



46th ANNUAL REPORT 2016-17

NOTICE

NOTICE IS HEREBY GIVEN THAT THE FORTY SIXTH ANNUAL GENERAL MEETING OF DAVANGERE SUGAR COMPANY LIMITED WILL BE HELD ON THURSDAY, THE 21st DAY OF SEPTEMBER 2017 AT THOGATAVEERA SAMUDHAYA BHAVANA, M.C.C 'A' BLOCK, DAVANGERE-577004 AT 10.45 A.M.

TO TRANSACT THE FOLLOWING BUSINESS :

ORDINARY BUSINESS :

- 1) To receive, consider and adopt the audited Financial Statement as at 31st March, 2017 and the reports of the Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. MALLIKARJUN SHIVASHANKARAPPA SHAMANUR(DIN – 00699740), who retires by rotation and being eligible offers himself for re-appointment.
- 3) To appoint a Director in place of Mr. GANESH SHIVASHANKARAPPA SHAMANUR(DIN – 00451383), who retires by rotation and being eligible offers himself for re-appointment.
- 4) To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 (the “Act”) read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby appoint Mr. Lingaraju .V. (M.No.218951),Chartered Accountant, Davanagere as the Statutory Auditor of the Company, from the conclusion of 46thAnnual General meeting until the conclusion of the 51st Annual General Meeting on such remuneration as may be determined by the Board of Directors, subject to ratification at every Annual General Meeting and to fix their remuneration.”

By the order of the Board
for Davangere sugar company limited

S.S. Ganesh
Managing Director
DIN: **00451383**

Place : Davangere
Date : 28-08-2017



ನೋಟೀಸ್

ಕಂಪನಿಯ ಸಮಸ್ತ ಷೇರುದಾರರಿಗೆ ಈ ಮೂಲಕ ತಿಳಿಯಪಡಿಸುವುದೇನೆಂದರೆ, ನಿಮ್ಮ ಕಂಪನಿಯ ವ್ಯವಹಾರವನ್ನು ಪರ್ಯಾಯೀಚಿಸುವುದರ ಬಗ್ಗೆ ಮೇಲ್ಕಂಡ ಕಂಪನಿಯ ಸದಸ್ಯರ 46ನೇ ವಾರ್ಷಿಕ ಮಹಾಸಭೆಯು ತೋಟವೀರ ಸಮುದಾಯ ಭವನ ಎಂ.ಸಿ.ಸಿ 'ಎ' ಬ್ಲಾಕ್, ದಾವಣಗೆರೆಯಲ್ಲಿ ದಿನಾಂಕ 21ನೇ ಸೆಪ್ಟೆಂಬರ್ 2017ನೇ ಗುರುವಾರ ಬೆಳಿಗ್ಗೆ 10.45 ಘಂಟೆಗೆ ಸಮಾವೇಶಗೊಳ್ಳುವುದು.

ಸಾಮಾನ್ಯ ಕಲಾಪ :

1. ದಿನಾಂಕ 31-03-2017 ರಂದು ಇದ್ದಂತೆ ಲೆಕ್ಕ ಪರಿಶೋಧಿಸಲಾದ ಲಾಭ ಮತ್ತು ನಷ್ಟದ ಪಟ್ಟಿ ಹಾಗೂ ಇದೇ ಅವಧಿಗೆ ಕೊನೆಗೊಂಡ ಆಸ್ತಿ ಹೊಣೆ ಪಟ್ಟಿ ಹಾಗೂ ಈ ಬಗ್ಗೆ ಪರಿಶೋಧಕರ ಹಾಗೂ ನಿರ್ದೇಶಕರ ವರದಿಯೊಂದಿಗೆ ಸ್ವೀಕಾರ ಮತ್ತು ಅಂಗೀಕಾರ ;
2. ಸರದಿ ಮೇರೆಗೆ ನಿರ್ದೇಶಕರ ಸ್ಥಾನದಿಂದ ನಿವೃತ್ತರಾಗುತ್ತಿದ್ದು ಹಾಗೂ ಅರ್ಹತೆ ಹೊಂದಿದ್ದು ಪುನರ್ನೇಮಕ ಬಯಸುತ್ತಿರುವ ಶ್ರೀ ಮಲ್ಲಿಕಾರ್ಜುನ್ ಶಾಮನೂರು ಶಿವಶಂಕರಪ್ಪ (DIN No 00699740) ಇವರ ಸ್ಥಾನದಲ್ಲಿ ಬಬ್ಬ ನಿರ್ದೇಶಕರನ್ನು ನೇಮಿಸುವುದು.
3. ಸರದಿ ಮೇರೆಗೆ ನಿರ್ದೇಶಕರ ಸ್ಥಾನದಿಂದ ನಿವೃತ್ತರಾಗುತ್ತಿದ್ದು ಹಾಗೂ ಅರ್ಹತೆ ಹೊಂದಿದ್ದು ಪುನರ್ನೇಮಕ ಬಯಸುತ್ತಿರುವ ಶ್ರೀ ಗಣೇಶ್ ಶಾಮನೂರು ಶಿವಶಂಕರಪ್ಪ (DIN No 00451383) ಇವರ ಸ್ಥಾನದಲ್ಲಿ ಒಬ್ಬ ನಿರ್ದೇಶಕರನ್ನು ನೇಮಿಸುವುದು.
4. ಈ ಕೆಳಗಿನ ನಿರ್ಣಯವನ್ನು ಬದಲಾವಣೆ ಅಥವಾ ಬದಲಾವಣೆ ಇಲ್ಲದೆ ಸಾಮಾನ್ಯ ನಿರ್ಣಯವಾಗಿ ಅಂಗೀಕರಿಸುವುದು.

