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**ROUTE MAP FOR THE AGM VENUE**

**VENUE : THOGATAVEERA SAMUDHAYA BHAVANA, M.C.C. 'A' BLOCK, DAVANGERE – 577 004.**



**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 49<sup>th</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF DAVANGERE SUGAR COMPANY LIMITED WILL BE HELD ON WEDNESDAY , 30<sup>TH</sup> DAY OF SEPTEMBER, 2020, AT THOGATAVEERA SAMUDHAYA BHAVANA, M.C.C. 'A' BLOCK, DAVANGERE – 577 004 AT 11.00 AM.**

**TO TRANSACT THE FOLLOWING BUSINESS:-**

**ORDINARY BUSINESS**

01. To receive, consider and adopt the Audited Financial Statements of the company including the Balance Sheet of the Company as at 31<sup>st</sup> March, 2020 and the Statement of Profit and Loss of the Company and the Cash Flow Statement and other Annexures thereof for the financial year ended 31<sup>st</sup> March, 2020 and the Reports of the Board of Directors and Auditors thereon.
02. To appoint Director in place of Mrs. Rekha Ganesh (DIN: 02764230), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
03. To appoint Statutory Auditor of the Company:

**“RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. B Gangadhara and Co, Chartered Accountant, (Firm Registration No. 024094.) be and is hereby appointed as the Statutory Auditors of the Company, in place of M/s. Lingaraju & Co, Chartered Accountant, whose office got vacated due to sad his demise, to hold the office from the conclusion of this 49<sup>th</sup> Annual General Meeting till the conclusion of 50<sup>th</sup> Annual General Meeting of the Company, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

**II. SPECIAL BUSINESS****3. 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 Reg No. FCMA7658) appointed by the Board of Director of the Company as Cost Auditor to conduct the audit of cost records maintained by the Company for the financial year 2019-20 at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) plus GST as applicable and reimbursement of out of pocket expenses incurred be and is hereby ratified.”

**04. Alteration of the object clause of the Memorandum of Association of the Company**

To consider the matter, and if thought fit, to pass the following as **Special Resolution:**

**“RESOLVED THAT** pursuant to provisions of Section 13, Section 4 and other applicable provisions, if any, of the Companies Act, 2013, (“Act”) including any statutory modifications or re-enactment thereof for the time being in force and rules made thereunder and subject to such other requisite approvals,



if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any Committee or one or more Directors), the consent of the members of the Company be and is hereby accorded for alteration of the Objects Clause of the Memorandum of Association ("MOA") of the Company such that the addition of new Clause III 7, to the Object Clause forming part of the Memorandum of Association of the Company.

**Clause III (7) the objects to be pursued by the Company:**

To manufacture, produce, refine, purchase, sell, prepare, import, export and generally to deal in all kind of alcohol, spirits and liquor whether for human consumption or use in any manner or for industrial use or as fuel or otherwise including ethanol, rectified spirit, citric acid, vinegar, acetic acid, ethyl acetate, acetaldehyde, carbonic acid, sanitizer, disinfectants, yeast sludge, gas, dry ice and to acquire, erect, construct, establish operate and maintain distilleries and other works.

**"RESOLVED FURTHER THAT** Board be and is hereby authorized to undertake all such acts, deeds, matters, and things and to execute all such deeds, documents, and writing as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution and to settle any question, difficulty, or doubt that may arise in this regard.

**5. Re-appointment of Mr. Shamanur Shivashankarappa Ganesh (DIN:-00451383) as the Managing Director**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications, amendments or re-enactments thereto for the time being in force) (hereinafter referred to as "the Act"), read with Schedule V of the said act and the relevant provision of the Articles of Association of the Company, consent and approval of the members be and is hereby accorded for re-appointment of Mr. Shamanur Shivashankarappa Ganesh (DIN:-00451383) as Managing Director of the Company for another period of five years with effect from 24<sup>th</sup> September, 2019 on the remuneration and terms and conditions as set out in the Explanatory Statement annexed to this Notice and whose period of office shall not be liable to determination by retirement of directors by rotation".

**"RESOLVED FURTHER THAT** in the absence of inadequacy of profits in any financial year during the term of office of Mr. Shamanur Shivashankarappa Ganesh as Managing Director, he shall be paid the remuneration, allowances and perquisites except the commission/performance bonus as set out in the explanatory statement forming part of this Notice or the revised remuneration as approved by the Board of Directors from time to time, as the Minimum Remuneration in accordance with Schedule V and other applicable provisions of the Act".

**"RESOLVED FURTHER THAT** as a Managing Director of the Company, Mr. Shamanur Shivashankarappa Ganesh shall, subject to the supervision, control and directions of the Board of Directors of the Company, continue to exercise substantial powers of management and shall manage the business and affairs of the Company".

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to take all actions and steps expedient or desirable to give effect to this resolution in conformity with the



provisions of the Act and also to settle any question, difficulty or doubt that may arise in this regard without requiring to secure any further consent or approval of the shareholders of the Company.

**6. Appointment of Mr. Tumbegere Rudrappa (DIN: 08717189) as Independent Director of the Company**

To approve the appointment of Mr. Tumbegere Rudrappa (DIN: 08717189) who was appointed as an Additional Director on the Board of the Company, under Section 161, read with the Rules made thereunde, in that behalf to consider and if thought fit to pass with or without modification the following resolution, which will be proposed as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 149 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any modification(s) or re-enactment thereof), the appointment of Mr. Tumbegere Rudrappa(DIN: 08717189), as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years, from 04-10-2019 to 04-10-2024 be & is hereby approved”.

**7. Appointment of Mr. Thappagondanahally Rajashekarappa (DIN:-08794960) as Independent Director of the Company**

To approve the appointment of Mr. Thappagondanahally Rajashekarappa (DIN:-08794960) who was appointed as Additional Director on the Board of the Company, under Section 161, read with the Rules made there under, in that behalf to consider and if thought fit to pass with or without modification the following resolution, which will be proposed as an Ordinary Resolution:

**“RESOLVED THAT”** pursuant to the provisions of Section 149 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any modification(s) or re-enactment thereof), the appointment of Mr. Thappagondanahally Rajashekarappa (DIN:-08794960) , as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years, from 16-07-2020 to 16-07-2025 be & is hereby approved”.

Date: September 04, 2020

Place: Davangere

Registered Office  
73/1, Post Box No.312,  
Shamanur Road,  
Davangere.  
KA:- 577004.

By Order of the Board  
For Davangere Sugar Company Limited

Sd/-  
Shamanur S. Ganesh  
Managing Director  
DIN: 00451383



**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS ENCLOSED. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act proxy for any other person or member.

2. Special business is proposed to be transacted at the Annual General Meeting and thus the Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013, is provided thereto.
3. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send at the Registered Office of the Company, a duly certified copy of the Board Resolution, authorizing their representative to attend and vote on their behalf at this General Meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 24<sup>th</sup> September, 2020 to Wednesday, 30<sup>th</sup> September, 2020 (both days inclusive) for the purpose of the AGM.
6. Members / Proxies should fill-in the attendance slip for attending the Meeting and bring their attendance slip along with their copy of the Annual Report to the Meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
8. Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
9. The members are requested to intimate changes, if any, in their registered address to the Registrar & Share Transfer Agents for shares held in physical form & to their respective Depository participants for shares held in electronic form.
10. All documents referred to in the accompanying Notice are opened for inspection at the Registered Office of the Company on all working days, except Sunday between 2 P.M. to 4 P.M. upto the date of the Annual General Meeting.
1. Members are requested :
  - i) To quote their folio Nos. in all correspondence.
  - ii) To note that no gifts will be distributed at the meeting.
  - iii) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
2. Members holding shares in physical form, are requested to intimate their change in Bank Mandate/ National Electronic Clearing Service (NECS) details (form can be downloaded from our website of the Company i.e. [www.davangeresugar.com](http://www.davangeresugar.com), and /or, update their PAN and Bank Account details through a request letter along with self attested copy of PAN, original cancelled cheque with preprinted name of the Shareholder (old and new both bank details) and bank attested copy of passbook/ statement showing name of the account holder to M/s. Integrated Registry Management Services Pvt. Ltd, Share Transfer Agent at their address at Ramana Residency, Sampige Road, Malleswaram, Bengaluru. Beneficial owners holding shares in electronic form are requested to intimate their change in Bank Mandate/NECS details, if any, to their respective Depository Participants (DPs) in order to get the same registered.



3. Members, who are holding shares in physical/electronic form and their e-mail addresses are not registered with the Company/their respective Depository Participants, are requested to register their e-mail addresses at the earliest by sending scanned copy of a duly signed letter by the Member(s) mentioning their name, complete address, folio number, number of shares held with the Company along with self-attested scanned copy of the PAN Card and self-attested scanned copy of any one of the following documents viz., Aadhar Card, Driving Licence, Election Card, Passport, utility bill or any other Govt. document in support of the address proof of the Member as registered with the Company for receiving the Annual Report 2019-20 along with AGM Notice by email to or Members holding shares in demat form can update their email address with their.
4. In terms of Section 72 of the Companies Act, 2013, a Member of the Company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Member(s) desirous of availing this facility may submit nomination in the prescribed Form SH – 13 to the Company/RTA in case shares are held in Physical form, and to their respective depository participant, if held in electronic form.
5. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the e-voting facility to the members to exercise their right to vote by electronic means. The Company has fixed September 23, 2020 as a cut – off date to record the entitlement of the shareholders to cast their vote electronically at the 49<sup>th</sup> Annual General Meeting (AGM) by electronic means under the Companies Act, 2013 and rules made thereunder. Consequently, the same cut-off date, i.e., September 23, 2020 would record entitlement of the shareholders, who do not cast their vote electronically, to cast their vote at the 49<sup>th</sup> AGM on 30<sup>th</sup> September, 2020.

The e-voting period will commence at 09.00 A.M. on September 27, 2020 and will end at 05.00 P.M. on September 29, 2020. The Company has appointed M/s. Amit R. Dadheech & Associates, Company Secretary in Practice to act as Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given as Annexure to the Notice.

The Company has engaged the services of M/s. Integrated Registry Management Services Pvt. Ltd and NSDL as the Authorized Agencies to provide e-voting facilities.

#### 6. VOTING THROUGH ELECTRONIC MEANS

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

**The e-voting period commences on September 27, 2020(09:00 A.M.) and ends on September 29, 2020 (5:00 P.M.)**

During this period shareholders of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

**The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on, Wednesday, September 23, 2020.**



**Instructions for e-Voting-**

1. The Notice of the 49<sup>th</sup> Annual General Meeting (AGM) of the Company inter-alia indicating the process and manner of e-Voting is being sent to all the Members.
2. NSDL shall be sending the User ID and Password to those Members whose shareholding is in the dematerialized format and whose e-Mail addresses are registered with the Company/Depository Participants. For Members who have not registered their e-Mail address, can use the details as provided in this document.
3. M/s. Amit R Dadheech & Associates, Practicing Company Secretaries (Membership No. 22889; Certificate of Practice No. 8952), has been appointed as Scrutinizer to scrutinize the process of e-voting during the AGM and remote e-voting held before the AGM in a fair and transparent manner.
4. The manner and process of remote e-Voting are as under: The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

- a. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: either on a Personal Computer or on a mobile.
- b. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
- c. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- d. Your User ID details are given below:

**Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical**

- a) **For Members who hold shares in demat account with NSDL.**

Your User ID is:

8 Character DP ID followed by 8 Digit Client ID

For example if your DP ID is IN300\*\*\* and Client IDs 12\*\*\*\*\* then your USERID is IN3000\*\*\*12\*\*\*\*\*

- b) **For Members who hold shares in demat account with CDSL.**

16 Digit Beneficiary ID

For example if your Beneficiary ID is12\*\*\*\*\* then your user ID is12\*\*\*\*\*

- c) **For Members holding shares in Physical Form.**

EVEN Number followedby Folio Numberregistered with the Company

For example if folio number is 001\*\*\* and EVEN is101456 then user ID is 101456001\*\*\*

5. **Your password details are given below:**

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.



- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password'. Once you retrieve your 'initial password you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
- If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. pdf file. Open the pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
6. If **you** are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on
  - Physical User Reset Password? (If you are holding shares in physical mode) option available on.
  - If you are still unable to get the password by aforesaid two options, you can send a request at mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - Members can also use the one-time password (OTP) based login for casting the e-votes on the e-Voting system of NSDL
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.
- Details on Step 2 is given below:**
- How to cast your vote electronically on NSDL e-Voting system?**
- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
  - After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
  - Select "EVEN" of Davangere Sugar Limited
  - Now you are ready for e-Voting as the Voting page opens.
  - Cast your e-vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your-vote and click on "Submit" and also "Confirm" when prompted.
  - Upon confirmation, the message "Vote cast successfully" will be displayed.
  - You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  - Once you confirm your vote on the resolution, you will not be allowed to modify your e-vote.
10. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
11. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 23, 2020.
12. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. September 23, 2020, may obtain the login ID and password by sending a request at or Registrar and Transfer Agent (RTA)of the Company.





**General Instructions:**

1. In case of any queries, you may refer the Frequently Asked Question (FAQs) for Shareholders and e-voting user manual for Shareholders available to the Downloads section of <https://www.evoting.nsdl.com>
2. You can also update your mobile number and e-mail id in the profile details of the folio which may be used for sending future communication(s).
3. The e-voting period commences on September 27, 2020(09:00 A.M. IST) and ends on September 29, 2020 (5:00 P.M.). During this period, the Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut off date (record date) of September 23,2020 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
4. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of September 23, 2020.
5. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding either in physical form or in dematerialized form, as on the cut-off date of September 23, 2020 and not casting their vote electronically, may only cast their vote at the 49<sup>th</sup> Annual General Meeting.
6. M/s. Amit R. Dadheech & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
7. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the voting cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make a Consolidated Scrutinizer's Report of the votes cast in favour or against, if any, and to submit the same to the Chairman of the AGM not later than three working days from the conclusion of the AGM.
8. The Results shall be declared forthwith after the submission of Consolidated Scrutinizer's Report either by Chairman of the Company or by any person authorized by him in writing and the resolutions shall be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.

The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company [www.davanageresugar.com](http://www.davanageresugar.com)

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 3 of the accompanying Notice dated September 4, 2020.

**Item No. 3:**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Mr. M. R. Krishna Murthy, Cost Accountant, (having Reg No. FCMA7658), as the cost auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2019-20, at a fee of Rs.50,000/- ( Rupees Fifty Thousand ) plus GST as applicable and reimbursement of out of pocket expenses as remuneration for cost audit services for the FY 2019-20.

In accordance with the provisions of Section 148 of the Act read with 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 for passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending 2019-20. The Board recommends the Ordinary Resolution for approval by the shareholders.



None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

**Item No. 4:**

The Company proposes to realign its object Clause in line with its present business activities and possible future businesses which can be conveniently carried out along with its existing business. Hence, to enable the Company to capitalize on the business opportunities and to explore the possible revenue streams, the Board of Directors of the Company in its meeting held on September 4, 2020 has approved, subject to the consent of the shareholders, amendment in the Object Clause of the Memorandum of Association (MOA) of the Company in the manner as set out in the Special Resolution of this Notice.

The alteration in the Object Clause of the MOA, as set out in the resolution, is to facilitate Company's entry into new business areas as defined therein. Most of the proposed activities can be carried out, under the existing circumstances, conveniently and advantageously along with the existing activities of the Company. These will enable the Company to carry on its business economically and efficiently. Pursuant to the provisions of Sections 4 and 13 and all other applicable provisions, if any, of the Companies Act, 2013, read with applicable Rules and Regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), alteration of the Object Clause of the MOA of the Company requires the approval of the members by means of a Special Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

**Item No. 5.**

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 5 of the accompanying Notice dated September 4, 2020.

The present tenure of Mr. Shamanur Shivashankarappa Ganesh (00451383) has expired on September 23, 2019. Keeping in view his vast experience, role and responsibilities, leadership capabilities, entrepreneurship skills, and contribution in the performance of the Company, the Board of Directors of the Company at their meeting held on 12<sup>th</sup> September 2019, have, on the recommendation of the Nomination and Remuneration Committee, and subject to the approval of the shareholders by way of a special resolution and such other approvals as may be required, re-appointed Mr. Shamanur Shivashankarappa Ganesh as as Managing Director of the Company for a further period of five years with effect from 24<sup>th</sup> September 2019 to 23<sup>rd</sup> September, 2024. 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 approved by the Board of Directors at their meeting held on August 01, 2018.

**1. BASIC SALARY**

The Managing Director shall be entitled to per annum Salary of Rs. 36,00,000/- to Rs. 42,00,000/- with an authority to the Board to increase the same from time to time. The annual or other increments will be merit based and will take into account the Company's performance.

**2. GENERAL**

- a) The Managing Director shall perform his duties as such with regard to all the work of the Company and shall manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects.
- b) The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.



- c) The Managing Director shall adhere to the Company's Code of Ethics & Conduct the Remuneration Committee/Board of Directors will determine the amount of increments payable every year depending on the performance of the Managing Director, profitability of the Company and other relevant factors Mr. Ganesh Shivashankarappa Shamanur satisfy all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under subsection (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. Brief resume of Mr. Ganesh Shivashankarappa Shamanur, nature of his expertise in specific functional areas, names of companies in which he holds Directorships and Memberships / Chairmanships of Board Committees, his shareholding etc., are separately annexed hereto. Notwithstanding anything to the contrary herein contained where in any financial year during the currency of tenure of aforesaid Director, the Company has no profits or inadequate profits, the Company will pay remuneration by way of salary, perquisites and allowances to the said Director subject to compliance with the applicable provisions of Schedule V of the Companies Act, 2013 and if necessary, with the approval of Central Government. The above remuneration payable Mr. Ganesh Shivashankarappa Shamanur is subject to the condition that the total remuneration including perquisites shall not exceed 5% of the net profits individually and 10% of the net profits collectively payable to all the managerial personnel as calculated in accordance with Section 197 and 198 of the Companies Act, 2013 or any amendment thereto or any other provision as may be applicable.

Mr. Shamanur Shivashankarappa Ganesh is also the Promoter of the Company.

The copy of resolution passed by the Board of Directors of the Company in its meeting held on 12<sup>th</sup> September, 2019 approving the aforesaid proposal along with other documents is available for inspection by the members at the registered office between 11:00 AM to 1:00 PM on all working days till the date of the Annual General Meeting.

Mr. Shamanur Shivashankarappa Ganesh is interested in this resolution which pertains to his re-appointment and remuneration payable to him. Save and except the above, none of the other Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

**Item No. 6**

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 6 of the accompanying Notice dated September 4, 2020.

Mr. Tumbegere Rudrappa (DIN: 08717189) was appointed as an Additional Director of the Company with effect from October 04, 2019 by the Board of Directors under Section 161 of the Act. In terms of Section 161(1) of the Act, Mr. Tumbegere Rudrappa holds office only upto the date of the forthcoming Annual General Meeting but he is eligible for appointment as a Director. In terms of Section 149 and other applicable provisions of the Act, Mr. Tumbegere Rudrappa is eligible to be appointed as an Independent Director of the Company and has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act. As per the provisions of Section 149 of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

The matter regarding appointment of Mr. Tumbegere Rudrappa as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as Independent Director for a term of 5 years from 04-10-2019 to 04-10-2024., Mr. Tumbegere Rudrappa fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.



In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Tumbegere Rudrappaas Independent Director is now being placed before the Members in general meeting for their approval. The terms and conditions of appointment of Mr. Tumbegere Rudrappa shall be open for inspection at the Registered Office of the Company during normal business hours on any working day of the Company.

None of the Directors other than Mr. Tumbegere Rudrappa, Key Managerial Personnel or their relatives is concerned or interested in the Resolution at Item No.7 of the Notice.

#### Item No. 7

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 7 of the accompanying Notice dated September 4, 2020.

Mr. Thappagondanahally Rajashekarappa(DIN: 08794960) was appointed as an Additional Director of the Company with effect from July 16, 2020 by the Board of Directors under Section 161 of the Act. In terms of Section 161(1) of the Act, Mr. Thappagondanahally Rajashekarappa holds office only upto the date of the forthcoming Annual General Meeting but he is eligible for appointment as a Director. In terms of Section 149 and other applicable provisions of the Act, Mr. Thappagondanahally Rajashekarappa is eligible to be appointed as an Independent Director of the Company and has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act. As per the provisions of Section 149 of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

The matter regarding appointment of Mr. Thappagondanahally Rajashekarappa as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as Independent Director for a term of 5 years from 16-07-2020 to 16-07-2025, Mr. Thappagondanahally Rajashekarappa fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Thappagondanahally Rajashekarappaas Independent Director is now being placed before the Members in general meeting for their approval. The terms and conditions of appointment of Mr. Thappagondanahally Rajashekarappa shall be open for inspection at the Registered Office of the Company during normal business hours on any working day of the Company.

None of the Directors other than Mr. Thappagondanahally Rajashekarappa, Key Managerial Personnel or their relatives is concerned or interested in the Resolution at Item No.7 of the Notice.

#### Brief Resume of Mr. ShamanurShivashankrappa Ganesh seeking for re-appointment as Managing Director at this Annual General Meeting:-

Name of the Director	Mr. Shamanur Shivashankrappa Ganesh
Date of Birth	13-09-1961
Date of Appointment	31-10-2000
Qualification	Under Graduate
Expertise in specific functional area	Industrial Management and Administration
List of Public Companies in which outside Directorship held (including Foreign Companies)	6
Chairman/Member of the Committee of Board of Directors of Public Companies	Nil
Shareholding in the Company	15522478

**Brief Resume of Directors/persons seeking appointment/re-appointment at this Annual General Meeting:-**

Name of the Director	Mrs. Rekha Ganesh
Date of Birth	18.09.1967
Date of Appointment	29/07/2009
Qualification	Graduate
Expertise in specific functional area	Business Administration
List of Public Companies in which outside Directorship held (including Foreign Companies)	NIL
Chairman/Member of the Committee of Board of Directors of Public Companies	NIL
Shareholding in the Company	6086200

**Brief Resume of Mr. Tumbegere Rudrappa seeking for appointment as Independent Director at this Annual General Meeting:-**

Name of the Director	Mr. Tumbegere Rudrappa
Date of Birth	20/06/1953
Date of Appointment	04/10/2019
Qualification	Industrial Training Institute.
Expertise in specific functional area	Industrial Engineering
List of Public Companies in which outside Directorship held (including Foreign Companies)	Nil
Chairman/Member of the Committee of Board of Directors of Public Companies	Nil
Shareholding in the Company	Nil

**Brief Resume of Mr.ThappagondanahallyRajashekarappa seeking for appointment as Independent Director at this Annual General Meeting:-**

Name of the Director	Mr. Thappagondanahally Rajashekarappa
Date of Birth	06/07/1968
Date of Appointment	04/10/2019
Qualification	Bachelor of Commerce
Expertise in specific functional area	Finance
List of Public Companies in which outside Directorship held (including Foreign Companies)	Nil
Chairman/Member of the Committee of Board of Directors of Public Companies	Nil
Shareholding in the Company	Nil



## ನೋಟೀಸ್

ದಾವಣಗೆರೆ ಷುಗರ್ ಕಂಪನಿ ಲಿ., ಕುಕ್ಕುವಾಡ, ಈ ಕಂಪನಿಯ ಸಮಸ್ತ ಷೇರುದಾರರಿಗೆ ಈ ನೋಟೀಸ್ ಮೂಲಕ ತಿಳಿಯಪಡಿಸುವುದೇನೆಂದರೆ, ದಿನಾಂಕ 30ನೇ ಸೆಪ್ಟೆಂಬರ್ 2020ನೇ ಬುಧವಾರ ಬೆಳಿಗ್ಗೆ 11.00 ಘಂಟೆಗೆ ತೊಗಟವೀರ ಸಮುದಾಯ ಭವನ, ಎಂ.ಸಿ.ಸಿ 'ಎ' ಬ್ಲಾಕ್, ದಾವಣಗೆರೆ, ಈ ಸ್ಥಳದಲ್ಲಿ ಮೇಲ್ಕಂಡ ಕಂಪನಿಯ ಸಮಸ್ತ ಷೇರುದಾರರ 49ನೇ ವಾರ್ಷಿಕ ಮಹಾಸಭೆಯನ್ನು ಕರೆಯಲಾಗಿದ್ದು ಮತ್ತು ಮಹಾಸಭೆಯಲ್ಲಿ ಈ ಕೆಳಗಿನ ಕಾರ್ಯಕಲಾಪಗಳನ್ನು ನಡೆಸಿಕೊಡಲು ಷೇರುದಾರರಿಗೆ ಈ ನೋಟೀಸ್ ಮೂಲಕ ತಿಳಿಸಲಾಗಿದೆ.

### ಸಾಮಾನ್ಯ ಕಲಾಪ :

1. ಕಂಪನಿಯ ಬ್ಯಾಲೆನ್ಸ್ ಶೀಟ್, ಮಾರ್ಚ್ 31, 2020 ರಂತೆ ಕಂಪನಿಯ ಲೆಕ್ಕಪರಿಶೋಧಿತ ಹಣಕಾಸು ಹೇಳಿಕೆಗಳನ್ನು ಸ್ವೀಕರಿಸಲು, ಪರಿಗಣಿಸಲು ಮತ್ತು ಅಳವಡಿಸಿಕೊಳ್ಳಲು ಮತ್ತು ಕಂಪನಿಯ ಲಾಭ ಮತ್ತು ನಷ್ಟದ ಹೇಳಿಕೆ ಮತ್ತು ನಗದು ಹರಿವಿನ ಹೇಳಿಕೆ ಮತ್ತು ಅದರ ಇತರ ಹಣಕಾಸಿನ ಅನುಬಂಧಗಳನ್ನು ಮಾರ್ಚ್ 31, 2020 ಕ್ಕೆ ಕೊನೆಗೊಂಡ ವರ್ಷ ಮತ್ತು ಅದರ ನಿರ್ದೇಶಕರ ಮಂಡಳಿ ಮತ್ತು ಲೆಕ್ಕ ಪರಿಶೋಧಕರ ವರದಿಗಳು.
2. ಕಂಪನಿ ಕಾಯ್ದೆ, 2013 ರ ಸೆಕ್ಷನ್ 152 (6)ರ ಪುನರಾವರ್ತನೆಯ ಪ್ರಕಾರ ನಿವೃತ್ತಿ ಹೊಂದಿದ ಮತ್ತು ಅರ್ಹರಾಗಿರುವ ಶ್ರೀಮತಿ ರೇಖಾ ಗಣೇಶ್ (DIN: 02764230) ಅವರ ಸ್ಥಾನದಲ್ಲಿ ನಿರ್ದೇಶಕರನ್ನು ನೇಮಿಸುವುದು, ಮರು ನೇಮಕಾತಿಗೆ ಅರ್ಹತೆಯನ್ನು ಹೊಂದಿರುತ್ತಾರೆ.

