿ ವಿದೇಶಿ ವಿನಿಮಯ ನಿಮ್ಮ ಕಂಪನಿಯು ರಫ್ತು ಗಳಿಕೆಯಲ್ಲಿ ರೂ. 10,46,23,470/- ಪಡೆದಿರುತ್ತದೆ.

4. ಕಂಪನಿ ವ್ಯವಹಾರದ ಯಥಾಸ್ಥಿತಿ : ಕಂಪನಿಗಳ ಕಾಯ್ದೆ 2013 ರ ಷರತ್ತುಗಳಿಗೊಳಪಟ್ಟಂತೆ ಆಡಳಿತ ಮಂಡಳಿಯ ಅಭಿಪ್ರಾಯದಲ್ಲಿ ಕಂಪನಿಯ ವ್ಯವಹಾರದ ಸ್ವರೂಪದಲ್ಲಿ ಕಂಪನಿಯ ವ್ಯವಹಾರಕ್ಕೆ ಧಕ್ಕೆಯಾಗುವಂತಹ ಯಾವ ಬದಲಾವಣೆಗಳೂ ಅಲ್ಲದೆ ಕಂಪನಿಯ ಕಾರ್ಯಚಟುವಟಿಕೆಯಲ್ಲಿ ಗಣನೆಗೆ ಬರುವಂತಹ ಯಾವ ಪ್ರಮುಖ ಬದಲಾವಣೆಗಳೂ ಇರುವುದಿಲ್ಲ.

5. ನೌಕರರ ಸಂಭಾವನೆ :

ಕಂಪನಿಗಳ ಕಾಯ್ದೆ 2013 ರ ಮೇರೆಗೆ ವಿಧಿಸಿರುವ ಮಿತಿಗಿಂತ ಹೆಚ್ಚಿನ ಸಂಭಾವನೆಯನ್ನು ಯಾವ ನೌಕರನಿಗೂ ಕೊಡಲಾಗಿರುವುದಿಲ್ಲ.

6. ನಿರ್ದೇಶಕರ ಜವಾಬ್ದಾರಿ ಹೇಳಿಕೆ - ಕಂಪನಿಯ ಕಾಯ್ದೆ 2013 ರ ಕಲಂ 134(3) (c) ರ ಮೇರೆಗೆ :

- ಈ ವಾರ್ಷಿಕ ಲೆಕ್ಕಪತ್ರಗಳ ತಯಾರಿಕೆಯಲ್ಲಿ ಅದಕ್ಕೆ ಅನ್ವಯವಾಗುವ ಲೆಕ್ಕಪತ್ರದ ಮಾನದಂಡವನ್ನು ಅನುಸರಿಸಲಾಗಿರುತ್ತದೆ.
- 31 ರ ಮಾರ್ಚ್ 2019ಕ್ಕೆ ಇರುವಂತೆ ಕಂಪನಿಯ ವಸ್ತುಸ್ಥಿತಿಗಳ ಬಗ್ಗೆ ಮತ್ತು ಪರಿಶೀಲನೆಗೆ ಒಳಪಟ್ಟಿರುವ ಈ ವರ್ಷದ ಕಂಪನಿಯ ನಷ್ಟಗಳ ಪರಿಗಣನೆಗಾಗಿ, ನಿರ್ದೇಶಕರು ಕೌಶಲ್ಯಯುತ ಲೆಕ್ಕಪತ್ರಗಳ ಮಟ್ಟವನ್ನು ಆರಿಸಿಕೊಂಡಿದ್ದು ಅವುಗಳನ್ನು ಸುಸಂಗತ ರೀತಿಯಲ್ಲಿ ಅನ್ವಯಿಸಿ ಅದರಂತೆ ಸಮಂಜಸ ಹಾಗೂ ಯುಕ್ತಾಯಕ್ಕೆ ಪರಿಚ್ಛಾನವುಳ್ಳ ರೀತಿಯಲ್ಲಿ ವಿವೇಚಿಸಿ ಮತ್ತು ಅಂದಾಜು ಮಾಡಿ ಆ ರೀತಿಯಲ್ಲಿ ಅಳವಡಿಸಿಕೊಂಡಿರುತ್ತದೆ.
- ಕಂಪನಿಗಳ ಕಾಯ್ದೆ 2013 ರಡಿ ಕೊಡಮಾಡಿರುವ ಅವಕಾಶಗಳನ್ವಯ ಕಂಪನಿಯ ಆಸ್ತಿ ರಕ್ಷಣೆಗಾಗಿ ಮತ್ತು ವಂಚನೆ ಅಕ್ರಮಗಳನ್ನು ತಪ್ಪಿಸಲು ಹಾಗೂ ಪತ್ತೆ ಮಾಡಲು ನಿರ್ದೇಶಕರು ಸರಿಯಾದ ಮತ್ತು ಸಾಕಷ್ಟು ಎಚ್ಚರಿಕೆಯಿಂದ ಕೊಡುವಂತಹ ಯಥೋಚಿತ ಲೆಕ್ಕಪತ್ರ ದಾಖಲೆಗಳನ್ನು ಸಂರಕ್ಷಣೆ ಮಾಡಿರುತ್ತಾರೆ.
- ನಡೆಯುತ್ತಿರುವ ವ್ಯಾಪಾರಿ ಸಂಸ್ಥೆ (Going Concern) ತಳಹದಿಯ ಮೇಲೆ ನಿರ್ದೇಶಕರು 31 ಮಾರ್ಚ್ 2019 ಕ್ಕೆ ಕೊನೆಗೊಂಡ ಹಣಕಾಸು ವರ್ಷದ ಲೆಕ್ಕಪತ್ರಗಳನ್ನು ತಯಾರಿಸಿರುತ್ತಾರೆ.
- ಕಂಪನಿಯ ಆಡಳಿತ ಮಂಡಳಿಯು ಎಲ್ಲಾ ರೀತಿಯ ಕಾಯ್ದೆ ಕಾನೂನುಗಳನ್ನು ಪರಿಪಾಲಿಸಲು ಸುವ್ಯವಸ್ಥಿತವಾದ ಕಾರ್ಯಪಾಲನೆ ವ್ಯವಸ್ಥೆಯನ್ನು ಅಳವಡಿಸಿದೆ.

7. ಸಕ್ಕರೆ ಉದ್ಯಮದ ಸಂಕ್ಷಿಪ್ತ ವರದಿ :

ಸಕ್ಕರೆ ಉದ್ಯಮವು ಹಲವಾರು ಬಾಹ್ಯ ಮತ್ತು ಆಂತರಿಕ ಕಾರಣಗಳಿಂದ ಒತ್ತಡಕ್ಕೆ ಸಿಲುಕಿತ್ತು. ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯು ದೇಶದಲ್ಲೇ ಅತಿ ಹೆಚ್ಚಾಗಿದ್ದು, ಭೌಗೋಳಿಕವಾಗಿಯೂ ಸಕ್ಕರೆ ಉತ್ಪಾದನೆ ಅತಿ ಹೆಚ್ಚಾಗಿದೆ. ಜಾಗತಿಕ ಸಕ್ಕರೆ ಪ್ರಮಾಣವು



ಅತಿ ಹೆಚ್ಚಾಗಿದ್ದು, ಸಕ್ಕರೆ ರಫ್ತು ಮಾಡಲು ಸಹ ಯಾವ ಅವಕಾಶವಿರುವುದಿಲ್ಲ. ಆಂತರಿಕ ಯೋಜನೆಗಳಿಂದಲೂ ಯಾವುದೇ ಪ್ರೋತ್ಸಾಹವಿರುವುದಿಲ್ಲ. ಕೇಂದ್ರ ಸರ್ಕಾರವು ಕನಿಷ್ಠ ಮಾರುವ ಬೆಲೆಯನ್ನು ಪ್ರತಿ ಕೆ.ಜಿ. ಗೆ 31 ರೂಪಾಯಿ ನಿಗದಿಪಡಿಸಿದ್ದು, ಭಾರತದಾದ್ಯಂತ ಪ್ರೋತ್ಸಾಹಕ ಬೆಲೆ ಇರುವಂತೆ ಸಕ್ಕರೆ ಉದ್ಯಮಕ್ಕೆ ಪ್ರೋತ್ಸಾಹ ನೀಡಿರುತ್ತದೆ.

2018-19ರಲ್ಲಿ ಕರ್ನಾಟಕ ಪ್ರಮುಖವಾಗಿ ದಕ್ಷಿಣ ಭಾಗದಲ್ಲಿ ಉತ್ತಮ ಮಳೆಯಾಗಿ ರೈತರಲ್ಲಿ ಕಬ್ಬು ಬೆಳೆಯಲು ಪ್ರೋತ್ಸಾಹ ನೀಡಿರುತ್ತದೆ. ನಮ್ಮ ಕಂಪನಿಯು 2018-19ನೇ ಸಾಲಿನಲ್ಲಿ ಹೆಚ್ಚು ಕಬ್ಬು ನಾಟಿ ಮಾಡಿಸಲು ಸತತ ಕ್ರಮಗಳನ್ನು ಕೈಗೊಂಡಿದ್ದು, ಮುಂಬರುವ 2019-2020ನೇ ಸಾಲಿನಲ್ಲಿ ಸುಮಾರು 10,000 ಎಕರೆ ಕಬ್ಬು ಬೆಳೆಯಲು ಕ್ರಮ ತೆಗೆದುಕೊಂಡಿರುತ್ತದೆ.

ಬರುವ 2019-20ನೇ ಹಂಗಾಮು ಕಬ್ಬಿನ ಅಭಾವ ಇರುವುದಿಲ್ಲ. ನಮ್ಮ ಕಂಪನಿಯು ಸುಮಾರು 6.00 ಲಕ್ಷ ಟನ್ ಕಬ್ಬನ್ನು ನುರಿಸುವ ಅಂದಾಜು ಮಾಡಲಾಗಿದೆ. ಕಬ್ಬು ಅರೆಯುವ ಹಂಗಾಮು 2019-20ರಲ್ಲಿ ಅತಿ ಹೆಚ್ಚು ಕಬ್ಬು ದೊರೆಯುವ ನೀರಿಕೆ ಇರುತ್ತದೆ. ಸರ್ಕಾರವು ಎಥನಾಲ್‌ನ್ನು ತಯಾರು ಮಾಡಲು ಉತ್ತೇಜನ ನೀಡುತ್ತಿದೆ. ಇದನ್ನು ಪೆಟ್ರೋಲ್‌ನೊಂದಿಗೆ ಹೆಚ್ಚಾಗಿ ಬೆರೆಸಲು ಕ್ರಮ ಕೈಗೊಳ್ಳುತ್ತಿದೆ. ಈ ರೀತಿ ಎಥನಾಲ್ ಉತ್ಪಾದನೆಯನ್ನು ಹೆಚ್ಚು ಮಾಡುವುದರಿಂದ ಸಕ್ಕರೆ ಬೆಲೆಯನ್ನು ಏರಿಕೆಯಲ್ಲಿ ಕಾಪಾಡಿಕೊಂಡು ಬರಲು ಸಾಧ್ಯವಾಗುತ್ತದೆ. ಕೇಂದ್ರ ಸರ್ಕಾರವು ಈ ರೀತಿಯ ಅನುಕೂಲವಾದ ಕ್ರಮ ಕೈಗೊಳ್ಳುವುದರಿಂದ ಮುಂಬರುವ ದಿನಗಳಲ್ಲಿ ಸಕ್ಕರೆ ಉದ್ಯಮವು ಒಳ್ಳೆಯ ದಿನಗಳನ್ನು ಕಾಣುವಂತಾಗಿದೆ.

8. ಸರ್ಕಾರದ ಕ್ರಮಗಳು :

ಸಕ್ಕರೆ ಉದ್ಯಮವನ್ನು ಪ್ರೋತ್ಸಾಹಿಸಲು ಮತ್ತು ಸ್ಥಿರತೆಯನ್ನು ಕಾಪಾಡಲು ಸರ್ಕಾರವು ಈ ಕೆಳಕಂಡ ಕ್ರಮಗಳನ್ನು ಕೈಗೊಂಡಿರುತ್ತದೆ.

1. ಸರ್ಕಾರವು ಕಚ್ಚಾ ಸಕ್ಕರೆ / ಸಕ್ಕರೆಯನ್ನು ಆಮದು ಮಾಡಿಕೊಂಡರೆ ಶೇ. 100 ಆಮದು ಸುಂಕವನ್ನು ಭರಿಸಬೇಕಾಗಿರುವುದು, ಈ ಕ್ರಮದಿಂದ ಸ್ವದೇಶದ ಸಕ್ಕರೆ ಬೆಲೆಯು ಇಳಿಯುವುದನ್ನು ತಪ್ಪಿಸಿದಂತಾಗುತ್ತದೆ.
2. ಕಬ್ಬಿನ ರಸದಿಂದ ನೇರವಾಗಿ ಎಥನಾಲನ್ನು ತಯಾರು ಮಾಡುವುದು. ಹೆಚ್ಚು ಕಬ್ಬನ್ನು ಎಥನಾಲ್ ತಯಾರಿಸಲು ಉಪಯೋಗಿಸುವುದು ಕಾನೂನಿನನ್ವಯ ಶೇ. 10 ರಫ್ತು ಎಥನಾಲನ್ನು ಪೆಟ್ರೋಲ್‌ನೊಂದಿಗೆ ಮಿಶ್ರಣ ಮಾಡುವುದು.
3. ಸರ್ಕಾರವು ಸಕ್ಕರೆ ಪ್ರಮಾಣವನ್ನು ಮಾರುಕಟ್ಟೆಗೆ ಸರಬರಾಜಾಗುವುದನ್ನು ಹಿಡಿತದಲ್ಲಿಡಲು ಈ ಹಿಂದೆ ಚಾಲ್ತಿಯಲ್ಲಿದ್ದ ತಿಂಗಳವಾರು ರಿಲೀಸ್ ಪದ್ಧತಿಯನ್ನು ಮತ್ತೆ ಚಾಲ್ತಿಗೆ ತರುವುದರ ಮೂಲಕ ಸಕ್ಕರೆ ಬೆಲೆಯಲ್ಲಿ ಏರಿಕೆಯನ್ನು ಕಾಪಾಡಿಕೊಳ್ಳಲು ಸಾಧ್ಯವಾಗುತ್ತದೆ.
4. ಸರ್ಕಾರವು ದೊಡ್ಡ ಪಟ್ಟಣಗಳಲ್ಲಿ ಮಾಲಿನ್ಯವನ್ನು ತಡೆಗಟ್ಟಲು ಪೂರ್ಣ ಪ್ರಮಾಣವಾಗಿ ಎಥನಾಲ್ ಉಪಯೋಗಿಸಿ ನಡೆಸುವ ಸಾರ್ವಜನಿಕ ವಾಹನಗಳಿಗೆ ಕಡ್ಡಾಯ ಮಾಡಲು ಒಂದು ಕಾನೂನನ್ನು ತರಲು ಚಿಂತನೆ ನಡೆಸಿದೆ.