“ಕಂಪನಿ ಕಾಯ್ದೆ 2013 ರ ಸೆಕ್ಷನ್ 139 ಮತ್ತು ಇತರೆ ಸಂಬಂಧಪಟ್ಟ ಕಲಂಗಳ ಪ್ರಕಾರ ಶ್ರೀ ಲಿಂಗರಾಜು.ವಿ. (ಎಂ. ನಂ.218951), ಶಾಸನಬದ್ಧ ಲೆಕ್ಕಪರಿಶೋಧಕರು, ದಾವಣಗೆರೆ ಇವರನ್ನು ಕಂಪನಿಯ ಶಾಸನಬದ್ಧ ಲೆಕ್ಕಪರಿಶೋಧಕರಾಗಿ ಆಗಿ 46ನೇ ವಾರ್ಷಿಕ ಸಭೆಯು ಮುಕ್ತಾಯದಿಂದ 51ನೇ ವಾರ್ಷಿಕ ಮಹಾ ಸಭೆಯು ಮುಕ್ತಾಯದವರೆಗೆ ಕಂಪನಿಯ ಮಹಾಸಭೆಯ ಅನುಮೋದನೆಗೆ ಒಳಪಟ್ಟು ಆಡಳಿತ ಮಂಡಳಿಯು ನಿರ್ಧರಿಸುವ ವೇತನದ ಮೇರೆಗೆ ನೇಮಿಸಲಾಗಿದೆ.

ಆಡಳಿತ ಮಂಡಳಿ ಅಪ್ಪಣೆ ಮೇರೆಗೆ
ದಾವಣಗೆರೆ ಷುಗರ್ ಕಂಪನಿ ಲಿಮಿಟೆಡ್ ಪರವಾಗಿ

ಸ್ಥಳ : ದಾವಣಗೆರೆ
ದಿನಾಂಕ : 28-08-2017

ಎಸ್.ಎಸ್. ಗಣೇಶ್
ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರು
DIN: 00451383

**NOTES TO NOTICE**

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

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

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

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

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

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

Details of Directors seeking appointment/ re-appointment at the forthcoming Annual General meeting

Sl.No.	Particulars	Details of Directors	
1.	Name of the Director	S.S. MALLIKARJUN	S. S. GANESH
2.	Date of Birth	22/09/1967	13/09/1961
3.	Date of Appointment	03/09/1997	31/10/2000
4.	DIN	00699740	00451383
5.	Nationality	Indian	Indian
6.	Expertise in specific functional areas	—	—
7.	Qualification	Graduate	Undergraduate
8.	List of Public/ Private Companies in which outside Directorship held as on 31 st March 2017	M/s Indian Cane Power Ltd M/s. Samson Distilleries Pvt Ltd	M/s. S S Aviation Pvt Ltd M/s. Vishal Commercial Pvt Ltd
9.	Chairman/ Member of the Committees of the Public Companies on which he is a Director as on 31 st March 2017	Nil	Nil
10.	No of Shares held	208174 Shares	15083843 Shares
11.	Relationship with any Director of the Company	Brother of Mr. Ganesh Shivashankarappa Shamanur	Brother of Mr. Mallikarjun Shivashankarappa Shamanur

By the order of the Board
for Davangere sugar company limited

S.S. Ganesh

Managing Director

DIN: 00451383

Place : Davangere

Date : 28-08-2017



ನೋಟೀಸಿಗೆ ಟಿಪ್ಪಣಿ

- ಎ. ಮಹಾಸಭೆಯಲ್ಲಿ ಭಾಗವಹಿಸಲು ಮತ್ತು ಮತದಾನ ಮಾಡಲು ಹಕ್ಕಿರುವ ಪ್ರತಿ ಸದಸ್ಯರು ತಮ್ಮ ಬದಲು ಬೇರೊಬ್ಬರನ್ನು ಪ್ರತಿನಿಧಿಯಾಗಿ ನೇಮಕ ಮಾಡಲು ಹಕ್ಕನ್ನು ಪಡೆದಿರುತ್ತಾರೆ. ಹೀಗೆ ನೇಮಕಗೊಳ್ಳುವ ಪ್ರತಿನಿಧಿಯು ಕಂಪನಿಯ ಸದಸ್ಯರೇ ಆಗಿರಬೇಕೆಂಬ ನಿಯಮವಿರುವುದಿಲ್ಲ. ಸಭೆಯಲ್ಲಿ ದಾಖಲಾಗಲು ಪ್ರಾತಿನಿಧ್ಯ ಪತ್ರವನ್ನು ಮಹಾಸಭೆ ಜರುಗುವ ಕನಿಷ್ಠ 48 ಘಂಟೆಗಳ ಮುನ್ನ ನೋಂದಾಯಿತ ಕಛೇರಿಗೆ ತಲುಪಿಸತಕ್ಕದ್ದು.
- ಬಿ. ಕಂಪನಿಯ ಸದಸ್ಯರು ತಮ್ಮ ವಿಳಾಸದಲ್ಲಿ ಬದಲಾವಣೆಯಾಗಿದ್ದಲ್ಲಿ ಕೂಡಲೇ ಕಂಪನಿಯ ನೋಂದಾಯಿತ ಕಛೇರಿಗೆ ತಿಳಿಸತಕ್ಕದ್ದು.
- ಸಿ. ಷೇರು ವರ್ಗಾವಣೆ ಪುಸ್ತಕ ಮತ್ತು ಕಂಪನಿಯ ಸದಸ್ಯರ ರಿಜಿಸ್ಟರ್‌ನ್ನು ದಿನಾಂಕ 21-09-2017 ರಂದು ಮುಚ್ಚಿರಲಾಗುವುದು.
- ಡಿ. ಆಸ್ತಿ-ಹೊಣೆ ಪಟ್ಟಿ ಮತ್ತು ಲಾಭ-ನಷ್ಟದ ಪಟ್ಟಿಯ ಬಗ್ಗೆ ಯಾವುದೇ ಮಾಹಿತಿಯನ್ನು ಹೊಂದಲು ಇಚ್ಛಿಸುವ ಸದಸ್ಯರು ತಮ್ಮ ಪ್ರಶ್ನೆಗಳನ್ನು ಮುಂಚಿತವಾಗಿ ಕಂಪನಿಯ ನೋಂದಾಯಿತ ಕಛೇರಿಗೆ ಕಳುಹಿಸಲು ಕೋರಲಾಗಿದೆ. ಸದರಿ ಮಾಹಿತಿಯನ್ನು ಸಭೆಯಲ್ಲಿ ಕೊಡಲಾಗುವುದು.
- ಇ. ಕಂಪನಿಗಳ ಕಾಯ್ದೆ, 2013 ರ ಕಲಂ 160(1) ರ ಪ್ರಕಾರ ನಿರ್ದೇಶಕರ ಸ್ಥಾನಕ್ಕೆ ನಾಮಪತ್ರಗಳನ್ನು ಅಥವಾ ಬೇರೊಬ್ಬರ ಹೆಸರನ್ನು ಸೂಚಿಸುವ ನಾಮಪತ್ರಗಳನ್ನು ಲಿಖಿತ ರೂಪದಲ್ಲಿ ಮಹಾಸಭೆಯ ದಿನಾಂಕಕ್ಕಿಂತ 14 ದಿನಗಳ ಮುಂಚೆ ಅಂದರೆ ದಿನಾಂಕ 08-09-2017 ಅಥವಾ ಅದಕ್ಕೂ ಮುಂಚೆ ಠೇವಣಿ ರೂ. 1,00,000/- ಗಳೊಂದಿಗೆ ಕಂಪನಿಯ ನೋಂದಾಯಿತ ಕಛೇರಿಯಲ್ಲಿ ಸಲ್ಲಿಸತಕ್ಕದ್ದು. ನಂತರ ಅಂಚೆ ಅಥವಾ ಬೇರೆ ಯಾವುದೇ ವಿಧದಲ್ಲೇ ಆಗಲಿ ತಲುಪಿಸುವ ನಾಮಪತ್ರಗಳನ್ನು ಸ್ವೀಕರಿಸಲಾಗುವುದಿಲ್ಲ. ಆಯ್ಕೆ ಆದ ಅಭ್ಯರ್ಥಿಗಳಿಗೆ ಸದರಿ ರೂ. 1,00,000/- ಗಳನ್ನು ಹಿಂದಿರುಗಿಸಲಾಗುವುದು.