### 3. ಕಂಪನಿಯ ಶಾಸನಬದ್ಧ ಲೆಕ್ಕ ಪರಿಶೋಧಕರನ್ನು ನೇಮಿಸಲು :

"ಸೆಕ್ಷನ್ 139, 142 ಮತ್ತು ಕಂಪನಿಗಳ ಕಾಯ್ದೆ, 2013 ರ ಅನ್ವಯವಾಗುವ ಮತ್ತು ಇನ್ನಾವುದೇ ಅನ್ವಯಿಸುವ ನಿಬಂಧನೆಗಳಿಗೆ ಅನುಗುಣವಾಗಿ ಮತ್ತು ಕಂಪನಿಗಳು (ಲೆಕ್ಕಪರಿಶೋಧಕ ಮತ್ತು ಲೆಕ್ಕಪರಿಶೋಧಕರು) ನಿಯಮಗಳು, 2014 ರೊಂದಿಗೆ ಓದಿ, ಇದರಲ್ಲಿ ಯಾವುದೇ ಶಾಸನಬದ್ಧ ಕಾಯಿದೆ ಅಥವಾ ಮಾರ್ಪಾಡು ಸೇರಿದಂತೆ, ಶ್ರೀ ಲಿಂಗರಾಜು ವಿ. ಚಾರ್ಟರ್ಡ್ ಅಕೌಂಟೆಂಟ್ ಇವರು ನಿಧನರಾದ ಕಾರಣ ತೆರುವಾಗಿರುವ ಶಾಸನಬದ್ಧ ಲೆಕ್ಕಪರಿಶೋಧಕರ ಸ್ಥಾನಕ್ಕೆ ಶ್ರೀ ಬಿ. ಗಂಗಾಧರ & ಕೋ., ಚಾರ್ಟರ್ಡ್ ಅಕೌಂಟೆಂಟ್ (ಸಂಸ್ಥೆಯ ನೋಂದಣಿ ಸಂಖ್ಯೆ 024094.) ಇವರನ್ನು ನೇಮಕ ಮಾಡಿದ್ದು, ಇವರು 49ನೇ ವಾರ್ಷಿಕ ಸಾಮಾನ್ಯ ಸಭೆಯ ಮುಕ್ತಾಯದಿಂದ ಕಂಪನಿಯ 50ನೇ ವಾರ್ಷಿಕ ಸಾಮಾನ್ಯ ಸಭೆಯ ಮುಕ್ತಾಯದವರೆಗೆ ಶಾಸನಬದ್ಧ ಲೆಕ್ಕಪರಿಶೋಧಕರ ಸ್ಥಾನಕ್ಕೆ ನೇಮಕಗೊಂಡಿರುತ್ತಾರೆ. ನಿರ್ದೇಶಕರ ಮಂಡಳಿಯು ಲೆಕ್ಕಪರಿಶೋಧಕರೊಂದಿಗೆ ಸಮಾಲೋಚಿಸಿ ಅವರ ಸಂಭಾವನೆಯೊಡನೆಗೆ ಅನ್ವಯವಾಗುವ ಸೇವಾ ತೆರಿಗೆ ಮತ್ತು ಲೆಕ್ಕಪರಿಶೋಧನೆಯ ಉದ್ದೇಶಕ್ಕಾಗಿ ಆಗುವ ಇತರೆ ವೆಚ್ಚಗಳನ್ನು ಭರಿಸಲು ಅನುಮೋದಿಸಿರುತ್ತದೆ.

"ಕಂಪನಿಯ ನಿರ್ದೇಶಕರ ಮಂಡಳಿಯು ಅಗತ್ಯವಿರುವ ಎಲ್ಲ ಕ್ರಮಗಳನ್ನು ತೆಗೆದುಕೊಳ್ಳಲು ಮತ್ತು ಈ ಪರವಾಗಿ ಅಗತ್ಯವೆಂದು ಭಾವಿಸಬಹುದಾದ ಅಂತಹ ಎಲ್ಲಾ ಕಾರ್ಯಗಳು, ವಿಷಯಗಳು ಮತ್ತು ಕೆಲಸಗಳನ್ನು ಮಾಡಲು ಕಂಪನಿಯ ಪರವಾಗಿ ಮತ್ತು ಅದರ ಪರವಾಗಿ ಅಧಿಕಾರ ಹೊಂದಿದೆ".

### ವಿಶೇಷ ವ್ಯಾಪಾರ :

#### 3. ವೆಚ್ಚ ಲೆಕ್ಕ ಪರಿಶೋಧಕರ ನೇಮಕ

ಪರಿಗಣಿಸಲು ಮತ್ತು ಆಲೋಚನೆಗೆ ಸೂಕ್ತವಾಗಿದ್ದರೆ, ಸಾಮಾನ್ಯ ನಿರ್ಣಯವಾಗಿ ಮಾರ್ಪಾಡು ಅಥವಾ ಮಾರ್ಪಾಡುವಿಲ್ಲದೆ ಅನುಮೋದಿಸುವುದು:

'ಕಂಪನಿಗಳ ಕಾಯ್ದೆ, 2013 ರ ಸೆಕ್ಷನ್ 148 ರ ಉಪವಿಭಾಗ (3) ರ ನಿಬಂಧನೆಗಳಿಗೆ ಅನುಗುಣವಾಗಿ ಮತ್ತು ಕಂಪನಿಗಳ (ಲೆಕ್ಕಪರಿಶೋಧಕ ಮತ್ತು ಲೆಕ್ಕ ಪರಿಶೋಧಕರು) ನಿಯಮಗಳು, 2014 ರ ನಿಯಮ 14 ರೊಂದಿಗೆ ಓದಿ, ಶ್ರೀ ಎಂ.ಆರ್.ಕೃಷ್ಣ ಮೂರ್ತಿ ಅವರಿಗೆ ಪಾವತಿಸಬೇಕಾದ ಸಂಭಾವನೆ, ಕಾಸ್ಪ್ ಅಕೌಂಟೆಂಟ್, (ರಿ.ನಂ. ಎಫ್‌ಸಿಎಂಎ 7658 ಹೊಂದಿರುವ) ಇವರನ್ನು ಕಂಪನಿಯ ನಿರ್ದೇಶಕರ ಮಂಡಳಿಯು ಕಾಸ್ಪ್ ಆಡಿಟರ್ ಆಗಿ ನೇಮಕ ಮಾಡಿದ್ದು, ಕಂಪನಿಯು 2019-20ರ ಹಣಕಾಸು ವರ್ಷದಲ್ಲಿ ನಿರ್ವಹಿಸಿದ ವೆಚ್ಚ ದಾಖಲೆಗಳ ಲೆಕ್ಕಪರಿಶೋಧನೆಯನ್ನು ರೂ.



50,000/- (ರೂಪಾಯಿ ಐವತ್ತು ಸಾವಿರ ಮಾತ್ರ) ಜೊತೆಗೆ ಜಿಎಸ್ಸಿ ಅನ್ವಯವಾಗುವಂತೆ ಮತ್ತು ಪಾಕೆಟ್ ಖರ್ಚನ್ನು ಮರುಪಾವತಿ ಮಾಡಲಾಗುವುದು ಎಂದು ಅನುಮೋದಿಸಲಾಗಿದೆ.

#### 4. ಕಂಪನಿಯ ಮೆಮೋರಾಂಡಮ್ ಆಫ್ ಅಸೋಸಿಯೇಷನ್ ಆಫ್ ಆಬ್ಜೆಕ್ಟ್ಸ್ ಷರತ್ತಿನ ಬದಲಾವಣೆ

ವಿಷಯವನ್ನು ಪರಿಗಣಿಸಲು, ಮತ್ತು ಸೂಕ್ತವೆಂದು ಭಾವಿಸಿದರೆ, ಈ ಕೆಳಗಿನ ನಿರ್ಣಯವನ್ನು ವಿಶೇಷ ನಿರ್ಣಯವಾಗಿ ಅನುಮೋದಿಸಲು:

"ಸೆಕ್ಷನ್ 13, ಸೆಕ್ಷನ್ 4 ಇತರೆ ಅನ್ವಯವಾಗುವ ನಿಬಂಧನೆಗಳಿಗೆ ಅನುಗುಣವಾಗಿ ಮತ್ತು ಕಂಪನಿ ಕಾಯ್ದೆ 2013, ("MOA") ಯಾವುದಾದರೂ ಇದ್ದರೆ, ಯಾವುದೇ ಶಾಸನಬದ್ಧ ಮಾರ್ಪಾಡುಗಳು ಅಥವಾ ಅದರ ಮರು-ಜಾರಿಗೊಳಿಸುವಿಕೆ ಸೇರಿದಂತೆ ಜಾರಿಯಲ್ಲಿರುವ ಮತ್ತು ನಿಯಮಗಳನ್ನು ಜಾರಿಗೆ ತರಲು ಸೂಕ್ತವಾದ ನಿಯಮ(ಗಳು), ಷರತ್ತು (ಗಳು), ತಿದ್ದುಪಡಿ (ಗಳು), ಮಾರ್ಪಾಡು (ಗಳು) ಈ ರೀತಿಯ ಸೂಕ್ತ ಅಧಿಕಾರಗಳಿಗೆ ಅಗತ್ಯವಿರುವ ಅಥವಾ ಸೂಚಿಸಬಹುದಾದಂತಹ ಇತರ ಅಗತ್ಯ ಅನುಮೋದನೆಗಳಿಗೆ ಒಳಪಟ್ಟಂತ ಮತ್ತು ಕಂಪನಿಯ ನಿರ್ದೇಶಕರ ಮಂಡಳಿಯು ಒಪ್ಪಿಕೊಂಡಿದೆ. ಕಂಪನಿಯ ಮೆಮೋರಾಂಡಮ್ ಆಫ್ ಅಸೋಸಿಯೇಷನ್ (MOA) ಆಬ್ಜೆಕ್ಟ್ಸ್ ಕ್ಲಾಸ್ ಅಂದರೆ ಹೊಸ ಷರತ್ತು III 7 ಅನ್ನು ಕಂಪನಿಯ ಮೆಮೋರಾಂಡಮ್ ಆಫ್ ಅಸೋಸಿಯೇಷನ್ ಭಾಗವಾಗಿರುವ ಆಬ್ಜೆಕ್ಟ್ಸ್ ಷರತ್ತುಗೆ ಸೇರಿಸುವುದಕ್ಕೆ ಕಂಪನಿಯ ಸದಸ್ಯರ ಒಪ್ಪಿಗೆಯನ್ನು ಕೋರಿರುತ್ತೇವೆ.

#### ಷರತ್ತು III (7) ಕಂಪನಿಯು ಅನುಸರಿಸಬೇಕಾದ ಉದ್ದೇಶಗಳು :

ಮಾನವನ ಬಳಕೆಗಾಗಿ ಅಥವಾ ಯಾವುದೇ ರೀತಿಯಲ್ಲಿ ಅಥವಾ ಕೈಗಾರಿಕಾ ಬಳಕೆಗಾಗಿ ಅಥವಾ ಇಂಧನವಾಗಿ ಎಥೆನಾಲ್ ಸೇರಿದಂತೆ ಎಲ್ಲಾ ರೀತಿಯ ಆಲ್ಕೊಹಾಲ್, ಸ್ಪಿರಿಟ್ಸ್ ಮತ್ತು ಮದ್ಯವನ್ನು ತಯಾರಿಸಲು, ಉತ್ಪಾದಿಸಲು, ಪರಿಷ್ಕರಿಸಲು, ಖರೀದಿಸಲು, ಮಾರಾಟ ಮಾಡಲು, ತಯಾರಿಸಲು, ರಫ್ತು ಮಾಡಲು ಮತ್ತು ಸಾಮಾನ್ಯವಾಗಿ ವ್ಯವಹರಿಸಲು, ರಿಕ್ವಿಜೈಟ್ ಸ್ಪಿರಿಟ್, ಸಿಟ್ರಿಕ್ ಆಸಿಡ್, ವಿನೆಗರ್, ಅಸಿಟಿಕ್ ಆಸಿಡ್, ಈಥೈಲ್ ಅಸಿಟೇಟ್, ಅಸೆಟಾಲ್ಡಿಹೈಡ್, ಕಾರ್ಬೋನಿಕ್ ಆಸಿಡ್, ಸ್ಯಾನಿಟೈಜರ್, ಸೋಂಕುನಿವಾರಕಗಳು, ಯೀಸ್ಟ್ ಕೆಸರು, ಅನಿಲ, ಒಣಗಿದ ಮಂಜುಗಡ್ಡೆ ಮತ್ತು ಡಿಸ್ಪಿಲರಿಗಳು ಮತ್ತು ಇತರೆ ಕೆಲಸಗಳನ್ನು ಪಡೆದುಕೊಳ್ಳಲು, ನಿರ್ಮಿಸಲು ಮತ್ತು ನಿರ್ವಹಿಸಲು.

ಈ ನಿರ್ಣಯಕ್ಕೆ ಪರಿಣಾಮ ಬೀರುವ ಉದ್ದೇಶ ಮತ್ತು ಈ ವಿಷಯದಲ್ಲಿ ಉದ್ಭವಿಸಬಹುದಾದ ಯಾವುದೇ ಪ್ರಶ್ನೆ, ತೊಂದರೆ ಅಥವಾ ಅನುಮಾನಗಳನ್ನು ಬಗೆಹರಿಸಲು ಆಡಳಿತ ಮಂಡಳಿಯು ಸಂಪೂರ್ಣ ವಿವೇಚನೆಯಿಂದ ಪರಿಗಣಿಸಲು ಅಧಿಕಾರ ಹೊಂದಿರುತ್ತದೆ.

#### 5. ಶ್ರೀ ಶಾಮನೂರು ಶಿವಶಂಕರಪ್ಪ ಗಣೇಶ್ (ಡಿಐಎನ್: 00451383) ಅವರನ್ನು ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರಾಗಿ ಮರು ನೇಮಕ ಮಾಡುವ ವಿಷಯದ ಬಗ್ಗೆ:

ಕಂಪನಿಗಳ ಕಾಯ್ದೆ, 2013 ಮತ್ತು ಕಂಪನಿಗಳು (ವ್ಯವಸ್ಥಾಪಕ ಸಿಬ್ಬಂದಿಗಳ ನೇಮಕಾತಿ ಮತ್ತು ಸಂಭಾವನೆ) ನಿಯಮಗಳು, 2014 (ಯಾವುದೇ ಶಾಸನಬದ್ಧ ಸೇರಿದಂತೆ), ವೇಳಾಪಟ್ಟಿ ಮತ್ತು ಇತರ ಅನ್ವಯವಾಗುವ ನಿಬಂಧನೆಗಳೊಂದಿಗೆ ಓದಿದ ಸೆಕ್ಷನ್ 196, 197, 203 ರ ನಿಬಂಧನೆಗಳಿಗೆ ಅನುಗುಣವಾಗಿ ಪರಿಹರಿಸಲಾಗಿದೆ. ಮಾರ್ಪಾಡುಗಳು, ತಿದ್ದುಪಡಿಗಳು ಅಥವಾ ಪುನಃ ಜಾರಿಗೊಳಿಸುವ ಸಮಯಕ್ಕೆ (ಇನ್ನು ಮುಂದೆ ಇದನ್ನು "ಆಕ್ಟ್" ಎಂದು ಕರೆಯಲಾಗುತ್ತದೆ), ಹೇಳಿದ ಕಾಯಿದೆಯ ವೇಳಾಪಟ್ಟಿಯೊಂದಿಗೆ ಓದಿ. ಶ್ರೀ ಶಾಮನೂರು ಶಿವಶಂಕರಪ್ಪ ಗಣೇಶ್ (ಡಿಐಎನ್: 00451383) ಅವರನ್ನು ಕಂಪನಿಯ ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರಾಗಿ ಐದು ವರ್ಷಗಳ ಅವಧಿಗೆ 2019 ಸೆಪ್ಟೆಂಬರ್ 24ರಿಂದ ಜಾರಿಗೆ ಬರುವಂತೆ ಸಂಭಾವನೆ ಮತ್ತು ನಿಯಮಗಳು ಮತ್ತು ಷರತ್ತುಗಳ ಮೇಲೆ ಮರು ನೇಮಕ ಮಾಡಲು ಅನುಮತಿ ನೀಡಲಾಗಿದೆ.

ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರಾಗಿ ಶ್ರೀ ಶಾಮನೂರು ಶಿವಶಂಕರಪ್ಪ ಗಣೇಶ್ ಅವರ ಅಧಿಕಾರಾವಧಿಯಲ್ಲಿ ಯಾವುದೇ ಹಣಕಾಸು ವರ್ಷದಲ್ಲಿ ಲಾಭದ ಅಸಮರ್ಪಕತೆಯ ಅನುಪಸ್ಥಿತಿಯಲ್ಲಿ ಪರಿಹರಿಸಲಾಗಿದೆ, ಆಯೋಗ / ಕಾರ್ಯಕ್ಷಮತೆ ಬೋನಸ್ ಹೊರತುಪಡಿಸಿ ಅವರಿಗೆ ಸಂಭಾವನೆ, ಭತ್ಯೆಗಳು ಮತ್ತು ಅಗತ್ಯತೆಗಳನ್ನು ನೀಡಲಾಗುತ್ತದೆ. ಈ ಸೂಚನೆಯು



ಭಾಗವಾಗಿರುವ ವಿವರಣಾತ್ಮಕ ಹೇಳಿಕೆ ಅಥವಾ ಕಾಲಕಾಲಕ್ಕೆ ನಿರ್ದೇಶಕರ ಮಂಡಳಿಯು ಅನುಮೋದಿಸಿದಂತೆ ಪರಿಷ್ಕೃತ ಸಂಭಾವನೆ, ವೇಳಾಪಟ್ಟಿ ಮತ್ತು ಕಾಯಿದೆಯ ಇತರ ಅನ್ವಯವಾಗುವ ನಿಬಂಧನೆಗಳಿಗೆ ಅನುಗುಣವಾಗಿ ಕನಿಷ್ಠ ಸಂಭಾವನೆಯಾಗಿದೆ.

ಶ್ರೀ ಶಾಮನೂರ್ ಶಿವಶಂಕರಪ್ಪ ಗಣೇಶ ಅವರು ಕಂಪನಿಯ ನಿರ್ದೇಶಕರ ಮಂಡಳಿಯ ಮೇಲ್ವಿಚಾರಣೆ, ನಿಯಂತ್ರಣ ಮತ್ತು ನಿರ್ದೇಶನಗಳಿಗೆ ಒಳಪಟ್ಟು, ನಿರ್ವಹಣೆಯ ಗಣನೀಯ ಅಧಿಕಾರವನ್ನು ಮುಂದುವರಿಸುತ್ತಾರೆ ಮತ್ತು ವ್ಯವಹಾರ ಮತ್ತು ವ್ಯವಹಾರಗಳನ್ನು ನಿರ್ವಹಿಸುತ್ತಾರೆ.

6. ಕಂಪನಿಯ ಸ್ವತಂತ್ರ ನಿರ್ದೇಶಕರಾಗಿ ಶ್ರೀ ತುಂಬಿಗರೆ ರುದ್ರಪ್ಪ (ಡಿಐಎನ್: 08717189) ನೇಮಕ

ಸೆಕ್ಷನ್ 161 ರ ಅಡಿಯಲ್ಲಿ ಕಂಪನಿಯ ಮಂಡಳಿಯಲ್ಲಿ ಹೆಚ್ಚುವರಿ ನಿರ್ದೇಶಕರಾಗಿ ನೇಮಕಗೊಂಡಿರುವ ಶ್ರೀ ತುಂಬಿಗರೆ ರುದ್ರಪ್ಪ (ಡಿಐಎನ್: 08717189) ಅವರ ನೇಮಕವನ್ನು ಅನುಮೋದಿಸಲು, ಆ ನಿಟ್ಟಿನಲ್ಲಿ ಮಾಡಿದ ನಿಯಮಗಳೊಂದಿಗೆ ಓದಿ, ಆ ಪರವಾಗಿ ಪರಿಗಣಿಸಲು ಮತ್ತು ಯೋಚಿಸಲು ಯೋಗ್ಯವಾದರೆ ಮಾರ್ಪಾಡಿನೊಂದಿಗೆ ಅಥವಾ ಇಲ್ಲದ ಈ ಕೆಳಗಿನ ರೆಸಲ್ಯೂಶನ್ ಅನ್ನು ಸಾಮಾನ್ಯ ನಿರ್ಣಯವಾಗಿ ಪ್ರಸ್ತಾಪಿಸಲಾಗುತ್ತದೆ:

“ಸೆಡ್ಯೂಲ್-IV” ಕಂಪನಿಯ ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರಾಗಿ ಮತ್ತು ಕಂಪನಿ ಕಾಯ್ದೆ, 2013 (“ಕಾಯಿದೆ”) ಮತ್ತು ಅದಕ್ಕೆ ಸಂಬಂಧಿಸಿದ ನಿಯಮಗಳು (ಯಾವುದೇ ಮಾರ್ಪಾಡು (ಗಳು) ಅಥವಾ ಅದರ ಮರು-ಜಾರಿಗೊಳಿಸುವಿಕೆ ಸೇರಿದಂತೆ) ಓದಿದ ಸೆಕ್ಷನ್ 149ರ ನಿಬಂಧನೆಗಳಿಗೆ ಅನುಗುಣವಾಗಿ ಪರಿಗಣಿಸಲಾಗಿ, ಕಂಪನಿಯ ಸ್ವತಂತ್ರ ನಿರ್ದೇಶಕರಾಗಿ ಶ್ರೀ ತುಂಬಿಗರೆ ರುದ್ರಪ್ಪ (ಡಿಐಎನ್: 08717189) ಅವರನ್ನು 04-10-2019 ರಿಂದ 04-10-2024 ರವರೆಗೆ ಸ್ವತಂತ್ರ ನಿರ್ದೇಶಕರಾಗಿ ಸತತ 5 (ಐದು) ವರ್ಷಗಳ ಅವಧಿಗೆ ಅಧಿಕಾರ ವಹಿಸಿಕೊಳ್ಳಲು ನೇಮಕ ಮಾಡಲಾಗಿದೆ ಎಂದು ಅನುಮೋದಿಸಲಾಗಿದೆ”.

7. ಶ್ರೀ ತಪ್ಪಗೊಂಡನಹಳ್ಳಿ ರಾಜಶೇಖರಪ್ಪ (ಡಿಐಎನ್: -08794960) ಅವರ ಸ್ವತಂತ್ರ ನಿರ್ದೇಶಕರಾಗಿ ನೇಮಕ

ಸೆಕ್ಷನ್ 161 ರ ಅಡಿಯಲ್ಲಿ ಕಂಪನಿಯ ಮಂಡಳಿಯಲ್ಲಿ ಹೆಚ್ಚುವರಿ ನಿರ್ದೇಶಕರಾಗಿ ನೇಮಕಗೊಂಡಿರುವ ಶ್ರೀ ತಪ್ಪಗೊಂಡನಹಳ್ಳಿ ರಾಜಶೇಖರಪ್ಪ (ಡಿಐಎನ್:-08794960) ಅವರ ನೇಮಕವನ್ನು ಅನುಮೋದಿಸಲು ಮತ್ತು ನಿಯಮಗಳೊಂದಿಗೆ ಓದಿ, ಆ ಪರವಾಗಿ ಪರಿಗಣಿಸಲು ಮತ್ತು ಸೂಕ್ತವೆಂದು ಭಾವಿಸಿದರೆ ಈ ಕೆಳಗಿನ ರೆಸಲ್ಯೂಶನ್ ಅನ್ನು ಮಾರ್ಪಾಡು ಮಾಡುವ ಮೂಲಕ ಅಥವಾ ಈ ಕೆಳಗಿನ ರೆಸಲ್ಯೂಶನ್ ಅನ್ನು ಸಾಮಾನ್ಯ ನಿರ್ಣಯವಾಗಿ ಪ್ರಸ್ತಾಪಿಸಲಾಗುತ್ತದೆ:

“ಸೆಡ್ಯೂಲ್-IV ಮತ್ತು ಕಂಪನಿ ಕಾಯ್ದೆ, 2013 (“ಆಕ್ಟ್”) ಮತ್ತು ಅದಕ್ಕೆ ಸಂಬಂಧಿಸಿದ ನಿಯಮಗಳು (ಯಾವುದೇ ಮಾರ್ಪಾಡು (ಗಳು) ಅಥವಾ ಅದರ ಮರು-ಜಾರಿಗೊಳಿಸುವಿಕೆ ಸೇರಿದಂತೆ) ಓದಿ ಸೆಕ್ಷನ್ 149ರ ನಿಬಂಧನೆಗಳಿಗೆ ಅನುಗುಣವಾಗಿ ಪರಿಗಣಿಸಿ ಕಂಪನಿಯ ಸ್ವತಂತ್ರ ನಿರ್ದೇಶಕರಾಗಿ ಶ್ರೀ ತಪ್ಪಗೊಂಡನಹಳ್ಳಿ ರಾಜಶೇಖರಪ್ಪ (ಡಿಐಎನ್: -08794960) ಅವರನ್ನು ಸತತ 5(ಐದು) ವರ್ಷಗಳ ಅವಧಿಗೆ 16-07-2020 ರಿಂದ 16-07-2025ರವರೆಗೆ ಸ್ವತಂತ್ರ ನಿರ್ದೇಶಕರಾಗಿ ಅಧಿಕಾರ ವಹಿಸಿಕೊಳ್ಳಲು ನೇಮಕ ಮಾಡಲಾಗಿದೆ ಎಂದು ಅನುಮೋದಿಸಲಾಗಿದೆ”.