9. ಸಕ್ಕರೆ ಕಾರ್ಯನೀತಿ (ಪಾಲಿಸಿ) :

ಕೇಂದ್ರ ಸರ್ಕಾರವು ಸಕ್ಕರೆ ಮಾರಾಟದಲ್ಲಿ ಮುಕ್ತ ಮಾರುಕಟ್ಟೆಯ ನೀತಿಯನ್ನು ಅಳವಡಿಸಿದೆ. ಮುಕ್ತ ಮಾರುಕಟ್ಟೆಯ ನೀತಿಯ ಪ್ರಕಾರ ಸಕ್ಕರೆ ಬೆಲೆಯು ಬೇಡಿಕೆ ಮತ್ತು ಸರಬರಾಜು ಪ್ರಮಾಣದ ಮೇಲೆ ನಿರ್ಧರಿತವಾಗಿರುತ್ತದೆ. ಕೇಂದ್ರ ಸರ್ಕಾರವು ಎಲ್ಲಾ ರಾಜ್ಯ ಸರ್ಕಾರಗಳಿಗೆ ಪಿ.ಡಿ.ಎಸ್ ವ್ಯವಸ್ಥೆಯಲ್ಲಿ ಸಕ್ಕರೆಯನ್ನು ಸಾರ್ವಜನಿಕರಿಗೆ ಹಂಚಲು ಪೂರ್ಣ ಪ್ರಮಾಣದ ಜವಬ್ದಾರಿಯನ್ನು ವಹಿಸಿರುತ್ತದೆ ಮತ್ತು ಇದರ ಸಲುವಾಗಿ ಆರ್ಥಿಕ ಸಹಾಯಧನವನ್ನು ರಾಜ್ಯ ಸರ್ಕಾರಗಳಿಗೆ ನೀಡುತ್ತದೆ.

10. ವಿದ್ಯುಚ್ಛಕ್ತಿ ಉತ್ಪಾದನೆ ಬಗ್ಗೆ ಸರ್ಕಾರದ ಕಾರ್ಯನೀತಿ :

ಕರ್ನಾಟಕ ಸರ್ಕಾರವು ವಿದ್ಯುಚ್ಛಕ್ತಿ ಪಡೆಯುವ ನೀತಿಯಲ್ಲಿ ಯಾವುದೇ ಸ್ಥಿರತೆಯನ್ನು ಹೊಂದಿರುವುದಿಲ್ಲ. ತತ್ಪರಿಣಾಮವಾಗಿ ಸ್ವತಂತ್ರವಾಗಿ ವಿದ್ಯುತ್‌ನ್ನು ಉತ್ಪಾದಿಸುವವರಿಗೂ ಹಾಗೂ ಕೋಜನ್ ಯೂನಿಟ್ ನಡೆಸುವವರಿಗೂ ಅನಿಶ್ಚಿತ ಹಾಗೂ ಗೊಂದಲಮಯ ವಾತಾವರಣ ಸೃಷ್ಟಿಯಾಗಿದೆ. ವಿದ್ಯುತ್ ಉತ್ಪಾದನಾ ವಲಯಕ್ಕೆ ಒಂದು ಸ್ಥಿರ ಹಾಗೂ ಲಾಭದಾಯಕ ದರ ನೀತಿಯನ್ನು ಕರ್ನಾಟಕ ಸರ್ಕಾರವು ಹೊಂದಬೇಕಾಗಿದೆ.



11. ಹೊರಸೂಸುವಿಕೆ ನಿರ್ವಹಣಾ ಯಂತ್ರೋಪಕರಣ (EFFLUENT TREATMENT PLANT) :

ಕಂಪನಿಯ ಹೊರಸೂಸುವಿಕೆ ಮಟ್ಟವನ್ನು ರಾಜ್ಯ ಮಾಲಿನ್ಯ ನಿಯಂತ್ರಣ ಮಂಡಳಿಯು ನಿಗದಿಪಡಿಸಿರುವ ಮಾನಗಳಿಗೆ ಇಳಿಸಲಾಗಿರುತ್ತದೆ. ಇದನ್ನು ಸದರಿ ಮಂಡಳಿಗೆ ತಿಳಿಯಪಡಿಸಲಾಗಿದೆ. ಕಂಪನಿಯು ಮಾಲಿನ್ಯ ನಿಯಂತ್ರಣ ಮಂಡಳಿಯಿಂದ ನೀರು ಮತ್ತು ವಾಯುಮಾಲಿನ್ಯ ಸಂಬಂಧ ಮಾಲಿನ್ಯ ನಿಯಂತ್ರಣ ಕಾಯ್ದೆಯಡಿ ಎರಡಕ್ಕೂ ಪರವಾನಗಿ ನವೀಕರಿಸಿರುತ್ತದೆ.

12. ತಾಂತ್ರಿಕತೆ ಉನ್ನತೀಕರಣ : ಆಡಳಿತ ಮಂಡಳಿಯು “ಬದಲಾವಣೆಯು ಅನಿವಾರ್ಯ” ಎಂಬ ತತ್ವದಲ್ಲಿ ನಂಬಿಕೆಯನ್ನಿರಿಸಿದ್ದು, ಕಂಪನಿಯು ಅಂತಹ ಅನಿವಾರ್ಯ ಬದಲಾವಣೆಗಳನ್ನು ಎದುರಿಸುವ ತಂತ್ರಜ್ಞಾನ ಆಹ್ವಾನವನ್ನು ಸ್ವೀಕರಿಸಿ ಸಜ್ಜುಗೊಳಿಸಬೇಕಿದೆ.

ಕಂಪನಿಯು ಬಾಯ್ಲರ್ ಹೌಸ್ ಸಾಮರ್ಥ್ಯವನ್ನು 3500 ಟಿಸಿಡಿ ಯಿಂದ 4750 ಟಿಸಿಡಿಗೆ ಹೆಚ್ಚಿಸಲು ಕ್ರಮ ತೆಗೆದುಕೊಂಡಿರುತ್ತದೆ ಮತ್ತು ಇದರ ಜೊತೆಗೆ FFE ತಂತ್ರಜ್ಞಾನವನ್ನು ಮತ್ತು ವಿದ್ಯುಚ್ಛಕ್ತಿ ಉತ್ಪಾದನೆಗೆ ಕಡಿಮೆ ಪ್ರಮಾಣದಲ್ಲಿ ಸ್ಪೀಮ್ ಅನ್ನು ಉಪಯೋಗಿಸುವ ತಂತ್ರಜ್ಞಾನವನ್ನು ಅಳವಡಿಸಿದೆ.

13. 2019-20ನೇ ಸಾಲಿನಲ್ಲಿ : ಈ ಎಲ್ಲಾ ವೈಪರಿತ್ಯಗಳ ನಡುವೆಯೂ ಆಡಳಿತ ಮಂಡಳಿಯು ಹೆಚ್ಚು ಪ್ರದೇಶದಲ್ಲಿ ಕಬ್ಬು ಬೆಳೆಯಲು ರೈತರಿಗೆ ಪ್ರೋತ್ಸಾಹಿಸಲು ಕ್ರಮಗಳನ್ನು ಕೈಗೊಂಡಿದ್ದು, ಮುಂದಿನ ದಿನಗಳಲ್ಲಿ ಹೆಚ್ಚು ಪ್ರದೇಶದಲ್ಲಿ ಕಬ್ಬು ಬೆಳೆಯಲು ರೈತರು ಉತ್ಸಾಹದಿಂದ ಮುಂದಾಗಬೇಕೆಂದು ಆಡಳಿತ ಮಂಡಳಿಯು ಆಶಾದಾಯಕವಾಗಿದೆ. 2019-20ನೇ ಸಾಲಿನಲ್ಲಿ ಹೆಚ್ಚು ಇಳುವರಿ ನೀಡುವ ಕಬ್ಬಿನ ತಳಿಯನ್ನು ಪ್ರಾಯೋಗಿಕವಾಗಿ ಅಳವಡಿಸಲು ರೈತರಿಗೆ ಪ್ರೋತ್ಸಾಹ ಮಾಡುತ್ತಿದೆ.

14. ಆಡಳಿತ ಮಂಡಳಿಯ ಕಾರ್ಯನೀತಿ : ಕಾಲಕ್ರಮೇಣ ಹೊಸ-ಹೊಸ ಆಧುನಿಕ ತಂತ್ರಜ್ಞಾನವನ್ನು ಅಳವಡಿಸಿಕೊಂಡು ಅತ್ಯುತ್ತಮ ದರ್ಜೆಯ ಬಿಳಿಸಕ್ಕರೆಯನ್ನು ಉತ್ಪಾದಿಸಲು ಕಂಪನಿ ಆಡಳಿತವು ನಿರಂತರವಾಗಿ ಕಾರ್ಯಪ್ರವೃತ್ತವಾಗುವತ್ತ ನಂಬಿಕೆ ಹೊಂದಿದೆ. ಕಂಪನಿಯಲ್ಲಿ ಕೆಲಸ ಮಾಡುತ್ತಿರುವ ಎಲ್ಲರೂ ಒಂದೇ ಕುಟುಂಬದವರಂತೆ ಪ್ರತ್ಯಕ್ಷವಾಗಿ ಹಾಗೂ ಪರೋಕ್ಷವಾಗಿ ಎಲ್ಲರೂ ಒಟ್ಟಾಗಿ ಕಾರ್ಯಶೀಲರಾಗುವ ವಿಶ್ವಾಸವಿದೆ. ಕಂಪನಿಯು “ಕೊಟ್ಟು ತೆಗೆದುಕೊಳ್ಳುವ ತತ್ವ” ದಲ್ಲಿ ಅಚಲವಾದ ವಿಶ್ವಾಸವಿಟ್ಟಿದೆ. ಅದೆಂದರೆ, “ಹೆಚ್ಚು ದಕ್ಷತೆ - ಹೆಚ್ಚು ಉತ್ಪಾದನೆ - ಹೆಚ್ಚು ಪ್ರತಿಫಲ”. ಕಂಪನಿಯು ಕಬ್ಬಿನ ಬೀಜಗಳನ್ನು ರೈತರಿಗೆ ನೀಡಿ ಕಬ್ಬು ಬೆಳೆಯಲು ಸಹಕರಿಸುತ್ತಿದೆ. ಕಂಪನಿಯು ಸುಮಾರು 350 ಲೇಬರ್ ಗ್ಯಾಂಗ್‌ಗಳಿಗೆ ಕಬ್ಬು ಕಟಾವು ಮಾಡಲು ಮುಂಗಡ ಹಣ ನೀಡಿರುತ್ತದೆ. ಆದ್ದರಿಂದ ಮುಂದಿನ ವರ್ಷದಲ್ಲಿ ಕಬ್ಬು ಅರೆಯುವಿಕೆಯು ತುಂಬಾ ಪ್ರೋತ್ಸಾಹದಾಯಕವಾಗಿರುತ್ತದೆ.

15. ಆಡಳಿತ ಮಂಡಳಿ ಸಭೆಗಳು : 2018-19ನೇ ವಾರ್ಷಿಕ ವರ್ಷದಲ್ಲಿ ಒಟ್ಟು 11 ಆಡಳಿತ ಮಂಡಳಿ ಸಭೆಗಳು ಜರುಗಿದ್ದು ಅದರ ವಿವರಗಳು ಈ ಕೆಳಗಿನಂತಿವೆ :

06.04.2018	24.08.2018	01.12.2018	12.02.2019
24.04.2018	22.10.2018	13.12.2018	25.03.2019
06.06.2018	07.11.2018	29.01.2019	

ಈ ಮೇಲೆ ತಿಳಿಯಪಡಿಸಿದಂತೆ ನಿರ್ದೇಶಕರು 11 (ಹನ್ನೊಂದು) ದಿನಗಳಲ್ಲಿ 2018-19ರಲ್ಲಿ ಸಭೆ ನಡೆಸಿರುತ್ತಾರೆ. ಒಂದು ಸಭೆಗಿಂತ ಇನ್ನೊಂದು ಸಭೆಯ ಕಾಲವು ಕಂಪನಿ ಕಾಯ್ದೆ 2013ರ ನಿಯಮ 173ರಂತೆ ಇರುತ್ತದೆ. ಪ್ರತಿ ನಿರ್ದೇಶಕರು ಭಾಗವಹಿಸಿರುವ ಸಭೆಗಳ ಸಂಖ್ಯೆಯು 2018-2019ರಲ್ಲಿ ನಿಯಮ 9ರ ಎಸ್.ಎಸ್. 1ರ ನಿಯಮದಂತೆ ಇದ್ದು ಕಂಪನಿ ಕಾಯ್ದೆ 2013ರ ನಿಯಮ 118 (10)ಕ್ಕೆ ಅನುಗುಣವಾಗಿರುತ್ತದೆ. ನಿರ್ದೇಶಕರು ಹಾಜರಾಗಿರುವ ಸಭೆಯ ವಿವರಗಳು.

ಕ್ರ. ಸಂ.	ನಿರ್ದೇಶಕರ ಹೆಸರುಗಳು	2018-19ರಲ್ಲಿ ನಡೆಸಲಾದ ನಿರ್ದೇಶಕರ ಸಭೆಯ ವಿವರಗಳು
1.	ಎಸ್.ಎಸ್. ಗಣೇಶ್	11
2.	ಎಸ್.ಎಸ್. ಮಲ್ಲಿಕಾರ್ಜುನ್	06
3.	ಕೆ.ವಿ. ಸೋಮಶೇಖರ್	11
4.	ಎ.ಸಿ. ಜಯಣ್ಣ	09
5.	ಶ್ರೀಮತಿ ರೇಖಾ ಗಣೇಶ್	11



16. **ಔದ್ಯಮಿಕ ಬಾಂಧವ್ಯಗಳು :** ಕಾರ್ಮಿಕರೊಂದಿಗಿನ ಔದ್ಯಮಿಕ ಸಂಬಂಧ ಹೃತ್ಪೂರ್ವಕವಾಗಿ ಹಾಗೂ ತೃಪ್ತಿಕರವಾಗಿ ಮುಂದುವರೆದಿದೆ. ಪ್ರಸಕ್ತ ವರ್ಷದಲ್ಲಿ ಸಿಬ್ಬಂದಿಯವರ ಸಹಕಾರಕ್ಕೆ ನಿಮ್ಮ ನಿರ್ದೇಶಕರು ತಮ್ಮ ಗೌರವಾದರಗಳನ್ನು ದಾಖಲಿಸಲು ಇಚ್ಛಿಸುತ್ತಾರೆ.
17. **ಕಂಪನಿಯ ಸಾಮಾಜಿಕ ಜವಾಬ್ದಾರಿಗಳು :** ಕಂಪನಿಯ ಸಾಮಾಜಿಕ ಜವಾಬ್ದಾರಿಯ ಸಮಿತಿಯು ದಿನಾಂಕ 29-01-2019ರಲ್ಲಿ ಸಭೆಯನ್ನು ನಡೆಸಿ ಕಂಪನಿ ವತಿಯಿಂದ ಸಾಮಾಜಿಕ ಚಟುವಟಿಕೆಗಳಿಗೆ ನೀಡಲಾಗಿರುವ ವಿವರಗಳನ್ನು ಪರಿಶೀಲಿಸುತ್ತದೆ. ದಾವಣಗೆರೆ ಪುಗರ್ ಕಂಪನಿ ಎಜುಕೇಷನ್ ಸೊಸೈಟಿ ವತಿಯಿಂದ ನಡೆಸುವ ಶಾಲೆಗೆ ಸಹಾಯಧನ ನೀಡುತ್ತಿದೆ. ಶಾಲೆಯಲ್ಲಿ ಗ್ರಾಮೀಣ ಭಾಗದ ಮಕ್ಕಳು ವಿದ್ಯಾಭ್ಯಾಸ ಪಡೆಯುತ್ತಿದ್ದಾರೆ. ಕಂಪನಿಯು ಪ್ರತಿವರ್ಷ ಗ್ರಾಮೀಣ ಯುವಕರು-ಯುವತಿಯರಿಗೆ ಕ್ರೀಡಾಕೂಟವನ್ನು ನಡೆಸುತ್ತಿದ್ದು, ಗ್ರಾಮೀಣ ಬಡಮಕ್ಕಳಿಗೆ ಉಚಿತವಾಗಿ ಸಮವಸ್ತ್ರ ನೀಡಿದೆ. 2018-2019 ವಾರ್ಷಿಕ ಅವಧಿಯಲ್ಲಿ 4,19,800 ರೂ.ಗಳನ್ನು ಈ ಮೇಲ್ಕಂಡ ಚಟುವಟಿಕೆಗಳಿಗೆ ನೀಡಿರುತ್ತದೆ. ಕಳೆದ ಐದು ವರ್ಷಗಳಲ್ಲಿ ಕಂಪನಿಯು 24,03,251 ರೂ.ಗಳನ್ನು ಕಂಪನಿಯ ಸಾಮಾಜಿಕ ಚಟುವಟಿಕೆಗಳಿಗೆ ನೀಡಿರುತ್ತದೆ.