ವಾರ್ಷಿಕ ಮಹಾಸಭೆಯಲ್ಲಿ ಸರದಿ ಮೇರೆಗೆ ನಿವೃತ್ತರಾಗುತ್ತಿರುವ ನಿರ್ದೇಶಕರ ಬಗ್ಗೆ ಹೆಚ್ಚುವರಿ ಮಾಹಿತಿ :

ಕ್ರ.ಸಂ	ವಿವರ	ನಿರ್ದೇಶಕರ ವಿವರ	
1	ನಿರ್ದೇಶಕರ ಹೆಸರು	ಎಸ್.ಎಸ್. ಮಲ್ಲಿಕಾರ್ಜುನ್	ಎಸ್.ಎಸ್. ಗಣೇಶ್
2	ಹುಟ್ಟಿದ ದಿನಾಂಕ	22-09-1967	13-09-1961
3	ನೇಮಕಾತಿಯ ದಿನಾಂಕ	03-09-1997	31-10-2000
4	DIN No	00699740	00451383
5	ರಾಷ್ಟ್ರೀಯತೆ	ಭಾರತೀಯ	ಭಾರತೀಯ
6	ನಿರ್ದಿಷ್ಟ ಕ್ರಿಯಾತ್ಮಕ ಪ್ರದೇಶಗಳಲ್ಲಿ ಪರಿಣಿತಿ	-	-
7	ವಿದ್ಯಾರ್ಹತೆ	ಪದವೀಧರ	ಪದವಿ ಪೂರ್ವ
8	ನಿರ್ದೇಶಕರಾಗಿರುವ ಇತರ ಸಾರ್ವಜನಿಕ ನಿಯಮಿತ ಕಂಪನಿಗಳು	ಮೆ|| ಇಂಡಿಯನ್ ಕೇನ್ ಪವರ್ ಲಿಮಿಟೆಡ್., ಮೆ|| ಸ್ಯಾಮ್‌ಸನ್ ಡಿಸ್ಟ್ರಿಬ್ಯೂಷನ್ ಪ್ರೈ. ಲಿಮಿಟೆಡ್.,	ಮೆ|| ಎಸ್.ಎಸ್.ವಿವಿಯೇಶನ್ ಪ್ರೈ.ಲಿಮಿಟೆಡ್., ಮೆ|| ವಿಶಾಲ್ ಕಾರ್ಪೊರೇಷನ್ ಪ್ರೈ.ಲಿ
9	ನಿರ್ದೇಶಕರಾಗಿರುವ ಇತರ ಸಾರ್ವಜನಿಕ ನಿಯಮಿತ ಕಂಪನಿಗಳಲ್ಲಿ ಸದಸ್ಯತ್ವ ಹೊಂದಿರುವುದು.	-	-
10	ಷೇರುಗಳನ್ನು ಹೊಂದಿರುವುದು	208174 ಷೇರುಗಳು	15083843 ಷೇರುಗಳು
11	ಇತರೆ ನಿರ್ದೇಶಕರುಗಳ ಜೊತೆ ಹೊಂದಿರುವ ಸಂಬಂಧ	ಶ್ರೀ ಗಣೇಶ್ ಶಿವಶಂಕರಪ್ಪ ಶಾಮನೂರು ಇವರ ಸಹೋದರ	ಶ್ರೀ ಮಲ್ಲಿಕಾರ್ಜುನ್ ಶಿವಶಂಕರಪ್ಪ ಶಾಮನೂರು ಇವರ ಸಹೋದರ

ಆಡಳಿತ ಮಂಡಳಿ ಅಪ್ಪಣೆ ಮೇರೆಗೆ
ದಾವಣಗೆರೆ ಪುಗರ್ ಕಂಪನಿ ಲಿಮಿಟೆಡ್ ಪರವಾಗಿ

ಸ್ಥಳ : ದಾವಣಗೆರೆ
ದಿನಾಂಕ : 28-08-2017

ಎಸ್.ಎಸ್. ಗಣೇಶ್
ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರು



DIRECTORS' REPORT

To
The Members,

The Directors have pleasure in presenting the 46th (Forty Sixth) Annual Report together with Audited Financial Statements for the year ended 31st March, 2017.