ಸ್ಥಳ : ದಾವಣಗೆರೆ  
ದಿನಾಂಕ: 04-09-2020

ನೊಂದಾಯಿತ ಕಛೇರಿ :  
ನಂ. 73/1, ಪಿ.ಬಿ. ನಂ. 312  
ಶಾಮನೂರು ರಸ್ತೆ,  
ದಾವಣಗೆರೆ-577 004.

ಆಡಳಿತ ಮಂಡಳಿ ಅಪ್ಪಣೆ ಮೇರೆಗೆ  
ದಾವಣಗೆರೆ ಪುಗರ್ ಕಂಪನಿ ಲಿಮಿಟೆಡ್ ಪರವಾಗಿ  
ಎಸ್.ಎಸ್. ಗಣೇಶ್  
ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರು  
DIN : 00451383





## DIRECTORS' REPORT

### Dear Members,

The Directors have pleasure in presenting the 49<sup>th</sup> (Forty Nineth) Annual Report together with Audited Financial Statements for the year ended 31<sup>st</sup> March, 2020.

We, as the Directors of your Company, are very eager to announce the Company's affairs during the operating year 2019-20. 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 2019-20:

#### Crushing Operations and Sugar Produced:

The Crushing Operations were commenced from 17.10.2019 and closed on 10.02.2020 and your Company crushed 3,26,210.00 MTs of sugarcane during the Financial Year 2019-20 and crushing operations were conducted for 117 days. During the previous financial year 2018-19 company conducted crushing operation days for 146 days. The crushing operations days were reduced due to heavy rains and hence the crushing commencement was started on 17.10.2020 which is almost delayed for nearly 30 days.

Year	Sugarcane Crushed (MTs)	Sugar Produced (Qtls)	Recovery ( % )
2019-20	3,26,210	2,93,660	9.00%
2018-19	4,36,176	4,11,450	9.45%
2017-18	1,41,225	1,21,500	8.50%

The Company is anticipating good crushing during the ensuing season due to more number of farmers have diverted from paddy to sugarcane growing due to introduction of new high yield variety sugarcane VCF-0517 (expected yield between 80 MTs to 110 MTs) which results in availability of more sugarcane for crushing during the ensuing season 2020-21. The Company expects to crush at least 5,00,000 MTs of sugarcane during the coming season 2020-21. In the coming season company expects coverage of more and more land under sugarcane plantation, so that the company can achieve the target crushing of sugarcane up to 8,00,000 MTs in couple of years.

#### 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 figures of areas of actual sugar cane cultivation in the last four years and the estimation for the ensuing year.

Year	Area under sugarcane cultivation (in acres)
2015-16	15,732
2016-17	6,456
2017-18	5,282
2018-19	12,796
2019-20	8,489
2020-21 (estimated for ensuing year)	11,793

#### Export of Sugar & Molasses :

During the FY 2019-20 the company has exported sugar and molasses as follows :

Sl. No.	Product	Amount Rs.	Quantity
1	Sugar	2,59,25,130.00	9460.00 Qtl
2	Molasses	3,72,18,910.00	3917.78 Mts

#### Co-gen and Power Export :

Co-gen and Power Export : Company is having a Co-gen power plant having an installed capacity of 24 MWs. During the Financial Year 2019-20 the Company has generated 4,39,82,700.00 units of power and has exported 2,96,19,600.00 units of power to



ESCOMS compared to previous year export of 42,04,42,000.00 units. The Company has imported 9,04,800.00 units of power from KPTCL during the year under review compared to previous year's import of 7,45,200.00 units of power. The Co-gen unit has worked for 120 days during the year 2019-20 against 150 days during previous year 2018-19.

### **SUGAR INDUSTRY OVERVIEW :**

#### **IMPACT COVID-19**

The outbreak of COVID-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activities throughout India. The nationwide lockdown ordered by the Government of India w.e.f. 24th March 2020. There was no major impact of lock down on sugarcane crushing since the crushing operations were completed by 10.02.2020.

Our company falls under the production of Essential Commodity i.e. sugar under the Essential Commodities Act, and hence it was permitted to continue the working of the Company under the Notification of the State Government. But export of sugar and off-season maintenance work is affected to some extent due to suspension of transportation both road and rail and restrictions on movement of goods from one state to another state. Company could not able to export entire MAEQ quantity of 4485 MTs of sugar due to suspension of operations at Navi Mumbai JNPT Port and could able to export 3588 MTs of sugar and company surrendered 897 MTs of sugar to Department of Food and Public Distribution.

Further the crushing season of the company is expected to commence as usual in the month of September 2020 depending upon the impact of rainfall on the transportation of sugar. COVID -19 will not be a major impact on the ensuing crushing season 2020-21 since the lock-down throughout the State is lifted and allowed the economic activities to continue in the regular manner. Company is having sugarcane standing crop which will be ready for harvesting from September, 2020 in the area surrounding the factory which is estimated to be around 5,00,000 MTs. We have advised our farmers to take proper precautions during the harvesting and transportation of sugarcane

- ◆ **According to the Department of Food and Public Distribution:** sugar is the second largest Agro based industry supporting rural lively hood of around 50 million farmers and 5 lakh workers directly engaged in sugarcane mills. Employment is also generated in various ancillary activities relating to transport, trade servicing of machinery and supply of agricultural inputs. It is estimated that about 7.5% of the rural population in India is involved with the sugar industry.
- ◆ **According to the Indian Sugar Mills Association :** sugar production in the country for the year 2020-21 is estimated to increase by 12.5% to 305 lakh tonnes, compared to previous year production of 272 lakh tonnes. India has reported highest sugar export in last 10 years touching 53-54 lakh tonnes, with the indication of increase in sugar cane production in the current year exports are estimated to touch 60-70 lakh tonnes in the current year.
- ◆ Government of India having been cognizant of the surplus situation has been proactively pushing for sugar exports & ethanol production from B Heavy molasses from last 2 years. Both these measures have kept a check on Indian sugar stock balance. During the year 2019-20 Sugar mills and oil marketing companies have contracted supply of 170 crore Ltrs of ethanol for blending with petrol.
- ◆ For the season 2020-21, sugarcane production is expected to increase again, therefore considering increase in output of ethanol production capacity in the country which is estimated to 375-400 crore Ltrs.
- ◆ During the year 2019-20 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 has taken aggressive measures to bring at least 11,800 acres of land under sugarcane cultivation during the ensuing planting season 2020-21.

Our Company is expecting a crushing of about 5.00 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, there may not be a situation of excess stock of sugar in the country, since a 15% to 20% of sugarcane produced may be diverted for production of Ethanol.

Recently the Central Government has taken decision in the Cabinet meeting to review the present MSP of Rs.31 per kg and to increase the MSP of sugar to Rs.33 per kg. This would cover the cost of production of sugar to some extent.

#### **GOVERNMENT MEASURES:**

The Central Government came out with a slew of corrective measures and supportive mechanisms during the year 2018-19, providing much needed succor to the sugar industry reeling under pressure to be rescued from the mounting cane arrears and the high debt burden. Most of these measures continued during 2019- 20 with the Government continued to cap the quantity of sugar, which mills in the country could sell and at a minimum selling price. These measures stabilized sugar price in the country with greater degree of transparency, discipline and accountability. Some of the important policy directions issued pertaining to the sugar industry are as follows:

**SUGAR**

**Maximum Admissible Export Quantity (MAEQ):** In view of the high inventory levels with the sugar industry and to facilitate achievement of financial liquidity, mill-wise MAEQ of 60 Lakh Metric Tonne (LMT) have been fixed for the sugar season 2019-20.

**Scheme for creation and maintenance of Buffer stock:** In order to maintain demand supply balance in the domestic market and to stabilize sugar prices, the Government has notified a scheme on July 31, 2019 for creation of buffer stock of 40 LMT of sugar for a period of one year from August 01, 2019 to July 31, 2020. The Government to reimburse the carrying cost of such buffer stock. Government has taken the following measures to encourage and stabilize the sugar industry in the coming years:

**Soft Loan :** On March 02, 2019, the Central Government announced a scheme of soft loan of with interest subvention of 7% on actual rate of interest charged by bank, for a period of one year. The Government also said that all loans sanctioned & disbursed by May 31, 2019 would be covered by the scheme. Vide notification dated July 24, 2019, the Government stated that all loans sanctioned by July 31, 2019 and disbursed by August 31, 2019 by lending banks, would now be covered under the scheme.

**Ethanol**

The Central Government has made it mandatory that, all new Ethanol Plant which are going to be commissioned should be with ZLD (Zero Liquid Discharge) technology in effluent discharge. Hence, all units which are going to be established will be with ZLD technology. Further, the Central Government has allowed sugarcane based ethanol industries to produce Ethanol in three different ways directly from cane juice, and from B-heavy and C molasses. In 2003, the Government of India (GOI) had launched the Ethanol Blending Programme (EBP) on a pilot basis, which was subsequently extended to the Notified 21 States and 4 Union Territories to promote the use of alternative and environment-friendly fuels. The programme is a part of the long-term strategy to reduce India's dependency on crude imports and insulate the nation from global oil price volatility as well as give the domestic sugar sector a boost by diverting excess sugar stocks towards ethanol manufacture. While the programme initially targeted a 10% blending of petrol with the biofuel by 2022, later the target was enhanced to achieve 20% ethanol blending with petrol by 2030.

During the year, the Central Government announced that no separate environmental clearance will be required to produce additional ethanol from B-heavy molasses as it does not contribute to the pollution load since Government has made it mandatory to adopt the ZLD technology in Ethanol manufacturing.

**POWER**

**Cogeneration of Power:** On 28th June 2019, Ministry of Power, Government of India issued an order directing Regional Load Despatch Centres (RLDC) and State Load Despatch Centres (SLDC) to open Letter of Credit (LC) in favour of power generating companies for the agreed quantum of power supply. The order provides for encashment for LC by the generating company after the agreed credit period of 45 or 60 days as the case may be. This was a welcome move by the GOI to facilitate timely collection of debtors, which has come into effect from 01.08.2019.

**MANAGEMENT OUT LOOK FOR 2020-21****ETHANOL**

**A policy push from** the Government of India (GOI) towards Ethanol Blending Programme (EBP), While the programme initially targeted a 10% blending of petrol with the biofuel by 2022, later the target was enhanced to achieve 20% ethanol blending with petrol by 2030.

The management of our Company has taken steps towards commissioning of 65 KLPD capacity of Ethanol Plant within factory premises by adopting ZLD technology. The cost of project is estimated to be Rs. 85.00 crore. The company applied for the term loan of Rs. 65.00 crore to Banks, to meet the cost of the project and expect the financial closure by October 2020. The project commissioning is to commence from October 2020 and expected to be complete by September 2021 and commercial production will be commencing from October 2021.

The Company is also planning to produce Extra Neutral Alcohol (ENA) and sanitizer, the outbreak of COVID 19 has exposed the fragility of life. There have been casualties galore across the Globe which in-turn demanded practicing the highest standards of hygiene have emerged as the only viable options to break the chain of this virus. Based on the W.H.O. recommended formula, using 80% Ethyl Alcohol, Sanitizers are recommended for daily use and are capable of fighting germs up to 99.9%.

**Sugar Cane Plantation.**

Company is constantly endeavoring to increase sugar cane cultivation area along with high yield sugar cane plantation, this has resulted into successful implementation of pilot project which carried in the year 2018-19 with VCF 0517 variety of sugarcane, which has yielded 90 to 110 ton of sugar cane per acre against average yield of traditional sugarcane of 35 MTs to 50 Mts. This has



motivated majority of the farmers for adopting VCF 0517 variety for the planting season 2020-21. The Company is expected to cover a land area of about 6,000 acres under the new variety of VCF 0517 sugarcane.

**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 31<sup>st</sup> March, 2020 are summarized below :

Rs. In Lakhs

	Particulars	Current Year 2019-20	Previous Year 2018-19
1.	Revenue from operations (Gross)	20284.71	10625.86
2.	Revenue from operations (Net)	20284.71	10625.86
3.	Other Income	21.51	782.86
4.	Total	20306.22	11406.64
5.	Cost of Material Consumed	9504.31	11656.67
6.	Operating Expenses	775.79	745.70
7.	Changes in inventories of finished goods	5330.06	(5602.31)
8.	Other expenses	1360.94	1444.92
9.	Profit before depreciation and financial expenses	3335.12	3161.97
10.	Financial cost	2174.32	1795.52
11.	Depreciation and amortization	899.47	898.38
12.	Profit before exceptional and extraordinary items	261.32	469.86
13.	Exceptional & Extraordinary Expenses	-	-
14.	Profit before tax	261.32	469.86
15.	Interest in MAT	43.56	96.69
16.	Deferred tax	10.83	50.95
17.	Profit/Loss for the year	206.93	322.21

**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. However the Company proposes to realign its object Clause in line with its present business activities and possible future businesses which can be conveniently carried out along with its existing business. Hence, to enable the Company to capitalize on the business opportunities and to explore the possible



revenue streams of the main objectives which are not specifically covered under the main objects of the Company, the Board of Directors of the Company in its meeting held on February 5, 2020 has approved, subject to the consent of the shareholders, amendment in the Object Clause of the MOA of the Company in the manner as set out in the Special Resolution of this Notice.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:-

During the period after the end of the financial year of the company and before the date of the report, there are no material changes and commitments which affect the financial position of the company.

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:

During the year, there are no significant and material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operations in future.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:-

The Board has adopted policies and procedure for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its asset, the prevention and detection of fraud and error, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosure.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has no Subsidiary/ Joint Venture / Associate Company.

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT

During the year, no consolidated financial statements have been prepared by the company as the Company has no subsidiary / associate company.

DEPOSITS

The Company has neither accepted nor renewed any deposits during the Financial Year 2019-20 in terms of Chapter V of the Companies Act, 2013.

AUDITOR OF THE COMPANY

Due to the sad demise of the erstwhile Statutory Auditor, M/s. Lingaraju V. there was a casual vacancy in the office of the Statutory Auditor. Thus, the Board of Directors of the Company at their meeting held on August 26, 2020, have appointed M/s. B Gangadhara & Co., as the Statutory Auditor, for financial year FY 2019-20 and proposed for reappointment of statutory auditor for period of one year from FY 2020-21 to FY 2021-2022, subject to the approval / confirmation of the shareholders at the ensuing Annual General Meeting.

M/s. B Gangadhara & Co., qualifies the criteria as mentioned under Section 134 of the Companies Act, 2013 and is eligible to be appointed as the Statutory Auditor of the Company.

M/s. B Gangadhara & Co., have shown their willingness to act as the Statutory Auditor of the Company and accordingly provided their Consent Letter and Eligibility Letter in terms of Section 134(1) of the Companies Act, 2013.



### MEETINGS OF THE BOARD

20 (Twenty) meeting 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	04-04-2019	11	04-10-2019
2	10-04-2019	12	14-10-2019
3	20-04-2019	13	07-11-2019
4	06-05-2019	14	26-11-2019
5	27-05-2019	15	13-12-2019
6	30-05-2019	16	09-01-2020
7	14-07-2019	17	14-01-2020
8	13-08-2019	18	05-02-2020
9	30-08-2019	19	24-02-2020
10	12-09-2019	20	25-03-2020

The Board of Directors duly met 20 (Twenty) times on the above dates during the financial year 2019-20. 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 2019-20 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 :

#### DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### A) Changes in Directors and Key Managerial Personnel

Pursuant to sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, one-third of such of the Directors are liable to retire by rotation and shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Mrs. Rekha Ganesh (DIN:02764230), Non-Executive Director shall retire by rotation at the ensuing AGM, and being eligible, offer himself for re-appointment in accordance with the provisions of the Companies Act, 2013.

Mr. Abhijith Ganesh Shamanur (DIN No.03451918) has been appointed as Executive Director w.e.f. 30/08/2019.

Mr. Tumbegere Rudrappa (DIN No.08717189) was appointed as Additional Director w.e.f. 04/10/2019 & his appointment as Independent Director is placed before the shareholders for confirmation in ensuing AGM.

Mr. ThappagondanahallyRajashekarappa(DIN No.08794960) was appointed as Additional Director w.e.f 16/07/2020 & his appointment as Independent Director is placed before the shareholders for confirmation in ensuing AGM.

Mr. S. S. Mallikarjun(DIN No.0451644)& Mr. K.V. Somashekar(DIN No.02408750) were resigned w.e.f. 31-3-2020 & 30-06-2020 respectively

##### B) Declaration by Independent Directors

Pursuant to the provisions of Section 149 of the Companies Act, 2013 your Company has requisite number of Independent Directors on its Board. Your Company has duly complied with the requirements of the said provisions for appointment of Independent Directors during the year under review.

Your Company has received necessary declaration from each Independent Directors of the Company under Section 149(6) of the Companies Act, 2013, confirming that they meet with the criteria of independence as prescribed under the aforesaid Section and Regulation.



During the year 2019-20 the board of directors consists of

Sl. No.	Name	Designation
1	Sri Shamanur Shivashankarappa Ganesh	Managing Director
2	Sri Abhijith Ganesh Shamanur	Executive Director
3	Smt. Rekha Ganesh	Director
4	Sri S S Mallikarjun*	Non Executive Director
5	Sri K V Somashekar	Independent Director
6	Sri Tumbegere Rudrappa**	Independent Director
7	Sri Thappagondanahally Rajashekarappa***	Independent Director

**During the year 2019-20 the board of directors consists of**

\* Sri S. S. Mallikarjun & Mr. K V Somashekar have resigned from the directorship with effect from 31-01-2020 & 30-06-2020 respectively.

\*\* Sri Tumbegere Rudrappa has appointed as independent Director w.e.f. 04-10-2019

\*\*\* Mr. Thappagondanahally Rajashekarappa has appointed as independent Director w.e.f. 16-07-2020

Sl. No.	Name of the Director	Number of Board Meetings attended during the financial year 2019-20
1	Sri S.S Ganesh	19
2	Sri S.S. Mallikarjun	6
3	Sri Abhijith Ganesh Shamanur	18
4	Smt. Rekha Ganesh	15
5	Sri K.V. Somashekar	12
6	Sri Rudrappa T	6
7	Sri Thappagondanahally Rajashekarappa	0

As on March 31st 2020 key managerial personnel consists of

Sl.No.	Name of the Director	Number of Board Meetings attended Designation
1	Sri Shamanur Shivashankarappa Ganesh	Managing Director
2	Mr Arun Kumar	Chief Financial Officer* (CFO)
3	Smt. Pooja M M	Compliance Officer (CO)*

\*CFO & CO has been appointed during the year 2019-20

Sri Ganesh Shivashankarappa Shamanur (DIN 00451383 ) Managing Director of the Company is entrusted with substantial powers of management and he is "officer who is not default" as per provisions of the Companies Act, 2013 and rules made there under, The Board of Directors further confirms that none of the Directors are disqualified as on 31<sup>st</sup> March, 2020 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 2019-20 is Rs. 36,00,000/- for the year. The Executive Director of the Company is paid a remuneration of Rs.1,62,000 per month w.e.f. September, 2019 for 7 months totaling to Rs.11,34,000/-



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

#### Corporate Social Responsibility

Corporate Social Responsibility Committee meeting was held on 09<sup>th</sup> January 2020. 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 2019-20 the Company has spent Rs. 4,45,853.00 for the purpose of education and other charitable activities. During the last five years the Company has spent total amount of Rs. 28,49,104/- towards discharging the Corporate Social Responsibility.

The calculation for CSR contribution is provided below :

Financial year	Net profit / (loss) (Rs.)
2019-20	2,06,92,639
2018-19	3,22,21,299
2017-18	(-) 8,60,75,584
Total	(-) 2,77,61,646
Average of three years	(-) 92,53,882
2% of average	NIL





Eventhough as per the CSR contribution calculation under the Company's Act, is NIL, the company is spending on money on CSR activities of providing free education to poor children, promoting sports activities and drinking water to rural poor people.

**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.

**CORPORATE GOVERNANCE**

Your Company complies with applicable various provisions of the Companies Act, 2013 regarding corporate Governance as company's paid up share capital is more than Rs.10 core rupees. However since the company is unlisted, hence provisions of regulation 27 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, are not applicable to the Company. However, applicable provision on Corporate Governance under Companies Act, 2013 forming part of annual Report is annexed separately as.

**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 31<sup>st</sup> March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- a. 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.
- b. 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.
- c. The Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2020 on a "going concern" basis.
- d. 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.

**PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES:-**

During the year, company has not made any Provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

**NO CHANGE 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 is the same as opening balance in the beginning of the year and as closing balance at the end of the year. There is no change in Share Capital of the Company during the FY 2019-20.

**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.

**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.

#### **FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The details of the programme for familiarization of the Independent Directors with the Company in respect of their roles, rights, responsibilities in the Company, nature of the industry in which company operates, business model of the Company and related matters have in place.

#### **POLICY FOR DETERMINING MATERIAL SUBSIDIARY**

Not applicable to Company

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Particulars and details of loans given, investments made or guarantees given and securities provided, if any, are given in the Notes to the Financial Statements.

#### **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), Mumbai, as Company Secretaries in Practice (CP No. 8952), to undertake the Secretarial Audit of the Company for the year 2019-20.

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 :****EARNINGS:**

Sl. No.	Product	Amount Rs	Quantity
1	Sugar	259.25 Lakhs	946 MTs
2	Molasses	372.18 Lakhs	3917.78 MTs

The company has exported 946 MTs of sugar up to 31.03.2020 out of its allotted MAEQ of 3588 MTs and earned a Foreign Exchange of USD 3,65,156 which equivalent to INR 275.74 Lakhs and there is a deemed export of 3917.78 MTs of Molasses through M/s. Mysore Mercantile Company Ltd, Bangalore and realized a sale proceeds of Rs.372.18 Lakhs.

**OUTGO:** There is no outgo of foreign exchange during the FY 2019-20, since the company has not imported any goods from any country.

**DEPOSITS**

The Company has not accepted deposits either from members or public within the meaning of section 73 or 76 of Companies Act, 2013 read with Rules made thereunder.

**RELATED PARTY TRANSACTIONS**

All Related Party Transactions entered during the financial year were in the ordinary course of business and at arm's length basis. There were no materially significant Related Party Transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as required to be provided under Section 134(3)(h) of the Companies Act, 2013 are disclosed in Form AOC-2.

**PARTICULARS OF EMPLOYEES**

There is no employee, drawing remuneration of more than Rs. 1,02,00,000/- (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.

**LISTING OF COMPANY UNDER PROCESS:**

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 the Company have obtained the In-Principle Approval from BSE Limited vide its Letter No.LO/DL/AC/IP/307/2019-20 dated 03/12/2019.

**HUMAN RESOURCES**

Your Company treats its "human resources" as one of its most important assets. We focus on all aspects of the employee lifecycle. This provides holistic experience for the employees as well. During their tenure at the Company, employees are motivated through various skill development programs. We create effective dialogue through our communication channels to ensure effective dialogue through our communication channels to ensure that feedback reach the relevant team, including leadership.



Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

**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 THAN 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 to the extent of Rs. 33.00 crores and Rs. 7.66 Crore from State Bank of India. 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 2019-20.

**ACKNOWLEDGEMENT :**

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

**PLACE : DAVANGERE**

**DATED : 04.09.2020**

**Registered Office  
73/1, Post Box No.312,  
Shamanur Road, Davangere.  
KA:- 577004.**

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 49ನೇ ವಾರ್ಷಿಕ ವರದಿಯನ್ನು ಮತ್ತು 31ನೇ ಮಾರ್ಚ್ 2020 ಕೊನೆಗೊಂಡ ವರ್ಷದ ಪರಿಶೋಧಿಸಿದ ಲೆಕ್ಕಪತ್ರಗಳನ್ನು ತಮ್ಮ ಮುಂದೆ ಮಂಡಿಸಲು ಅತೀವ ಸಂತೋಷವೆನಿಸಿದೆ.

ನಿಮ್ಮ ಕಂಪನಿಯ ನಿರ್ದೇಶಕರಾಗಿ ನಾವು ನಿಮ್ಮ ಕಂಪನಿಯ 2019-20ನೇ 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 31.03.2020ಕ್ಕೆ ಆರ್ಥಿಕ ಫಲಿತಾಂಶಗಳನ್ನು ಈ ಕೆಳಗಿನಂತೆ ನೀಡಲಾಗಿದೆ :

ಕ್ರ. ಸಂ.	ವಿವರಗಳು	31-03-2020ಕ್ಕೆ ಕೊನೆಗೊಂಡ ವರ್ಷಕ್ಕೆ	31-03-2019ಕ್ಕೆ ಕೊನೆಗೊಂಡ ವರ್ಷಕ್ಕೆ
1	ಆದಾಯ ಒಟ್ಟು ವಹಿವಾಟುಗಳಿಂದ	20284.71	10625.86
2	ವ್ಯಾಪಾರ ವಹಿವಾಟುಗಳಿಂದ (ನಿವ್ವಳ ಮೊತ್ತ)	20284.71	10625.86
3	ಇತರೆ ಆದಾಯ	21.51	782.86
4	ಒಟ್ಟು	20306.22	11406.64
5	ಬಳಕೆ ಮಾಡಿದ ಸರಕು ಸಾಮಗ್ರಿಗಳ ವೆಚ್ಚ	9504.31	11656.57
6	ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯಕ್ಕೆ ಇರುವ ಸಿದ್ಧ ಮತ್ತು ಕಚ್ಚಾ ದಾಸ್ತಾನುಗಳ ಬದಲಾವಣೆ ಮೊತ್ತ	5330.06	(5602.31)
7	ಕಾರ್ಯನಿರ್ವಹಣೆಯ ವೆಚ್ಚ	775.79	745.70
8	ಇತರೆ ವೆಚ್ಚಗಳು	1360.94	1444.92
9	ಸವಕಳಿ ಕಳೆಯುವ ಮುಂಚಿನ ಲಾಭ	3335.12	3161.97
10	ಹಣಕಾಸು ವೆಚ್ಚ	2174.33	1795.52
11	ಸವಕಳಿ	899.47	898.38
12	ಪ್ರತಿಷೇದ ಮತ್ತು ವಿಶೇಷ ಬಾಬುಗಳ ಮೊದಲಿನ ಲಾಭ	261.32	469.86
13	ಪ್ರತಿಷೇದ ಮತ್ತು ವಿಶೇಷ ಬಾಬುಗಳ ಮೇಲಿನ ವೆಚ್ಚ	-	-
14	ತೆರಿಗೆ ಮುಂಚಿನ ಲಾಭ	261.32	469.86
15	ವರಮಾನ ತೆರಿಗೆ	43.56	96.69
16	ಮುಂದೂಡಿದ ತೆರಿಗೆ	10.83	50.95
17	ನಿವ್ವಳ ಲಾಭ	206.93	322.21

#### (ಬಿ) ಕಬ್ಬು ಅರೆಯುವಿಕೆ ಕಾರ್ಯ ಮತ್ತು ಸಕ್ಕರೆ ಉತ್ಪಾದನೆ :

2019-20ನೇ ವರ್ಷದ ಕಬ್ಬು ಅರೆಯುವಿಕೆಯ ದಿನಾಂಕ 17-10-2019 ರಂದು ಪ್ರಾರಂಭಗೊಂಡು 10-02-2020ರಲ್ಲಿ ಅಂತ್ಯಗೊಂಡಿತು. ಹಣಕಾಸಿನ ವರ್ಷ 2019-20 ರಲ್ಲಿ ನಿಮ್ಮ ಕಂಪನಿಯು 2,93,600 ಮೆಟ್ರಿಕ್ ಟನ್ ಕಬ್ಬು ಅರೆಯುತ್ತದೆ.