ಆದರೆ ಕಂಪನಿಯು ನಿಯಮ 2013ರಂತೆ ಕಂಪನಿಯ ಸಾರ್ವಜನಿಕ ಜವಾಬ್ದಾರಿಗೆ ವ್ಯಯ ಮಾಡಲು ಯಾವುದೇ ಹಣ ಇರುವುದಿಲ್ಲ. ಏಕೆಂದರೆ 2017-18ರವರೆಗೆ ಕಂಪನಿಗೆ ನಷ್ಟವಾಗಿರುತ್ತದೆ. 2018-19ರಲ್ಲಿ ಕನಿಷ್ಠ ಲಾಭ ಹೊಂದಿದ್ದು ವಿವರಗಳು ಈ ಕೆಳಕಂಡಂತೆ ಇರುತ್ತದೆ.

Financial year	Net profit / (loss) (Rs.)
2018-19	3,22,21,299
2017-18	(-) 8,60,75,584
2016-17	77,58,689
Total	(-) 4,60,95,597
Average of three years	(-) 1,53,65,199
2% of average	NIL

18. **ಸಂತಾಪ ಸೂಚನೆ :** ನಮ್ಮೆಲ್ಲರ ಪ್ರೀತಿ ಪಾತ್ರರಾಗಿದ್ದ ಕಂಪನಿಯಲ್ಲಿ ಬಹಳ ವರ್ಷಗಳಿಂದ ನಿರ್ದೇಶಕರಾಗಿದ್ದ ಸ್ವತಂತ್ರ ನಿರ್ದೇಶಕರಾದ ಶ್ರೀ ಎ.ಸಿ. ಜಯಣ್ಣನವರು ದಿನಾಂಕ 02-03-2019ರಂದು ದೈವಾಧೀನರಾದರೆಂದು ತಿಳಿಸಲು ವಿಷಾದಿಸುತ್ತೇವೆ. ಇವರು ದೀರ್ಘಕಾಲದಿಂದ ಕಂಪನಿಯ ಬೆಳವಣಿಗೆಗೆ ಸದಾಕಾಲ ಸಲಹೆ, ಸೂಚನೆಗಳನ್ನು ನೀಡುತ್ತಾ ಬಂದಿರುವುದನ್ನು ನಾವು ಈ ಸಂದರ್ಭದಲ್ಲಿ ಸ್ಮರಿಸುತ್ತೇವೆ. ಅವರ ಅಗಲಿಕೆಯು ತುಂಬಾ ದುಃಖದಾಯಕವಾಗಿದ್ದು, ಅವರ ಕುಟುಂಬಕ್ಕೆ ದೇವರು ದುಃಖ ಸಹಿಸುವ ಶಕ್ತಿ ನೀಡಲಿ ಎಂದು ಪ್ರಾರ್ಥಿಸುತ್ತೇವೆ ಮತ್ತು ಅವರ ಆತ್ಮಕ್ಕೆ ಶಾಂತಿ ಸಿಗಲಿ ಎಂದು ಕೋರುತ್ತೇವೆ.
19. **ಅಂಗೀಕರಣಗಳು :** ನಿಮ್ಮ ನಿರ್ದೇಶಕರ ಮಂಡಳಿಯವರು, ಕಂಪನಿಗೆ ನೀಡಿರುವ ಸಹಕಾರಕ್ಕಾಗಿ ಕಬ್ಬು ಬೆಳೆಗಾರರಿಗೂ, ಭಾರತ ಸರ್ಕಾರದವರಿಗೂ, ಕರ್ನಾಟಕ ಸರ್ಕಾರದವರಿಗೂ, ಬ್ಯಾಂಕ್‌ಗಳವರಿಗೂ, ಹಣಕಾಸು ಸಂಸ್ಥೆಗಳವರಿಗೂ ತನ್ನ ಸಿಬ್ಬಂದಿ ವರ್ಗದವರಿಗೂ ಮತ್ತು ಷೇರುದಾರರಿಗೂ, ಕಂಪನಿಗೆ ಅವರುಗಳು ಕೊಟ್ಟಿರುವ ನಿರಂತರ ಬೆಂಬಲ ಮತ್ತು ಧಾರಾಳ ಸಹಾಯಕ್ಕಾಗಿ ಮತ್ತು ಕಂಪನಿಗೆ ತೋರಿದ ಮಾರ್ಗದರ್ಶನಕ್ಕೆ ಕೃತಜ್ಞತಾಭಾವದಿಂದ ಗೌರವ ಪೂರ್ವಕವಾದ ಧನ್ಯವಾದಗಳನ್ನು ಅರ್ಪಿಸುತ್ತಾರೆ.

ಆಡಳಿತ ಮಂಡಳಿ ಅಪ್ಪಣೆ ಮೇರೆಗೆ
ದಾವಣಗೆರೆ ಪುಗರ್ ಕಂಪನಿ ಲಿಮಿಟೆಡ್ ಪರವಾಗಿ

ಎಸ್.ಎಸ್. ಗಣೇಶ್

ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರು

DIN: 00451383

ಸ್ಥಳ : ದಾವಣಗೆರೆ
ದಿನಾಂಕ : 30-08-2019



Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

Details of contracts or arrangements or transactions at arm's length basis

SL No	Name of the Contracting Party	Nature of Relationship	Nature of Transaction	Period of transaction	Actual amount paid	Advance paid (if any)	Related party due to	Member Interested in contract (with % of Shareholding in the Company)
1	M/s. Kalleswara Traders	MD's Relative is partner in firm	Purchase of provision item for Company canteen	2018-19	Rs. 3,57,215	Nil	-	N.A.
2	M/s. S. Kallappa & Sons	MD is partner in firm	Purchase of provision item for Company canteen Sales of Sugar	2018-19 2018-19	Rs. 54,580 Rs. 1,58,77,651	Nil	-	N.A.
3	M/s. Shivashankar Associates	MD is partner in firm	Purchase of provision item for Company canteen	2018-19	Rs. 83,860	Nil	-	N.A.

2. Details of material contracts or arrangement or transactions not at arm's length basis

SL No	Name of the Contracting Party	Nature of Relationship	Nature of Transaction	Period of transaction	Estimated Value (Actual amount paid)	Advance paid (if any)	Related party due to	Member Interested in contract (with % of Shareholding in the Company)

NOT APPLICABLE								

By the order of the Board
for Davangere sugar company limited

S.S. Ganesh
Managing Director
DIN: 00451383

Place : Davangere
Date : 30-08-2019

**FORM – A**
(See Rule 2)**Form for Disclosure of Particulars with respect to Conservation of Energy**

PARTICULARS	For the Current Year ended March 31, 2019	For Previous Year ended March 31, 2018
I. POWER AND FUEL CONSUMPTION		
1. ELECTRICITY		
A. Purchases		
Unit	7,45,000	9,32,000
Total Amount	68,38,036	89,74,052
Rate/Unit	9.18	9.62
B. Own Generation		
[a] Through Diesel Generator		
Unit	2240	500
Unit per Litre of Diesel Oil	1.26	1.26
Cost/Unit	42.18	43.58
[b] Through Steam Turbine		
Unit	7,16,85,530	3,88,88,500
Unit per MT of fuel consumed	995	998
Cost/Units	4.47	4.54
C. Consumption per unit of production (per Qtl of Sugar)		
Standards If any	Current year 2018-19	Previous Year 2017-18
Products (with details) Unit – Sugar in Qtls	4,11,450	1,21,500
Electricity consumption per qtl of sugar (units) Furnace Oil	49.32	52.55
Others	-	-
Bagasse consumption per Qtl of Sugar (MTs)	-	-

By the order of the Board
for Davangere sugar company limitedPlace : Davangere
Date : 30-08-2019**S.S. Ganesh**
Managing Director
DIN: 00451383



ANNEXED TO DIRECTORS' REPORT

FORM - B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

Particulars	Particulars
RESEARCH AND DEVELOPMENT (R & D)	
1] Specific areas in which R & D carried out by the Company	Steam saving devices and increasing of productivity
2] Benefits derived as a result of the above R & D	Stream saving
3] Future Plan of Action	To expand Sugar Cane growing area and to maximize sugar cane crushing quantity in coming years. Commissioning of Ethanol plant.
4] Expenditure on R & D :	-
[a] Capital	-
[b] Recurring	-
[c] Total	-
[d] Total R & D expenditure as a % of Total Turnover	-
TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION	
1] Efforts, in brief, made towards technology absorption, adaptation and innovation	Expansion and Modernisation of process house with FFE Technology and adoption of German model VKT technology.
2] Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.,	Increase in productivity, product quality and reduction in steam consumption.
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	N.A.
[b] Year of Import	N.A.
[c] Has technology been fully absorbed?	N.A.
[d] If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	N.A.

By the order of the Board
for Davangere sugar company limited

Place : Davangere
Date : 30-08-2019

S.S. Ganesh
Managing Director
DIN: 00451383



ANNEXURE - I

CORPORATE GOVERNANCE

A. MANDATORY REQUIREMENTS

Company's philosophy on Corporate Governance

The Davangere Sugar Company Ltd., (a Public limited Company), which is professionally managed, is deeply committed to the core values of Corporate Governance concepts. It strives to maintain the highest ethical standards in its conduct of business towards shareholders, employees, customers, suppliers and other stakeholders. Its objective is to transcend beyond bare compliance of the statutory requirement of the code and be a responsive and responsible entity through transparency, integrity of information and timely disclosures. The Company constantly endeavours to improve on these on an ongoing basis. Though the company is **de-listed**, it will endeavor to provide this report for the benefit of wide range of public shareholders

1 Board of Directors

(a) Composition

As at the end of the year 31st March 2019 the Board of Directors had Five members comprising of one Managing Director and four Non-Executive Directors. The Non-Executive Directors included two Directors who are Independent Directors and two promoter directors.

(b) Attendance of each Director at the Board Meetings during the Financial Year 2018-19. 11 (Eleven) Board Meetings were held. The attendance of each of the Directors at the said Board Meetings is given below :

Name of Director Sriyuths	Category of Directorship	No.of Meetings attended	% of total Meetings during the tenure as a Director
1. S.S. Ganesh	MD	11	100%
2. S.S. Mallikarjun	NED	06	55%
3. K.V. Somashekar	NED	11	100%
4. A.C. Jayanna	NED	09	81%
5. Smt. Rekha Ganesh	NED	11	100%

M D – Managing Director, ED - EXECUTIVE DIRECTOR, N E D – Non Executive Director.

(c) Number of other Companies or Committees in which is a Director/Chairman

Name of Director Sriyuths	No. of other companies in which Director (including alternate/nominee Director)	No. of committees (other than Davangere Sugar Co., Ltd) in which Member
1. S.S. Ganesh	4	-
2. S.S. Mallikarjun	3	-
3. K.V. Somashekar	-	-
4. A.C. Jayanna	-	-
5. Smt. Rekha Ganesh	-	-

**(d) Number of Board Meetings held and the dates of the Board Meeting :**

11 (Eleven) Board meetings were held during the financial year ended 31st March 2019. The dates on which the said meetings were held are given below :

Sl.No.	Date of Board meeting	Sl.No.	Date of Board meeting
1.	06.04.2018	7.	01.12.2018
2.	24.04.2018	8.	13.12.2018
3.	06.06.2018	9.	29.01.2019
4.	24.08.2018	10.	12.02.2019
5.	22.10.2018	11.	25.03.2019
6.	07.11.2018		

2 Audit Committee :**(a) Terms of Reference**

- ♦ the recommendation for appointment, remuneration and terms of appointment of auditors of the company ;
- ♦ review and monitor the auditor's independence and performance, and effectiveness of audit process ;
- ♦ examination of the financial statement and the auditors' report thereon ;
- ♦ approval or any subsequent modification of transactions of the company with related parties ;
- ♦ scrutiny of inter-corporate loans and investments ;
- ♦ valuation of undertakings or assets of the company, wherever it is necessary ;
- ♦ evaluation of internal financial controls and risk management systems ;
- ♦ monitoring the end use of funds raised through public offers and related matters.

(b) Composition, names of members and Chairperson

Vide board resolution dated 06.04.2018, the Audit Committee was re-constituted with one of Managing Director namely Sri. S.S. Ganesh and two Independent Directors namely Sri. A.C. Jayanna and Sri. K.V. Somashekar. The Statutory Auditors Lingaraju V., the Internal Auditor M/s G.Gangadhar & Co., being permanent invitees and two members of the Committee are Independent Directors. In that Sri. A.C. Jayanna is the Chairman of the Audit Committee.

(c) Meetings and Attendance during the year

Four meetings were held during the financial year ended 31st March, 2019 as follows :

Sl. No.	Date of Meeting	Members present (Yes/No)		
		S.S. Ganesh	K.V. Somashekar	A.C. Jayanna
1.	06.04.2018	Yes	Yes	Yes
2.	06.06.2018	Yes	Yes	Yes
3.	24.08.2018	Yes	Yes	Yes
4.	01.12.2018	Yes	Yes	Yes

4. Cost Audit Committee :

The Cost Audit Committee is constituted consisting of Mr. M.R. Krishna Murthy, Bangalore, who have been appointed as our Company Cost Auditor under section 148(3) of the Companies Act, 2013. The committee consists of Sri A.C. Jayanna and Sri K.V. Somashekar who are the independent directors, as the members of the committee. The meeting was held on 24th August, 2018.

(a) Terms of Reference

- (i) to facilitate carryout of the cost audit of accounting records of our company, in terms of the Companies Act, 1956 read with the companies Act, 2013
- (ii) to identify the costs to the extent possible cost centre wise.



(iii) to guide the management on significant variations in the costs of a cost centre year on year basis.

The cost audit of our Company for the Financial Year 2018-19 is under progress.

5. Nomination and Remuneration Committee

(a) Terms of Reference

The Remuneration Committee recommends on remuneration package including pension rights and any compensation payment of the Managing Director to the Board for approval.

(b) Composition, names of members and Chairperson

Vide board resolution dated 24.04.2018, the Remuneration Committee was reconstituted with three Non-Executive Directors namely, Smt. Rekha S. Ganesh, Sri. A.C. Jayanna (Independent) and Sri. K.V. Somashekar, (Independent). Sri. K.V. Somashekar is the Chairman of the committee.

(c) Remuneration Policy

The remuneration is being paid to the Managing Director and Executive Director, no sitting fees is paid to any Director. The Managing Director and Executive Director are paid remuneration as approved by the members in their General Body Meeting from time to time. In its meeting held on 29.01.2019 the committee recommended remuneration policy to the Board and in the meeting held on same date, the board approved the same.