We, as the Directors of your Company, are very eager to share the ups and downs in Company's affairs during the operating year 2016-17. We are presenting before you, the significant information as per the requirements of Section 134 of the Companies Act, 2013.

During 2014-15, your company was de-listed by virtue of being moved to dissemination board of BSE, from Bangalore Stock Exchange. More details are covered under the heading "de-listing"

STATE OF COMPANY'S AFFAIRS

Crushing Operations and Sugar Produced:

The Crushing operations were commenced from 06th October, 2016 and closed on 11th December, 2016 and your Company crushed 149633 MTs of sugarcane during the Financial Year 2016-17.

Year	Sugarcane Crushed (MTs)	Sugar Produced (Qtls)	Recovery (%)
2016-17	1,49,633	1,17,880	7.88%
2015-16	5,39,965	4,98,586	9,18%

The Company is anticipating to crush about 4,32,000 MTs of Sugarcane for the ensuing season 2017-18.

c. 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 sugar cane cultivation in the last four years & the estimation for the ensuing year.

Year	Area under sugarcane cultivation (in acres)
2013-14	12,935
2014-15	12,698
2015-16	15,732
2016-17	6,456
2017-18 (estimated for ensuing year)	10,090

The management is making sincere efforts to ensure the adequate supply of sugarcane to the Company.

SUGAR EXPORT :

During the FY 2016-17 company did not export any sugar as there is no scope for sugar export as the international prices are not remunerative to export the sugar. Hence, Company did not have any export earnings during the year under review.

CO-GEN AND POWER EXPORT :

Company is having a Co-gen power plant having an installed capacity of 24 MWs. During the financial year 2016-17 the Company has generated 7,19,94,880 KWH of power and has exported 8,38,78,900 units of power to ESCOMS/IEX compared to the previous year's export of 12,44,23,200 units. The Company has imported 8,50,800 units of power from



KPTCL during the year under review and had imported 3,02,000 units of power from KPTCL during the previous year 2015-16. The Co-gen unit has worked for 143 days during the year against 300 days during previous year 2015-16.

SUGAR INDUSTRY OVERVIEW

The Sugar Industry scenario for the ensuing Season 2017-18 is not so encouraging. During the current year 2016-17 the sugar prices were stable throughout the year. There was no sharp increase in the prices, because of the intermittent interference from the Central Government by resorting to stock limits etc. The policy of the Government is also not encouraging for the Sugar Industry. The sugarcane production is expected to be at lower level due to unfavorable monsoon which is going to affect yield of sugarcane. The production of sugar during the ensuing season 2017-18 may fall short of the expected level of production. Government may allow the sugar factories to import raw sugar. There expected to be deficit in the global production of sugar. Any favorable steps on the part of the Government to encourage the sugar factories during the ensuing season 2017-18 may help the industry to recover from the past losses.

GOVERNMENT MEASURES

Government had increased the import duty on sugar/raw-sugar from 25% to 40% to prevent import of sugar to India with a view to protect domestic prices. Keeping in view the shortage of sugar in the country, Government has permitted under TRQ quota to import raw sugar to all sugar factories with special quota for the southern India region. About 3,00,000 MTs of sugar quantity is allotted for the factories located in southern part of India. Our company has been allotted and permitted to import 6,599 MTs of raw-sugar and accordingly company has imported raw-sugar from Brazil.

SUGAR POLICY

The Central Government has opened up the Sugar industry to open market policy, where the price is determined by demand and supply derivatives. The Central Government has permitted the State Government to purchase Sugar for PDS from open market at the prevailing market prices, but has promised to extend subsidy to the States.

GOVERNMENT POLICY ON POWER SECTOR

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

EFFLUENT TREATMENT PLANT

Company has set up an effective Effluent Treatment Plant as per the standards prescribed by the Karnataka State Pollution Control Board. The Company has renewed the licenses under both the Water and Air pollution control Act, from the Pollution Control Board.

UPGRADATION OF TECHNOLOGY

The Management believes in the principle that the change is inevitable, and the Company should be equipped to face the challenges on account of the inevitable changes. Our company has taken up and completed the project of increasing the Boiler House capacity from 3500 TCD to 4750TCD along with installation of FFE (Falling Film Evaporator Technology) in sugar processing with steam saving devices with a capital cost of about Rs.37crore. Further, company wants to adopt VKT system in sugar processing which is under progress.

**MANAGEMENT OUT LOOK FOR 2017-18**

The supply of sugarcane to the factory may not to be at expected level since the area covered under the sugarcane cultivation has come down due to diversion to other alternative crops. Unfavorable monsoon has also affected the sugarcane cultivation. There seems to be deficit in the production of sugar during the ensuing year. The Government policy is not stable and the sugar industry is expected to suffer due to frequent changes in the policies of the Government. In the midst of all these odds, company has taken steps to cover more and more lands under sugarcane cultivation with new high yield variety of sugarcane by educating farmers. Management is hopeful of bringing more land in the command area under sugarcane cultivation.

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 Company has earned a profit Rs. 77.58 Lakhs during the year under review. The financial results for the year ending 31st March, 2017 are summarized below :

Rs. In Lakhs

Particulars	Current Year 2016-17	Previous Year 2015-16
1. Revenue from operations (Gross)	18163.02	19033.57
2. Less – Excise duty	844.24	666.74
3. Revenue from operations (Net)	17308.77	18366.82
4. Other income	48.21	96.55
5. Total	17356.99	18463.38
6. Cost of Material Consumed	4714.73	16505.90
7. Operating Expenses	9349.68	(4143.75)
8. Other Expenses	931.92	2211.01
9. Profit before depreciation and financial expenses	2360.63	3890.19
10. Financial cost	1361.80	1844.41
11. Depreciation and amortization	921.24	768.69
12. Profit before exceptional and extraordinary items	77.58	1277.09
13. Exceptional & Extraordinary Expenses	—	—
14. Profit before tax	77.58	1277.09
15. Interest in MAT	—	—
16. Deferred tax	241.39	257.21
17. Profit / Loss for the year	(-)163.80	1019.88



TRANSFER TO RESERVES : Entire Profit for the year Rs.77.58 Lakhs is transferred to Reserves and Surplus.