ವರ್ಷ	ಕಬ್ಬು ಅರೆದಿರುವುದು ಮೆ.ಟನ್	ಸಕ್ಕರೆ ಉತ್ಪಾದನೆ [ಕ್ವಿಂಟ]	ಇಳುವರಿ
2019-20	3,26,210	2,93,660	9.45
2018-19	4,36,176	4,11,450	9.45
2017-18	1,41,225	1,21,500	8.50

ಕಂಪನಿಯ 2020-21ನೇ ಸಾಲಿನಲ್ಲಿ 5,00,000 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]
2016-17	6,456
2017-18	5,282
2018-19	12,796
2019-20	8,489
2020-21 [ಮುಂಬರುವ ವರ್ಷ]	11,793

[ಡಿ] ಸಕ್ಕರೆ ರಫ್ತು : ಹಣಕಾಸು ವರ್ಷ 2019-20 ರಲ್ಲಿ ಕಂಪನಿಯು ಸಕ್ಕರೆಯನ್ನು ಮತ್ತು ಕಾಕಂಬಿ ರಫ್ತು ಈ ಕೆಳಕಿನಂತಿರುತ್ತದೆ.

ಕ್ರ.ಸಂ.	ಉತ್ಪನ್ನ	ಮೊಬಲಗು ರೂ.	ಪ್ರಮಾಣ
1	ಸಕ್ಕರೆ	2,59,25,130.00	9,460.00 ಕ್ವಿಂಟಾಲ್
2	ಕಾಕಂಬಿ	3,72,18,910.00	3917.78 ಮೆ.ಟನ್

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

ಕಂಪನಿಯು 24 ಮೆ.ವ್ಯಾ. ಸಾಮರ್ಥ್ಯದ ಉತ್ಪಾದನಾ ಘಟಕ ಹೊಂದಿರುತ್ತದೆ. ಹಿಂದಿನ ವರ್ಷದ ಯೂನಿಟ್‌ಗಳ ವಿದ್ಯುತ್ ರಫ್ತಿಗೆ ಹೋಲಿಸಿದರೆ ಪ್ರಸಕ್ತ ವರ್ಷ 2019-20ನೇ ಅವಧಿಯಲ್ಲಿ 4,39,82,700.00 ಯುನಿಟ್ ವಿದ್ಯುತ್ ಉತ್ಪಾದಿಸಿ 2,96,19,600.00 ಯುನಿಟ್‌ಗಳನ್ನು ESCOMS/IEX ಗಳಿಗೆ ರಫ್ತು ಮಾಡಿರುತ್ತದೆ. 2018-19ರಲ್ಲಿ 42,04,42,000.00 ಯೂನಿಟ್‌ಗಳನ್ನು ರಫ್ತು ಮಾಡಿರುತ್ತದೆ. ಕಂಪನಿಯು ಕೆ.ಪಿ.ಟಿ.ಸಿ.ಎಲ್‌ನಿಂದ 9,04,800.00 ಯುನಿಟ್ ವಿದ್ಯುತ್‌ನ್ನು ಆಮದು ಮಾಡಿಕೊಂಡಿದೆ. ಕಳೆದ ವರ್ಷ 2018-19ನೇ ಇಸವಿಯಲ್ಲಿ 7,45,200.00 ಯೂನಿಟ್ ಆಮದು ಮಾಡಿಕೊಂಡಿರುತ್ತದೆ. ಕೋಜನ್ ಘಟಕವು 2019-20ನೇ ಸಾಲಿನಲ್ಲಿ 120 ದಿನಗಳ ಕಾಲ ಕಾರ್ಯನಿರ್ವಹಿಸಿದ್ದು ಮತ್ತು ಕಳೆದ ವರ್ಷ 2018-19ನೇ ಸಾಲಿನಲ್ಲಿ 150 ದಿನಗಳು ಕಾರ್ಯನಿರ್ವಹಿಸಿರುತ್ತದೆ.

2 ಸಕ್ಕರೆ ಕಾರ್ಖಾನೆಯ ಅವಲೋಕನ:

1. ಕೋವಿಡ್-19 ಪ್ರಭಾವ

ಜಾಗತಿಕವಾಗಿ ಮತ್ತು ದೇಶದಾದ್ಯಂತ COVID-19 ಸಾಂಕ್ರಾಮಿಕ ರೋಗವು ತೀವ್ರವಾದ ತೊಂದರೆಯನ್ನು ಉಂಟುಮಾಡಿದೆ. ಭಾರತದಾದ್ಯಂತ ಆರ್ಥಿಕ ಚಟುವಟಿಕೆಗಳು ಮಂದಗತಿಯಲ್ಲಿ ಸಾಗಿವೆ. ಭಾರತ ಸರ್ಕಾರ ಆದೇಶಿಸಿದ ರಾಷ್ಟ್ರವ್ಯಾಪಿ ಲಾಕ್‌ಡೌನ್‌ನನ್ನು 24 ಮಾರ್ಚ್ 2020ರವರೆಗೆ ಘೋಷಿಸಲಾಗಿತ್ತು. 10.02.2020ರ ಹೊತ್ತಿಗೆ ಕಬ್ಬು ಅರೆಯುವ ಕಾರ್ಯ ಪೂರ್ಣಗೊಂಡಿದ್ದು, ಆದ್ದರಿಂದ ಕೋವಿಡ್-19 ಸಾಂಕ್ರಾಮಿಕ ರೋಗದ ಪ್ರಭಾವ ಕಬ್ಬು ಅರೆಯುವ ಕಾರ್ಯಕ್ಕೆ ಯಾವುದೇ ದೊಡ್ಡ ಪರಿಣಾಮ ಬೀರಲಿಲ್ಲ.

ನಮ್ಮ ಕಂಪನಿಯು ಎಸ್‌ನಿಯಲ್ ಕಮ್ಯೂನಿಟಿ ಆಕ್ಟ್ ಅಡಿಯಲ್ಲಿ ಬರುತ್ತದೆ, ಆದ್ದರಿಂದ ರಾಜ್ಯ ಸರ್ಕಾರದ ಅಧಿಸೂಚನೆಯಡಿಯಲ್ಲಿ ಕಂಪನಿಯು ಕೆಲಸವನ್ನು ಮುಂದುವರಿಸಲು ಅನುಮತಿ ನೀಡಲಾಗಿತ್ತು. ಆದರೆ ರಸ್ತೆ ಮತ್ತು ರೈಲು ಎರಡೂ ಸಾರಿಗೆಯನ್ನು ಸ್ಥಗಿತಗೊಳಿಸಿರುವುದರಿಂದ ಮತ್ತು ಒಂದು ರಾಜ್ಯದಿಂದ ಮತ್ತೊಂದು ರಾಜ್ಯಕ್ಕೆ



ಸರಕುಗಳ ಸಾಗಣಿಕೆ ನಿರ್ಬಂಧದಿಂದಾಗಿ ಸಕ್ಕರೆ ರಫ್ತು ಮತ್ತು ಆಫ್-ಸೀಸನ್ ನಿರ್ವಹಣಾ ಕಾರ್ಯಗಳ ಮೇಲೆ ಸ್ವಲ್ಪ ಮಟ್ಟಿಗೆ ಪರಿಣಾಮ ಬೀರಿದೆ. ನವೀ ಮುಂಬೈ ಜೆಎನ್‌ಪಿಟಿ ಬಂದರಿನಲ್ಲಿ ಕಾರ್ಯಾಚರಣೆಯನ್ನು ಸ್ಥಗಿತಗೊಳಿಸಿದ್ದರಿಂದ ಕಂಪನಿಗೆ 4485 ಮೆಟ್ರಿಕ್ ಟನ್ ಸಕ್ಕರೆಯನ್ನು ರಫ್ತು ಮಾಡಲು ಸಾಧ್ಯವಾಗಲಿಲ್ಲ ಮತ್ತು 3588 ಮೆಟ್ರಿಕ್ ಟನ್ ಸಕ್ಕರೆಯನ್ನು ರಫ್ತು ಮಾಡಲು ಸಾಧ್ಯವಾಯಿತು ಮತ್ತು ಕಂಪನಿಯು 897 ಮೆಟ್ರಿಕ್ ಟನ್ ಸಕ್ಕರೆಯನ್ನು ಆಹಾರ ಮತ್ತು ಸಾರ್ವಜನಿಕ ವಿತರಣಾ ಇಲಾಖೆಗೆ ಒಪ್ಪಿಸಿತು.

ಸಕ್ಕರೆಯ ಸಾಗಣಿಕೆಯ ಮೇಲೆ ಮಳೆಯ ಪ್ರಭಾವವನ್ನು ಅವಲಂಬಿಸಿ ಕಂಪನಿಯು ಕಬ್ಬು ಅರೆಯುವ ಋತುಮಾನವು ಸೆಪ್ಟೆಂಬರ್ 2020ರಲ್ಲಿ ಎಂದಿನಂತೆ ಪ್ರಾರಂಭವಾಗುವ ನಿರೀಕ್ಷೆಯನ್ನು ಹೊಂದಿದೆ. ಮುಂದಿನ ಕಬ್ಬು ಅರೆಯುವ ಋತುವಿನ ಮೇಲೆ 2020-21 ರವರೆಗೆ COVID-19 ಯಾವುದೇ ದೊಡ್ಡ ಪರಿಣಾಮವನ್ನು ಬೀರುವುದಿಲ್ಲ ಏಕೆಂದರೆ ರಾಜ್ಯಾದ್ಯಂತ ಲಾಕ್-ಡೌನ್ ಅನ್ನು ತೆಗೆದು ಹಾಕಲಾಗಿದೆ ಮತ್ತು ಆರ್ಥಿಕ ಚಟುವಟಿಕೆಗಳನ್ನು ನಿಯಮಿತವಾಗಿ ಮುಂದುವರಿಸಲು ಅನುವು ಮಾಡಿಕೊಟ್ಟಿದೆ. ಈಗಾಲೇ ಕಬ್ಬು ಕಾಟಾವಿಗೆ ಬಂದಿದ್ದು 2020ರ ಸೆಪ್ಟೆಂಬರ್‌ನಿಂದ ಕಬ್ಬು ಕೊಯ್ಲು ಮಾಡಲು ಕಂಪನಿಯು ಸಿದ್ಧಪಡಿಸಿಕೊಂಡಿದೆ. ಕಬ್ಬಿನ ಕೊಯ್ಲು ಮತ್ತು ಸಾಗಾಣಿಕೆಯ ಸಮಯದಲ್ಲಿ ಸರಿಯಾದ ಮುನ್ನೆಚ್ಚರಿಕೆ ವಹಿಸುವಂತೆ ನಾವು ನಮ್ಮ ರೈತರಿಗೆ ಸಲಹೆ ನೀಡಿದ್ದೇವೆ.

- ◆ ಆಹಾರ ಮತ್ತು ಸಾರ್ವಜನಿಕ ವಿತರಣಾ ಇಲಾಖೆಯ ಪ್ರಕಾರ, ಕಬ್ಬಿನ ಬೆಳೆಯು ಗ್ರಾಮೀಣ ಕೃಷಿ ಆಧಾರಿತ ಎರಡನೇ ದೊಡ್ಡ ಉದ್ಯಮವಾಗಿದೆ. ಸುಮಾರು 50 ದಶಲಕ್ಷ ಗ್ರಾಮೀಣ ರೈತರು ಮತ್ತು 5 ಲಕ್ಷ ಕಾರ್ಮಿಕರು ಕಬ್ಬಿನ ಕಾರ್ಖಾನೆಗಳಲ್ಲಿ ನೇರವಾಗಿ ತೊಡಗಿಸಿಕೊಂಡಿರುತ್ತಾರೆ ಹಾಗೂ ಸಾರಿಗೆ, ಪೂರಕ ಯಂತ್ರೋಪಕರಣಗಳ ವ್ಯಾಪಾರ ಮತ್ತು ಕೃಷಿಗೆ ಸಂಬಂಧಿಸಿದ ವಿವಿಧ ಚಟುವಟಿಕೆಗಳಲ್ಲಿ ಸಕ್ಕರೆ ಖಾರ್ಕಾನೆಗಳು ಉದ್ಯೋಗವನ್ನು ಒದಗಿಸಿಕೊಟ್ಟಿವೆ. ಭಾರತದ ಗ್ರಾಮೀಣ ಜನಸಂಖ್ಯೆಯ ಸುಮಾರು 7.5% ರಫ್ತು ಜನರು ಸಕ್ಕರೆ ಉದ್ಯಮದೊಂದಿಗೆ ತೊಡಗಿಸಿಕೊಂಡಿದ್ದಾರೆ ಎಂದು ಅಂದಾಜಿಸಲಾಗಿದೆ.
- ◆ ಭಾರತೀಯ ಸಕ್ಕರೆ ಕಾರ್ಖಾನೆಗಳ ಸಂಘದ ಪ್ರಕಾರ, 2019-20ರಲ್ಲಿ ಸಕ್ಕರೆ ಉತ್ಪಾದನೆ 272 ಲಕ್ಷ ಟನ್‌ಗಳಿದ್ದು 2020-21ನೇ ಸಾಲಿನಲ್ಲಿ ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯಲ್ಲಿ ಶೇಕಡಾ 12.5(305 ಲಕ್ಷ ಟನ್)ರಷ್ಟು ಏರಿಕೆಯಾಗಲಿದೆ ಎಂದು ಅಂದಾಜಿಸಲಾಗಿದೆ. ಭಾರತವು ಕಳೆದ 10 ವರ್ಷಗಳ ಸಕ್ಕರೆ ರಫ್ತಿಗೆ ಹೋಲಿಸಿದರೆ 2019-20ರಲ್ಲಿ ಅತಿಹೆಚ್ಚು ಅಂದರೆ 53-54 ಲಕ್ಷ ಟನ್ ಸಕ್ಕರೆ ರಫ್ತು ಮಾಡಲ್ಪಟ್ಟಿದೆ. ಪ್ರಸಕ್ತ ವರ್ಷದಲ್ಲಿ ಕಬ್ಬಿನ ಉತ್ಪಾದನೆಯು ಹೆಚ್ಚಾಗುತ್ತದೆ ಎಂಬ ಸೂಚನೆಯೊಂದಿಗೆ ರಫ್ತಿನ ಪ್ರಮಾಣ 60 ರಿಂದ 70 ಲಕ್ಷ ಟನ್‌ಗಳಿಗೆ ಏರಿಕೆಯಾಗಲಿದೆ ಎಂದು ಅಂದಾಜಿಸಲಾಗಿದೆ.
- ◆ ಭಾರತ ಸರ್ಕಾರವು ಕಳೆದ 2 ವರ್ಷಗಳಿಂದ ಹೆಚ್ಚುವರಿ ಪರಿಸ್ಥಿತಿಯನ್ನು ಅರಿತುಕೊಂಡಿದ್ದು, ಈ ಎರಡು ಕ್ರಮಗಳು ಅಂದರೆ ಸಕ್ಕರೆ ರಫ್ತು ಮತ್ತು ಬಿ-ಹೆವಿ ಮೊಲಾಸಿಸ್ ಎಥನಾಲ್ ಉತ್ಪಾದನೆಗೆ ಉತ್ತೇಜಿಸಿದೆ.
- ◆ 2019-20ರ ಸಾಲಿನಲ್ಲಿ ಸಕ್ಕರೆ ಕಾರ್ಖಾನೆಗಳು ಮತ್ತು ತೈಲ ಮಾರುಕಟ್ಟೆ ಕಂಪನಿಗಳು 170 ಕೋಟಿ ಲೀಟರ್ ಎಥನಾಲ್‌ನ್ನು ಪೆಟ್ರೋಲ್‌ನೊಂದಿಗೆ ಬೆರೆಸಲು ಒಪ್ಪಂದಮಾಡಿಕೊಂಡಿರುತ್ತಾರೆ.
- ◆ 2020-21ರಲ್ಲಿ ಮತ್ತೆ ಕಬ್ಬಿನ ಉತ್ಪಾದನೆಯು ಹೆಚ್ಚಾಗುವ ನಿರೀಕ್ಷೆಯಿದ್ದು ಆದ್ದರಿಂದ ದೇಶದಲ್ಲಿ ಎಥನಾಲ್ ಉತ್ಪಾದನಾ ಸಾಮರ್ಥ್ಯವು 375 ರಿಂದ 400 ಕೋಟಿ ಲೀಟರ್ ಉತ್ಪಾದನೆಯಾಗಲಿದೆ ಎಂದು ಅಂದಾಜಿಸಲಾಗಿದೆ.
- ◆ 2020-21ರ ವರ್ಷದಲ್ಲಿ ನಮ್ಮ ಕರ್ನಾಟಕ ರಾಜ್ಯ ಮತ್ತು ವಿಶೇಷವಾಗಿ ದಕ್ಷಿಣ ಪ್ರದೇಶದಲ್ಲಿ ಉತ್ತಮ ಮಳೆಯಾಗಲಿದ್ದು ಕಬ್ಬು ಕೃಷಿ ಮಾಡಲು ರೈತರು ಇಚ್ಛಿಸಿರುತ್ತಾರೆ. ಆದ್ದರಿಂದ ನಮ್ಮ ಕಂಪನಿಯು ಮುಂಬರುವ ಸಾಲಿನಲ್ಲಿ ಕನಿಷ್ಠ 11,800 ಎಕರೆ ಭೂಮಿಯನ್ನು ಕಬ್ಬು ಕೃಷಿ ಮಾಡಲು ಕ್ರಮಗಳನ್ನು ಕೈಗೊಂಡಿದೆ.
- ◆ ಎಥನಾಲ್ ಉತ್ಪಾದನೆಯನ್ನು ಉತ್ತೇಜಿಸುವ ಸರ್ಕಾರದ ನೀತಿಯಲ್ಲಿನ ಬದಲಾವಣೆಯಿಂದಾಗಿ, ದೇಶದಲ್ಲಿ ಸಕ್ಕರೆಯ ಹೆಚ್ಚುವರಿ ಸಂಗ್ರಹದ ಪರಿಸ್ಥಿತಿ ಇಲ್ಲದಿರಬಹುದು, ಏಕೆಂದರೆ 15% ರಿಂದ 20% ರಷ್ಟು ಕಬ್ಬನ್ನು ಎಥನಾಲ್ ಉತ್ಪಾದನೆಗೆ ತಿರುಗಿಸಬಹುದು.
- ◆ ಪ್ರಸ್ತುತ ಕೇಂದ್ರ ಸರ್ಕಾರವು ಕ್ಯಾಬಿನೆಟ್ ಸಭೆಯಲ್ಲಿ ಪ್ರಸ್ತುತ ಕೆಜಿ 31 ರೂ.ಗಳ ಎಂಎಸ್ಸಿಯನ್ನು ಪರಿಶೀಲಿಸಲು ಮತ್ತು ಸಕ್ಕರೆಯ ಎಂಎಸ್ಸಿಯನ್ನು ಕೆಜಿ 33 ಕ್ಕೆ ಹೆಚ್ಚಿಸಲು ನಿರ್ಧಾರ ಕೈಗೊಂಡಿದೆ. ಇದು ಸ್ವಲ್ಪ ಮಟ್ಟಿಗೆ ಸಕ್ಕರೆ ಉತ್ಪಾದನಾ ವೆಚ್ಚವನ್ನು ಭರಿಸುತ್ತದೆ.

### 3. ಸರ್ಕಾರದ ಕ್ರಮಗಳು:

ಸಕ್ಕರೆ ಉದ್ಯಮಕ್ಕೆ ಸಂಬಂಧಿಸಿದ ಕೆಲವು ಪ್ರಮುಖ ನೀತಿ ನಿರ್ದೇಶನಗಳನ್ನು ಕೇಂದ್ರ ಸರ್ಕಾರವು 2018-19ನೇ ಸಾಲಿನಲ್ಲಿ ತಿದ್ದುಪಡಿ ಕ್ರಮಗಳು ಮತ್ತು ಬೆಂಬಲ ಕಾರ್ಯವಿಧಾನಗಳನ್ನು ಹೊರತಂದಿದ್ದು ಆದ್ದರಿಂದ ಹೆಚ್ಚುತ್ತಿರುವ





ಕಬ್ಬಿನ ಬಾಕಿ ಮತ್ತು ಹೆಚ್ಚಿನ ಸಾಲದ ಹೊರೆಯಿಂದ ಒತ್ತಡದಲ್ಲಿ ಸಕ್ಕರೆ ಉದ್ಯಮಕ್ಕೆ ಅಗತ್ಯವಾದ ಸಹಾಯವನ್ನು ಒದಗಿಸಿದೆ. ಈ ಕ್ರಮಗಳು ದೇಶದಲ್ಲಿ ಸಕ್ಕರೆ ಬೆಲೆಯಲ್ಲಿ ಹೆಚ್ಚಿನ ಮಟ್ಟದ ಪಾರದರ್ಶಕತೆ, ಶಿಸ್ತು ಮತ್ತು ಹೊಣೆಗಾರಿಕೆಯೊಂದಿಗೆ ಸ್ಥಿರಗೊಳಿಸಿದವು.

#### 4. ಸಕ್ಕರೆ

**ಗರಿಷ್ಠ ಪ್ರವೇಶ ರಫ್ತು ಪ್ರಮಾಣ (MAEQ):** ಸಕ್ಕರೆ ಉದ್ಯಮದೊಂದಿಗೆ ಹೆಚ್ಚಿನ ದಾಸ್ತಾನು ಮಟ್ಟವನ್ನು ಗಮನದಲ್ಲಿಟ್ಟುಕೊಂಡು ಮತ್ತು ಆರ್ಥಿಕ ದ್ರವ್ಯತೆಯನ್ನು ಸಾಧಿಸಲು ಅನುಕೂಲವಾಗುವಂತೆ, 2019-20ರಲ್ಲಿ ಪ್ರತಿಯೊಂದು ಸಕ್ಕರೆ ಕಾರ್ಖಾನೆಗಳಿಗೆ 60 ಲಕ್ಷ ಮೆಟ್ರಿಕ್ ಟನ್(LMT)ನ್ನು ರಫ್ತುಮಾಡಲು ನಿಗದಿಪಡಿಸಲಾಗಿದೆ.

**ಬಫರ್ ಸ್ಟಾಕ್ ರಚನೆ ಮತ್ತು ನಿರ್ವಹಣೆಯ ಯೋಜನೆ:** ದೇಶೀಯ ಮಾರುಕಟ್ಟೆಯಲ್ಲಿ ಬೇಡಿಕೆ ಪೂರೈಕೆ ಸಮತೋಲನವನ್ನು ಕಾಪಾಡಿಕೊಳ್ಳಲು ಮತ್ತು ಸಕ್ಕರೆ ಬೆಲೆಯನ್ನು ಸ್ಥಿರಗೊಳಿಸಲು, ಒಂದು ಅವಧಿಗೆ 40LMT ಸಕ್ಕರೆಯ ಬಫರ್ ಸ್ಟಾಕ್ ಅನ್ನು ರಚಿಸಲು ಸರ್ಕಾರವು ಜುಲೈ 31, 2019 ರಂದು ಯೋಜನೆಯನ್ನು ತಿಳಿಸಿದೆ. ಆಗಸ್ಟ್ 01, 2019 ರಿಂದ ಜುಲೈ 31, 2020 ರವರೆಗೆ ಒಂದು ವರ್ಷ. ಅಂತಹ ಬಫರ್ ಸ್ಟಾಕ್‌ನ್ನು ಸಾಗಿಸುವ ವೆಚ್ಚವನ್ನು ಸರ್ಕಾರ ಮರುಪಾವತಿಸುತ್ತದೆ. ಮುಂಬರುವ ವರ್ಷಗಳಲ್ಲಿ ಸಕ್ಕರೆ ಉದ್ಯಮವನ್ನು ಉತ್ತೇಜಿಸಲು ಮತ್ತು ಸ್ಥಿರಗೊಳಿಸಲು ಸರ್ಕಾರ ಈ ಕೆಳಗಿನ ಕ್ರಮಗಳನ್ನು ತೆಗೆದುಕೊಂಡಿದೆ:

**ಮೃದು ಸಾಲ:** ಮಾರ್ಚ್ 02, 2019 ರಂದು, ಕೇಂದ್ರ ಸರ್ಕಾರವು ಒಂದು ವರ್ಷದ ಅವಧಿಗೆ ಬ್ಯಾಂಕ್ ವಿಧಿಸುವ ನಿಜವಾದ ಬಡ್ಡಿದರದ ಮೇಲೆ 7% ಬಡ್ಡಿ ಸಲ್ಲಿಕೆಯೊಂದಿಗೆ ಮೃದು ಸಾಲ ನೀಡುವ ಯೋಜನೆಯನ್ನು ಘೋಷಿಸಿತು. ಮೇ 31, 2019ರೊಳಗೆ ಮಂಜೂರಾದ ಮತ್ತು ವಿತರಿಸಲಾದ ಎಲ್ಲಾ ಸಾಲಗಳನ್ನು ಈ ಯೋಜನೆಯ ವ್ಯಾಪ್ತಿಗೆ ತರಲಾಗುವುದು ಎಂದು ಸರ್ಕಾರ ಹೇಳಿದೆ. ಜುಲೈ 24, 2019ರ ವೀಡಿಯೋ ಅಧಿಸೂಚನೆ, 2019 ರ ಜುಲೈ 31 ರೊಳಗೆ ಮಂಜೂರಾದ ಮತ್ತು 2019ರ ಆಗಸ್ಟ್ 31 ರೊಳಗೆ ಬ್ಯಾಂಕುಗಳಿಗೆ ಸಾಲ ನೀಡುವ ಮೂಲಕ ವಿತರಿಸಲಾದ ಎಲ್ಲಾ ಸಾಲಗಳನ್ನು ಈಗ ಯೋಜನೆಯ ವ್ಯಾಪ್ತಿಗೆ ತರಲಾಗುವುದು ಎಂದು ಸರ್ಕಾರ ಹೇಳಿದೆ.