(d) Details of Remuneration to all directors, as per format in main report :

The Managing Director is being paid a remuneration of Rs. 3.00 lakhs per month (consolidated and all inclusive) w.e.f., 24th September, 2011.

6. Transfer & Shareholders' / Investors' Grievance Committee (Stakeholders Relationship Committee)

Vide board resolution dated 06.04.2018, Transfer & Shareholders' / Investors' Grievance Committee was reconstituted with Directors Namely Smt. Rekha S Ganesh and two Non-Executive & Independent Directors namely Sri. A.C. Jayanna and Sri. K.V. Somashekar. Sri A.C. Jayanna is the chairman of the committee.

- | | | |
|---|---|--|
| a) Name of the Non Executive Director heading the Committee | - | SRI A.C. Jayanna
Independent Director |
| b) Name & Designation of the Compliance Officer | - | SRI. G.H. SHIVAKUMAR
Incharge Share Department |
| c) Number of Shareholders complaints received during the financial year | - | Nil |
| d) Number of complaints not solved to the satisfaction of shareholders | - | Not Applicable |
| e) Number of pending share transfers | - | Nil |

7. Committee of Corporate Social Responsibility

(a) Terms of Reference :

1. Formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the company as specified in schedule VII of the Companies Act, 2013.
2. Recommend the amount of expenditure to be incurred on the activities referred in schedule VII of the Companies Act, 2013.
3. Monitor the Corporate Social Responsibility Policy of the Company from time to time.

(b) Composition, names of members and Chairperson

Vide board resolution dated 06.04.2018, the Corporate Social Responsibility Committee was constituted with, Sri S.S. Ganesh, Managing Director, Sri A.C. Jayanna, Independent Director, & Sri K.V. Somashekar Independent Director and Sri A.C. Jayanna is the chairman of the committee.

8. General Body Meetings

(a) Location and time where last three AGMs were held

Location	Date	Time
i. Thogataveera Samudhaya Bhavana, M.C.C. 'A' Block, Davangere	29.09.2018	10.45 a.m.
ii. Thogataveera Samudhaya Bhavana, M.C.C. 'A' Block, Davangere	21.09.2017	10.45 a.m.
iii. Thogataveera Samudhaya Bhavana, M.C.C. 'A' Block, Davangere	07.11.2016	10.45 a.m.



- (b) Whether Special Resolutions were put through Postal Ballot last year - **No**
 (c) Persons who conducted the Postal Ballot exercise - **Not applicable**
 (d) Are Polls proposed to be conducted through Postal Ballot this year - **No**
 No resolutions requiring postal ballot for matters as required under Clause 4 of the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001 have been placed for Shareholders' approval at the Meeting.
 (e) Procedure for Postal Ballot - **Not applicable**

9. Disclosure

- (a) Disclosures on materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of Company at large **NONE**
 (b) Details of non-compliances by the company, Penalties, Strictures imposed on the Company by such Exchange or SEBI or any statutory authority, or any matter related to capital products, during last three years. **NONE**

10. General Shareholder Information

- (a) **AGM DATE AND TIME** : 30th Septemebr, 2019 at 11.00 a.m.
VENUE : **Thogataveera Samudhaya Bhavana**
M.C.C. 'A' Block, DAVANGERE
 (b) Date of Book closure : 30th September, 2019
 (c) Dividend payment date(s) : N.A.
 (d) Listing : Under process
 (e) (i) Stock code – Physical : Nil
 (ii) Demat ISIN Number for NSDL & CDSL: INE179G01011
 (f) Market price data: High/Low : Not traded through Stock Exchange.
 during each month in last Financial year : Privately traded at Rs. 10/- each during the entire year.
 (f) Stock performance in comparison : Not applicable
 to broad based indices such as BSE Senses, BSE 2000, Nifty.
 (g) Registrar and Transfer Agents : M/s. Integrated Enterprises(India) Ltd.,
 30, Ramana residency, 4th Cross, Sampige Road
 Malleswaram, BANGALORE – 560 003
 (h) Share Transfer System : M/s. Integrated Enterprises (India) Ltd., has been authorized
 to approve the transfer of shares. The said transfers
 are then reported to the subsequent Board Meeting.

(i) De-materialization of shares and liquidity

Shareholders may dematerialize their shareholding by anyone of the Depositories namely NSDL and CDSL.

(j) Outstanding GDRs/ADRs/Warrants or any convertible instruments.

The company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

- (k) Plant Locations: **Sugar Unit & Co-generation Unit**
Kukkuwada Village. Davangere taluk & District,
Karnataka State – 577 525
 (l) Address for Correspondence: **Secretary (I/c)**
Davangere Sugar Co.Ltd., Kukkuwada Village.
Davangere taluk & District, Karnataka State- 577 525

Place : Davangere
 Date : 30-08-2019

By the order of the Board
 for Davangere sugar company limited
S.S. Ganesh
 Managing Director DIN: **00451383**



ANNEXURE - II
Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on March 2019
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS :

- i) CIN: - U01115KA1970PLC001949
- ii) Registration Date: 28/09/1970
- iii) Name of the Company: DAVANGERE SUGAR COMPANY LIMITED
- iv) Category / Sub-Category of the Company: Indian Non-Government Company
- v) Address of the registered office and contact details: 73/1, Post box No. 312,
Shamanur Road, Davangere-577004
- vi) Whether listed company Yes / No : NO
 - i) Name, Address and Contact details of Registrar and Transfer Agent, if any :
M/s. Integrated Enterprises (India) Ltd., Ramana Residency, Sampige Road,
Malleswaram, BENGALURU

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

SN	Name and Description of main Product/service	NIC Code of the Product/service	% to total turnover of the company
1	Sugar	1701	76.51%
2	Power	1703	21.97%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES
[No. of Companies for which information is being filled]-None

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE
	NIL	NIL	NIL

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 March 2018]				No. of Shares held at the end of the year [As on 31 March 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoters (Individuals)	1636878	27095198	28732076	64.05	1636878	31516765	33153643	59.54	- 4.51
NRIs- Individuals	---	2001650	2001650	4.46	---	8006600	8006600	14.38	+ 9.92
Bodies Corporate	---	8093479	8093479	18.05	---	8097051	8097051	14.54	- 3.51
Others - Individuals	---	6029252	6029252	13.44	---	6427168	6427168	11.54	- 1.90
Grand Total	1636878	43219579	44856457	100	1636878	54047584	55684462	100	--



B) Shareholding of Promoters :-								
SN	Shareholder's Name Shriyuts	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	S Shivashankarappa	500	0.00	---	500	0.00	No	0.00
2.	S S Ganesh	15522478	34.60	---	15522478	27.87	No	- 6.73
3.	Rekha S Ganesh	6086200	13.57	---	6086200	10.93	No	- 2.64
4.	Abhijit G Shamanur	6914724	15.42	---	6914724	12.42	No	- 3.44
5.	S S Mallikarjun	208174	0.46	---	208174	0.37	No	- 0.09
C) Change in Promoters' Shareholding (please specify, if there is no change): No change								
D) Shareholding Pattern of top ten Shareholders : (other than Directors, Promoters and Holders of GDRs and ADRs) :								
SN	For Each of the Top 10 Shareholders Shriyuts	Shareholding at the beginning of the year		Cumulative Shareholding end of the year				
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company			
1	S.S. Ganesh	15522478	34.60	15522478	27.87			
2	Rekha S. Ganesh	6086200	13.57	6086200	10.93			
3	Abhijit G. Shamanur	6914724	15.42	6914724	12.42			
4.	M/s. Mafatlal Plywood Industries Ltd.	8000000	17.73	8000000	14.37			
E) Shareholding of Directors and Key Managerial Personnel :								
SN	Shareholding of each Directors and each Key Managerial Personnel Shriyuts	Shareholding at the beginning of the year		Cumulative Shareholding end of the year				
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company			
1	S S Ganesh	15522478	34.60	15522478	27.87			
2	Rekha S Ganesh	6086200	13.57	6086200	10.93			
3	S S Mallikarjun	208174	0.46	208174	0.37			
4	A C Jayanna	500	0.0011	500	0.00			
5	K V Somashekar	1000	0.0022	1000	0.00			
V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment								
	Secured Loans excluding deposits Rs. in lakhs	Unsecured Loans Rs. in lakhs	Deposits Rs. in lakhs	Total Indebtedness Rs. in lakhs				
Indebtedness at the begining of the financial year								
i) Principal Amount (Term loan and working capital)	11815.91	350	Nil	12165.91				
ii) Interest due but not paid	Nil	Nil	Nil	Nil				
iii) Interest accrued but not due	Nil	Nil	Nil	Nil				
Total (i+ii+iii)	11815.91	350		12165.91				



	Secured Loans excluding deposits Rs. in lakhs	Unsecured Loans Rs. in lakhs	Deposits Rs. in lakhs	Total Indebtedness Rs. in lakhs
Indebtedness at the end of the financial year				
i) Principal Amount (Term loan and working capital)	14871.47	2209.30	Nil	17080.77
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	14871.47	2209.30		17080.77
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-				
A. Remuneration to Managing Director, Whole-time Directors and/or Manager :				
SN.	Particulars of Remuneration	Name of MD/ED		Total Amount
		Sri S S Ganesh	Sri Abhijit G Shamanur	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3600000	Nil	3600000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option	None	None	Nil
3	Sweat Equity	None	None	Nil
4	Commission			
	- as % of profit			
	- others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	3600000	Nil	3600000
	Ceiling as per the Act	10% of Net Profit	10% of Net Profit	--
B. Remuneration to other directors- No other director draws remuneration				
C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / ED: None				
XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : None				
By the order of the Board for Davangere sugar company limited				
Place : Davangere		S.S. Ganesh		
Date : 30-08-2019		Managing Director DIN: 00451383		

**ANNEXURE - III****FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,**The Members,****Davangere Sugar Company Ltd**

73/1, Post Box No.312, Shamanur Road,

Davangere, Karnataka - 577004

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Davangere Sugar Company Ltd (CIN: U01115KA1970PLC001949)** (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **Davangere Sugar Company Ltd** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Davangere Sugar Company Ltd for the financial year ended on 31st March, 2019 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **(The Company was listed on Bangalore Stock Exchange Limited, which got derecognised on November 24, 2014, post which, the Company was not listed on any stock exchange and is presently on the dissemination board of BSE Limited, thus the compliance with Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable during the period under review)**
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable**



- b)** The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable**
- c)** The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**
- d)** The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable**
- e)** The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
- f)** The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g)** The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not Applicable**
- h)** The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **Not Applicable**
- i)** The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 **Not Applicable**

OTHER APPLICABLE LAWS:

With respect to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws applicable to the Company:

1. Income Tax Act, 1961 to the extent of Tax Deducted at Source under various Section and T.D.S. Returns filed.
2. Indirect Tax Laws relating to collections, deductions, wherever applicable, payments made and returns filed.
3. The Sugar Cess Act, 1982
4. Food Safety and Standards Act, 2006
5. Essential Commodities Act, 1955
6. Sugar Development Fund Act, 1982
7. Prevention of Food Adulteration Act, 1954
8. Air (Prevention and Control of Pollution) Act, 1981
9. Water (Prevention and Control of Pollution) Act, 1974

We have relied on the representations made by the Company, its officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards as issued and implemented by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with Bangalore Stock Exchange Limited (presently derecognised as a Stock Exchange w.e.f. from November 24, 2014)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried unanimously and is recorded in the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

1. The Company has not appointed Internal Auditors as per the provision of Section 138 of the Companies Act, 2013.
2. The Company has failed to provide E-voting facility to the shareholders of the Company at the General Meeting of the members of the Company held during the financial year under review.
3. The Company has made an application to BSE Limited for Direct Listing of 55,684,462 Equity Shares of Rs. 10/- each and the same is still pending for approval.
4. The Company has issued 10,828,005 bonus shares to the existing public shares pursuant to the resolution passed by the Board of Directors of the Company on December 13, 2018, in order to comply with the minimum public shareholding requirement mandated under rules 19(2)(b) and 19A of the Securities Contracts (Regulation) Rules, 1957
5. The Company has failed to file the reporting / disclosure with Reserve Bank of India for bonus shares allotted to Non Resident shareholder during the period under review
6. The Company has made regular delay in filing of Forms / returns with Registrar of Companies, for which necessary additional fees was paid by the Company.

This Report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this Report.



Annexure A

To,
The Members,
Davangere Sugar Company Ltd
73/1, Post Box No.312, Shamanur Road,
Davangere, Karnataka - 577004

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Amit R. Dadheech & Associates

SD/-

Amit R. Dadheech

M. No.: 22889; C.P. No.: 8952

Date: August 30, 2019

Place: Mumbai



**Declaration of Independence
[Pursuant to Section 149(7)]**

To
The Board of Directors of Davangere Sugar Company Limited

I, Mr K V Somashekar, son of Mr. Kiruvadi Veerabasappa, resident of # 428/3, K B Extension, Davangere, 577002 independent director of the company hereby declare that, I fulfill the requirement of independence as stipulated under Section 149(6) of Companies Act 2013.

SD/-

Name: K V Somashekar
Date: 30.08.2019

DIN: 02408750

**Mandatory disclosure under Rule 8(5) of Companies (Accounts) Rules 2014**

Particulars	Disclosure
The financial summary	Given at the beginning of directors report
The change in the nature of business	None
The details of directors or key managerial personnel who were appointed or have resigned during the year	Sri A C Jayanna passed on 02-03-2019 He was independent director of the company
The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year	None
The details relating to deposits, covered under Chapter V of the Act,	NA
The details of deposits which are not in compliance with the requirements of Chapter V of the Act	NA
The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future	None
The details in respect of adequacy of internal financial controls with reference to the Financial Statements	The Company has built adequate internal control systems towards achieving efficiency and effectiveness in operations, optimum utilization of resources, cost reduction and effective monitoring thereof as well as compliance with all applicable laws. The internal control mechanisms comprise a well-defined organization structure, documented policy guidelines, pre-determined authority levels and processes commensurate with size and capacity of the organization, faster decision making and fixing the level of responsibility. The senior management members meet frequently and undertake extensive checks. Audit Committee of the Board reviews the adequacy of internal controls.



Lingaraju V

B Com, F.C.A

Chartered Accountant

595, Kaipet, DAVANGERE - 577 001.
Ph. : 08192-236649, Cell : 9886100404
E-mail : sharnathi@gmail.com

AUDITORS' REPORT

To,

The Members of the Davangere Sugar Company Limited,

Report on the Audit of the Standalone Indian Accounting Standards ("Ind AS") Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Davangere Sugar Company Ltd., (the Company), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss, the Statement of Changes in Equity, the Statement of Cash flows for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Ind AS Financial Statements:

The Company's Management and Board of Directors are responsible the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act.

This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either

intends to liquidate the Company or to ease operations, or has no realistic alternative but to do so.

Auditors' Responsibility:

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We are also responsible to conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion :

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2019, its profits and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(3) of the Act, we give in "Annexure A" a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
 - (e) On the basis of the written representation received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to the standalone Ind As financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and With respect to the other matters to be included in the Independent Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our
 - (g) opinion and to the best of our information and according to the explanations given to us:
 - i. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - ii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Davangere
Date : 24-05-2019

Lingaraju V.
Chartered Accountant
M.No: 218951

"Annexure A" referred to in our Independent Auditors' Report to the Members of Davangere Sugar Company Limited ("the Company") on the standalone Ind AS financial statements for the year ended year ended 31st March, 2019, we report that:

- i)
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The Company has a regular programme of physical verification of its Fixed Assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c) In our opinion, the disposal of fixed assets during the year has not affected the going concern assumption.
- (ii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013("the Act"). Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iii) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans given and investments of Sections 185 and 186 of the Act are applicable.