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

MEETINGS OF THE BOARD :

12 (Twelve) meetings of the Board of Directors were held during the year on following dates

21.04.2016	10.10.2016
12.05.2016	21.11.2016
20.06.2016	19.12.2016
18.07.2016	09.01.2017
18.08.2016	16.02.2017
03.09.2016	13.03.2017

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year one of the Director Mr. S SJayanna resigned from the Board on 12.05.2016 on account of his pre-occupancy with other work. Now the Board consists of 6 Directors after resignation of Mr. S SJayanna. The company will continue with 6 Directors which consists of two independent directors.

Company has appointed Ms. Reshma Manjunath on 01st June ,2017 as Company Secretary.

KEY MANAGERIAL PERSONNEL :

1. Mr. GANESH SHIVASHANKARAPPA SHAMANUR (DIN – 00451383) Managing Director,
2. Ms. RESHMA MANJUNATH (PAN – CLPPM1598B) Company Secretary.

Mr. GANESH SHIVASHANKARAPPA SHAMANUR (DIN – 00451383) Managing Director of the company is entrusted with substantial powers of management and he is “officer who is not at default” as per provisions of the Companies Act, 2013 and rules made there under,

Ms. RESHMA MANJUNATH (PAN – CLPPM1598B) Company Secretary was entrusted with compliance of provisions of the Companies Act, 2013 and rules made thereunder.

Mr. MALLIKARJUN SHIVASHANKARAPPA SHAMANUR (DIN: 00699740) and **Mr. GANESH SHIVASHANKARAPPA SHAMANUR (DIN – 00451383)**, Directors of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible offers themselves for re-appointment.

The Board of Directors further confirms that none of the Directors are disqualified as on 31st March, 2017 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 is Rs. 36,00,000/- per annum and that to the Executive Director is Rs. 19,44,000/- per annum.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6).

**POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION**

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

COMPOSITION OF COMMITTEES

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

Corporate Social Responsibility

In the CSR Committee meeting held on 19.12.2016, the committee observed that the company need not spend towards CSR activity. Brief calculation is given in the table hereunder

Financial year	Net profit / (loss) (Rs.)
2016-17	77,58,689
2015-16	10,19,87,874
2014-15	(17,01,48,217)
Total	(6,04,01,654)

As previous three years average net profit is negative, the amount to be spend towards CSR activity is NIL.

VIGIL MECHANISM

The Vigil Mechanism acts as an additional internal element of the Company's compliance and integrity policies. All employees, directors, vendors, suppliers, dealers and consultants, including auditors and advocates who are associated with the Company can raise concerns regarding malpractices and events which 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 disclosures made by him/her and ensures complete



confidentiality of the whistleblower's identity and the information provided by him/her. The investigation is conducted honestly, neutrally and in an unbiased manner. The subject or other involved persons in relation with the protected disclosure are also given an opportunity to be heard. Strict disciplinary actions are taken against anyone who conceals or destroys evidences related to protected disclosures made under this mechanism. The Vigil Mechanism policy also provides for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

DIRECTORS RESPONSIBILITY STATEMENT

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

- a. In the preparation of the annual accounts for the year ended 31st March 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit and Loss of the Company for that year.
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The Directors have prepared the annual accounts on a going concern basis and
- e. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CHANGES IN SHARES CAPITAL :

During the year under review there was no change in the Capital Structure of the Company and the 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.44,85,64,570/-divided into 4,48,56,457 Equity Shares of Rs. 10/- each.

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 and is attached to this Report.

AUDITORS AND AUDITOR'S REPORT

M/s Santhappa & Company, Chartered Accountants, Davangere are the statutory auditors of the company. As per provisions of Section 139 of the Companies Act, 2013 and rules made thereunder they hold office until the conclusion of the forthcoming Annual General Meeting in Sept, 2017. The auditor's report does not contain any qualification, reservation or adverse remark.

Further, on the recommendation of the Audit Committee, the Board of Directors further recommend Mr. Lingaraju .V. (M.No.218951), Chartered Accountant, Davanagere to be appointed as statutory auditor of the company to hold office from conclusion of the ensuing Annual General Meeting till the conclusion of 51st Annual General Meeting.

The Company has received consent in writing from the Auditor, for his appointment, so also certificate to the effect that they are eligible for appointment and are not disqualified for appointment.

DETAILS OF UNSECURED LOAN RECEIVED FROM DIRECTORS

During the year under review the Company has obtained short period loan (about 10 days) from Managing Director of the Company amounting to Rs.6,50,00,000/- for which he has given declaration that the amount is not being given out of



funds acquired by him by borrowing or accepting loans or deposits from others. The Loan is in the nature of current liability repayable within short time.

FORMAL ANNUAL EVALUATION

The company is covered under Section 134(3)(p) read with Rule 8(4) of the Companies (Accounts) Rules 2014. Accordingly formal annual evaluation 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 parameter 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 Venture 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 procedure 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 structured 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 with all appropriate 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 properly defined network. Head of Departments are responsible for implementation of the risk management system as may be applicable to their respective areas of functioning, and they report to the Board and Audit Committee when circumstances require.

SECRETARIAL AUDIT REPORT

The Company is not required to annex to their report secretarial audit report, as the paid up share capital of the Company is less Rs.50 Crores (Rupees Fifty Crores Only) and the turnover is less than Rs. 250 Crores (Rupees Two Hundred and Fifty Crores Only).

INTERNAL FINANCIAL CONTROLS

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 through 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 systems.

CONSERVATION OF ENERGY

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

TECHNOLOGY ABSORPTION

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

FOREIGN EXCHANGE EARNING AND OUTGO

Information pursuant to Rule 8(3) C of the Companies (Accounts) Rules.

The Company has incurred following Foreign Exchange Expenditure –

- 1) 1,24,500 USD (Equivalent to INR 83.41 Lakhs) being 10% of the value of Buyers Credit of USD 12,45,000 availed against import of 25000 MT of Coal from Indonesia.
- 2) 23,71,600 USD (Equivalent to INR 1517 Lakhs) against import of 44000 MT of Coal from Indonesia.