#### 5. ಎಥೆನಾಲ್

ಕೇಂದ್ರ ಸರ್ಕಾರವು ಕಡ್ಡಾಯದ ಮೇರೆಗೆ ಕಾರ್ಯಾರಂಭ ಮಾಡಲಿರುವ ಹೊಸ ಎಥೆನಾಲ್ ಸ್ಥಾವರಗಳಿಗೆ ಝಡ್‌ಎಲ್‌ಡಿ (ಝೀರೋ ಲಿಕ್ವಿಡ್ ಡಿಸ್ಪಾಚ್) ವಿಸರ್ಜನೆಯ ಹೊರಸೂಸುವ ತಂತ್ರಜ್ಞಾನ ಹೊಂದಿರಬೇಕು ಆದ್ದರಿಂದ, ಸ್ಥಾಪನೆಯಾಗುವ ಎಲ್ಲಾ ಘಟಕಗಳು ZLD ತಂತ್ರಜ್ಞಾನವನ್ನು ಹೊಂದಿರುತ್ತದೆ. ಇದಲ್ಲದೆ, ಕಬ್ಬಿನ ಆಧಾರಿತ ಎಥೆನಾಲ್ ಕೈಗಾರಿಕೆಗಳಿಗೆ ಎಥೆನಾಲ್ ಅನ್ನು ಮೂರು ವಿಭಿನ್ನ ರೀತಿಯಲ್ಲಿ ಕಬ್ಬಿನ ರಸದಿಂದ ಮತ್ತು ಬಿ-ಹೆವಿ ಮತ್ತು ಸಿ-ಮೊಲಾಸಿಸ್‌ಗಳಿಂದ ನೇರವಾಗಿ ಉತ್ಪಾದಿಸಲು ಕೇಂದ್ರ ಸರ್ಕಾರ ಅನುಮತಿ ನೀಡಿದೆ. 2003ರಲ್ಲಿ ಭಾರತ ಸರ್ಕಾರ (EBP) ಎಥೆನಾಲ್ ಬ್ಲೆಂಡಿಂಗ್ ಪ್ರೋಗ್ರಾಂನ್ನು ಪ್ರಾರಂಭಿಸಿತು. ನಂತರ ಇದನ್ನು ಪರ್ಯಾಯ ಮತ್ತು ಪರಿಸರ ಸ್ನೇಹಿ ಇಂಧನಗಳ ಬಳಕೆಯನ್ನು ಉತ್ತೇಜಿಸಲು ಅಧಿಸೂಚಿತ 21 ರಾಜ್ಯಗಳು ಮತ್ತು 4 ಕೇಂದ್ರ ಪ್ರದೇಶಗಳಿಗೆ ವಿಸ್ತರಿಸಲಾಯಿತು. ಈ ಕಾರ್ಯಕ್ರಮವು ಕಚ್ಚಾ ಆಮದಿನ ಮೇಲಿನ ಭಾರತದ ಅವಲಂಬನೆಯನ್ನು ಕಡಿಮೆ ಮಾಡಲು ಮತ್ತು ಜಾಗತಿಕ ತೈಲ ಬೆಲೆ ಚಂಚಲತೆಯಿಂದ ರಾಷ್ಟ್ರವನ್ನು ವಿಂಗಡಿಸಲು ಮತ್ತು ಹೆಚ್ಚುವರಿ ಸಕ್ಕರೆ ದಾಸ್ತಾನುಗಳನ್ನು ಎಥೆನಾಲ್ ಉತ್ಪಾದನೆಯ ಕಡೆಗೆ ತಿರುಗಿಸುವ ಮೂಲಕ ದೇಶೀಯ ಸಕ್ಕರೆ ಕ್ಷೇತ್ರಕ್ಕೆ ಉತ್ತೇಜನ ನೀಡುವ ದೀರ್ಘಾವಧಿಯ ಕಾರ್ಯತಂತ್ರದ ಒಂದು ಭಾಗವಾಗಿದೆ. ಪ್ರೋಗ್ರಾಂ ಆರಂಭದಲ್ಲಿ 2022ರ ವೇಳೆಗೆ ಜೈವಿಕ ಇಂಧನದೊಂದಿಗೆ 10% ಪೆಟ್ರೋಲ್ ಮಿಶ್ರಣವನ್ನು ಗುರಿಯಾಗಿಸಿಕೊಂಡಿದ್ದಾರೆ, ನಂತರ 2030 ರ ವೇಳೆಗೆ ಪೆಟ್ರೋಲ್‌ನೊಂದಿಗೆ 20% ಎಥೆನಾಲ್ ಮಿಶ್ರಣವನ್ನು ಸಾಧಿಸುವ ಗುರಿಯನ್ನು ಹೆಚ್ಚಿಸಲಾಯಿತು.

ಪ್ರಸಕ್ತ ವರ್ಷದಲ್ಲಿ, ಬಿ-ಹೆವಿ ಮೊಲಾಸಿಸ್‌ಗಳಿಂದ ಹೆಚ್ಚುವರಿ ಎಥೆನಾಲ್ ಉತ್ಪಾದಿಸಲು ಯಾವುದೇ ಪ್ರತ್ಯೇಕ ಪರಿಸರ ಅನುಮತಿ ಅಗತ್ಯವಿಲ್ಲ ಎಂದು ಕೇಂದ್ರ ಸರ್ಕಾರ ಘೋಷಿಸಿತು, ಇದು ಪರಿಸರ ಮಾಲಿನ್ಯಕ್ಕೆ ಕಾರಣವಾಗುವುದಿಲ್ಲ ಏಕೆಂದರೆ ಎಥೆನಾಲ್ ಉತ್ಪಾದನೆಯಲ್ಲಿ ZLD ತಂತ್ರಜ್ಞಾನವನ್ನು ಅಳವಡಿಸಿಕೊಳ್ಳಲು ಸರ್ಕಾರ ಕಡ್ಡಾಯಗೊಳಿಸಿದೆ.

#### 6. ಪವರ್

**ವಿದ್ಯುತ್ ಉತ್ಪಾದನೆ:** 2019 ರ ಜೂನ್ 28 ರಂದು ಭಾರತ ಸರ್ಕಾರದ ವಿದ್ಯುತ್ ಸಚಿವಾಲಯವು ಪ್ರಾದೇಶಿಕ ಲೋಡ್ ಡೆಸ್ಟಾಚ್ ಕೇಂದ್ರಗಳು (ಆರ್‌ಎಲ್‌ಡಿ) ಮತ್ತು ರಾಜ್ಯ ಲೋಡ್ ಡೆಸ್ಟಾಚ್ ಕೇಂದ್ರಗಳಿಗೆ (ಎಸ್‌ಎಲ್‌ಡಿ)



ನಿರ್ದೇಶನ ನೀಡಿ ವಿದ್ಯುತ್ ಉತ್ಪಾದಿಸುವ ಕಂಪನಿಗಳ ಪರವಾಗಿ ಲೆಟರ್ ಆಫ್ ಕ್ರೆಡಿಟ್ (ಎಲ್‌ಸಿ) ತೆರೆಯುವಂತೆ ಆದೇಶ ಹೊರಡಿಸಿದೆ. ವಿದ್ಯುತ್ ಸರಬರಾಜಿನ ಒಪ್ಪಿದ ಪ್ರಮಾಣ. 45 ಅಥವಾ 60 ದಿನಗಳ ಒಪ್ಪಿಗೆಯ ಕ್ರೆಡಿಟ್ ಅವಧಿಯ ನಂತರ ಉತ್ಪಾದಿಸುವ ಕಂಪನಿಯು ಎಲ್ಲಿಗೆ ಎನ್ಯಾಶ್ವೆಂಟ್ ಮಾಡಲು ಆದೇಶವು ಒದಗಿಸುತ್ತದೆ. 01.08.2019 ರಿಂದ ಜಾರಿಗೆ ಬಂದಿರುವ ಸಾಲಗಾರರ ಸಮಯೋಚಿತ ಸಂಗ್ರಹಣೆಗೆ ಅನುಕೂಲವಾಗುವಂತೆ ಇದು GOI ಯ ಸ್ವಾಗತಾರ್ಹ ಕ್ರಮವಾಗಿದೆ.

#### ಆಡಳಿತ ಮಂಡಳಿಯ ಅವಲೋಕನ ಪ್ರಸಕ್ತ ವರ್ಷ 2020-21.

##### ಎ. ಎಥನಾಲ್

ಭಾರತ ಸರ್ಕಾರದಿಂದ ಎಥನಾಲ್ ಬ್ಲೆಂಡಿಂಗ್ ಪ್ರೋಗ್ರಾಂ ನೀತಿ : ಆರಂಭದಲ್ಲಿ ಭಾರತ ಸರ್ಕಾರದ ಕಾರ್ಯಕ್ರಮದ ಅಡಿಯಲ್ಲಿ 2022ರ ವೇಳೆಗೆ ಪೆಟ್ರೋಲ್‌ನೊಂದಿಗೆ ಶೇ. 10ರಷ್ಟು ಜೈವಿಕ ಇಂಧನವನ್ನು ಮಿಶ್ರಣ ಮಾಡುವ ಗುರಿನ್ನಿರಿಸಿಕೊಂಡಿದೆ ಮತ್ತು 2030 ವೇಳೆಗೆ ಶೇ.20ರಷ್ಟು ಜೈವಿಕ ಇಂಧನದ ಮಿಶ್ರಣವನ್ನು ಹೆಚ್ಚಿಸುವ ಗುರಿಯನ್ನು ಹೊಂದಿದೆ.

ನಮ್ಮ ಕಂಪನಿಯು ಝಡ್‌ಎಲ್‌ಡಿ ತಂತ್ರಜ್ಞಾನವುಳ್ಳ 65 ಕೆಎಲ್‌ಪಿಡಿ ಎಥನಾಲ್ ಸ್ವಾವರವನ್ನು ಸ್ಥಾಪಿಸಲು ಕ್ರಮ ಕೈಗೊಂಡಿದೆ. ಈ ಯೋಜನೆಯ ವೆಚ್ಚ ಸುಮಾರು ರೂ. 85.00 ಕೋಟಿ ಹೊಂದಿದ್ದು, ಈ ಯೋಜನೆಗೆ ಬೇಕಾದ ವೆಚ್ಚವನ್ನು ಭರಿಸಲು ನಮ್ಮ ಕಂಪನಿಯು ಅಕ್ಟೋಬರ್ 2020ರವರೆಗೆ ರೂ. 65.00 ಕೋಟಿ ಸಾಲವನ್ನು ತೆಗೆದುಕೊಳ್ಳಲು ನಿರ್ಧರಿಸಿದೆ. ಈ ಯೋಜನೆಯ ಕಾರ್ಯಾರಂಭವು ಅಕ್ಟೋಬರ್ 2020 ರಿಂದ ಪ್ರಾರಂಭವಾಗಲಿದ್ದು, ಸೆಪ್ಟೆಂಬರ್ 2021ರ ವೇಳೆಗೆ ಪೂರ್ಣಗೊಳ್ಳುವ ನಿರೀಕ್ಷೆಯಿದೆ ಮತ್ತು ವಾಣಿಜ್ಯ ಉತ್ಪಾದನೆಯು ಅಕ್ಟೋಬರ್ 2021 ರಿಂದ ಪ್ರಾರಂಭವಾಗಲಿದೆ.

ಕಂಪನಿಯು ಹೆಚ್ಚುವರಿ ನ್ಯೂಟ್ರಲ್ ಆಲ್ಕೋಹಾಲ್ ಮತ್ತು ಸ್ಯಾನಿಟೈಜರ್ ಉತ್ಪಾದಿಸಲು ಯೋಚಿಸುತ್ತಿದೆ, W.H.O ಶಿಫಾರಸ್ಸಿನ ಪ್ರಕಾರ ಕೋವಿಡ್-19 ವೈರಸ್‌ನ ಸರಪಳಿಯನ್ನು ಮುರಿಯಲು ನಾವೆಲ್ಲರೂ ಅತ್ಯುನ್ನತ ಮಾನದಂಡ ಅಭ್ಯಾಸಗಳಾದ ನೈರ್ಮಲ್ಯತೆಯನ್ನು ಪಾಲಿಸಬೇಕು. ಶೇ. 80 ಈಥೈಲ್ ಆಲ್ಕೋಹಾಲ್ ಸ್ಯಾನಿಟೈಜರ್‌ಗಳನ್ನು ಬಳಸುವುದರಿಂದ ಶೇ. 99.9ವರೆಗಿನ ರೋಗಾಣುಗಳನ್ನು ಹೋಗಲಾಡಿಸಬಹುದು.

##### ಬಿ. ಕಬ್ಬಿನ ತೋಟ.

ನಮ್ಮ ಕಂಪನಿಯು ನಿರಂತರವಾಗಿ ಹೆಚ್ಚಿನ ಇಳುವರಿ ಬರುವ ಕಬ್ಬಿನ ತೋಟಗಾರಿಕೆಯನ್ನು ಹಲವಾರು ಯೋಜನೆಯಡಿಯಲ್ಲಿ ಪ್ರೋತ್ಸಾಹಿಸುತ್ತಿದೆ. 2018-19ನೇ ಸಾಲಿನ ಯೋಜನೆಯಡಿಯಲ್ಲಿ ವಿಸಿಎಫ್ 0517 ಮಾದರಿಯ ಕಬ್ಬಿನೊಂದಿಗೆ ನಡೆಸಿದ ಪ್ರಾಯೋಗಿಕ ಯೋಜನೆ ಯಶಸ್ವಿ ಹೊಂದಿದೆ. ವಿಸಿಎಫ್ 0517 ತಳಿಯ ಕಬ್ಬು ಎಕರೆಗೆ ಶೇ. 90 ರಿಂದ 110 ಟನ್ ಇಳುವರಿ ಹೊಂದಿದ್ದು ಆದರೆ ಬೇರೆ ತಳಿಯ ಕಬ್ಬಿನ ಸರಾಸರಿ ಇಳುವರಿ 35 ರಿಂದ 50 ಮೆ.ಟಿ.ಗೆ ಹೊಂದಿರುತ್ತದೆ. ಇದರಿಂದ ಹೆಚ್ಚು ಹೆಚ್ಚು ರೈತರು ವಿಸಿಎಫ್ 0517 ತಳಿಯನ್ನು ಬೆಳೆಯಲು ಇಚ್ಛಿಸಿರುತ್ತಾರೆ. ಈ ಕಾರಣದಿಂದಾಗಿ ನಮ್ಮ ಕಂಪನಿಯು ಹೊಸ ತಳಿಯಾದ ವಿಸಿಎಫ್ 0517 ಕಬ್ಬಿನ ತೋಟಗಾರಿಕೆಯನ್ನು ಸುಮಾರು 6,000 ಎಕರೆಗೆ ವಿಸ್ತರಿಸುವ ನಿರೀಕ್ಷೆಯನ್ನು ಹೊಂದಿದೆ.

##### ಸಿ. 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.

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

(ಎ) ವಿದ್ಯುಚ್ಛಕ್ತಿ ಉಳಿತಾಯ : ವಿದ್ಯುಚ್ಛಕ್ತಿ ಉಳಿತಾಯವು ಆಡಳಿತ ಮಂಡಳಿಯ ನಿರಂತರ ಪ್ರಯತ್ನವಾಗಿದೆ. ತನ್ನ ಗೃಹ [ಅಂತರಿಕೆ] 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 ಕಾರ್ಯಕ್ಷಮತೆಯನ್ನು 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 ಅವಶ್ಯವಾಗಿರುವ 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.

ಎಫ್.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.

ಜಿ. ನೌಕರರ ಸಂಭಾವನೆ :

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

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

- (i) ಈ ವಾರ್ಷಿಕ ಲೆಕ್ಕಪತ್ರಗಳ ತಯಾರಿಕೆಯಲ್ಲಿ ಅದಕ್ಕೆ ಅನ್ವಯವಾಗುವ ಲೆಕ್ಕಪತ್ರದ ಮಾನದಂಡವನ್ನು ಅನುಸರಿಸಲಾಗಿರುತ್ತದೆ.
- (ii) 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 ಯುಕ್ತಾಯಕ್ತ ಪರಿಷ್ಕಾನವುಳ್ಳ ರೀತಿಯಲ್ಲಿ ವಿವೇಚಿಸಿ ಮತ್ತು ಅಂದಾಜು ಮಾಡಿ ಆ ರೀತಿಯಲ್ಲಿ ಅಳವಡಿಸಿಕೊಂಡಿರುತ್ತದೆ.
- (iii) ಕಂಪನಿಗಳ ಕಾಯ್ದೆ 2013 ರಡಿ ಕೊಡಮಾಡಿರುವ ಅವಕಾಶಗಳನ್ವಯ ಕಂಪನಿಯ ಆಸ್ತಿ ರಕ್ಷಣೆಗಾಗಿ ಮತ್ತು ವಂಚನೆ ಅಕ್ರಮಗಳನ್ನು ತಪ್ಪಿಸಲು ಹಾಗೂ ಪತ್ತೆ ಮಾಡಲು ನಿರ್ದೇಶಕರು ಸರಿಯಾದ ಮತ್ತು ಸಾಕಷ್ಟು ಎಚ್ಚರಿಕೆಯಿಂದ ಕೂಡಿರುವಂತಹ ಯಥೋಚಿತ ಲೆಕ್ಕಪತ್ರ ದಾಖಲೆಗಳನ್ನು ಸಂರಕ್ಷಣೆ ಮಾಡಿರುತ್ತಾರೆ.
- (iv) ನಡೆಯುತ್ತಿರುವ ವ್ಯಾಪಾರಿ ಸಂಸ್ಥೆ (Going Concern) ತಳಹದಿಯ ಮೇಲೆ ನಿರ್ದೇಶಕರು 31 ಮಾರ್ಚ್ 2019 ಕ್ಕೆ ಕೊನೆಗೊಂಡ ಹಣಕಾಸು ವರ್ಷದ ಲೆಕ್ಕಪತ್ರಗಳನ್ನು ತಯಾರಿಸಿರುತ್ತಾರೆ.
- (v) ಕಂಪನಿಯ ಆಡಳಿತ ಮಂಡಳಿಯು ಎಲ್ಲಾ ರೀತಿಯ ಕಾಯ್ದೆ ಕಾನೂನುಗಳನ್ನು ಪರಿಪಾಲಿಸಲು ಸುವ್ಯವಸ್ಥಿತವಾದ ಕಾರ್ಯಪಾಲನೆ ವ್ಯವಸ್ಥೆಯನ್ನು ಅಳವಡಿಸಿದೆ.

ಐ. 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.

**ಜೆ. 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.

**ಕೆ. 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.

**ಎಲ್.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.

**ಎಂ. ಆಡಳಿತ ಮಂಡಳಿ ಸಭೆಗಳು :** 2019-20ನೇ ವಾರ್ಷಿಕ ವರ್ಷದಲ್ಲಿ ಒಟ್ಟು 20 ಆಡಳಿತ ಮಂಡಳಿ ಸಭೆಗಳು ಜರುಗಿದ್ದು ಅದರ ವಿವರಗಳು ಈ ಕೆಳಗಿನಂತಿವೆ :

ಕ್ರ.ಸಂ.	ಸಭೆಗಳ ದಿನಾಂಕ	ಕ್ರ.ಸಂ.	ಸಭೆಗಳ ದಿನಾಂಕ	ಕ್ರ.ಸಂ.	ಸಭೆಗಳ ದಿನಾಂಕ
1	04-04-2019	8	13-08-2019	15	13-12-2019
2	10-04-2019	9	30-08-2019	16	09-01-2020
3	20-04-2019	10	12-09-2019	17	14-01-2020
4	06-05-2019	11	04-10-2019	18	05-02-2020
5	27-05-2019	12	14-10-2019	19	24-02-2020
6	30-05-2019	13	07-11-2019	20	25-03-2020
7	14-07-2019	14	26-11-2019		

ಈ ಮೇಲೆ ತಿಳಿಯಪಡಿಸಿದಂತೆ ನಿರ್ದೇಶಕರು 20 (ಇಪ್ಪತ್ತು) ದಿನಗಳಲ್ಲಿ 2019-20ರಲ್ಲಿ ಸಭೆ ನಡೆಸಿರುತ್ತಾರೆ. ಒಂದು ಸಭೆಗಿಂತ ಇನ್ನೊಂದು ಸಭೆಯ ಕಾಲವು ಕಂಪನಿ ಕಾಯ್ದೆ 2013ರ ನಿಯಮ 173ರಂತೆ ಇರುತ್ತದೆ. ಪ್ರತಿ ನಿರ್ದೇಶಕರು ಭಾಗವಹಿಸಿರುವ ಸಭೆಗಳ ಸಂಖ್ಯೆಯು 2019-2020ರಲ್ಲಿ ನಿಯಮ 9ರ ಎಸ್.ಎಸ್. 1ರ ನಿಯಮದಂತೆ ಇದ್ದು ಕಂಪನಿ ಕಾಯ್ದೆ 2013ರ ನಿಯಮ 118 (10)ಕ್ಕೆ ಅನುಗುಣವಾಗಿರುತ್ತದೆ. ನಿರ್ದೇಶಕರು ಹಾಜರಾಗಿರುವ ಸಭೆಯ ವಿವರಗಳು.



ಕ್ರ. ಸಂ.	ನಿರ್ದೇಶಕರ ಹೆಸರುಗಳು	2019-20ರಲ್ಲಿ ನಡೆಸಲಾದ ನಿರ್ದೇಶಕರ ಸಭೆಯ ವಿವರಗಳು
1.	ಶ್ರೀ ಎಸ್.ಎಸ್. ಗಣೇಶ್	19
2.	ಶ್ರೀ ಎಸ್.ಎಸ್. ಮಲ್ಲಿಕಾರ್ಜುನ್*	06
3.	ಶ್ರೀ ಅಭಿಜಿತ್ ಎಸ್. ಶಾಮನೂರು	18
4.	ಶ್ರೀಮತಿ ರೇಖಾ ಗಣೇಶ್	15
5.	ಶ್ರೀ ಕೆ.ವಿ. ಸೋಮಶೇಖರ್*	12
6.	ಶ್ರೀ ತುಂಬಿಗೇರೆ ರುದ್ರಪ್ಪ**	06
7.	ಶ್ರೀ ತಪ್ಪಗೊಂಡನಹಳ್ಳಿ ರಾಜಶೇಖರಪ್ಪ**	00

\* ಶ್ರೀ ಎಸ್.ಎಸ್. ಮಲ್ಲಿಕಾರ್ಜುನ್‌ರವರು ದಿನಾಂಕ 31-10-2019ರಂದು ಮತ್ತು ಶ್ರೀ ಕೆ.ವಿ. ಸೋಮಶೇಖರ್‌ರವರು ದಿನಾಂಕ 30-6-2020ರಲ್ಲಿ ರಾಜೀನಾಮೆಯನ್ನು ನೀಡಿರುತ್ತಾರೆ.

\*\* ಶ್ರೀ ತುಂಬಿಗೇರೆ ರುದ್ರಪ್ಪನವರು ದಿನಾಂಕ 04-10-2019ರಲ್ಲಿ ಮತ್ತು ಶ್ರೀ ತಪ್ಪಗೊಂಡನಹಳ್ಳಿ ರಾಜಶೇಖರಪ್ಪರವರು ದಿನಾಂಕ 16-07-2020ರಲ್ಲಿ ಸ್ವತಂತ್ರ ನಿರ್ದೇಶಕರಾಗಿ ನೇಮಕಗೊಂಡಿರುತ್ತಾರೆ.

ಎನ್. ಔದ್ಯಮಿಕ ಬಾಂಧವ್ಯಗಳು : ಕಾರ್ಮಿಕರೊಂದಿಗಿನ ಔದ್ಯಮಿಕ ಸಂಬಂಧ ಹೈತ್ಯೂರ್ವಕವಾಗಿ ಹಾಗೂ ತೃಪ್ತಿಕರವಾಗಿ ಮುಂದುವರಿದಿದೆ. ಪ್ರಸಕ್ತ ವರ್ಷದಲ್ಲಿ ಸಿಬ್ಬಂದಿಯವರ ಸಹಕಾರಕ್ಕೆ ನಿಮ್ಮ ನಿರ್ದೇಶಕರು ತಮ್ಮ ಗೌರವಾದರಗಳನ್ನು ದಾಖಲಿಸಲು ಇಚ್ಛಿಸುತ್ತಾರೆ.

ಓ. ಕಂಪನಿಯ ಸಾಮಾಜಿಕ ಜವಾಬ್ದಾರಿಗಳು : ಕಂಪನಿಯ ಸಾಮಾಜಿಕ ಜವಾಬ್ದಾರಿಯ ಸಮಿತಿಯು ದಿನಾಂಕ 9-01-2020ರಲ್ಲಿ ಸಭೆಯನ್ನು ನಡೆಸಿ ಕಂಪನಿ ವತಿಯಿಂದ ಸಾಮಾಜಿಕ ಚಟುವಟಿಕೆಗಳಿಗೆ ನೀಡಲಾಗಿರುವ ವಿವರಗಳನ್ನು ಪರಿಶೀಲಿಸುತ್ತದೆ. ದಾವಣಗೆರೆ ಷುಗರ್ 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. 2019-2020 ವಾರ್ಷಿಕ ಅವಧಿಯಲ್ಲಿ 4,45,853 ರೂ.ಗಳನ್ನು ಈ ಮೇಲ್ಕಂಡ ಚಟುವಟಿಕೆಗಳಿಗೆ ನೀಡಿರುತ್ತದೆ. ಕಳೆದ ಐದು ವರ್ಷಗಳಲ್ಲಿ ಕಂಪನಿಯು 28,49,104 ರೂ.ಗಳನ್ನು ಕಂಪನಿಯ ಸಾಮಾಜಿಕ ಚಟುವಟಿಕೆಗಳಿಗೆ ನೀಡಿರುತ್ತದೆ.