- (iv) The Company has not accepted any deposits from the public within the meaning the directives issued by the Reserve Bank of India, provisions of Section 73 and 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (v) We have broadly reviewed the books of accounts relating to the materials, labour and other items of cost maintained by the company in pursuant to rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we are neither required to carryout nor have carried out any detailed examination of such accounts and records.
- (vi) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, value added tax, service tax, goods and service tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of excise and duty of customs.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income-tax, sales tax, value added tax, service ax, goods and service tax, cess and other material statutory dues were in arrears as at 31st March, 2019 for a period of more than six months from the date of they became payable.
- (vii) According to the information and the explanations given to us, the Company has not defaulted in payment of dues to any financial institutions or bank and has not issued debentures.
- (viii) According to the information and explanations given to us and based on the examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- (ix) According to the information and explanations given to us, no material fraud on the Company by its officers or employees or fraud by the Company has been noticed or reported during the course of our audit.
- (x) Based upon the audit procedures performed and the information and explanations given by the Management, the Managerial remuneration has been paid or on the Company by its Officers or employees has been noticed or reported during the year.
- (xi) According the information and explanations given to us, in our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (xii) According to the information and explanations and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly the provisions of clause 3(xv) of the order are not applicable to the company.
- (xv) According to the information and explanation given to us and in our opinion the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Place : Davangere
Date : 24-05-2019

Lingaraju V.
Chartered Accountant
M.No: 218951

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of the Davangere Sugar Company Ltd.,

Report on the Internal Financial Controls under Clause (i) of Sub-Section 143 of the Companies Act, 2013(" the Act").

We have audited the internal financial controls with reference to standalone Ind AS financial statements of Davangere Sugar Company Limited ("the Company") as of 31st March, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone Ind AS financial statements criteria established by the Company considering the essential components of internal



control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements of the Company that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements of the Company, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient to provide a basis for our audit opinion on the Company's internal financial control system with reference to standalone Ind AS financial statements.

Meaning of Internal Controls with reference to standalone Ind AS Financial Statements

A Company's internal control with reference to standalone Ind AS financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone Ind AS financial statement includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone Ind AS financial statements to future are subject to the risk that the internal financial control with reference to standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at 31st March, 2019, based on the internal control with reference to standalone Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Place : Davangere
Date : 24-05-2019

Lingaraju V.
Chartered Accountant
M.No: 218951



31-03-2019 ರ ಅಂತ್ಯಕ್ಕೆ ಇದ್ದಂತೆ ಆಸ್ತಿ ಮತ್ತು ಹೊಣೆ ತಃಖ್ತೆ
BALANCE SHEET AS AT 31.03.2019

All Figures in Rs.

ವಿವರ Particulars	ಅನುಸೂಚಿ Note No.	31-03-2019 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2019	31-03-2018 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2018
I ಈಕ್ವಿಟಿ ಮತ್ತು ಹೊಣೆಗಳು			
I EQUITY AND LIABILITIES			
1. ಷೇರುದಾರರ ನಿಧಿಗಳು			
1 SHAREHOLDERS' FUNDS			
ಎ) ಷೇರು ಬಂಡವಾಳ			
a) Share Capital	1	55,68,44,620	44,85,64,570
ಬಿ) ಮೀಸಲು ನಿಧಿ ಮತ್ತು ಮಿಗತೆ			
b) Reserves and Surplus	2	36,47,97,193	44,08,55,943
		92,16,41,813	88,94,20,513
2. ಚಾಲ್ತಿ ಅಲ್ಲದ ಹೊಣೆಗಳು			
2 NON-CURRENT LIABILITIES			
ಎ) ದೀರ್ಘಾವಧಿ ಸಾಲಗಳು			
a) Long Term Borrowings	3	7,12,32,520	13,87,28,939
ಬಿ) ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹೊಣೆಗಳು			
b) Deferred Tax Liabilities	4	1,15,90,621	64,95,086
ಸಿ) ಇತರೆ ದೀರ್ಘಾವಧಿ ಹೊಣೆಗಳು			
c) Other Long Term Liabilities	5	74,99,30,111	78,51,19,800
ಡಿ) ದೀರ್ಘಾವಧಿ ಹವಣಿಕೆಗಳು			
d) Long Term Provisions	6	---	---
3. ಚಾಲ್ತಿ ಹೊಣೆಗಳು			
3 CURRENT LIABILITIES			
ಎ) ಅಲ್ಪಾವಧಿ ಸಾಲಗಳು			
a) Short Term Borrowings	7	1,33,79,65,652	90,38,05,638
ಬಿ) ಕೊಡಬೇಕಾಗಿರುವ ವ್ಯಾಪಾರ ಬಾಕಿಗಳು			
b) Trade Payables	8	5,42,21,813	2,03,12,872
ಸಿ) ಇತರೆ ಚಾಲ್ತಿ ಹೊಣೆಗಳು			
c) Other Current Liabilities	9	12,73,31,565	16,37,54,549
ಡಿ) ಅಲ್ಪಾವಧಿ ಹವಣಿಕೆಗಳು			
d) Short Term Provisions	10	96,69,862	---
TOTAL ಒಟ್ಟು ಮೊತ್ತ		3,28,35,83,957	2,90,76,37,397



All Figures in Rs.			
ವಿವರ Particulars	ಅನುಸೂಚಿ Note No.	31-03-2019 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2019	31-03-2018 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2018
I ಆಸ್ತಿಗಳು ASSETS			
1 ಚಾಲ್ತಿ ಅಲ್ಲದ ಆಸ್ತಿಗಳು NON-CURRENT ASSETS			
ಎ) ಸ್ಥಿರ ಆಸ್ತಿಗಳು a) Fixed Assets	11		
1. ವಾಸ್ತವಿಕ ಆಸ್ತಿಗಳು Tangible Assets		1,27,86,09,150	1,36,36,33,674
2. ನಿರ್ಮಾಣದ ಹಂತದಲ್ಲಿರುವ ಸ್ಥಿರಾಸ್ತಿಗಳು Capital Work in Progress		5,45,68,280	5,45,68,280
ಒಟ್ಟು ಮೊತ್ತ Total		1,33,31,77,429	1,41,82,01,954
ಬಿ) ಚಾಲ್ತಿ ಅಲ್ಲದ ಹೂಡಿಕೆಗಳು b) Non-Current investments	12	1,15,45,900	5,45,900
2. ಚಾಲ್ತಿ ಆಸ್ತಿಗಳು CURRENT ASSETS			
ಎ) ದೀರ್ಘಾವಧಿ ಸಾಲಗಳು ಮತ್ತು ಮುಂಗಡಗಳು a) MAT Credit Entitlement	13	4,15,96,970	4,15,96,970
ಬಿ) ದಾಸ್ತಾನುಗಳು b) Inventories	14	1,01,09,35,133	63,86,38,536
ಸಿ) ಬರಬೇಕಾದ ವ್ಯಾಪಾರದ ಬಾಕಿಗಳು c) Trade Receivables	15	19,75,08,661	10,39,36,174
ಡಿ) ನಗದು ಮತ್ತು ಸಮಾನಾಂತರಗಳು d) Cash and cash equivalents	16	1,03,99,920	5,88,48,994
ಇ) ಅಲ್ಪಾವಧಿ ಸಾಲ ಮತ್ತು ಮುಂಗಡಗಳು e) Short-term loans and advances	17	67,84,19,944	64,58,68,869
ಎಫ್) ಇತರೆ ಚಾಲ್ತಿಯಲ್ಲದ ಆಸ್ತಿಗಳು : ಮುಂದೂಡಿದ ತೆರಿಗೆ ಆಸ್ತಿಗಳು f) Other Non Current assets : Deferred Tax Asset	4	---	---
TOTAL ಒಟ್ಟು ಮೊತ್ತ		3,28,35,83,957	2,90,76,37,397

As per our Audit Report of even date annexed

Sd/-
Lingaraju V
Chartered Accountant
M.No. : 218951

Sd/-
Reshma M
Company Secretary
M.No. : A33180

For and on behalf of the Board of Directors

Sd/-
Rekha Ganesh
Director

Sd/-
S S Ganesh
Managing Director

Date : 24-05-2019

Place : Davangere



31-3-2019 ಕ್ಕೆ ಅಂತ್ಯಗೊಂಡ ವರ್ಷದ ಲಾಭ ಮತ್ತು ನಷ್ಟದ ತಃಖ್ತೆ
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2019

All Figures in Rs.

ವಿವರ PARTICULARS	ಅನುಸೂಚಿ Note No.	31-03-2019 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2019	31-03-2018 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2018
I ವ್ಯಾಪಾರ ವಹಿವಾಟುಗಳು ಒಟ್ಟು ಮೊತ್ತ REVENUE FROM OPERATIONS (GROSS)	18	1,06,25,86,417	63,90,15,972
ಅಬಕಾರಿ ತೆರಿಗೆ ಕಳೆದದ್ದು Less: Excise Duty		-	24,86,485
ವ್ಯಾಪಾರ ವಹಿವಾಟುಗಳ ನಿವ್ವಳ ಮೊತ್ತ Revenue from Operations (Net)		1,06,25,86,417	63,65,29,487
II ಇತರ ಆದಾಯಗಳು Other Income	19	7,82,86,000	18,33,28,408
III ಒಟ್ಟು ವಹಿವಾಟು Total Revenue		1,14,08,72,417	81,98,57,895
IV ಖರ್ಚುಗಳು EXPENSES			
ಎ) ಬಳಕೆ ಮಾಡಿದ ಸರಕು ಸಾಮಗ್ರಿಗಳ ವೆಚ್ಚ a) Cost of Materials Consumed	20	1,16,56,64,189	64,88,08,060
ಬಿ) ತಯಾರಾದ ಸರಕುಗಳ ಖರೀದಿ b) Purchase of Traded Goods	21	---	---
ಸಿ) ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯಕ್ಕೆ ಇರುವ ಸಿದ್ಧ ಮತ್ತು ಕಚ್ಚಾ ದಾಸ್ತಾನುಗಳ ಬದಲಾವಣೆ ಮೊತ್ತ c) Changes in inventories of finished goods and stock in process	22	(56,02,31,728)	(13,17,73,601)
ಡಿ) ನೌಕರರ ಸೌಲಭ್ಯಗಳ ವೆಚ್ಚ d) Employees Benefit Expenses	23	7,45,70,023	6,42,75,502
ಇ) ಹಣಕಾಸು ವೆಚ್ಚ e) Finance Costs	24	17,95,52,758	13,80,52,291
ಎಫ್) ಸವಕಳಿ f) Depreciation	11	8,98,38,450	9,01,95,880
ಜಿ) ಇತರ ವೆಚ್ಚಗಳು g) Other Expenses	25	14,44,92,029	7,90,88,424
TOTAL EXPENSES ಒಟ್ಟು ವೆಚ್ಚಗಳು		1,09,38,85,720	88,86,46,557



V	ವಿಶೇಷ ಮತ್ತು ಪ್ರತಿಷೇಧ ಬಾಬುಗಳು ಮತ್ತು ತೆರಿಗೆ ಮೊದಲಿನ ಲಾಭ/ನಷ್ಟ PROFIT/LOSS BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)	4,69,86,697	(6,87,88,662)
VI	ಪ್ರತಿಷೇಧ ಬಾಬುಗಳು Exceptional Items	---	---
VII	ವಿಶೇಷ ಬಾಬುಗಳು ಮತ್ತು ತೆರಿಗೆಯ ಮೊದಲಿನ ಲಾಭ/ನಷ್ಟ PROFIT/LOSS BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)	4,69,86,697	(6,87,88,662)
VIII	ವಿಶೇಷ ಬಾಬುಗಳು Extraordinary Items	---	---
IX	ತೆರಿಗೆಯ ಮೊದಲಿನ ಲಾಭ/ನಷ್ಟ PROFIT/LOSS BEFORE TAX (VII-VIII)	4,69,86,697	(6,87,88,662)
X	ತೆರಿಗೆ ವೆಚ್ಚಗಳು TAX EXPENSES		
	ಎ) ಕನಿಷ್ಠ ಪರ್ಯಾಯ ತೆರಿಗೆ ಕಾಯ್ದಿಸುವಿಕೆ a) MAT Provision	96,69,862	---
	ಬಿ) ಮುಂದೂಡಿದ ತೆರಿಗೆ b) Deferred Tax	50,95,536	1,72,86,923
	ಒಟ್ಟು Total	1,47,65,398	1,72,86,923
XI	ಅವಧಿಯಲ್ಲಿ ಬಂದಿರುವ ಲಾಭ / ನಷ್ಟ PROFIT /LOSS FOR THE PERIOD(IX-X)	3,22,21,300	(8,60,75,585)
XII	ಪ್ರತಿ ಷೇರಿಗೆ ಗಳಿಕೆ (ಮೂಲ ಮತ್ತು ನಿರ್ದಾರ) Earnings per Share (Basic and Diluted) Rs.	0.58	(1.92)

As per our Audit Report of even date annexed

Sd/-
Lingaraju V
Chartered Accountant
M.No. : 218951

Sd/-
Reshma M
Company Secretary
M.No. : A33180

For and on behalf of the Board of Directors

Sd/-
Rekha Ganesh
Director

Sd/-
S S Ganesh
Managing Director

Date : 24-05-2019
Place : Davangere



ಹಣಕಾಸಿನ ತಜ್ಞರಿಗೆ ಟಿಪ್ಪಣಿಗಳು
NOTES TO FINANCIAL STATEMENTS

NOTE 1 : SHARE CAPITAL ಷೇರು ಬಂಡವಾಳ :

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಅಧಿಕೃತ ಷೇರು ಬಂಡವಾಳ :		
6,00,00,000 ಈಕ್ವಿಟಿ ಷೇರುಗಳು ಪ್ರತಿಷೇರಿಗೆ ರೂ. 10/- ರಂತೆ		
Authorised Share Capital :		
6,00,00,000 Equity Shares of Rs. 10/- each	60,00,00,000	60,00,00,000
ವಿತರಿಸಿದ, ಆಜೀವಿಸಿದ ಮತ್ತು ಪಾವತಿಸಲ್ಪಟ್ಟ ಬಂಡವಾಳ		
5,56,84,462 ಈಕ್ವಿಟಿ ಪ್ರತಿ ಷೇರಿಗೆ ರೂ. 10/- ರಂತೆ		
Issued , Subscribed and Paid-up Capital :		
5,56,84,462 Equity Shares of Rs. 10/- each	55,68,44,620	44,85,64,570
(Company Issue Bonus Shares of 1,08,28,005 at Rs. 10/- each)		
ಒಟ್ಟು TOTAL	55,68,44,620	44,85,64,570

Disclosures :

- All the Equity Shares carry equal rights and obligations including for dividend and with respect to voting rights.
- Names of share holders holding more than 5% of the Share capital and their share holdings.