Further, there were no Foreign Exchange earnings during the year.

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

The Company has entered into transaction with the related parties within the meaning of Section 188 of the Companies Act, 2013. Form No. AOC-2 enclosed.

PARTICULARS OF EMPLOYEES

There is no employee, drawing remuneration of more than Rs. 1,02,00,000.00/- (Rupees One Crore and Two Lakhs Only) during the financial year or Rs. 8,50,000.00/- (Rupees Eight Lakh and Fifty Thousand Only) per month for part of the financial year.

COST AUDITORS

M/s. GNV & Associates, Bangalore, have been appointed as Cost Auditors of the Company as per the provisions of Section 148(1) of the Act.

DE-LISTING:

Your company was listed on Bangalore Stock Exchange (BgSE). SEBI had come out with Circulars for closure of Regional stock exchanges in India which are not meeting certain criteria specified by SEBI. So, BgSE was directed to



discontinue the stock exchange business and surrender their stock exchange license. Accordingly, Bangalore Stock Exchange surrendered its stock exchange license. Companies exclusively listed on BgSE, which did not voluntarily de-list were moved to dissemination board set up by NSE/ BSE/MCS-XS. Your company was moved to dissemination board of BSE vide BgSE letter dated 14th November, 2014, effectively delisting the company. The company status is as de-listed from the date of the said letter. The shareholders are free to transfer the shares off-market. In addition to the same, the shareholders may also use the dissemination mechanism of BSE. In order to use the said mechanism, the shareholders have to get registered with broker of BSE. Transfers will depend on availability of a buyer (who shall also be registered with such broker) for such shares. (Refer SEBI Circular No. COR/MD/DSA/14/2012 dated 30.05.2014 on closure of regional stock exchanges)

Further, the Company has submitted application for NSE and BSE listing on 30.06.2017 for listing and process of listing the company is under progress.

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 borrowings from Canara Bank and ICICI Bank Ltd. Company has issued CG to the extent of Rs.46 crores. These farmers contractors facilitate harvesting and transportation of sugarcane from the fields of the farmers to the company which is very important from the point of view of procurement of sugarcane for business of the company. Company does not assign contract or work order to H & T contractors. Farmers are assigning work of harvesting and transportation to supply sugarcane to company. The disclosure is made as per section 186 of 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 2016-17

ACKNOWLEDGEMENT

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

By the order of the Board
for Davangere sugar company limited

S.S. Ganesh
Managing Director
DIN: 00451383

Place : Davangere
Date : 28-08-2017

ನಿರ್ದೇಶಕರ ವರದಿ

ಸನ್ಮಾನ್ಯ ಸದಸ್ಯರೇ,

ನಿಮಗಲ್ಲಾ ತಿಳಿದಿರುವಂತೆ ನಿಮ್ಮ ಸಂಸ್ಥೆಯು ತನ್ನ ಪ್ರಾರಂಭದಿಂದ ಇದುವರೆಗೂ ತನ್ನ ಯಶಸ್ವಿ ಕಾರ್ಯನಿರ್ವಹಣೆಯ ನಲವತ್ತಾರು ವರ್ಷಗಳನ್ನು ಪೂರೈಸಿದೆ. ನಿಮ್ಮ ಕಂಪನಿಯ ನಿರ್ದೇಶಕರಿಗೆ, ಈ 46ನೇ ವಾರ್ಷಿಕ ವರದಿಯನ್ನು ಮತ್ತು 31ನೇ ಮಾರ್ಚ್ 2017 ಕೊನೆಗೊಂಡ ವರ್ಷದ ಪರಿಶೋಧಿಸಿದ ಲೆಕ್ಕ ಪತ್ರಗಳನ್ನು ತಮ್ಮ ಮುಂದೆ ಮಂಡಿಸಲು ಅತೀವ ಸಂತೋಷವೆನಿಸಿದೆ.

ನಿಮ್ಮ ಕಂಪನಿಯ ನಿರ್ದೇಶಕರಾಗಿ ನಾವು ನಿಮ್ಮ ಕಂಪನಿಯ 2016-17ನೇ ವರ್ಷಾವಧಿಯ ಕಾರ್ಯಾಚರಣೆಯ, ಕೆಲಸಕಾರ್ಯಗಳ ನಿರ್ವಹಣೆಯಲ್ಲಿನ ಏಳುಬೀಳುಗಳನ್ನು ಅತ್ಯಂತ ಆಸಕ್ತಿಯಿಂದ ನಿಮ್ಮೊಂದಿಗೆ ಹಂಚಿಕೊಳ್ಳಲಿಚ್ಛಿಸುತ್ತೇವೆ. ಕಂಪನಿಗಳ ಕಾಯ್ದೆ 2013 ರ ಕಲಂ 134 ರಡಿ ಅವಶ್ಯಕವಾದ ಮಹತ್ವದ ಮಾಹಿತಿಯನ್ನು ತಮ್ಮ ಮುಂದಿಡುತ್ತಿದ್ದೇವೆ.

2014-15ನೇ ವರ್ಷದಲ್ಲಿ ನಿಮ್ಮ ಕಂಪನಿಯು ಬೆಂಗಳೂರು ಸ್ಟಾಕ್ ಎಕ್ಸ್‌ಚೇಂಜ್‌ನ ಲೀಸ್ಟ್‌ಂಗಿನಿಂದ ಹೊರಬಂದಿರುತ್ತದೆ. ಇದಕ್ಕೆ ಸಂಬಂಧಿಸಿದಂತೆ ವಿವರಗಳನ್ನು ಡೀ-ಲೀಸ್ಟಿಂಗ್ ತೆರಿಗೆಯಲ್ಲಿ ನೀಡಲಾಗಿದೆ.