ಆದರೆ ಕಂಪನಿಯ ನಿಯಮ 2013ರಂತೆ ಕಂಪನಿಯ ಸಾರ್ವಜನಿಕ ಜವಾಬ್ದಾರಿಗೆ ವ್ಯಯ ಮಾಡಲು ಯಾವುದೇ ಹಣ ಇರುವುದಿಲ್ಲ. ಏಕೆಂದರೆ 2018-19ರವರೆಗೆ ಕಂಪನಿಗೆ ನಷ್ಟವಾಗಿರುತ್ತದೆ. 2019-20ರಲ್ಲಿ ಕನಿಷ್ಠ ಲಾಭ ಹೊಂದಿದ್ದು ವಿವರಗಳು ಈ ಕೆಳಕಂಡಂತೆ ಇರುತ್ತದೆ.

Financial year	Net profit / (loss) (Rs.)
2019-20	2,06,92,639
2018-19	3,22,21,299
2017-18	(-) 8,60,75,584
Total	(-) 2,77,61,646
Average of three years	(-) 92,53,882
2% of average	NIL

ಪಿ. 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.

ಸ್ಥಳ : ದಾವಣಗೆರೆ  
ದಿನಾಂಕ: 04-09-2020

ನೋಂದಾಯಿತ ಕಛೇರಿ :  
ನಂ. 73/1, ಪಿ.ಬಿ. ನಂ. 312  
ಶಾಮನೂರು ರಸ್ತೆ,  
ದಾವಣಗೆರೆ-577 004.

ಆಡಳಿತ ಮಂಡಳಿ ಅಪ್ಪಣೆ ಮೇರೆಗೆ  
ದಾವಣಗೆರೆ ಷುಗರ್ ಕಂಪನಿ ಲಿಮಿಟೆಡ್ ಪರವಾಗಿ

ಎಸ್.ಎಸ್. ಗಣೇಶ್  
ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರು  
DIN: 00451383

**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	2019-20	Rs. 3,15,735	Nil	-	N.A.
2	M/s. S. Kallappa & Sons	MD is partner in firm	Purchase of provision item for Company canteen Sales of Sugar	2019-20 2019-20	Rs. 47,472 Rs. 8,36,24,312	Nil	-	N.A.
3	M/s. Shivashankar Associates	MD is partner in firm	Purchase of provision item for Company canteen	2019-20	Rs. 1,36,810	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

**PLACE : DAVANGERE**

**DATED : 04.09.2020**

**Registered Office**  
73/1, Post Box No.312,  
Shamanur Road, Davangere.  
KA:- 577004.

By the order of the Board  
for Davangere sugar company limited  
**(S.S.GANESH)**  
**MANAGING DIRECTOR**  
**DIN: 00451383**



**FORM – A**  
(See Rule 2)

**Form for Disclosure of Particulars with respect to Conservation of Energy**

PARTICULARS	For the Current Year ended March 31, 2020	For Previous Year ended March 31, 2019
<b>I. POWER AND FUEL CONSUMPTION</b>		
<b>1. ELECTRICITY</b>		
<b>A. Purchases</b>		
Unit	9,04,800	7,45,200
Total Amount	97,75,511	9,33,1904
Rate/Unit	10.80	12.52
<b>B. Own Generation</b>		
[a] Through Diesel Generator		
Unit	5,270	2240
Unit per Litre of Diesel Oil	2.43	1.79
Cost/Unit	31.69	31.98
[b] Through Steam Turbine		
Unit	4,39,82,700	6,00,74,100
Unit per MT of fuel consumed	480.40	472.48
Cost/Units		
<b>C. Consumption per unit of production (per Qtl of Sugar)</b>		
Standards If any	<b>Current year 2019-20</b>	<b>Previous Year 2018-19</b>
Products (with details) Unit – Sugar in Qtls	2,93,660	4,11,450
Electricity consumption per qtl of sugar (units) Furnace Oil	36.02	31.84
Others	-	-
Bagasse consumption per Qtl of Sugar (MTs)	-	-

**PLACE : DAVANGERE**  
**DATED : 04.09.2020**  
**Registered Office**  
**73/1, Post Box No.312,**  
**Shamanur Road, Davangere.**  
**KA:- 577004.**

By the order of the Board  
for Davangere sugar company limited  
**(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
<b>RESEARCH AND DEVELOPMENT (R &amp; D)</b>	
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	-
<b>TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION</b>	
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	<b>N.A.</b>
[b] Year of Import	<b>N.A.</b>
[c] Has technology been fully absorbed?	<b>N.A.</b>
[d] If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	<b>N.A.</b>

PLACE : DAVANGERE

DATED : 04.09.2020

Registered Office  
73/1, Post Box No.312,  
Shamanur Road, Davangere.  
KA:- 577004.

By the order of the Board  
for Davangere sugar company limited  
**(S.S.GANESH)**  
MANAGING DIRECTOR  
DIN: 00451383



## ANNEXURE - I

### CORPORATE GOVERNANCE

#### A. MANDATORY REQUIREMENTS

##### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company has implemented and continuously tries to improve the Corporate Governance Practices with an attempt to meet stakeholders' expectations and Company's societal commitments through high standards of ethics, sound business decisions, prudent financial management practices, professionalism in decision making and conducting the business and finally with strict compliance of regulatory guidelines on Corporate Governance with transparency, honesty, efficiency, complete and timely disclosure and sustained enhancement of shareholders value.

#### 1. Board of Directors

##### (a) Composition

As at the end of the year 31<sup>st</sup> March 2020 the Board of Directors had five members comprising of one Managing Director, one Executive Director and one Non-Executive Directors and two Independent Directors.

(b) During the Financial Year 2019-20 twenty Board Meetings were conducted. The details of attendance of each Director at the Board Meetings during the Financial Year 2019-20 is given below.

Name of Director Sriyuths	Category of Directorship	No. of Meetings attended	% of total Meetings during the tenure as a Director
1. Sri S.S.Ganesh	M D	19	95.00%
2. Sri Abhijith Ganesh Shamanur	E.D.	18	90.00%
3. Smt. Rekha Ganesh	N E D	15	75.00%
4. Sri S S Mallikarjun	N E D	6	30.00%
5. Sri K.V. Somashekar	I D	12	60.00%
6. Sri Tumbegere Rudrappa	I D	6	30.00%
7. Sri Thappagondanahalli Rajashekarappa	I D	0	00.00%

\*S S Mallikarjun has resigned from the directorship with effect from 31-01-2020

Sri Thappagondanahalli Rajashekarappa has appointed as independent Director w.e.f. 16-07-2020

Sri Tumbegere Rudrappa has appointed as independent Director w.e.f. 04-10-2019

**M D – Managing Director, ED - EXECUTIVE DIRECTOR, N E D – Non Executive Director, I D – Independent 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. Sri S.S.Ganesh	5	NIL
2. Sri Abhijith Ganesh Shamanur	1	NIL
3. Smt. Rekha Ganesh	NIL	NIL
4. Sri K.V.Somashekar	NIL	NIL
5. Sri Tumbegere Rudrappa	NIL	NIL

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

20 (Twenty) Board meetings were held during the financial year ended 31<sup>st</sup> March 2020. 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.	04-04-2019	11.	04-10-2019
2.	10-04-2019	12.	14-10-2019
3.	20-04-2019	13.	07-11-2019
4.	06-05-2019	14.	26-11-2019
5.	27-05-2019	15.	13-12-2019
6.	30-05-2019	16.	09-01-2020
7.	14-07-2019	17.	14-01-2020
8.	13-08-2019	18.	05-02-2020
9.	30-08-2019	19.	24-02-2020
10.	12-09-2019	20.	25-03-2020

**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**

Audit Committee was constituted with Two Executive Director and two Independent Directors, the compliance officer acts as secretary of the Committee, Internal Auditors M/s. YPK Associates, Belgaum and Chief Financial Officer are invited to attend all the meetings Committee.

Sl.No.	Name of the Director	Position	Designation
1	Sri K.V. Somashekar	Chairman	Independent Director
2	Sri Shamanur Shivashkarappa Ganesh	Member	Managing Director
3	Smt. Rekha Ganesh	Member	Non Executive Director
4	Sri Tumbegere Rudrappa	Member	Independent Director

**(c) Meetings and Attendance during the year**

Four meetings were held during the financial year ended 31<sup>st</sup> March, 2020.

Sl.No.	Name of the Director	Number of Meetings attended
1	Sri S.S Ganesh	4
2	Smt. Rekha Ganesh	2
3	Sri K.V. Somashekar	4
4	Sri Tumbegere Rudrappa	2



#### 4. Cost Audit Committee :

The Cost Audit Committee is consisting of Mr Krishna Murthy, Bangalore, who have been appointed as our Company Cost Auditors under section 148(3) of the Companies Act,2013. The committee consists of independent directors, as the members of the committee. The meeting was held on 14<sup>th</sup> October, 2019.

Sl.No.	Name of the Director	Designation
1	Mr. Krishna Murthy	Cost Auditor
2	Sri K.V. Somashekar	Independent Director
3	Sri Tumbegere Rudrappa	Independent Director

#### (a) Terms of Reference:

- (i) to facilitate carryout of the cost audit of accounting records of our company, in terms of 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 2019-20 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.
- to formulate criteria for determining qualifications, positive attributes and independence of a director.
- to recommend the Board a policy, relating to the remuneration of the Directors, Key Managerial personnel and other employees;.
- to formulate the criteria for evaluation of Independent Directors and the Board;
- to devise a policy on Board diversity;
- to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal, etc.

#### (b) Composition, names of members and Chairperson

The Remuneration Committee was constituted with one Managing Directors and two Independent Director namely,

Sl. No	Name of the Director	Position	Designation
1	Sri K.V. Somashekar	Chairman	Independent Director
2	Sri Shamanur Shivashkarappa Ganesh	Member	Managing Director
3	Sri Tumbegere Rudrappa	Member	Independent Director

#### (c) Meeting and Attendance

During the year Committee has met two times

Sl.No.	Name of the Director	Number of Meetings attended
1	Sri K.V. Somashekar	2
2	Sri Shamanur Shivashkarappa Ganesh	2
3	Sri Tumbegere Rudrappa	2

**d) 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.

**(e) Details of Remuneration to all directors :**

The Managing Director is being paid a remuneration of Rs. 3.00 lakhs per month (consolidated and all inclusive) w.e.f. 24<sup>th</sup> September, 2011 and further continued to be paid the same amount after placing the matter before the Board and members in the General Body meetings and approvals are given.

The Executive Director of the Company is paid a remuneration of Rs. 1.62 lakhs per month w.e.f., 30<sup>th</sup> August, 2019 as approved in the General Body Meeting.

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

Transfer & Shareholders' / Investors' Grievance Committee was constituted with one Non-Executive Director and two Independent Directors, the committee has met on 14-10-2019 during the year 2019-20.

Sl. No	Name of the Director	Position	Designation
1	Sri K.V.Somashekar	Chairman	Independent Director
2	Smt. Rekha Ganesh	Member	Non Executive Director
3	Sri Tumbegere Rudrappa	Member	Independent Director

Sl. No	Particulars	Remarks
1	Name & Designation of the Compliance Officer	Smt. Pooja M M
2	Number of Shareholders complaints received during the financial year	Nil
3	Number of complaints not solved to the satisfaction of shareholders	Not applicable
4	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.

Corporate Social Responsibility Committee was constituted with, one Managing Director and two Independent Director, during the year 2019-20 and the committee has met on 26-11-2019

Sl.No.	Name of the Director	Position	Designation
1	Sri K.V.Somashekar	Chairman	Independent Director
2	Sri Shamanur Shivashankarappa Ganesh	Member	Managing Director
3	Sri Tumbegere Rudrappa	Member	Independent Director



### 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	30-09-2019	11.00 A.M
ii)	Thogataveera Samudhaya Bhavana, M.C.C. 'A' Block, Davangere	29.09.2018	10.45 A.M.
iii)	Thogataveera Samudhaya Bhavana, M.C.C. 'A' Block, Davangere	21.09.2017	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
- (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

Sl.No.	Particulars	Remarks
a	AGM Date and Venue Time	04-09-2020
b	Date of Book closure	24-09-2020 to 30-09-2020
c	Divedend payment date	NA
d	i) Stock Codeii) Demat ISIN Number for NSDL&CDSL	ISIN179G01011
e	Market price data High/Low during each month in the last financial year	Not traded through Stock Exchange
F	Stock performance in comparison to broad based indices such as BSE Senses, BSE 2000, Nifty.	Not applicable
g	Registrar and Transfer Agents	M/s. Integrated Registry Management Services Pvt. Ltd, No. 30, Ramana residency, 4 <sup>th</sup> Cross, Sampige Road, Malleswaram, BANGALORE – 560 00
h	Share Transfer System	M/s Integrated Registry Management Services Pvt. Ltd, has been authorized to approve the transfer of shares which is done. The said transfers



		are then reported to the subsequent Board Meeting.
i)	<b>De-materialization of shares and liquidity</b>	Shareholders may dematerialize their hareholding by anyone of the Depositories namely NSDL and CDSL
j)	<b>Outstanding GDRs/ADRs/Warrants or any convertible instruments.</b>	The company has not issued any GDRs/ADRs/Warrants or any convertible instruments.
k)	<b>Plant Locations :</b>	Sugar Unit & Co-generation Unit Kukkuwada Village, Davangere taluk & District, Karnataka State – 577 525
l)	<b>Address for Correspondence</b>	Secretary, Davangere Sugar Co. Ltd, Kukkuwada Village, Davangere taluk & District, Karnataka State- 577 525

**PLACE : DAVANGERE**  
**DATED : 04.09.2020**  
**Registered Office**  
**73/1, Post Box No.312,**  
**Shamanur Road, Davangere.**  
**KA:- 577004.**

**By the order of the Board**  
**For Davangere Sugar Company Ltd**  
**S.S. Ganesh,**  
**Managing Director**  
**DIN: 00451383**

**ANNEXURE - II****Form No. MGT-9**

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31<sup>st</sup> March 2020  
[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	85.59%
2	Power	1703	8.48%

**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 2019]				No. of Shares held at the end of the year [As on 31 March 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>Indian</b>									
a) Individuals	31231576	1626653	32858229	59.00	31231576	1626653	32858229	59.00	Nil
b) Central Govt.	0	0	0	0	0	0	0	0	Nil
c) State Govt(s)	0	0	0	0	0	0	0	0	Nil
d) Bodies Corp.	-	8000000	8000000	14.37	8000000	-	8000000	14.37	Nil





e) Banks / FI	0	0	0	0	0	0	0	0	Nil
f) Any other Body Corporate	0	0	0	0	0	0	0	0	Nil
<b>Sub Total(A) (1)</b>	<b>31231576</b>	<b>9626653</b>	<b>40858229</b>	<b>73.37</b>	<b>39231576</b>	<b>1626653</b>	<b>40858229</b>	<b>73.37</b>	<b>Nil</b>
<b>2) Foreign</b>									
a) Individual	0	0	0	0	0	0	0	0	Nil
b) Other Individuals	0	0	0	0	0	0	0	0	Nil
c) Bodies Corp.	0	0	0	0	0	0	0	0	Nil
d) Banks / FI	0	0	0	0	0	0	0	0	Nil
e) Any other	0	0	0	0	0	0	0	0	Nil
<b>Sub Total(A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Nil</b>
<b>Total Share holding of Promoters (A)=(A)(1)+ (A)(2)</b>	<b>31231576</b>	<b>9626653</b>	<b>40858229</b>	<b>73.37</b>	<b>39231576</b>	<b>1626653</b>	<b>40858229</b>	<b>73.37</b>	<b>Nil</b>
<b>(B) Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	Nil
b) Bank/FI	0	0	0	0	0	0	0	0	Nil
c) Centra Govt.	0	0	0	0	0	0	0	0	Nil
d) State Govt	0	0	0	0	0	0	0	0	Nil
e) Venture Capital Funds	0	0	0	0	0	0	0	0	Nil
f) Insurance Complanies	0	0	0	0	0	0	0	0	Nil
g) FII	0	0	0	0	0	0	0	0	Nil
h) Foregin Venture Capital	0	0	0	0	0	0	0	0	Nil
i) Others (Specity)	0	0	0	0	0	0	0	0	Nil
<b>Sub Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Nil</b>
<b>2. Non Institutions</b>									
a) Body Corporate									
i) Indian	600	96451	97051	0.17	600	96451	97051	0.17	Nil
ii) Overseas	0	0	0	0	0	0	0	0	Nil



b) Individuals									
i) Individuals Shareholder holding nominal share capital upto Rs. 2 Lakh	8292	5584578	5592870	10.04	8292	5584578	5592870	10.04	Nil
ii) ) Individuals Shareholder holding nominal share capital in excess of Rs. 2 Lakh	0	1129712	1129712	2.03	0	1129712	1129712	2.03	Nil
c) Others NRI	2001650	6004950	8006600	14.39	2001650	6004950	8006600	14.39	Nil
<b>Sub total (B)(2)</b>	<b>2010542</b>	<b>12815691</b>	<b>14826233</b>	<b>26.63</b>	<b>2010542</b>	<b>12815691</b>	<b>14826233</b>	<b>26.63</b>	<b>Nil</b>
<b>Total Public Shareholding (B)-(B)(1)+ (B)(2)</b>	<b>2010542</b>	<b>12815691</b>	<b>14826233</b>	<b>26.63</b>	<b>2010542</b>	<b>12815691</b>	<b>14826233</b>	<b>26.63</b>	<b>Nil</b>
<b>C Shares held by Custodian for GDRS &amp; ADRS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Nil</b>
<b>Grand Total A+B+C</b>	<b>33242118</b>	<b>22442344</b>	<b>55684462</b>	<b>100</b>	<b>41242118</b>	<b>14442344</b>	<b>55684462</b>	<b>100</b>	<b>Nil</b>
<b>B) Shareholding of Promoters :-</b>									
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	0.0011	No	1626653	2.92	No	Nil	
2.	S. S. Ganesh	15522478	27.87	No	15522478	27.87	No	Nil	
3.	Rekha S Ganesh	6086200	10.93	No	6086200	10.93	No	Nil	
4.	AbhijitG Shamanur	6914724	12.42	No	6914724	12.42	No	Nil	
5.	S. S. Mallikarjun	208174	0.09	No	208174	0.09	No	Nil	
<b>C) Change in Promoters' Shareholding (please specify, if there is no change): No change</b>									
<b>D) Shareholding Pattern of top ten Shareholders : (other than Directors, Promoters and Holders of GDRs and ADRs) :</b>									
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.	B.R. Shetty	80,06,600	14.38%	80,06,600	14.38%				



**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				
	At the beginning of the year	15522478	27.87	15522478	27.87
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No changes during the year.			
	At the end of the year	15522478	27.87	15522478	27.87
2	Rekha S Ganesh				
	At the beginning of the year	6086200	10.93	6086200	10.93
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No changes during the year.			
	At the end of the year	6086200	10.93	6086200	10.93
3	Abhijit G Shamanur				
	At the beginning of the year	6914724	12.42	6914724	12.42
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No changes during the year.			
	At the end of the year	6914724	12.42	6914724	12.42
4	K V Somashekar				
	At the beginning of the year	1000	0.0022	1000	0.0022
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No changes during the year.			
	At the end of the year	1000	0.0022	1000	0.0022


**V. INDEBTEDNESS** -Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year 01.04.2019</b>	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
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
<b>Total (i+ii+iii)</b>	<b>14871.47</b>	<b>2209.30</b>		<b>17080.77</b>
Change in Indebtedness during the Financial Year				
* Addition	Nil	38.98	Nil	38.98
* Reduction	1225.61	Nil	Nil	1225.61
Net Change	1225.61	38.98	Nil	1264.59
<b>Indebtedness at the end of the financial year 31.03.2020</b>				
i) Principal Amount	13645.86	2248.28	Nil	15894.14
ii) Interest due but not paid	102.85	Nil	Nil	102.85
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>13748.71</b>	<b>2248.28</b>		<b>15894.14</b>

**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 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	36,00,000	11,34,000	47,34,000
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)	36,00,000	11,34,000	47,34,000
	Ceiling as per the Act	10% of Net Profit	10% of Net Profit	11% of Net Profit



**B. Remuneration to other directors:- No Remuneration to Other Directors**

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Nil	Nil	Nil	Nil
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil
2	Other Non-Executive Directors				
	Fees for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act	Nil	Nil	Nil	Nil

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

SN.	Particulars of Remuneration	Key Managerial Personnel		
		Smt. Pooja M.M. (Company Secretary)	Mr. Arun Kumar (CFO)	Total Amount
1	Gross salary	1,48,388	7,80,000	9,28,388
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
	(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	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil
	- others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total	1,48,388	7,80,000	9,28,388



<b>VII. Penalties / Punishment/ Compounding of Offences :</b>					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made,if any (give Details)
<b>A. COMPANY</b> Penalty Punishment Compounding			NONE		
<b>B. DIRECTORS</b> Penalty Punishment Compounding			NONE		
<b>C. OTHER OFFICERS IN DEFAULT</b> Penalty Punishment Compounding			NONE		
<p>By the order of the Board for Davangere sugar company limited</p> <p><b>PLACE : DAVANGERE</b> <b>DATED : 04.09.2020</b> <b>Registered Office</b> <b>73/1, Post Box No.312,</b> <b>Shamanur Road, Davangere.</b> <b>KA:- 577004.</b></p> <p><b>Sd/-</b> <b>Shamanur S. Ganesh</b> <b>Managing Director</b> <b>DIN: 00451383</b></p>					

**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 31<sup>st</sup> March, 2020 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 31<sup>st</sup> March, 2020 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 failed to provide E-voting facility to the shareholders of the Company at 48th General Meeting for the financial year 2018-19.
2. 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.
3. The Company has failed to file the reporting / disclosure with Reserve Bank of India for bonus shares allotted to Non Resident shareholder for the financial year 2018-19.
4. Wherever there is 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**

**UDIN : A022889B000666202**

**Date:** 04-09-2020

**Place:** Mumbai



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

To  
The Board of Directors of Davangere Sugar Company Limited

I, Mr. Tumbegere Rudrappa, son of Mr. Channabasappa, resident of village Kadagi, 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: Tumbegere Rudrappa  
DIN: 08717189  
Date: 04.09.2020

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

To  
The Board of Directors of Davangere Sugar Company Limited

I, Thappagondanahally Rajashekarappa S/o Thappagondanahally Puttanna , # 2070/21, 1st Main, Pushpa Mahalingappa School Road, Swamy Vivekananda Layout, Davangere-577 004 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: Thappagondanahally Rajashekarappa  
DIN: 08794960  
Date: 04.09.2020



### 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	As mentioned in the directors report
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.



**B. Gangadhara & Co.,**  
B Com, F.C.A, DISA(ICAI)  
**Chartered Accountant**

# 2639/2, 7th Main, 2nd Cross, MCG 'B' Block,  
DAVANAGERE-577 004. Cell : 9845098987  
E-mail : auditor1985@gmail.com

## INDEPENDENT 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 Opinion**

We have audited the accompanying standalone Ind AS financial statements of Davangere Sugar Company Ltd., (the Company), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit and Loss, 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").

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 31<sup>st</sup> March, 2020, its profits and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone annual financial results.

### **Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results**

These standalone annual financial results have been. Prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process

### **Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :



Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.

Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. •

#### 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, 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 31<sup>st</sup> March, 2020 taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2020 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 donot have any pending litigation as at 31<sup>st</sup> March 2020.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Davangere  
Date : 04-09-2020

UDIN : 2002409AAAAHH7071

**B. Gangadhara**  
**Chartered Accountant**  
**M.No: 024094**



**“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, 2020, we report that :**

- i) (a) {A} The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.  
{B} The Company has maintained proper records showing full particulars of intangible assets
- (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment 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) Company has a all title deeds of immovable properties disclosed in the financial statements are held in the name of the company
- (d) Company has not revalued its Property, Plant and Equipment or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act. 1985 (45 of 1988) and rules made there under.
- (ii) (a) Company has done the physical verification of inventory at reasonable intervals and in our opinion the coverage and procedure of such verification by management is commensurate with operation of the company.
- (b) The company has working capital sanction limits in excess of five crore rupee during the year from the banks, the quarterly returns or statements filed by the company with the banks are in agreement with books of accounts of company.
- (iii) 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) (c) (d) (e) & (f) of the Order are not applicable to the Company.
- (iv) 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.
- (v) 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 there under.
- (vi) 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.
- (viii) According to the information and the explanations given to us, there is no tax assessment under the Income Tax Act. 1961 (43 of 1961) during the year and hence there is no surrendered or disclosed as income.
- (ix) (a) According to the information and explanations given to us and based on the examination of the records of the Company, the company has not defaulted in repayment of loan or other borrowing or in the payment of interest there to any lender.
- (b) According to the information and explanations given to us and based on the examination of the records of the Company, the company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us and based on the examination of the records of the Company, the term loans have been applied for the purpose for which loans were obtained.
- (d) According to the information and explanations given to us short term funds raised are not utilized for long term purpose.
- (e) According to the information and explanations given to us and based on the examination of the records of the Company, the company do not have any subsidiary, joint venture and associate companies and hence this provision is not applicable.
- (f) According to the information and explanations given to us and based on the examination of the records of the Company, Company do not have any subsidiary, joint venture and associate companies and hence this provision is not applicable.
- (x) 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 any



preferential allotment or private placement of shares or convertible debentures during the year and hence provisions of (x) (a) & (b) are not applicable.