Sl. No.	Name of the Share Holder	Percentage	No. of Shares	No. of Shares
1	S S GANESH	27.88	1,55,22,478	1,55,22,478
2	ABHIJITH GANESH SHAMANUR	12.42	69,14,724	69,14,724
3	REKHA GANESH	10.93	60,86,200	60,86,200
4	M/S MAFATHLAL PLAYWOOD IND. LTD.,	14.37	80,00,000	80,00,000

ಮೀಸಲು ಮತ್ತು ಮಿಗತೆ

NOTE 2 : RESERVES AND SURPLUS

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
1 ಬಂಡವಾಳ ಮೀಸಲು :		
Capital Reserve:		
ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯದಲ್ಲಿನ ಶಿಲ್ಕು		
Balance at the beginning and end of the year	4,07,160	4,07,160
2 ಷೇರು ಪ್ರೀಮಿಯಮ್ ಮೀಸಲು :		
Securities Premium Reserve :		
ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯದಲ್ಲಿನ ಶಿಲ್ಕು		
Balance at the beginning and end of the year	2,49,46,750	2,49,46,750



3 ಸಾಮಾನ್ಯ ಮೀಸಲು : General Reserve : ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯದಲ್ಲಿನ ಶಿಲ್ಕು Balance at the beginning and end of the year	59,95,836	59,95,836
4 ಮಿಗತೆ : Surplus : ವರ್ಷಾರಂಭಕ್ಕೆ Balance brought forward from previous year	40,95,06,196	49,55,81,781
ವರ್ಷದ ಲಾಭ ನಷ್ಟ ತಃಖ್ತೆಯಿಂದ Less : Company Issue Bonus Shares of 1,08,28,005 at Rs. 10/- each	(10,82,80,050)	--
Add : Transfer from the Statement of Profit and Loss Account for the year ವಿನಿಯೋಗಗಳ ಸಲುವಾಗಿ ಉಳಿಕೆಯಾದ ಮೊತ್ತ Balance available for Appropriations	3,22,21,300	(8,60,75,585)
	33,34,47,446	40,95,06,196
ವಿನಿಯೋಗಗಳು : Appropriations : ಮುಂದಿನ ವರ್ಷಕ್ಕೆ ಮುಂದುವರಿದ ಶಿಲ್ಕು Balance carried forward to next year	33,34,47,446	40,95,06,196
ಒಟ್ಟು TOTAL (A+B)	36,47,97,193	44,08,55,943

ದೀರ್ಘಾವಧಿ ಸಾಲಗಳು**NOTE 3 : LONG TERM BORROWINGS**

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ ASAT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ ASAT 31.03.2018
ಎ. ಆಧಾರ ಸಹಿತ Secured : ಅವಧಿ ಸಾಲಗಳು Term Loans :		
i ಸಿಂಡಿಕೇಟ್ ಬ್ಯಾಂಕ್, ದಾವಣಗೆರೆ Syndicate Bank Term Loan-I (Modernization of Boiler House)	3,50,27,038	7,07,94,229
ii Syndicate Bank Term Loan-II (Modernization of Boiler House)	3,45,12,280	5,80,16,383
iii ಸ್ಟೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡಿಯಾ State Bank of India (for Mill Expansion unit)	---	23,56,914
iv ಸ್ಟೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡಿಯಾ, ದಾವಣಗೆರೆ ಇವರಿಂದ ಕಂಪನಿಯ ರಿಫೈನರಿ ಯುನಿಟ್‌ಗೆ Indian Bank (Under SEFASU-2014)	---	56,75,413
v ವಾಹನಗಳಿಗೆ ಸಾಲ Vehicles Loans	16,93,203	18,86,000
ಒಟ್ಟು TOTAL (A+B)	7,12,32,520	13,87,28,939



ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹೊಣೆಗಳು

NOTE 4 : DEFERRED TAX LIABILITIES

The Company has provided for Deferred Tax in accordance with Accounting Standard on Accounting for Taxes on income (AS-22) issued by the Institute of Chartered Accountants of India. The details of deferred tax assets and liabilities of the Company as on the date of Balance Sheet are as follows :

(All figures in Rupees)		
	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
1. ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹೊಣೆ		
1. Deferred Tax Liability/Asset :	---	----
ಸ್ಥಿರ ಆಸ್ತಿಗಳ ಸವಕಳಿಯ ಅವಧಿಯ ವ್ಯತ್ಯಾಸದಿಂದ On account of Timing differences in Depreciation of Fixed Assets		
2. ಮುಂದೂಡಿದ ತೆರಿಗೆ ಆಸ್ತಿಗಳು Deferred Tax Assets	64,95,086	(1,07,91,837)
3. ನಿವ್ವಳ ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹೊಣೆ / ಆಸ್ತಿ Net Deferred Tax Liabilities / Assets thereon	---	---
4. ಕಳೆಯಿರಿ : ಹಿಂದಿನ ವರ್ಷದಲ್ಲಿ ಹೊಂದಿಸಿದ್ದು Less : Provided for in the previous year	64,95,086	(1,07,91,837)
5. ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹವಣಿಸಿರುವುದು (ಹಿಮ್ಮರಳಿಕೆ) Deferred Tax Provided / (Reversed)	50,95,536	1,72,86,923
ಒಟ್ಟು TOTAL	1,15,90,621	64,95,086

ಇತರೆ ದೀರ್ಘಾವಧಿ ಹೊಣೆಗಳು

NOTE 5 : OTHER LONG TERM LIABILITIES

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಎ) ಖಾತರಿಯಿಲ್ಲದ ಕಾರ್ಯನಿರ್ವಾಹಕ ನಿರ್ದೇಶಕರ ಸಾಲ		
a) Unsecured Loan from the Managing Director	22,09,30,111	3,00,00,000
b) Harvesting and Transportation loan to beneficiaries with whom service contract is entered into for 3 years, with roll over of the credit facility continuously for 3 years on the condition of assured and continued operational services of harvesting & transportation extended by the beneficiaries to the company for atleast 3 years (Company has retained descretion to extend the roll over of credit facility to beneficiaries under the agreement)	52,90,00,000	75,51,19,800
ಒಟ್ಟು TOTAL	74,99,30,111	78,51,19,800



ದೀರ್ಘಾವಧಿ ಹವಣಿಕೆಗಳು

NOTE 6 : LONG TERM PROVISIONS

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಎ) ನೌಕರರ ಸೌಲಭ್ಯಗಳಿಗೆ ಒದಗಿಸಿಕೊಟ್ಟ ಮೊತ್ತ		
a) Provisions for Employees Benefits	---	---
ಬಿ) ಇತರೆ		
b) Others :	---	---
ಒಟ್ಟು TOTAL	---	---

ಅಲ್ಪಾವಧಿ ಸಾಲಗಳು

NOTE 7 : SHORT TERM BORROWINGS

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಎ) ಆಧಾರ ಸಹಿತ :		
A Secured :		
ಬೇಡಿಕೆ ಮೇಲೆ ಮರುಪಾವತಿಸುವ ಸಾಲ		
Loans repayable on demand		
(i) ಕನ್ಸೋರ್ಷಿಯಂ ಬ್ಯಾಂಕ್‌ಗಳಿಂದ ಪಡೆದಿರುವ ಕ್ಯಾಷ್ ಕ್ರೆಡಿಟ್ ಸಾಲ		
Cash Credit Loans from Consortium Banks	98,79,65,654	90,38,05,638
ಡಿಸಿಸಿ ಬ್ಯಾಂಕ್‌ನಿಂದ ಸಕ್ಕರೆ ದಾಸ್ತಾನು ಸಾಲ		
(ii) Sugar Pledge Loan from DCC Bank	34,99,99,998	-
ಬಿ) ಆಧಾರ ರಹಿತ :		
B Un-secured :		
ಒಟ್ಟು TOTAL	1,33,79,65,652	90,38,05,638

Disclosures :

A Secured :

Nil

B Un-Secured :

Nil

NOTE 8 : ಕೊಡಬೇಕಾದ ವ್ಯವಹಾರ ಬಾಕಿಗಳು TRADE PAYABLES

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
A ಆಧಾರ ಸಹಿತ Secured :		
ಸಾಲದಾತರು		
Sundry Creditors	5,42,21,812	2,03,12,872
ಒಟ್ಟು TOTAL	5,42,21,813	2,03,12,872

Disclosures :

1. The vendors of the Company are yet to submit their status under Micro, Small and Medium Enterprises; hence the relevant information is not available with the Company. Accordingly no disclosure relating to Micro, Small and Medium Enterprises have been made in the Accounts.



NOTE 9 : ಇತರೆ ಚಾಲ್ತಿ ಹೊಣೆಗಳು

OTHER CURRENT LIABILITIES

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಎ) ಅವಧಿ ಮುಗಿದಿರುವ ಚಾಲ್ತಿ ದೀರ್ಘಾವಧಿ ಹೊಣೆಗಳು		
a) Current maturities of Long Term Liabilities	7,79,32,956	14,40,58,682
ಬಿ) ಮಾರಾಟ ಬಾಬು ಮುಂಗಡ		
b) Advance against Sales	---	94,224
ಸಿ) ಶಾಸನಬದ್ಧ ಪಾವತಿಗಳು		
c) Statutory Remittances	74,76,959	15,75,206
ಡಿ) ವ್ಯವಹಾರ ಅಥವಾ ಭದ್ರತಾ ಠೇವಣಿ ಪಡೆದಿರುವುದು		
d) Trade or Security Deposits received	90,88,778	12,14,239
ಇ) ಇತರೆ		
e) Others	3,28,32,872	1,68,12,199
ಒಟ್ಟು TOTAL	12,73,31,565	16,37,54,549

Disclosures :

A. Secured :

1. Nil

ಅಲ್ಪಾವಧಿ ಹವಣಿಕೆಗಳು

NOTE 10 : SHORT TERM PROVISIONS

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಕನಿಷ್ಠ ಪರ್ಯಾಯ ತೆರಿಗೆ		
For Minimum Alternate Tax	96,69,862.00	---
ಒಟ್ಟು TOTAL	96,69,862.00	0.00

ಚಾಲ್ತಿ ಅಲ್ಲದ ಆಸ್ತಿಗಳು

NOTE 11 : NON - CURRENT ASSETS

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಸ್ಥಿರ ಆಸ್ತಿಗಳು		
Fixed Assets		
	'ಲಗತ್ತಿಸಿದೆ'	
	'ANNEXED'	



ಚಾಲ್ತಿಯಲ್ಲದ ಹೂಡಿಕೆಗಳು

NOTE 12 : NON - CURRENT INVESTMENTS

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಎ) ಚಾಲ್ತಿ ವ್ಯವಹಾರದಲ್ಲಿ ಇಲ್ಲದ್ದು (ಘೋಷಿತ ಬೆಲೆಗೆ) A NON-TRADE (QUOTED- AT COST)	---	---
ಬಿ) ಚಾಲ್ತಿ ವ್ಯವಹಾರದಲ್ಲಿ ಇಲ್ಲದ್ದು (ಅಘೋಷಿತ ಬೆಲೆಗೆ) B NON-TRADE (UN QUOTED- AT COST)		
I ಸರ್ಕಾರದ ಆಧಾರ ಪತ್ರಗಳು IN GOVERNMENT SECURITIES :	19,900	19,900
II ಇತರೆ ಹೂಡಿಕೆಗಳು OTHER INVESTMENTS		
ಎ) ಡಿಎಸ್‌ಸಿಎಲ್ ಎಂಪ್ಲಾಯಿಸ್ ಕೋ-ಆಪ್ ಸೊಸೈಟಿಯಲ್ಲಿನ ಷೇರುಗಳು a) Shares with DSCL Employee's Co-operative Society (500 Shares of Rs.10/- each)	5,000	5,000
ಬಿ) ಬಾಪೂಜಿ ಕೋ-ಆಪ್ ಬ್ಯಾಂಕ್‌ನ ಷೇರುಗಳು b) Shares with Bapuji Co-operative Bank Limited, (200 Shares of Rs.50/- each)	10,000	10,000
ಸಿ) ದಾವಣಗೆರೆ ಹರಿಹರ ಅರ್ಬನ್ ಕೋ-ಆಪ್ ಬ್ಯಾಂಕ್ ಲಿ. ನ ಷೇರುಗಳು c) Shares with Davangere Harihar Urban Co-operative Bank Limited, (501 Shares of Rs.1000/- each)	10,01,000	5,01,000
ಡಿ) ದಾವಣಗೆರೆ ಡಿಸ್ಟ್ರಿಕ್ಟ್ ಸೆಂಟ್ರಲ್ ಕೋ-ಆಪ್ ಬ್ಯಾಂಕ್ ಲಿ. ನ ಷೇರುಗಳು d) Shares with Davangere District Central Co-operative Bank Limited, (200 Shares of Rs.50/- each)	1,05,10,000	10,000
III ಇತರೆ ಹೂಡಿಕೆಗಳು OTHER INVESTMENTS	---	---
ಒಟ್ಟು TOTAL	1,15,45,900	5,45,900



ANNEXURE TO NOTE NO. 11

FIXED ASSETS SCHEDULE AS ON 31.03.2019

PARTICULARS	COST				DEPRECIATION				WRITTEN-DOWN VALUE	
	AS ON 01.04.2018	ADDITIONS	WITHDRAWAL	AS ON 31.03.2019	UPTO 01.04.2018	PROVIDED	WITHDRAWAL	UPTO 31.03.2019	AS ON 31.03.2018	AS ON 31.03.2019
LAND	55605433	0		55605433	0			0	55605433	55605433
BUILDINGS, ROADS & YARDS	500078550	5223000		505301550	238703899	9640305	0	248344204	261374651	256957346
PLANT & MACHINERY	2187354299	180000	7365444	2180168855	1187929932	75846739	4990709	1258785963	999424367	921382893
WELL & WATER WORKS	1976431	0		1976431	1736761	51733	0	1788495	239670	187936
FURNITURE & FIXTURES	2486232	16472		2502704	2370267	9382	0	2379650	115965	123054
VEHICLES	59652159	2157260	4934955	56874464	38234343	3090138	4506524	36817957	21417816	20066507
OFFICE EQUIPMENTS	1503660	0		1503660	1401493	16690	0	1418183	102167	85477
LIBRARY	41213	0		41213	40912	0	0	40912	301	301
CANTEEN EQUIPMENTS	143609	0	0	143609	138654	822	0	139476	4955	4133
COMPUTERS	5614839	40360	0	5655198.95	4942590	314655	0	5257245	672249	397954.21
WATER STORAGE TANK	42600430	0	0	42600430	17924330	867985	0	18792315	24676100	23808115
CAPITAL WORK IN PROGRESS										
TOTAL	2857056855	7617092	12300399	2852373548	1493423181	89838450	9497232	1573764398	1363633674	1278609150
Previous years	2853703143	9218870	5865158	2857056855	1404595416	90195880	1368116	1493423181	1449107727	1363633674



ದೀರ್ಘಾವಧಿ ಸಾಲಗಳು ಮತ್ತು ಮುಂಗಡಗಳು

NOTE 13 : LONG TERM LOANS AND ADVANCES

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಕನಿಷ್ಠ ಪರ್ಯಾಯ ತೆರಿಗೆ ಮುಂಬರುವ ಆದಾಯ ತೆರಿಗೆ ಹೊಂದಾಣಿಕೆಗಾಗಿ ಇರುವ ಮೊತ್ತ		
I M A T Credit Entitlement	4,15,96,970	4,15,96,970
ಒಟ್ಟು TOTAL	4,15,96,970	4,15,96,970