1. ಕಂಪನಿಯ ವಸ್ತು ಸ್ಥಿತಿ :

ಎ] ಆರ್ಥಿಕ ಫಲಿತಾಂಶಗಳು

ಕಂಪನಿಯು ವರದಿ ವರ್ಷದಲ್ಲಿ ರೂ. 77.58 ಲಕ್ಷಗಳ ಲಾಭವನ್ನು ಗಳಿಸಿರುತ್ತದೆ. ದಿನಾಂಕ: 31.03.2017ಕ್ಕೆ ಆರ್ಥಿಕ ಫಲಿತಾಂಶಗಳನ್ನು ಈ ಕೆಳಗಿನಂತೆ ನೀಡಲಾಗಿದೆ :

ಕ್ರ. ಸಂ.	ವಿವರಗಳು	31-03-2017ಕ್ಕೆ ಕೊನೆಗೊಂಡ ವರ್ಷಕ್ಕೆ	31-03-2016ಕ್ಕೆ ಕೊನೆಗೊಂಡ ವರ್ಷಕ್ಕೆ
1	ಆದಾಯ ಒಟ್ಟು ವಹಿವಾಟುಗಳಿಂದ	18163.02	19033.57
2	ಕಳೆಯಿರಿ: ಅಬಕಾರಿ ಸುಂಕ	844.24	666.74
3	ವ್ಯಾಪಾರ ವಹಿವಾಟುಗಳಿಂದ (ನಿವ್ವಳ ಮೊತ್ತ)	17308.77	18366.82
4	ಇತರೆ ಆದಾಯ	48.21	96.55
5	ಒಟ್ಟು	17356.99	18463.38
6	ಬಳಕೆ ಮಾಡಿದ ಸರಕು ಸಾಮಗ್ರಿಗಳ ವೆಚ್ಚ	4714.73	16505.90
7	ಕಾರ್ಯನಿರ್ವಹಣೆಯ ವೆಚ್ಚ	9349.68	(4143.75)
8	ಇತರೆ ವೆಚ್ಚಗಳು	931.92	2211.01
9	ಸವಕಳಿ ಕಳೆಯುವ ಮುಂಚಿನ ಲಾಭ	2360.63	3890.19
10	ಹಣಕಾಸು ವೆಚ್ಚ	1361.80	1844.41
11	ಸವಕಳಿ	921.24	768.69
12	ಪ್ರತಿಷೇದ ಮತ್ತು ವಿಶೇಷ ಬಾಬುಗಳ ಮೊದಲಿನ ಲಾಭ	77.58	1277.09
13	ಪ್ರತಿಷೇದ ಮತ್ತು ವಿಶೇಷ ಬಾಬುಗಳ ಮೇಲಿನ ವೆಚ್ಚ	-	-
14	ತೆರಿಗೆ ಮುಂಚಿನ ಲಾಭ	77.58	1277.09
15	MAT ತೆರಿಗೆ ಮೇಲಿನ ಬಡ್ಡಿ	-	-
16	ಮುಂದೂಡಿದ ತೆರಿಗೆ	241.39	257.21
17	ನಿವ್ವಳ ಲಾಭ	(-) 163.80	1019.88



(ಬಿ) ಕಬ್ಬು ಅರೆಯುವಿಕೆ ಕಾರ್ಯ ಮತ್ತು ಸಕ್ಕರೆ ಉತ್ಪಾದನೆ :

2016-17ನೇ ವರ್ಷದ ಕಬ್ಬು ಅರೆಯುವಿಕೆಯ ದಿನಾಂಕ 6ನೇ ಅಕ್ಟೋಬರ್, 2016 ರಂದು ಪ್ರಾರಂಭಗೊಂಡು 11ನೇ ಡಿಸೆಂಬರ್, 2016 ರಲ್ಲಿ ಅಂತ್ಯಗೊಂಡಿತು. ಹಣಕಾಸಿನ ವರ್ಷ 2016-17 ರಲ್ಲಿ ನಿಮ್ಮ ಕಂಪನಿಯು 1,49,633 ಮೆಟ್ರಿಕ್ ಟನ್ ಕಬ್ಬು ಅರೆದಿರುತ್ತದೆ.

ವರ್ಷ	ಕಬ್ಬು ಅರೆದಿರುವುದು ಮೆ.ಟನ್	ಸಕ್ಕರೆ ಉತ್ಪಾದನೆ [ಕ್ಟಿಂ]	ಇಳುವರಿ
2016-17	1,49,633	1,17,880	7.88
2015-16	5,39,965	4,98,586	9.18

ಕಂಪನಿಯು 2017-18ನೇ ಸಾಲಿನಲ್ಲಿ 4,32,000 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]
2013-14	12,935
2014-15	12,698
2015-16	15,732
2016-17	26,456
2017-18 [ಮುಂಬರುವ ವರ್ಷ]	10,090

[ಡಿ] ಸಕ್ಕರೆ ರಫ್ತು : ಹಲವಾರು ವಿಧಿಬದ್ಧ ತೊಡಕುಗಳು ಹಾಗೂ ವಿದೇಶಿ ಬೇಡಿಕೆ ಕುಗ್ಗಿದ ಕಾರಣ ಹಣಕಾಸು ವರ್ಷ 2016-17 ರಲ್ಲಿ ನಿಮ್ಮ ಕಂಪನಿಯು ಸಕ್ಕರೆಯನ್ನು ರಫ್ತು ಮಾಡಿರುವುದಿಲ್ಲ.