- (xi) (a) 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.  
 (b) According to the information and explanations given to us and based on the examination of the records of the Company, no report under section 12 of section 143 of Company Act has been filed during the year.  
 (c) According to the information and explanations given to us and based on the examination of the records of the Company there is no whistle blower complaints received during the year.
- (xii) According to 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.
- (xiii) 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.
- (xiv) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the company has internal audit system commensurate with the size and nature of its business  
 (b) Internal audit reports has been considered by the statutory auditor.
- (xv) 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.
- (xvi) (a) 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.  
 (b) According to the information and explanation given to us and based on examination of records company has not conducted nay Non Banking Financial or Housing Finance activities.  
 (c) According to the information and explanation given to us and in our opinion the Company is not Core Investment Company as defined in the regulations made by Reserve Bank of India Act.  
 (b) According to the information and explanation given to us and based on examination of records of company, company do not have any subsidiary, joint venture and associate company. Hence this provision is not applicable.
- (xvii) During the year company has not incurred any cash losses.
- (xviii) During the year there is no resignation by statutory auditor.
- (xix) According to the information and explanation given to us, based on examination of records company and based on Board of Director and management plans, we are of the opinion that there is no material uncertainty exist as on the date of audit report the company is capable of meeting the liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- (xx) (a) According to the information and explanation given to us, based on examination of records company, the company has not transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;  
 (b) According to the information and explanation given to us, based on examination of records company the company, No amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;

Place : Davangere  
 Date : 04-09-2020

**B. Gangadhara**  
**Chartered Accountant**  
**M.No: 024094**  
**UDIN : 2002409AAAHH7071**



**“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 31<sup>st</sup> March, 2020 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 31<sup>st</sup> March, 2020, 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 : 04-09-2020

**B. Gangadhara**  
Chartered Accountant  
M.No: 024094

UDIN : 2002409AAAHH7071



**31-03-2020 ರ ಅಂತ್ಯಕ್ಕೆ ಇದ್ದಂತೆ ಆಸ್ತಿ ಮತ್ತು ಹೊಣೆ ತಃಖ್ತೆ**  
**BALANCE SHEET AS AT 31.03.2020**

All Figures in Rs.			
ವಿವರ Particulars	ಅನುಸೂಚಿ Note No.	31-03-2020 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2020	31-03-2019 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2019
<b>I ಆಸ್ತಿಗಳು ASSETS</b>			
<b>1 ಚಾಲ್ತಿ ಅಲ್ಲದ ಆಸ್ತಿಗಳು NON-CURRENT ASSETS</b>			
ಎ) ಆಸ್ತಿ, ಸ್ಥಾವರ ಮತ್ತು ಉಪಕರಣಗಳು			
a) Property, Plant and Equipments	<b>1</b>	1,25,04,95,172	1,27,86,09,150
ಬಿ) ನಿರ್ಮಾಣದ ಹಂತದಲ್ಲಿರುವ ಸ್ಥಿರಾಸ್ತಿಗಳು			
b) Capital Work in Progress		-	5,45,68,280
<b>ಒಟ್ಟು ಮೊತ್ತ Total</b>		<b>1,25,04,95,172</b>	<b>1,33,31,77,429</b>
ಸಿ) ಹೂಡಿಕೆಗಳು			
c) investments	<b>2</b>	1,54,45,900	1,15,45,900
ಡಿ) ಸಾಲ ಮತ್ತು ಮುಂಗಡಗಳು			
d) Loans and Advances	<b>3</b>	20,15,00,818	-
ಇ) ಇತರೆ ಚಾಲ್ತಿ ಅಲ್ಲದ ಆಸ್ತಿಗಳು			
e) Other Non-Current Asstes	<b>4</b>	4,15,97,758	4,15,96,970
<b>2 ಚಾಲ್ತಿ ಆಸ್ತಿಗಳು CURRENT ASSETS</b>			
ಎ) ದಾಸ್ತಾನುಗಳು			
a) Inventories	<b>5</b>	47,07,60,349	1,01,09,35,133
ಬಿ) ಬರಬೇಕಾದ ವ್ಯಾಪಾರದ ಬಾಕಿಗಳು			
b) Trade Receivables	<b>6</b>	23,62,88,166	19,75,08,661
ಸಿ) ನಗದು ಮತ್ತು ಸಮಾನಾಂತರಗಳು			
c) Cash and cash equivalentents	<b>7</b>	6,64,82,295	1,03,99,920
ಡಿ) ಅಲ್ಪಾವಧಿ ಸಾಲ ಮತ್ತು ಮುಂಗಡಗಳು			
d) Short-term loans and advances	<b>8</b>	76,21,16,462	67,84,19,944
<b>TOTAL ಒಟ್ಟು ಮೊತ್ತ</b>		<b>3,04,46,86,921</b>	<b>3,28,35,83,957</b>



All Figures in Rs.

ವಿವರ Particulars	ಅನುಸೂಚಿ Note No.	31-03-2020 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2020	31-03-2019 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2019
<b>I ಈಕ್ವಿಟಿ ಮತ್ತು ಹೊಣೆಗಳು</b>			
<b>I EQUITY AND LIABILITIES</b>			
<b>1 ಈಕ್ವಿಟಿ</b>			
<b>1 EQUITY</b>			
ಎ) ಷೇರು ಬಂಡವಾಳ			
a) Share Capital	<b>9</b>	55,68,44,620	55,68,44,620
ಬಿ) ಮೀಸಲು ನಿಧಿ ಮತ್ತು ಮಿಗತೆ			
b) Reserves and Surplus	<b>10</b>	38,54,89,832	36,47,97,193
		<b>94,23,34,452</b>	<b>92,16,41,813</b>
<b>2 ಚಾಲ್ತಿ ಅಲ್ಲದ ಹೊಣೆಗಳು</b>			
<b>2 NON-CURRENT LIABILITIES</b>			
ಎ) ದೀರ್ಘಾವಧಿ ಸಾಲಗಳು			
a) Long Term Borrowings	<b>11</b>	3,76,17,493	7,12,32,520
ಬಿ) ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹೊಣೆಗಳು			
b) Deferred Tax Liabilities	<b>12</b>	1,26,73,786	1,15,90,621
ಸಿ) ಇತರ ದೀರ್ಘಾವಧಿ ಹೊಣೆಗಳು			
c) Other Long Term Liabilities	<b>13</b>	83,14,39,443	74,99,30,111
ಡಿ) ದೀರ್ಘಾವಧಿ ಹವಣಿಕೆಗಳು			
d) Long Term Provisions	<b>14</b>	---	---
<b>3 ಚಾಲ್ತಿ ಹೊಣೆಗಳು</b>			
<b>3 CURRENT LIABILITIES</b>			
ಎ) ಅಲ್ಪಾವಧಿ ಸಾಲಗಳು			
a) Short Term Borrowings	<b>15</b>	1,06,75,85,117	1,33,79,65,652
ಬಿ) ಕೊಡಬೇಕಾಗಿರುವ ವ್ಯಾಪಾರ ಬಾಕಿಗಳು			
b) Trade Payables	<b>16</b>	2,97,50,512	5,42,21,813
ಸಿ) ಇತರ ಚಾಲ್ತಿ ಹೊಣೆಗಳು			
c) Other Current Liabilities	<b>17</b>	11,89,29,507	12,73,31,565
ಡಿ) ಅಲ್ಪಾವಧಿ ಹವಣಿಕೆಗಳು			
d) Short Term Provisions	<b>18</b>	43,56,612	96,69,862
<b>TOTAL ಒಟ್ಟು ಮೊತ್ತ</b>		<b>3,04,46,86,921</b>	<b>3,28,35,83,957</b>

As per our Audit Report of even date annexed

**For B. Gangadhara & Co.,**  
Chartered AccountantSd/-  
**B. Gangadhara**  
Proprietor (M.No. : 024094)  
UDIN : 20024094AAAAHH7071  
Date : 04-09-2020  
Place : DavangereSd/-  
**Arun Kumar**  
CFOSd/-  
**M M Pooja**  
Compliance Officer

For and on behalf of the Board of Directors

Sd/-  
**Abhijith G**  
**Shamanur**  
Executive Director  
DIN : 03451918Sd/-  
**S S Ganesh**  
Managing Director  
DIN : 00451383



**31-3-2020 ಕ್ಕೆ ಅಂತ್ಯಗೊಂಡ ವರ್ಷದ ಲಾಭ ಮತ್ತು ನಷ್ಟದ ತಃಖ್ತೆ**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2020**

All Figures in Rs.

ವಿವರ PARTICULARS	ಅನುಸೂಚಿ Note No.	31-03-2020 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2020	31-03-2019 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2019
<b>I</b> ವ್ಯಾಪಾರ ವಹಿವಾಟುಗಳು ಒಟ್ಟು ಮೊತ್ತ <b>REVENUE FROM OPERATIONS</b>	19	2,02,84,71,408	1,13,60,05,840
ವ್ಯಾಪಾರ ವಹಿವಾಟುಗಳ ನಿವ್ವಳ ಮೊತ್ತ Revenue from Operations (Net)		<b>2,02,84,71,408</b>	<b>1,13,60,05,840</b>
<b>II</b> ಇತರೆ ಆದಾಯಗಳು Other Income	20	21,50,730	48,66,577
<b>III</b> ಒಟ್ಟು ವಹಿವಾಟು Total Revenue		<b>2,03,06,22,138</b>	<b>1,14,08,72,417</b>
<b>IV</b> ಖರ್ಚುಗಳು <b>EXPENSES</b>			
ಎ) ಬಳಕೆ ಮಾಡಿದ ಸರಕು ಸಾಮಗ್ರಿಗಳ ವೆಚ್ಚ a) Cost of Materials Consumed	21	95,04,30,533	1,16,56,64,189
ಬಿ) ತಯಾರಾದ ಸರಕುಗಳ ಖರೀದಿ b) Purchase of Traded Goods	22	---	---
ಸಿ) ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯಕ್ಕೆ ಇರುವ ಸಿದ್ಧ ಮತ್ತು ಕಚ್ಚಾ ದಾಸ್ತಾನುಗಳ ಬದಲಾವಣೆ ಮೊತ್ತ c) Changes in inventories of finished goods and stock in process	23	53,30,06,910	(56,02,31,728)
ಡಿ) ನೌಕರರ ಸೌಲಭ್ಯಗಳ ವೆಚ್ಚ d) Employees Benefit Expenses	24	7,75,78,586	7,45,70,023
ಇ) ಸಾಲಗಳ ಮೇಲಿನ ಬಡ್ಡಿ e) Interest on Borrowings	25	20,93,12,888	17,28,18,367
ಎಫ್) ಬ್ಯಾಂಕ್ ಶುಲ್ಕಗಳು f) Bank Charges	25	81,19,429	67,34,391
ಜಿ) ಸವಕಳಿ g) Depreciation	01	8,99,47,434	8,98,38,450
ಜಿ) ಇತರೆ ವೆಚ್ಚಗಳು g) Other Expenses	26	13,60,93,942	14,44,92,029
<b>TOTAL EXPENSES ಒಟ್ಟು ವೆಚ್ಚಗಳು</b>		<b>2,00,44,89,722</b>	<b>1,09,38,85,720</b>



<b>V</b> ವಿಶೇಷ ಮತ್ತು ಪ್ರತಿಷೇಧ ಬಾಬುಗಳು ಮತ್ತು ತೆರಿಗೆ ಮೊದಲಿನ ಲಾಭ/ನಷ್ಟ <b>PROFIT/LOSS BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)</b>	<b>2,61,32,416</b>	<b>4,69,86,697</b>
<b>VI</b> ಪ್ರತಿಷೇಧ ಬಾಬುಗಳು <b>Exceptional Items</b>	---	---
<b>VII</b> ವಿಶೇಷ ಬಾಬುಗಳು ಮತ್ತು ತೆರಿಗೆಯ ಮೊದಲಿನ ಲಾಭ/ನಷ್ಟ <b>PROFIT/LOSS BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)</b>	<b>2,61,32,416</b>	<b>4,69,86,697</b>
<b>VIII</b> ವಿಶೇಷ ಬಾಬುಗಳು <b>Extraordinary Items</b>	---	---
<b>IX</b> ತೆರಿಗೆಯ ಮೊದಲಿನ ಲಾಭ/ನಷ್ಟ <b>PROFIT/LOSS BEFORE TAX (VII-VIII)</b>	<b>2,61,32,416</b>	<b>4,69,86,697</b>
<b>X</b> ತೆರಿಗೆ ವೆಚ್ಚಗಳು <b>TAX EXPENSES</b>		
ಎ) ಕನಿಷ್ಠ ಪರ್ಯಾಯ ತೆರಿಗೆ ಕಾಯ್ದಿರಿಸುವಿಕೆ a) MAT Provision	43,56,612	96,69,862
ಬಿ) ಮುಂದೂಡಿದ ತೆರಿಗೆ b) Deferred Tax	10,83,164	50,95,536
<b>ಒಟ್ಟು Total</b>	<b>54,39,776</b>	<b>1,47,65,398</b>
<b>XI</b> ಅವಧಿಯಲ್ಲಿ ಬಂದಿರುವ ಲಾಭ / ನಷ್ಟ <b>PROFIT /LOSS FOR THE PERIOD(IX-X)</b>	<b>2,06,92,639</b>	<b>3,22,21,300</b>
<b>XII</b> ಪ್ರತಿ ಷೇರಿಗೆ ಗಳಿಕೆ (ಮೂಲ ಮತ್ತು ನಿಷ್ಕಾರ) <b>Earnings per Share (Basic and Diluted) Rs.</b>	<b>0.37</b>	<b>0.58</b>

As per our Audit Report of even date annexed

**For B. Gangadhara & Co.,**  
**Chartered Accountant**  
Sd/-  
**B. Gangadhara**  
Proprietor (M.No. : 024094)  
UDIN : 20024094AAAAHH7071

Date : 04-09-2020  
Place : Davangere

Sd/-  
**Arun Kumar**  
CFO

Sd/-  
**Pooja M M**  
CS

For and on behalf of the Board of Directors

Sd/-  
**Abhijith G**  
**Shamanur**  
Executive Director  
DIN : 03451918

Sd/-  
**S S Ganesh**  
Managing Director  
DIN : 00451383



**ಹಣಕಾಸಿನ ತಃಖ್ತೆಗಳಿಗೆ ಟಿಪ್ಪಣಿಗಳು**  
**NOTES TO FINANCIAL STATEMENTS**

**ಚಾಲ್ತಿ ಅಲ್ಲದ ಆಸ್ತಿಗಳು****NOTE 1 : NON - CURRENT ASSETS**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
ಆಸ್ತಿ, ಸ್ಥಾವರ ಮತ್ತು ಉಪಕರಣಗಳು Property, Plant & Equipments Schedule	‘ಲಗತ್ತಿಸಿದೆ’ ‘ANNEXED’	

**ಚಾಲ್ತಿಯಲ್ಲದ ಹೂಡಿಕೆಗಳು****NOTE 2 : NON - CURRENT INVESTMENTS**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
ಎ) ಚಾಲ್ತಿ ವ್ಯವಹಾರದಲ್ಲಿ ಇಲ್ಲದ್ದು (ಘೋಷಿತ ಬೆಲೆಗೆ) <b>A NON-TRADE (QUOTED- AT COST)</b>	---	---
ಬಿ) ಚಾಲ್ತಿ ವ್ಯವಹಾರದಲ್ಲಿ ಇಲ್ಲದ್ದು (ಅಘೋಷಿತ ಬೆಲೆಗೆ) <b>B NON-TRADE (UN QUOTED- AT COST)</b>		
<b>I ಸರ್ಕಾರದ ಆಧಾರ ಪತ್ರಗಳು IN GOVERNMENT SECURITIES :</b>	19,900	19,900
<b>II ಇತರೆ ಹೂಡಿಕೆಗಳು OTHER INVESTMENTS</b>		
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) ಬಾಪುಜಿ 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, (1001 Shares of Rs.1000/- each)	10,01,000	10,01,000



ಡಿ) ದಾವಣಗೆರೆ ಡಿಸ್ಟ್ರಿಕ್ಟ್ ಸೆಂಟ್ರಲ್ ಕೋ-ಆಪ್ ಬ್ಯಾಂಕ್ ಲಿ. ನ ಷೇರುಗಳು		
d) Shares with Davangere District Central Co-operative Bank Limited, (288200 Shares of Rs.50/- each)	1,44,10,000	1,05,10,000
<b>III ಇತರೆ ಹೂಡಿಕೆಗಳು OTHER INVESTMENTS</b>	---	---
<b>ಒಟ್ಟು TOTAL</b>	<b>1,54,45,900</b>	<b>1,15,45,900</b>

## ಸಾಲಗಳು ಮತ್ತು ಮುಂಗಡಗಳು

**NOTE 3 : LOANS AND ADVANCES**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
<b>ಮುಂಗಡಗಳು</b>		
<b>II Advances:</b> (Advance against agri business Loan with roll over facility)	20,15,00,818	-
<b>ಒಟ್ಟು TOTAL</b>	<b>20,15,00,818</b>	<b>-</b>

## ಇತರ ಚಾಲ್ತಿಯಿಲ್ಲದ ಆಸ್ತಿಗಳು

**NOTE 4 : OTHER NON CURRENT ASSETS**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
<b>ಕನಿಷ್ಠ ಪರ್ಯಾಯ ತೆರಿಗೆ ಮುಂಬರುವ ಆದಾಯ ತೆರಿಗೆ ಹೊಂದಾಣಿಕೆಗಾಗಿ ಇರುವ ಮೊತ್ತ</b>		
<b>I M A T Credit Entitlement</b>	4,15,97,758	4,15,96,970
<b>ಒಟ್ಟು TOTAL</b>	<b>4,15,97,758</b>	<b>4,15,96,970</b>

## ದಾಸ್ತಾನು

**NOTE 5 : INVENTORIES**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
<b>ಎ. ಸಿದ್ಧ ದಾಸ್ತಾನು</b>		
<b>A. FINISHED GOODS :</b> (Value at lower of cost or net realisable)		



value and as certified by the Managing Director)

<b>I SUGAR ಸಕ್ಕರೆ</b>	36,08,07,048	91,15,82,900
<b>II MOLASSES ಕಾಕಂಬಿ</b>	3,50,78,850	1,73,09,908
ಬಿ. ಕಚ್ಚಾ ಸಾಮಗ್ರಿಗಳು <b>B. CONSUMABLE STORES</b>	7,17,08,610	7,88,76,430
ಸಿ. ಕಲ್ಲಿದ್ದಲು ದಾಸ್ತಾನು <b>C. STOCK OF COAL</b>	31,65,841	31,65,895
<b>ಒಟ್ಟು TOTAL</b>	<b>47,07,60,349</b>	<b>1,01,09,35,133</b>

ಬರಬೇಕಾದ ವ್ಯಾಪಾರ ಬಾಕಿಗಳು

**NOTE 6 : TRADE RECEIVABLES :**

(All figures in Rupees)

	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2018 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
ಎ. ಆಧಾರರಹಿತ ಖಾತ್ರಿಯಾಗಿ ಪರಿಗಣಿಸಿರುವುದು <b>A. UN SECURED CONSIDERED GOOD</b>		
<b>I 180 ದಿನಗಳು ಮೇಲ್ಪಟ್ಟು ಬಾಕಿ ಉಳಿದಿರುವುದು Out standing for a period exceeding 180 Days</b>	2,16,925	-
<b>II 180 ದಿನಗಳ ಒಳಗೆ ಬಾಕಿ ಉಳಿದಿರುವುದು Out standing for a period below 180 days</b>	23,60,71,241	18,58,13,661
<b>III ರಫ್ತಿನ ಮೇಲೆ ಬರತಕ್ಕ ಸಾಗಣಿಕೆ ವೆಚ್ಚ ಸಹಾಯಧನ Transport subsidy on export receivable</b>	---	1,16,95,000
<b>ಒಟ್ಟು TOTAL</b>	<b>23,62,88,166</b>	<b>19,75,08,661</b>

ನಗದು ಮತ್ತು ನಗದಿಗೆ ಸಮಾನಂತರವಾದುದು

**NOTE 7 : CASH AND CASH EQUIVALENTS**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
<b>A. BALANCE WITH BANKS :</b>		
<b>I ನಗದು Cash on hand</b>	24,35,481	21,83,634
<b>II ಷೆಡ್ಯೂಲ್ ಬ್ಯಾಂಕುಗಳ ಚಾಲ್ತಿ ಖಾತೆಯಲ್ಲಿ In Current Account with Schedule Banks</b>	5,52,58,517	47,61,640





<b>III</b> ನಾನ್ ಸೆಡ್ಯೂಲ್ ಬ್ಯಾಂಕ್‌ಗಳ ಚಾಲ್ತಿ ಖಾತೆಯಲ್ಲಿ <b>In Current Account with Non Schedule Banks</b>	4,03,939	2,42,949
<b>IV</b> ಬ್ಯಾಂಕುಗಳಲ್ಲಿರುವ ಅವಧಿ ಠೇವಣಿಗಳು <b>Term Deposits with Schedule Banks</b>	83,84,358	32,11,697
<b>ಒಟ್ಟು TOTAL</b>	<b>6,64,82,295</b>	<b>1,03,99,920</b>

## ಅಲ್ಪಾವಧಿ ಸಾಲಗಳು ಮತ್ತು ಮುಂಗಡಗಳು

**NOTE 8 : SHORT TERM LOANS AND ADVANCES**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
<b>I</b> ಠೇವಣಿಗಳು Sundry Deposit	2,63,608	2,63,608
<b>II</b> ಅಬಕಾರಿ ತೆರಿಗೆ ಇಲಾಖೆಯಲ್ಲಿ ಠೇವಣಿ In Deposit with Central Excise Department	5,24,18,092	5,05,91,034
<b>III</b> ನಗದು ಅಥವಾ ವಸ್ತುಗಳ ರೂಪದಲ್ಲಿ ಬರಬೇಕಾದ ಮುಂಗಡ ಹಣ Advances recoverable in cash or in kind	70,94,34,761	62,75,65,301
<b>ಒಟ್ಟು TOTAL</b>	<b>76,21,16,462</b>	<b>67,84,19,944</b>

**NOTE 9 : SHARE CAPITAL** ಷೇರು ಬಂಡವಾಳ :

( All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
<b>ಅಧಿಕೃತ ಷೇರು ಬಂಡವಾಳ :</b> 6,00,00,000 ಈಕ್ವಿಟಿ ಷೇರುಗಳು ಪ್ರತಿಷೇರಿಗೆ ರೂ. 10/- ರಂತೆ <b>Authorised Share Capital :</b> 6,00,00,000 Equity Shares of Rs. 10/- each	60,00,00,000	60,00,00,000
<b>ವಿತರಿಸಿದ, ಆರ್ಜಿಸಿದ ಮತ್ತು ಪಾವತಿಸಲ್ಪಟ್ಟ ಬಂಡವಾಳ</b> 5,56,84,462 ಈಕ್ವಿಟಿ ಪ್ರತಿ ಷೇರಿಗೆ ರೂ. 10/- ರಂತೆ <b>Issued , Subscribed and Paid-up Capital :</b> 5,56,84,462 Equity Shares of Rs. 10/- each (Company Issue Bonus Shares of 1,08,28,005 at Rs. 10/- each)	55,68,44,620	55,68,44,620
<b>ಒಟ್ಟು TOTAL</b>	<b>55,68,44,620</b>	<b>55,68,44,620</b>

**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	Sri S S GANESH	27.88	1,55,22,478	1,55,22,478
2	Sri ABHIJITH GANESH SHAMANUR	12.42	69,14,724	69,14,724
3	Smt. 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 10 : RESERVES AND SURPLUS**

( All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
<b>1 ಬಂಡವಾಳ ಮೀಸಲು :</b> <b>Capital Reserve:</b> ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯದಲ್ಲಿನ ಶಿಲ್ಕು Balance at the beginning and end of the year	4,07,160	4,07,160
<b>2 ಷೇರು ಪ್ರೀಮಿಯಮ್ ಮೀಸಲು :</b> <b>Securities Premium Reserve :</b> ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯದಲ್ಲಿನ ಶಿಲ್ಕು Balance at the beginning and end of the year	2,49,46,750	2,49,46,750
<b>3 ಸಾಮಾನ್ಯ ಮೀಸಲು :</b> <b>General Reserve :</b> ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯದಲ್ಲಿನ ಶಿಲ್ಕು Balance at the beginning and end of the year	59,95,836	59,95,836
<b>4 ಮಿಗತೆ : Surplus :</b> ವರ್ಷಾರಂಭಕ್ಕೆ Balance brought forward from previous year	33,34,47,446	40,95,06,196
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	2,06,92,639	3,22,21,300
	<b>35,41,40,085</b>	<b>33,34,47,446</b>
<b>ವಿನಿಯೋಗಗಳು :</b> <b>Appropriations :</b> ಮುಂದಿನ ವರ್ಷಕ್ಕೆ ಮುಂದುವರಿದ ಶಿಲ್ಕು Balance carried forward to next year	35,41,40,085	33,34,47,446
<b>ಒಟ್ಟು TOTAL (A+B)</b>	<b>38,54,89,832</b>	<b>36,47,97,193</b>



## ದೀರ್ಘಾವಧಿ ಸಾಲಗಳು

**NOTE 11 : LONG TERM BORROWINGS**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
<b>ಎ. ಆಧಾರ ಸಹಿತ Secured :</b>		
<b>ಅವಧಿ ಸಾಲಗಳು</b>		
<b>Term Loans :</b>		
i ಸಿಂಡಿಕೇಟ್ ಬ್ಯಾಂಕ್, ದಾವಣಗೆರೆ Syndicate Bank Term Loan-I (Modernization of Boiler House)	---	3,50,27,038
ii Syndicate Bank Term Loan-II (Modernization of Boiler House)	---	3,45,12,280
iii Soft Loan (Under Central Govt. Scheme)		
a. TERM LOAN SOFT-State Bank of India, Davanagere	1,31,43,205	
b. TERM LOAN SOFT-Canara Bank, Davanagere	1,14,40,000	
c. TERM LOAN SOFT-Indian Bank, Davanagere	36,31,339	
d. TERM LOAN SOFT-Union Bank, Davanagere	60,64,031	
iv Vehicles Loans	33,38,918	16,93,203
<b>ಒಟ್ಟು TOTAL (A+B)</b>	<b>3,76,17,493</b>	<b>7,12,32,520</b>

## ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹೊಣೆ

**NOTE 12 : DIFERRED TAX LIABILITIES**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
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 ಹೊಣೆಗಾರಿಕೆ Deferred Tax Liabilities	1,15,90,621	64,95,086
3. ನಿವ್ವಳ ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹೊಣೆ / ಆಸ್ತಿ Net Deferred Tax Liabilities / Assets thereon	---	---
4. ಕಳೆಯಿರಿ : ಹಿಂದಿನ ವರ್ಷದಲ್ಲಿ ಹೊಂದಿಸಿದ್ದು Less : Provided for in the previous year	1,15,90,621	64,95,086
5. ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹವಣಿಸಿರುವುದು (ಹಿಮ್ಮರಳಿಕೆ) Deferred Tax Provided / (Reversed)	10,83,164	50,95,536
<b>ಒಟ್ಟು TOTAL</b>	<b>1,26,73,786</b>	<b>1,15,90,621</b>