ದಾಸ್ತಾನು

NOTE 14 : INVENTORIES

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಎ. ಸಿದ್ಧ ದಾಸ್ತಾನು		
A. FINISHED GOODS :		
(Value at lower of cost or net realisable value and as certified by the Managing Director)		
I SUGAR ಸಕ್ಕರೆ	91,15,82,900	33,36,58,065
II MOLASSES ಕಾಕಂಬಿ	1,73,09,908	3,50,03,015
ಬಿ. ಕಚ್ಚಾ ಸಾಮಗ್ರಿಗಳು		
B. CONSUMABLE STORES	7,88,76,430	8,33,80,662
ಸಿ. ಕಲ್ಲಿದ್ದಲು ದಾಸ್ತಾನು		
C. STOCK OF COAL	31,65,895	18,65,96,794
ಒಟ್ಟು TOTAL	1,01,09,35,133	63,86,38,536

ಬರಬೇಕಾದ ವ್ಯಾಪಾರ ಬಾಕಿಗಳು

NOTE 15 : TRADE RECEIVABLES :

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಎ. ಆಧಾರರಹಿತ ಖಾತ್ರಿಯಾಗಿ ಪರಿಗಣಿಸಿರುವುದು		
A. UN SECURED CONSIDERED GOOD		
I 180 ದಿನಗಳು ಮೇಲ್ಪಟ್ಟು ಬಾಕಿ ಉಳಿದಿರುವುದು Out standing for a period exceeding 180 Days	-	7,55,689
II 180 ದಿನಗಳ ಒಳಗೆ ಬಾಕಿ ಉಳಿದಿರುವುದು Out standing for a period below 180 days	18,58,13,661	10,31,80,485
III ರಫ್ತಿನ ಮೇಲೆ ಬರತಕ್ಕ ಸಾಗಣಿಕೆ ವೆಚ್ಚ ಸಹಾಯಧನ Transport subsidy on export receivable	1,16,95,000	-
ಒಟ್ಟು TOTAL	19,75,08,661	10,39,36,174



ನಗದು ಮತ್ತು ನಗದಿಗೆ ಸಮಾನಂತರವಾದುದು

NOTE 16 : CASH AND CASH EQUIVALENTS

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಎ. ನಗದು		
A. CASH ON HAND	21,83,634	24,24,679
ಬಿ. ಬ್ಯಾಂಕುಗಳಲ್ಲಿನ ಶಿಲ್ಕು		
B. BALANCE WITH BANKS :		
I ಷೆಡ್ಯೂಲ್ ಬ್ಯಾಂಕುಗಳ ಚಾಲ್ತಿ ಖಾತೆಯಲ್ಲಿ In Current Account with Schedule Banks	47,61,640	5,27,63,375
II ನಾನ್ ಷೆಡ್ಯೂಲ್ ಬ್ಯಾಂಕ್‌ಗಳ ಚಾಲ್ತಿ ಖಾತೆಯಲ್ಲಿ In Current Account with Non Schedule Banks	2,42,949	6,31,870
III ಬ್ಯಾಂಕುಗಳಲ್ಲಿರುವ ಅವಧಿ ಠೇವಣಿಗಳು Margin Money Deposits with Banks	32,11,697	30,29,071
ಒಟ್ಟು TOTAL	1,03,99,920	5,88,48,994

ಅಲ್ಪಾವಧಿ ಸಾಲಗಳು ಮತ್ತು ಮುಂಗಡಗಳು

NOTE 17 : SHORT TERM LOANS AND ADVANCES

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
I ಠೇವಣಿಗಳು		
Sundry Deposit	2,63,608	2,63,608
II ಅಬಕಾರಿ ತೆರಿಗೆ ಇಲಾಖೆಯಲ್ಲಿ ಠೇವಣಿ		
In Deposit with Central Excise Department	5,05,91,034	6,28,16,794
III ನಗದು ಅಥವಾ ವಸ್ತುಗಳ ರೂಪದಲ್ಲಿ ಬರಬೇಕಾದ ಮುಂಗಡ ಹಣ		
Advances recoverable in cash or in kind	62,75,65,301	58,27,88,467
ಒಟ್ಟು TOTAL	67,84,19,944	64,58,68,869

ವ್ಯವಹಾರದಿಂದ ಬಂದ ಆದಾಯ

NOTE 18 : REVENUE FROM OPERATIONS

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಎ) ಉತ್ಪನ್ನಗಳ ಮಾರಾಟ		
A. SALE OF PRODUCTS		
I (a) ಸಕ್ಕರೆ Sugar Domestic	52,24,51,540	46,61,76,920
(b) ಸಕ್ಕರೆ ರಫ್ತು Sugar Export	10,46,23,470	-



II (a) ಕಾಕಂಬಿ Molasses Domestic	8,96,37,530	2,99,34,314
(b) ಕಾಕಂಬಿ ರಫ್ತು Molasses Export	2,40,00,000	
III ವಿದ್ಯುತ್ Power	23,33,92,421	12,43,77,735
IV ಪ್ರೆಸ್‌ಮಡ್ Pressmud	89,736	72,765
ಬಿ) ಇತರೆ ವ್ಯವಹಾರದಿಂದ ಆದಾಯ		
B. OTHER OPERATING INCOME		
1. ವಾಯುಯಾನ ಬಾಡಿಗೆ		
Aviation Receipts	1,61,55,501	1,59,67,753
2. ಜಿಒಐ ಕಬ್ಬು ಕೊಳ್ಳುವಿಕೆಯ ರಫ್ತು ಆದಾಯ		
GOI Export Income on		
Sugar Cane Purchase	6,05,41,219	-
3. ಆಂತರಿಕ ಸಾಗಣಿಕೆ ಸಹಾಯ ಧನ		
Internal Transport Subsidy	1,16,95,000	-
ಒಟ್ಟು TOTAL	1,06,25,86,417	63,65,29,487

ಇತರೆ ಆದಾಯ

NOTE 19 : OTHER INCOME

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಎ) ಬಡ್ಡಿಯ ಆದಾಯ		
A INTEREST INCOME		
I ಸಾಲ ಮತ್ತು ಮುಂಗಡಗಳಿಂದ		
From Loans and Advances	11,40,844	14,84,893
II ಠೇವಣಿಗಳಿಂದ		
From Deposits	21,80,985	10,12,094
ಬಿ) ಹೂಡಿಕೆಗಳಿಂದ ಡಿವಿಡೆಂಡ್		
B DIVIDEND FROM INVESTMENTS	1,41,800	1,815
ಸಿ) ಇತರೆ ಕಾರ್ಯಚಟುವಟಿಕೆಯಲ್ಲದ ಆದಾಯ		
C OTHER NON OPERATING INCOME		
I Profit or loss on sale of vehicles	12,49,333	(15,43,014)
II ಇತರೆ ಆದಾಯ		
Other Income Sale of Sugar cane seeds	7,34,19,423	18,17,47,770
II ಸ್ವೀಕರಿಸಿದ ಬಾಡಿಗೆ		
Rent received	30,000	30,000
III ವಿಮೆಯಿಂದ ಬಂದ ಹಣ		
Insurance Claims Received	1,23,615	6,14,850
ಒಟ್ಟು TOTAL	7,82,86,000	18,33,48,408



NOTE 20 : COST OF MATERIALS CONSUMED

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಎ) ಕಬ್ಬು ಖರೀದಿ ಮತ್ತು ಬಳಕೆ (ಇತರೆ ಸರಬರಾಜು ವೆಚ್ಚ ಮತ್ತು ಕಬ್ಬು ಖರೀದಿ ಕರ ಸೇರಿ)		
A. Sugar Cane purchased and consumed (Inclusive of Cane purchase Tax and Other procurement Charges)	1,14,35,73,670	38,25,89,210
ಬಿ) ಕಚ್ಚಾ ಸಕ್ಕರೆ ಖರೀದಿ ಮತ್ತು ಬಳಕೆ		
B. Raw Sugar purchased and consumed (Inclusive of Taxes, Transportation and other procurement Charges)	---	17,63,92,319
ಸಿ) ಕಲ್ಲಿದ್ದಲು ಖರೀದಿ ಮತ್ತು ಬಳಕೆ (ಸುಂಕ ಮತ್ತು ಸಾಗಾಣಿಕೆ ಸೇರಿ)		
C. Steaming Coal purchased and consumed (Inclusive of Duties and Transportation Charges)	2,20,90,519	8,98,26,531
ಒಟ್ಟು TOTAL	1,16,56,64,189	64,88,08,060

ಮಾರಾಟ ಸಿದ್ಧ ವಸ್ತುಗಳ ಖರೀದಿ

NOTE 21 : PURCHASE OF TRADED GOODS

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
(ಅನ್ವಯಿಸುವುದಿಲ್ಲ) Not Applicable		
ಒಟ್ಟು TOTAL	---	---

ದಾಸ್ತಾನಿನಲ್ಲಿ (ಏರಿಕೆ / ಇಳಿಕೆ)

NOTE 22 : (INCREASE) / DECREASE IN INVENTORIES:

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಎ) ಸಿದ್ಧ ವಸ್ತುಗಳು		
A FINISHED GOODS		
ಪ್ರಾರಂಭಿಕ ದಾಸ್ತಾನು		
a) Opening Stock :		
ಸಕ್ಕರೆ		
Sugar	33,36,58,065	19,65,93,750
ಕಾಕಂಬಿ		
Moasses	3,50,03,015	4,02,93,729
ಒಟ್ಟು TOTAL	36,86,61,080	23,68,87,479



ಬಿ) ಅಖೈರು ದಾಸ್ತಾನು		
b) Closing Stock:		
ಸಕ್ಕರೆ		
Sugar	91,15,82,900	33,36,58,065
ಕಾಕಂಬಿ		
Molasses	1,73,09,908	3,50,03,015
ಒಟ್ಟು TOTAL	92,88,92,808	36,86,61,080
(a) - (b)	(56,02,31,728)	(13,17,73,601)
ಎ) ಉತ್ಪಾದನೆ ಹಂತದಲ್ಲಿರುವ ದಾಸ್ತಾನು		
A. WORK IN PROGRESS :		
ಎ) ಪ್ರಾರಂಭ ಶಿಲ್ಕು		
A) Opening Stock :		
ಸಕ್ಕರೆ		
Sugar	---	---
ಕಾಕಂಬಿ		
Molasses	---	---
ಒಟ್ಟು TOTAL	---	---
ಬಿ) ಆಖೈರು ಶಿಲ್ಕು		
B) Closing Stock :		
ಸಕ್ಕರೆ		
Sugar	---	---
ಕಾಕಂಬಿ		
Molasses	---	---
ಒಟ್ಟು TOTAL	---	---
(a) - (b)	---	---
Grand Total	(56,02,31,728)	(13,17,73,601)

ನೌಕರರ ಸೌಲಭ್ಯಗಳ ವೆಚ್ಚಗಳು

NOTE 23 : EMPLOYEE BENEFIT EXPENSES

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಎ) ಸಂಬಳ, ಮಜೂರಿ ಮತ್ತು ಭತ್ಯೆಗಳು		
A Salaries, wages and allowances	6,74,99,157	5,90,85,193
ಬಿ) ಭವಿಷ್ಯನಿಧಿ ಮತ್ತು ಇತರೆ ನಿಧಿಗಳಿಗೆ ಪಾವತಿಸಿರುವುದು		
B Contribution to Provident fund and Other funds	38,21,186	34,77,668
ಸಿ) ಸಿಬ್ಬಂದಿ ಕ್ಷೇಮಾಭ್ಯುದಯ ಖರ್ಚುಗಳು		
C Staff Welfare Expenses	32,49,680	17,12,641
ಒಟ್ಟು TOTAL	7,45,70,023	6,42,75,502



ಹಣಕಾಸು ವೆಚ್ಚಗಳು

NOTE 24 : FINANCE COSTS

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಎ) ಬಡ್ಡಿ ವೆಚ್ಚ		
A Interest Expenses	17,28,18,367	12,57,26,623
ಬಿ) ಇತರೆ ಸಾಲಗಳಿಗೆ ವೆಚ್ಚ		
B Other Borrowings Costs	67,34,391	1,23,25,667
ಒಟ್ಟು TOTAL	17,95,52,758	13,80,52,291

ಇತರೆ ಖರ್ಚುಗಳು

NOTE 25 : OTHER EXPENSES

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2018
ಸ್ಪೋರ್ಸ್ ಮತ್ತು ಬಿಡಿಭಾಗಗಳ ಬಳಕೆ		
Consumption of Stores and spares	1,96,63,659	87,60,966
ಖಾಲಿ ಚೀಲಗಳು ಮತ್ತು ದಾಸ್ತಾನಿನ ಖರ್ಚುಗಳು		
Packing and storage expenses	1,86,17,403	83,30,172
ನೀರಿನ ಕರ		
Water Charges	99,434	6,920
ಬಾಡಿಗೆ		
Rent	28,30,300	28,52,108
ಕಾನೂನು ಮತ್ತು ಸೇವಾ ಖರ್ಚುಗಳು		
Legal and Professional Charges	33,43,076	31,89,802
ದುರಸ್ತಿ ಮತ್ತು ನಿರ್ವಹಣೆ :		
Repairs and Maintenance :		
ಕಟ್ಟಡಗಳಿಗೆ		
on Buildings	20,21,696	13,36,024
ಯಂತ್ರೋಪಕರಣಗಳಿಗೆ		
on Plant and Machinery	4,90,63,174	2,24,16,415
ಇತರೆ		
on Others	14,11,783	7,38,696
ಸರಬರಾಜು ಮತ್ತು ವಿತರಣಾ ಖರ್ಚುಗಳು		
Supply and Distribution Expenses	1,80,98,910	25,45,429
ಪ್ರಯಾಣ ಭತ್ಯೆ ಖರ್ಚುಗಳು		
Travelling and Conveyance	18,70,965	9,01,558



ಬಾಡಿಗೆ ಮತ್ತು ಸಾಗಾಣಿಕೆ ವೆಚ್ಚಗಳು Freight and Forwarding	48,96,087	26,86,855
ಅಂಚೆ ಮತ್ತು ದೂರವಾಣಿ ಖರ್ಚುಗಳು Postage and Telephone Expenses	7,41,166	6,68,227
ಮುದ್ರಣ ಮತ್ತು ಲೇಖನಿ ಖರ್ಚುಗಳು Printing and Stationery	6,50,767	4,57,377
ವಿಮೆ Insurance	37,05,342	27,81,205
ವಾಹನಗಳ ನಿರ್ವಹಣೆ Vehicle Maintenance	55,75,363	49,42,113
ಪ್ರಚಾರ Advertisement	6,800	1,00,879
ನಿರ್ದೇಶಕರುಗಳ ಪ್ರವಾಸದ ಖರ್ಚುಗಳು Travelling Expenses to Directors	87,85,973	1,42,64,709
ಆಡಿಟ್ ಶುಲ್ಕ : Audit Fee :		
ಕಾಯ್ದೆ ಬದ್ಧ ಆಡಿಟ್‌ಗೆ For Statutory Audit	---	1,50,000
ಕಾಸ್ಟ್ ಆಡಿಟ್‌ಗೆ For Cost Audit	30,000	63,000
ಇತರೆ ಸೇವೆಗಳಿಗೆ For Other Services	78,775	1,23,645
ಇತರೆ ಖರ್ಚುಗಳು Other Expenses	30,01,354	17,72,323
ಒಟ್ಟು TOTAL	14,44,92,029	7,90,88,424



NOTE: 26 :
NOTES FORMING PART OF ACCOUNTS FOR
THE YEAR ENDED 31ST MARCH, 2019

1. CORPORATE INFORMATION

Davangere Sugar Company Limited is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The shares of the Company are in the process of listing with Bombay Stock Exchange. The registered office of the Company is at Davangere, India.

Davangere Sugar Company Limited (DSCL) was incorporated in the year 1970 as Joint Sector Company by Karnataka Agro Industries Corporation Limited, Karnataka State Small Industries Development Corporation Limited, IDBI, ICICI, IFCI and local farmers with initial equity capital base of Rs. 160.00 lakhs. DSCL commenced commercial production of Sugar in the year 1974, with a capacity of 1250TCD.

The standalone financial statements for the year ended 31 March 2019 are approved by the Board of Directors on 10 May 2019.

The present capacity of the sugar plant is 4750 TCD and the present co-gen plant is of 24.45 MW.

1. Significant Accounting Policies :

Standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The standalone financial statements have been prepared on the historical cost basis, in accordance with the Generally Accepted Accounting Principles (GAAP) and as per the provisions of the Companies Act, 2013 as adopted consistently by the company.

2. Valuation of Inventories :

the valuation of inventories is carried out as follows:

2.1 Closing stock of finished goods, i.e. Sugar and Molasses have been valued at lower of cost or net realizable value (market value) and as certified by the management.

2.2 Stock of stores and spares has been valued at cost.

3. Cash Flow Statement :

the information on the Cash Flow of the Company on Operating Activities, Investing Activities and Financing Activities is enclosed.

4. Events after Balance Sheet date :

we report that there are no contingencies and events occurring after the Balance Sheet date, which have material bearing on the profitability of the Company. Further we report that there are no such indicative conditions as on the Balance Sheet Date.

5. Prior period items and changes in Accounting Policies :

There are no extraordinary items or prior period items and nor any changes in accounting policies occurred during the financial year which have a bearing on the profit or loss of the company as ascertained from the ordinary activities of the Company.

6. Depreciation Accounting :

As per the Companies Act 2013, the method of providing depreciation has been changed. Now under the new Act, the depreciable value of each asset is to be written off over the useful



life of each asset. Depreciable value means cost of the asset minus the residual value to the extent of 5% of the cost of the asset. Our company has adopted the new method of depreciation w.e.f from the financial year 2015-16. Company has provided depreciation for the current F.Y. 2018-2019 as per Schedule II w.r.t. section 123(2) of the Companies Act, 2013 so as to write off the depreciable value of each asset over the useful life of each asset. Company has adopted a method of providing depreciation so to write off the depreciable value equally over the useful life/remaining useful life of each asset. So, depreciation is provided under equated method, means the cost/WDV of each asset is equally written off over the useful life or remaining useful life of each asset. While providing depreciation the useful life for each asset is ascertained as per the guidelines as provided in Part C of Schedule II of the Companies Act, 2013.

7. Revenue recognition: As per IND AS 115, the revenue is recognised is as follows:

- (a) Revenue is recognized when property in goods that is Sugar & Molasses are sold for consideration.
- (b) Revenue from Co-gen unit being power sale is recognized on actual supplies to the power grid based on terms and conditions of the agreement entered into.
- (c) Expenses are accounted for on accrual basis and provision is made for all known losses and expenses.
- (d) The interest charged on input loan to farmers is accounted on accrual basis.

8. Accounting for fixed assets:

The accounting for fixed assets is on the following basis:

Fixed assets are stated at cost of acquisition (net of CENVAT wherever applicable) or cost of construction and their net values are stated at historical cost less accumulated depreciation. All costs, including financing costs, till the date of commercial production or till the date the said assets are put to use are capitalized.

Gross and net book values of assets at the beginning and end of an accounting period showing additions, disposals if any, acquisitions and other movements, the information is furnished in the depreciation schedule annexed to the Balance sheet.

9. Foreign Currency Transactions:

The details of foreign exchange earnings and out go during the financial year is as follows as per IND AS - 21

- (i) **Earnings** : Company has exported 46,780 Qtls of finished sugar to foreign countries having a value of USD 14,72,330 and INR of Rs.10.31 crores. Company has deemed export of Molasses to the extent of 6000 MTs through M/s. Mysore Mercantile Pvt Ltd.
- (ii) **Outgoings** : Our company has no imports during the Financial Year 2018-19.

10. Accounting for Investments:

the Company's investment consists of long term investment in Government securities like National Savings Certificates purchased at cost of Rs.19,900/- lodged with various Government departments, investment in Shares in Co-operative Banks to the extent of Rs.1,15,45,900/- Interest accrued on NSC is accounted on receipt basis. The dividends received on shares of Co-operative Banks are accounted on receipt basis. The investments are stated at cost of acquisition.

11. Employees retirement benefits:

Relating to Employee Benefits we report that, the Company has created a Gratuity Trust. As per the Trust rules, all the Employees of the Company excluding the employees on



service contract for a specified period and on deputation are eligible for gratuity. The Trust has taken out a Group Gratuity Policy from LIC of India. The Company makes a quarterly contribution of gratuity to the Trust maintained by the Company on the basis of amount as computed by Life Insurance Corporation of India.

The amount so contributed is remitted to LIC by the said trust. The amount so contributed is treated as expenditure for the current year. Company's contribution to provident fund and superannuation fund are charged to profit and loss account on actual payment basis. Gratuity and leave encashment benefit are charged to profit and loss account on actual payment basis.

12. Borrowing Costs:

The borrowing Cost which is attributable to the acquisition or construction of capital assets are capitalized as part of the cost of such assets. A capital asset is one that necessarily takes substantial period of time to get ready for intended use. The borrowing cost of capital assets to the date of its use for production is capitalized during the financial year. The interest on working capital and interest paid on capital asset after the date of its commercial use are charged to profit and loss account.

13. Segment Reporting:

Company is having three segments, one is sugar segment, co-gen segment and another is Aviation Segment. Segmental report is furnished.

14. Related party disclosure:

Name of the related party and details of transactions with the said parties as per the books of accounts and as required by the **Accounting Standard -18** is detailed below:

(Rupees)

Name	Sale Of Sugar	Sale Of Molasses	Purchase of provision for canteen
M/s Shamanur Kallappa & Sons	1,58,77,651	--	54,580
M/s. Sri Kalleswara Traders	—	—	3,57,215
M/s. Shivashankar Associates	—	—	83,860

15. Earnings per share :

The earning per share for the financial year ended 2018-19 works out to be **Rs. 0.58 (previous financial year is Rs (-) 1.92)** per equity share of Rs.10 each.

16. Taxes on income :

During the year Company has earned a profit of Rs.3.22 crores and paying MAT under the Income Tax act, 1961. Further, Company is eligible for 100% deduction under the provisions of Section 80IA against Co-generation income.

17. Deferred tax:

Deferred tax resulting from "timing Difference" between taxable and accounting income is accounted for using tax rates and laws that are enacted as on the Balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future.

18. Interim Financial Reporting:

The Company is publishing quarterly financial results in the local newspaper. The results are announced in condensed form.

**19. Intangible assets:**

There are no intangible assets to be reported as per the guidelines of the Standard – 26 for the financial year.

20. Impairment of assets:

There is no impairment in any of the assets of the company and as such no report is furnished.

21. Debtors and Creditors balances :

Debtors and Creditors balances for the financial year ended as shown in the books of accounts are subject to confirmation from the parties. Based on the information available with the Company in respect of **MSME** (as defined in The Micro Small and Medium Enterprises Development Act, 2006) there were no delays in payment of dues to such creditors and there are no dues to such creditors at the end of the year.

22. Balance with Non Schedule Banks:

Cash and Bank include balances in current account with Non Schedule banks as below :

1. Bapuji Co-operative Bank Limited	....	Rs. 2,63,336.26
2. Karnataka State Co-Operative Apex Bank Limited	....	Rs. 1,785. 00
3. Davangere Harihar Urban Co-op Bank Limited	....	Rs. 66,863.00
4. The Davangere Urban Co-operative Bank Limited	....	Rs. 5,442.70
5. The Davangere Dist. Central Co-op.Bank Limited	....	Rs. 94,508.00

23. Remuneration to employees exceeding Rs. 5.00 Lakhs P.M

During the Financial year there are no employees who were in receipt of remuneration exceeding Rs. 60.00 lakhs per annum when employed throughout the year and exceeding Rs. 5 Lakhs per month when employed for the part of the year.

24. Remuneration to Auditors :

The Auditors remuneration is fixed at Rs.1,00,000/- and tax representation fee of Rs. 25,000/- for the Financial year.

25. Managerial remuneration :

During the financial year company has paid remuneration of Rs. 3,00,000/- per month to the Managing Director for 12 months period.

26. During the financial year there are no exceptional income and expenses as observed.**27. In the opinion of the management, the current assets, loan and advances have been valued at not less than the value at which they are stated in the balance sheet, if realized in the ordinary course of business.****28. Provision for contingent liability or assets :**

The Company has furnished the information on provision for contingent liabilities that, the Company has extended corporate guarantee against the Harvesting and Transportation (H&T) loans to Harvesting and Transportation agents to facilitate harvesting and transportation of sugarcane to the factory gate to the extent of Rs.53 crores to Canara Bank and State Bank of India.

29. Previous year's figures are regrouped, rearranged or rounded-off wherever necessary and practicable to necessitate comparison and for lucid presentation.

As per our Audit Report of even date annexed

Lingaraju V
Chartered Accountant
M.No. : 218951

Place : Davangere
Date : 24-05-2019



30. CASH FLOW STATEMENT ANNEXED TO ANNUAL REPORT FOR THE YEAR ENDED ON 31.03.2019

(Rs. Lakhs)

	As at 31.03.2019	As at 31.03.2018
A Cash flow from Operating activities:		
Net profit after tax	4,69,86,697	(6,87,88,662)
Adjustment for provision for taxation	1,47,65,398	1,72,86,923
	3,22,21,300	-8,60,75,585
Adjustment for depreciation	8,98,38,450	9,01,95,880
Operating profit before working capital adjustment	12,20,59,749	41,20,295
Adjustment for :		
Inventories	-37,22,96,597	-4,95,60,345
Sundry Debtors & trade receivables	-9,35,72,487	10,11,97,178
Trade payables	3,39,08,941	(1,23,99,449)
Deferred Tax	50,95,536	1,72,86,923
Others	-	-
Net cash flow from operating activities	-30,48,04,858	6,06,44,601
B Cash flow from Investing Activities:		
Sale of Fixed Assets	-	-
Purchase of Fixed Assets	-48,13,925	-
From capital work in progress	-	5,60,98,289
From Investments	-1,10,00,000	-
Net Cash flow from Investing activities	-1,58,13,925	5,60,98,289
C Cash flow from Financing activities:		
Proceeds from share allotment	-	-
Proceeds from share premium & Capital reserve	-	-
Proceeds from working capital loan	-	-
Proceeds from Short Term Borrowings	40,41,60,014	32,90,84,866
Proceeds from Long Term Borrowings	-6,74,96,419	(16,65,73,627)
Proceeds from Other Long Term Liabilities	74,99,30,111	(4,27,37,359)
Proceeds from Long Term Loans and Advances	-	-
Proceeds from Other Current Liabilities	-79,15,42,784	22,67,37,818
Proceeds from Short Term Provisions	96,69,862	-
Proceeds from Short Term Loans and Advances	-3,25,51,075	(44,07,58,263)
Proceeds from unsecured loan	-	-
Net cash flow from financing activity	27,21,69,709	(9,42,46,566)
Net cash used in cash & cash equivalents (A + B + C)	-48,44,90,74	2,24,96,324
Cash & cash equivalents at the beginning of the year	5,88,48,994	36,35,26,70
Cash & cash equivalents at the end of the year	1,03,99,920	5,88,48,994

Reshma M
Company Secretary
M.No. : A 33180

Rekha Ganesh
Director

For and on behalf of the Board of Directors

S S Ganesh
Managing Director

AUDITORS' CERTIFICATE

We have verified the above cash flow statement of M/s. Davangere Sugar Company Limited, derived from the audited financial statements & the books & records maintained by the company for the year ended on 31.03.2019 and found the same to be in agreement therewith.

As per our Audit Report of even date annexed

Place : Davangere
Date : 24-05-2019

Lingaraju V
Chartered Accountant
M.No. : 218951



NOTE 27 : QUANTITATIVE DETAILS

		Unit	As at 31.03.2019	As at 31.03.2018
A	Particulars of Capacity			
	i) Licenced Capacity			
	Co Gen		24.45 M W	24.45 M W
	Sugar		5500 TCD	5500 TCD
	ii) Installed Capacity			
	Co Gen		24.45 M W	24.45 M W
	Sugar		4750 TCD	4750 TCD
B	Actual Production			
	Co Gen	KWH	71685530	38888500
	Sugar	Qtls.	411450	180920
	Molasses	MTs.	254450	6599
C	Details of Turnover			
	Co Gen			
	Quantity	KWH	53653430	29862000
	Value	Rs.	233392421.09	124377735.00
	Sugar			
	Quantity	Qtls.	218042	131253.93
	Value	Rs.	522451540.00	46176920.00
	Molasses			
	Quantity	MTs.	27871.890	4691.377
	Value	Rs.	89637530.00	29934314.00
D	Opening Stock			
	Sugar (Finished Goods)			
	Quantity	Qtls.	100651	52525
	Value	Rs.	333658065.00	196968750.00
	Molasses			
	Quantity	MTs.	7447.450	6396.830
	Value	Rs.	35003015.00	39918729.00
E	Closing Stock			
	Sugar (Finished Goods)			
	Quantity	Qtls.	294059	100651
	Value	Rs.	911582900.00	333658065.00
	Molasses			
	Quantity	MTs.	4025.560	7447.450
	Value	Rs.	17309908.00	35003015.00
F	Processing Loss			
	Quantity	Qtls.	...	...
G	Consumption of Raw Materials			
	i) Sugar Cane			
	Quantity	MTs.	436175.929	141226.000
	Value	Rs.	1140163879.00	380037975.00
	ii) Non Coking Steam Coal			
	a) Imported			
	Quantity	MTs	23227.000	21948.000
	Value	Rs.	22090519.09	89826531.45
	b) Indigenous			
	Quantity	MTs	...	...
	Value	Rs.	...	...
H	Value of Stores & Spares consumed			
	Co-Gen			
	a) Imported	Rs.	...	...
	b) Indigenous	Rs.	8132910.62	2392527.87
	Sugar			
	a) Imported	Rs.	...	...
	b) Indigenous	Rs.	58930723.55	30479589.42



NOTE 28 :

Segment information for the year ended 31st March, 2019

Rs. In lakhs

	SUGAR	POWER	AVIATION	TOTAL
Primary :				
1. External revenues	8130	2334	162	10626
Total	8130	2334	162	10626
2. Segment expenses (excluding interest) :				
Cost of material consumed	11436	191	32	11658
Employees Cost	572	141	33	746
Other Expenses	1085	153	204	1442
Provision for Taxation / Deferred Tax Liability	148	0	0	148
Stock Adjustment	-5602	0	0	-5602
Total	7639	484	268	8391
5. Segment results	492	1850	-106	2235
6. Add : Un allocated revenue	780	0	0	780
7. Operating profit	1272	1850	-106	2235
8. Less : Interest expenses	1790	5	1	1796
9. Total	-518	1845	-107	1220
10. Segment assets	14862	17862	110	32835
11. Segment liabilities	14862	17862	110	32835
12. Depreciation	836	62	0	898
13. Net cash expenses other than depreciation	14884	489	204	15576
Profit as per Books	-1354	1783	-107	322

As per our Audit Report of even date annexed

For and on behalf of the Board of Directors

Lingaraju V
Chartered Accountant
M.No. : 218951

Reshma M
Company Secretary
M.No. : A 33180

Rekha Ganesh
Director

S S Ganesh
Managing Director

Date : 24-05-2019
Place : Davangere



NOTE :