## ಇತರೆ ದೀರ್ಘಾವಧಿ ಹೊಣೆಗಳು

**NOTE 13 : OTHER LONG TERM LIABILITIES**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
ಎ) ಖಾತರಿಯಿಲ್ಲದ ಕಾರ್ಯನಿರ್ವಾಹಕ ನಿರ್ದೇಶಕರ ಸಾಲ		
a) Unsecured Loan from the Managing Director	22,48,28,294	22,09,30,111
ಬಿ) Agricultural related Harvesting and Transportation loan from banks to contractors and recovered by the company 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 discretion to extend the roll over of credit facility to beneficiaries under the agreement)	60,66,11,149	52,90,00,000
<b>ಒಟ್ಟು TOTAL</b>	<b>83,14,39,443</b>	<b>74,99,30,111</b>

## ದೀರ್ಘಾವಧಿ ಹವಣಿಕೆಗಳು

**NOTE 14 : LONG TERM PROVISIONS**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
ಎ) ನೌಕರರ ಸೌಲಭ್ಯಗಳಿಗೆ ಒದಗಿಸಿಕೊಟ್ಟ ಮೊತ್ತ		
a) Provisions for Employees Benefits	---	---
ಬಿ) ಇತರೆ		
b) Others :	---	---
<b>ಒಟ್ಟು TOTAL</b>	<b>---</b>	<b>---</b>

## ಅಲ್ಪಾವಧಿ ಸಾಲಗಳು

**NOTE 15 : SHORT TERM BORROWINGS**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
ಎ) ಆಧಾರ ಸಹಿತ :		
<b>A Secured :</b>		
ಬೇಡಿಕೆ ಮೇಲೆ ಮರುಪಾವತಿಸುವ ಸಾಲ		
<b>Loans repayable on demand</b>		
(i) ಕನ್ಸೊರ್ಟಿಯಂ ಬ್ಯಾಂಕ್‌ಗಳಿಂದ ಪಡೆದಿರುವ ಕ್ಯಾಷ್ ಕ್ರೆಡಿಟ್ ಸಾಲ		
Cash Credit Loans from Consortium Banks	98,75,85,117	98,79,65,654
ಡಿಸಿಸಿ ಬ್ಯಾಂಕ್‌ನಿಂದ ಸಕ್ಕರೆ ದಾಸ್ತಾನು ಸಾಲ		
(ii) Sugar Pledge Loan from DCC Bank	8,00,00,000	34,99,99,998
ಬಿ) ಆಧಾರ ರಹಿತ :		
<b>B Un-secured :</b>		
<b>ಒಟ್ಟು TOTAL</b>	<b>1,06,75,85,117</b>	<b>1,33,79,65,652</b>

**NOTE 16 : ಕೊಡಬೇಕಾದ ವ್ಯವಹಾರ ಬಾಕಿಗಳು TRADE PAYABLES** (All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
<b>A</b>		
On Cane Purchases ಸಾಲದಾತರು	33,78,075	---
<b>Sundry Creditors</b>	2,63,72,437	5,42,21,812
<b>ಒಟ್ಟು TOTAL</b>	<b>2,97,50,512</b>	<b>5,42,21,813</b>

**NOTE 17 : ಇತರೆ ಚಾಲ್ತಿ ಹೊಣೆಗಳು  
OTHER CURRENT LIABILITIES** (All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
ಎ) ಅವಧಿ ಮುಗಿದಿರುವ ಚಾಲ್ತಿ ದೀರ್ಘಾವಧಿ ಹೊಣೆಗಳು a) Current maturities of Long Term Liabilities	5,93,83,434	7,79,32,956
ಬಿ) ಬಡ್ಡಿ ಸಂಗ್ರಹ ಬಾಕಿ b) Interest accrued and due to Borrowings	1,02,85,229	---
ಸಿ) ಮಾರಾಟ ಬಾಬು ಮುಂಗಡ c) Advance against Sales	2,03,17,210	---
ಡಿ) ಶಾಸನಬದ್ಧ ಪಾವತಿಗಳು d) Statutory Remittances	50,08,374	74,76,959
ಇ) ವ್ಯವಹಾರ ಅಥವಾ ಭದ್ರತಾ ಠೇವಣಿ ಪಡೆದಿರುವುದು e) Trade or Security Deposits received	39,48,565	90,88,778
ಎಫ್) ಇತರೆ f) Others	1,99,86,695	3,28,32,872
<b>ಒಟ್ಟು TOTAL</b>	<b>11,89,29,507</b>	<b>12,73,31,565</b>

**NOTE 18 : SHORTH TERM PROVISIONS** (All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
ಕನಿಷ್ಠ ಪರ್ಯಾಯ ತೆರಿಗೆ For Minimum Alternate Tax	43,56,612	96,69,862
<b>ಒಟ್ಟು TOTAL</b>	<b>43,56,612</b>	<b>96,69,862</b>



ವ್ಯವಹಾರದಿಂದ ಬಂದ ಆದಾಯ

**NOTE 19 : REVENUE FROM OPERATIONS**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
ಎ) ಉತ್ಪನ್ನಗಳ ಮಾರಾಟ		
<b>A. SALE OF PRODUCTS</b>		
<b>I (a) ಸಕ್ಕರೆ Sugar Domestic</b>	1,58,91,47,781	52,24,51,540
<b>(b) ಸಕ್ಕರೆ ರಫ್ತು Sugar Export</b>	2,59,25,130	10,46,23,470
<b>II (a) ಕಾಕಂಬಿ Molasses Domestic</b>	8,38,96,811	8,96,37,530
<b>(b) ಕಾಕಂಬಿ ರಫ್ತು Molasses Export</b>	3,72,18,910	2,40,00,000
<b>III ವಿದ್ಯುತ್ Power</b>	13,47,69,180	23,33,92,421
<b>IV ಪ್ರೆಸ್‌ಮಡ್ Pressmud</b>	5,86,755	89,736
ಬಿ) ಇತರೆ ವ್ಯವಹಾರದಿಂದ ಆದಾಯ		
<b>B. OTHER OPERATING INCOME</b>		
1. ವಾಯುಯಾನ ಬಾಡಿಗೆ <b>Aviation Receipts</b>	2,56,53,330	1,61,55,501
2. ಕಬ್ಬಿನ ಬೀಜ ಮಾರಾಟ <b>Sale of Sugar Cane Seeds</b>	13,12,73,511	7,34,19,423
3. ಜಿಟಿಐ ಕಬ್ಬು ಕೊಳ್ಳುವಿಕೆಯ ರಫ್ತು ಆದಾಯ <b>GOI Export Income on Sugar Cane Purchase</b>	-	6,05,41,219
4. ಆಂತರಿಕ ಸಾಗಣಿಕೆ ಸಹಾಯ ಧನ <b>Internal Transport Subsidy</b>	-	1,16,95,000
<b>ಒಟ್ಟು TOTAL</b>	<b>2,02,84,71,408</b>	<b>1,13,60,05,840</b>

ಇತರೆ ಆದಾಯ

**NOTE 20 : OTHER INCOME**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
ಎ) ಬಡ್ಡಿಯ ಆದಾಯ		
<b>A INTEREST INCOME</b>		
<b>I ಸಾಲ ಮತ್ತು ಮುಂಗಡಗಳಿಂದ From Loans and Advances</b>	40,18,474	11,40,844
<b>II ಠೇವಣಿಗಳಿಂದ From Deposits</b>	2,15,856	21,80,985
ಬಿ) ಹೂಡಿಕೆಗಳಿಂದ ಡಿವಿಡೆಂಡ್		
<b>B DIVIDEND FROM INVESTMENTS</b>	83,065	1,41,800
ಸಿ) ಇತರೆ ಕಾರ್ಯಚಟುವಟಿಕೆಯಲ್ಲದ ಆದಾಯ		
<b>C OTHER NON OPERATING INCOME</b>		
<b>I Profit or loss on sale of vehicles</b>	(23,02,366)	12,49,333



<b>II</b> ಸ್ವೀಕರಿಸಿದ ಬಾಡಿಗೆ <b>Rent received</b>	30,000	30,000
<b>III</b> ವಿಮೆಯಿಂದ ಬಂದ ಹಣ <b>Insurance Claims Received</b>	1,05,700	1,23,615
<b>ಒಟ್ಟು TOTAL</b>	<b>21,50,730</b>	<b>48,66,577</b>

**NOTE 21 : COST OF MATERIALS CONSUMED**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
ಎ) ಕಬ್ಬು ಖರೀದಿ ಮತ್ತು ಬಳಕೆ (ಇತರೆ ಸರಬರಾಜು ವೆಚ್ಚ ಮತ್ತು ಕಬ್ಬು ಖರೀದಿ ಕರ ಸೇರಿ) <b>A. Sugar Cane purchased and consumed (Inclusive of Cane purchase Tax and Other procurement Charges)</b>	91,16,55,907	1,14,35,73,670
ಬಿ) ಕಲ್ಲಿದ್ದಲು ಖರೀದಿ ಮತ್ತು ಬಳಕೆ (ಸುಂಕ ಮತ್ತು ಸಾಗಾಣಿಕೆ ಸೇರಿ) <b>B. Steaming Coal purchased and consumed (Inclusive of Duties and Transportation Charges)</b>	3,87,74,627	2,20,90,519
<b>ಒಟ್ಟು TOTAL</b>	<b>95,04,30,533</b>	<b>1,16,56,64,189</b>

**ಮಾರಾಟ ಸಿದ್ಧ ವಸ್ತುಗಳ ಖರೀದಿ****NOTE 22 : PURCHASE OF TRADED GOODS**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
(ಅನ್ವಯಿಸುವುದಿಲ್ಲ) <b>Not Applicable</b>		
<b>ಒಟ್ಟು TOTAL</b>	<b>---</b>	<b>---</b>

**ದಾಸ್ತಾನಿನಲ್ಲಿ (ಏರಿಕೆ / ಇಳಿಕೆ)****NOTE 23 : (INCREASE) / DECREASE IN INVENTORIES:**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
ಎ) ಸಿದ್ಧ ವಸ್ತುಗಳು <b>A FINISHED GOODS</b> ಪ್ರಾರಂಭಿಕ ದಾಸ್ತಾನು <b>a) Opening Stock :</b> ಸಕ್ಕರೆ <b>Sugar</b>	91,15,82,900	33,36,58,065



ಕಾಕಂಬಿ <b>Molasses</b>	1,73,09,908	3,50,03,015
<b>ಒಟ್ಟು TOTAL</b>	<b>92,88,92,808</b>	<b>36,86,61,080</b>
ಬಿ) ಅಖೈರು ದಾಸ್ತಾನು <b>b) Closing Stock:</b>		
ಸಕ್ಕರೆ <b>Sugar</b>	36,08,07,048	91,15,82,900
ಕಾಕಂಬಿ <b>Molasses</b>	3,50,78,850	1,73,09,908
<b>ಒಟ್ಟು TOTAL</b>	<b>39,58,85,898</b>	<b>92,88,92,808</b>
<b>(a)-(b)</b>	<b>53,30,06,910</b>	<b>(56,02,31,728)</b>
<b>Grand Total</b>	<b>53,30,06,910</b>	<b>(56,02,31,728)</b>

## ನೌಕರರ ಸೌಲಭ್ಯಗಳ ವೆಚ್ಚಗಳು

**NOTE 24 : EMPLOYEE BENEFIT EXPENSES**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ <b>AS AT 31.03.2020</b>	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ <b>AS AT 31.03.2019</b>
ಎ) ಸಂಬಳ, ಮಜೂರಿ ಮತ್ತು ಭತ್ಯೆಗಳು <b>A Salaries, wages and allowances</b>	7,00,04,689	6,74,99,157
ಬಿ) ಭವಿಷ್ಯನಿಧಿ ಮತ್ತು ಇತರೆ ನಿಧಿಗಳಿಗೆ ಪಾವತಿಸಿರುವುದು <b>B Contribution to Provident fund and Other funds</b>	47,23,163	38,21,186
ಸಿ) ಸಿಬ್ಬಂದಿ ಕ್ಷೇಮಾಭ್ಯುದಯ ಖರ್ಚುಗಳು <b>C Staff Welfare Expenses</b>	28,50,735	32,49,680
<b>ಒಟ್ಟು TOTAL</b>	<b>7,75,78,586</b>	<b>7,45,70,023</b>

## ಹಣಕಾಸು ವೆಚ್ಚಗಳು

**NOTE 25 : FINANCE COSTS**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ <b>AS AT 31.03.2020</b>	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ <b>AS AT 31.03.2019</b>
ಎ) ಬಡ್ಡಿ ವೆಚ್ಚ <b>A Interest Expenses</b>	20,93,12,888	17,28,18,367
ಬಿ) ಇತರೆ ಸಾಲಗಳಿಗೆ ವೆಚ್ಚ <b>B Other Borrowings Costs</b>	81,19,429	67,34,391
<b>ಒಟ್ಟು TOTAL</b>	<b>21,74,32,317</b>	<b>17,95,52,758</b>





## ಇತರೆ ಖರ್ಚುಗಳು

**NOTE 26 : OTHER EXPENSES**

(All figures in Rupees)

	31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020	31.03.2019 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2019
ಸ್ಪೋರ್ಸ್ ಮತ್ತು ಬಿಡಿಭಾಗಗಳ ಬಳಕೆ Consumption of Stores and spares	1,23,50,981	1,96,63,659
ಖಾಲಿ ಚೀಲಗಳು ಮತ್ತು ದಾಸ್ತಾನಿನ ಖರ್ಚುಗಳು Packing and storage expenses	1,52,29,797	1,86,17,403
ನೀರಿನ ಕರ Water Charges	5,798	99,434
ಬಾಡಿಗೆ Rent	75,33,965	28,30,300
ಕಾನೂನು ಮತ್ತು ಸೇವಾ ಖರ್ಚುಗಳು Legal and Professional Charges	43,45,923	33,43,076
ದುರಸ್ತಿ ಮತ್ತು ನಿರ್ವಹಣೆ : <b>Repairs and Maintenance :</b>		
ಕಟ್ಟಡಗಳಿಗೆ on Buildings	8,14,862	20,21,696
ಯಂತ್ರೋಪಕರಣಗಳಿಗೆ on Plant and Machinery	4,98,48,807	4,90,63,174
ಇತರೆ on Others	18,45,935	14,11,783
ಸರಬರಾಜು ಮತ್ತು ವಿತರಣಾ ಖರ್ಚುಗಳು Supply and Distribution Expenses	72,51,843	1,80,98,910
ಪ್ರಯಾಣ ಭತ್ಯೆ ಖರ್ಚುಗಳು Travelling and Conveyance	16,51,293	18,70,965
ಬಾಡಿಗೆ ಮತ್ತು ಸಾಗಾಣಿಕೆ ವೆಚ್ಚಗಳು Freight and Forwarding	82,75,591	48,96,087
ಅಂಚೆ ಮತ್ತು ದೂರವಾಣಿ ಖರ್ಚುಗಳು Postage and Telephone Expenses	5,89,439	7,41,166
ಮುದ್ರಣ ಮತ್ತು ಲೇಖನಿ ಖರ್ಚುಗಳು Printing and Stationery	7,63,283	6,50,767
ವಿಮೆ Insurance	60,50,629	37,05,342
ವಾಹನಗಳ ನಿರ್ವಹಣೆ Vehicle Maintenance	43,62,428	55,75,363
ಪ್ರಚಾರ Advertisement	80,736	6,800
ನಿರ್ದೇಶಕರುಗಳ ಪ್ರವಾಸದ ಖರ್ಚುಗಳು Travelling Expenses to Managing Directors	79,74,596	87,85,973
ಆಡಿಟ್ ಶುಲ್ಕ : <b>Audit Fee :</b>		
ಕಾಯ್ದೆ ಬದ್ಧ ಆಡಿಟ್‌ಗೆ For Statutory Audit	50,000	---
ಕಾಸ್ಟ್ ಆಡಿಟ್‌ಗೆ For Cost Audit	60,000	30,000
ಇತರೆ ಸೇವೆಗಳಿಗೆ For Other Services	1,76,015	78,775
ಇತರೆ ಖರ್ಚುಗಳು Other Expenses	67,83,730	30,01,354
<b>ಒಟ್ಟು TOTAL</b>	<b>13,60,93,942</b>	<b>14,44,92,029</b>

## ANNEXURE TO NOTE NO. : 1

**PROPERTY, PLANT AND EQUIPMENTS SCHEDULE AS ON 31.03.2020**

PARTICULARS	COST			DEPRECIATION				WRITTEN-DOWN VALUE		
	AS ON 01.04.2019	ADDITIONS	WITHDRAWAL	AS ON 31.03.2020	UPTO 01.04.2019	PROVIDED	WITHDRAWAL	UPTO 31.03.2020	AS ON 31.04.2019	AS ON 31.03.2020
LAND	55605432.92	0.00		55605432.92	0.00			0.00	55605432.92	55605432.92
BUILDINGS,ROADS & YARDS	505301550.38	0.00		505301550.38	248344203.96	9673291.32	0.00	258017495.28	256957346.42	247284055.10
PLANT & MACHINERY	2180168855.08	54568279.68	0.00	2234737134.76	1258785962.52	75998204.17	0.00	1334784166.69	921382892.56	899952968.07
WELL & WATER WORKS	1976430.95	0.00		1976430.95	1788494.50	51211.92	0.00	1839706.42	187936.45	136724.53
FURNITURE & FIXTURES	2502704.11	0.00		2502704.11	2379649.80	10226.62	0.00	2389876.42	123054.31	112827.69
VEHICLES	56874463.59	9031342.00	6000000.00	59905805.59	36817956.78	2977932.20	1983834.46	37812054.52	20056506.81	22093751.07
OFFICE EQUIPMENTS	1503659.95	0.00		1503659.95	1418182.75	10120.78	0.00	1428303.53	85477.20	75356.42
LIBRARY	41213.03	0.00		41213.03	40911.80	0.00	0.00	40911.80	301.23	301.23
CANTEEN EQUIPMENTS	143608.82	0.00	0.00	143608.82	139476.01	824.41	0.00	140300.42	4132.81	3308.40
COMPUTERS	5655198.95	0.00	0.00	5655198.95	5257244.74	177603.22	0.00	5434847.96	397954.21	220350.99
WATER STORAGE TANK	42600429.95	0.00	0.00	42600429.95	18792315.09	870363.42	0.00	19662678.51	23808114.86	22937751.44
SOFTWARE PACKAGE	0.00	2250000.00	0.00	2250000.00	0.00	177655.68	0.00	177655.68		2072344.32
<b>TOTAL</b>	<b>2852373547.73</b>	<b>65849621.68</b>	<b>6000000.00</b>	<b>2912223169.41</b>	<b>1573764397.95</b>	<b>89947433.74</b>	<b>1983834.46</b>	<b>1661727997.23</b>	<b>1278609149.78</b>	<b>1250495172.18</b>
Previous years	2857056854.53	7617092.20	12300399.00	2852373547.73	1493423180.53	89838449.66	9497232.24	1573764397.95	1363633674.00	1278609149.78



Segment information for the year ended 31<sup>st</sup> March, 2020

Rs. In lakhs

	SUGAR	POWER	AVIATION	TOTAL
<b>Primary :</b>				
1. External revenues	18680	1348	257	20285
<b>Total</b>	<b>18680</b>	<b>1348</b>	<b>257</b>	<b>20285</b>
2. <b>Segment expenses (excluding interest) :</b>				
Cost of material consumed	9116	346	42	9504
Employees Cost	586	154	36	776
Other Expenses	964	184	213	1361
Stock Adjustment	5330	0	0	5330
<b>Total</b>	<b>15997</b>	<b>684</b>	<b>291</b>	<b>16971</b>
5. Segment results before Interest & Depreciation	2684	664	-34	3313
6. Add : Un allocated revenue	22	0	0	22
7. Operating profit	2705	664	-34	3335
8. Less : Interest expenses	2174	0	0	2174
9. Total	<b>531</b>	<b>664</b>	<b>-34</b>	<b>1161</b>
10. Depreciation	792	62	45	899
11. Provision for Taxation/Deferred Tax Liability	54	0	0	54
<b>12 Segment Profit</b>	<b>-316</b>	<b>602</b>	<b>-79</b>	<b>207</b>
13. Segment assets	24462	5350	634	30446
14. Segment liabilities	28046	2400	0	30446

As per our Audit Report of even date annexed

**For B. Gangadhara & Co.,**  
Chartered Accountant  
Sd/-

**B. Gangadhara**  
Proprietor (M.No. : 024094)  
UDIN : 20024094AAAHH7071

Date : 04-09-2020  
Place : Davangere

**Arun Kumar**  
CFO

**Pooja M M**  
Company Secretary

For and on behalf of the Board of Directors

Sd/-  
**Abhijith G**  
**Shamanur**

Executive Director  
DIN : 03451918

Sd/-  
**S S Ganesh**  
Managing Director  
DIN : 00451383



## CASH FLOW STATEMENT ANNEXED TO ANNUAL REPORT FOR THE YEAR ENDED ON 31.03.2020

	As at 31.03.2020	As at 31.03.2019
<b>A Cash flow from Operating activities:</b>		
Net profit after tax	2,06,92,639	4,69,86,697
Adjustment for provision for taxation	54,39,776	1,47,65,398
	2,61,32,416	3,22,21,300
Adjustment for depreciation	8,99,47,434	8,98,38,450
Operating profit before working capital adjustment	11,60,79,849	12,20,59,749
Adjustment for:		
Inventories	54,01,74,784	(37,22,96,597)
Sundry Debtors & trade receivables	(3,87,79,505)	(9,35,72,487)
Trade payables	(2,44,71,301)	3,39,08,941
Deferred Tax	10,83,164	50,95,536
Others		
<b>Net cash flow from operating activities</b>	<b>59,40,86,992</b>	<b>(30,48,04,858)</b>
<b>B Cash flow from Investing Activities:</b>		
Sale of Fixed Assets	-	-
Purchase of Fixed Assets	(1,27,05,741)	(48,13,925)
From capital work in progress	-	-
From Investments	(39,00,000)	(1,10,00,000)
<b>Net Cash flow from Investing activities</b>	<b>(1,66,05,741)</b>	<b>(1,58,13,925)</b>
<b>C Cash flow from Financing activities:</b>		
Proceeds from share allotment	-	-
Proceeds from share premium & Capital reserve	-	-
Proceeds from working capital loan	-	-
Proceeds from Short Term Borrowings	(27,03,80,535)	40,41,60,014
Proceeds from Long Term Borrowings	(3,36,15,027)	(6,74,96,419)
Proceeds from Other Long Term Liabilities	8,15,09,332	74,99,30,111
Proceeds from Long Term Loans and Advances	-20,15,00,818	-
Proceeds from Other Current Liabilities	-84,02,059	-79,15,42,784
Proceeds from Short Term Provisions	-53,13,250	96,69,862
Proceeds from Short Term Loans and Advances	(8,36,96,519)	(3,25,51,075)
Proceeds from unsecured loan		
<b>Net cash flow from financing activity</b>	<b>(52,13,98,875)</b>	<b>27,21,69,709</b>
Net Cash and Cash Equivalents (A+B+C)	5,60,82,375	-4,84,49,074
Cash and Cash Equivalents at the beginning of the year	1,03,99,920	5,88,48,994
Cash and Cash Equivalents at the end of the year	6,64,82,295	1,03,99,920

As per our Audit Report of even date annexed

**For B. Gangadhara & Co.,**  
Chartered Accountant  
Sd/-

**B. Gangadhara**  
Proprietor (M.No. : 024094)  
UDIN : 20024094AAAAHH7071

Date : 04-09-2020  
Place : Davangere

**Arun Kumar**  
CFO

**Pooja M M**  
Company Secretary

For and on behalf of the Board of Directors

Sd/-  
**Abhijith G**  
**Shamanur**  
Executive Director  
DIN : 03451918

Sd/-  
**S S Ganesh**  
Managing Director  
DIN : 00451383



**NOTE: 27 :**  
**NOTES FORMING PART OF ACCOUNTS FOR**  
**THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

**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 2020 are approved by the Board of Directors on 04-09-2020.

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. 2019-2020 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:**
- Revenue is recognized when property in goods that is Sugar & Molasses are sold for consideration.
  - 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.
  - Expenses are accounted for on accrual basis and provision is made for all known losses and expenses.
  - 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 credit 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
- Earnings** : Company has exported 9460 Qtls of finished sugar to foreign countries having a value of USD 3,65,156 and INR of Rs.275.74 laksh. Company has deemed export of Molasses to the extent of 3917.78 MTs through M/s. Mysore Mercantile Pvt Ltd.
  - Outgoings** : Our company has no imports during the Financial Year 2019-20.
- 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.1,54,26,000/- 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 **IND AS-24** is detailed below:

(Rupees)

Name	Sale Of Sugar	Sale Of Molasses	Purchase of provision for canteen
M/s Shamanur Kallappa & Sons	8,36,24,312	--	47,472
M/s. Sri Kalleswara Traders	—	—	3,15,735
M/s. Shivashankar Associates	—	—	1,36,810

**15. Earnings per share :**

The earning per share for the financial year ended 2019-20 works out to be **Rs. 0.37**(previous financial year is **Rs 0.58**) per equity share of Rs.10 each.

**16. Taxes on income :**

During the year Company has earned a profit of Rs.2.06 crores and paying MAT under the Income Tax act, 1961.

**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. 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.

**23. 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 and Rs. 1,62,000/- per month to Abhijith G S Executive Director wef 30-08-2019.

**24.** During the financial year there are no exceptional income and expenses as observed.**25.** 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.**26. 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.33 crores to Canara Bank and Rs.7.66 crores from State Bank of India.

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

**PLACE : DAVANGERE**

**DATED : 04.09.2020**

**Registered Office**  
**73/1, Post Box No.312,**  
**Shamanur Road, Davangere.**  
**KA:- 577004.**

As per our Audit Report of even date annexed

**For B. Gangadhara & Co.,**  
**Chartered Accountant**

Sd/-

**B. Gangadhara**

Proprietor (M.No. : 024094)

**UDIN : 20024094AAAAHH7071**