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

ಕಂಪನಿಯು 24 ಮೆ. ವ್ಯಾ. ಸಾಮರ್ಥ್ಯದ ಉತ್ಪಾದನಾ ಘಟಕ ಹೊಂದಿರುತ್ತದೆ. ಹಿಂದಿನ ವರ್ಷದ ಯೂನಿಟ್‌ಗಳ ವಿದ್ಯುತ್ ರಫ್ತಿಗೆ ಹೋಲಿಸಿದರೆ ಪ್ರಸಕ್ತ ವರ್ಷ 2016-17ನೇ ಅವಧಿಯಲ್ಲಿ 7,57,78,900 ಯುನಿಟ್ ವಿದ್ಯುತ್ ಉತ್ಪಾದಿಸಿ 7,19,94,880 ಯುನಿಟ್‌ಗಳನ್ನು ESCOMS/IEX ಗಳಿಗೆ ರಫ್ತು ಮಾಡಿರುತ್ತದೆ. ಕಂಪನಿಯು ಕೆ.ಪಿ.ಟಿ.ಸಿ.ಎಲ್‌ನಿಂದ 8,50,800 ಯುನಿಟ್ ವಿದ್ಯುತ್‌ನ್ನು ಆಮದು ಮಾಡಿಕೊಂಡಿದೆ. ಕಳೆದ ವರ್ಷ 2015-16ನೇ ಇಸವಿಯಲ್ಲಿ 3,02,000 ಆಮದು ಮಾಡಿಕೊಂಡಿರುತ್ತದೆ. ಕೋಜನ್ ಘಟಕವು 2016-17ನೇ ಸಾಲಿನಲ್ಲಿ 143 ದಿನಗಳ ಕಾಲ ಕಾರ್ಯನಿರ್ವಹಿಸಿದ್ದು ಮತ್ತು ಕಳೆದ ವರ್ಷ 2015-16ನೇ ಸಾಲಿನಲ್ಲಿ 300 ದಿನಗಳು ಕಾರ್ಯನಿರ್ವಹಿಸಿರುತ್ತದೆ.

1. ಸಾಮಾನ್ಯ ಕಾಯ್ದುಟ್ಟ ನಿಧಿ :

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

2. ಭೌತಿಕ ಬದಲಾವಣೆ ಮತ್ತು ಕಟ್ಟುಪಾಡುಗಳು :

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



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

(ಎ) ವಿದ್ಯುಚ್ಛಕ್ತಿ ಉಳಿತಾಯ : ವಿದ್ಯುಚ್ಛಕ್ತಿ ಉಳಿತಾಯವು ಆಡಳಿತ ಮಂಡಳಿಯ ನಿರಂತರ ಪ್ರಯತ್ನವಾಗಿದೆ. ತನ್ನ ಗೃಹ [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 2016-17 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 1988ರ ನಿಯಮ 2ರ ಮೇರೆಗೆ ಅವಶ್ಯಕವಾಗಿರುವ ಮಾಹಿತಿಯನ್ನು ಈ ವರದಿಗೆ ಜೋಡಿಸಿರುವ “ಫಾರ್ಮ್-ಬಿ” ಯಲ್ಲಿ ಕೊಡಲಾಗಿರುತ್ತದೆ.

(ಸಿ) ವಿದೇಶಿ ವಿನಿಮಯ ಗಳಿಕೆ ಮತ್ತು ವೆಚ್ಚ :

ಗಳಿಕೆ : ಮೇಲೆ ತಿಳಿಸಿರುವಂತೆ ವರದಿ ವರ್ಷದಲ್ಲಿ ನಿಮ್ಮ ಕಂಪನಿಯು ರಫ್ತು ಗಳಿಕೆಯನ್ನು ಪಡೆದಿರುವುದಿಲ್ಲ.

ವೆಚ್ಚ : ಕಂಪನಿಯು ಕೋಜನ್ ಘಟಕಕ್ಕೆ 44,000 ಮೆ.ಟನ್ ಕಲ್ಲಿದ್ದಲನ್ನು ಆಮದು ಮಾಡಿಕೊಂಡಿದ್ದು ಈ ಬಾಬು 23,71,600 ಅಮೆರಿಕನ್ ಡಾಲರ್ ಅಥವಾ ರೂ 1,581.81 ಲಕ್ಷಗಳನ್ನು ವೆಚ್ಚ ಮಾಡಿರುತ್ತದೆ.

ಕಂಪನಿಯು 2016-17ನೇ ಸಾಲಿನಲ್ಲಿ 25000 ಮೆ.ಟನ್ ಕಲ್ಲಿದ್ದಲನ್ನು ಆಮದು ಮಾಡಿಕೊಂಡಿದ್ದು ಇದರ ಬಾಬು 1,24,500 ಡಾಲರ್‌ಗಳನ್ನು ಪಾವತಿಸಿರುತ್ತದೆ. ಈ ಮೊತ್ತವು ಒಟ್ಟು ಬಯರ್ಸ್ ಕ್ರೆಡಿಟ್ ಮೌಲ್ಯದ 12,45,000 ಡಾಲರ್‌ಗಳನ್ನು ಶೇ 10 ಮೌಲ್ಯವಾಗಿರುತ್ತದೆ.

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

5. ನೌಕರರ ಸಂಭಾವನೆ :

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

6. ನಿರ್ದೇಶಕರ ಜವಬ್ದಾರಿ 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 2017ಕ್ಕೆ ಇರುವಂತೆ ಕಂಪನಿಯ ವಸ್ತುಸ್ಥಿತಿಗಳ ಬಗ್ಗೆ ಮತ್ತು ಪರಿಶೀಲನೆಗೆ ಒಳಪಟ್ಟಿರುವ ಈ ವರ್ಷದ ಕಂಪನಿಯ ನಷ್ಟಗಳ ಪರಿಗಣನೆಗಾಗಿ, ನಿರ್ದೇಶಕರು ಕೌಶಲ್ಯಯುತ ಲೆಕ್ಕಪತ್ರಗಳ ಮಟ್ಟವನ್ನು ಆರಿಸಿಕೊಂಡಿದ್ದು ಅವುಗಳನ್ನು ಸುಸಂಗತ ರೀತಿಯಲ್ಲಿ ಅನ್ವಯಿಸಿ ಅದರಂತೆ ಸಮಂಜಸ ಹಾಗೂ ಯುಕ್ತಾಯಕ್ಕೆ ಪರಿಚ್ಛಾನವುಳ್ಳ ರೀತಿಯಲ್ಲಿ ವಿವೇಚಿಸಿ ಮತ್ತು ಅಂದಾಜು ಮಾಡಿ ಆ ರೀತಿಯಲ್ಲಿ ಅಳವಡಿಸಿಕೊಂಡಿರುತ್ತದೆ.
- (iii) ಕಂಪನಿಗಳ ಕಾಯ್ದೆ 2013 ರಡಿ ಕೊಡಮಾಡಿರುವ ಅವಕಾಶಗಳನ್ವಯ ಕಂಪನಿಯ ಆಸ್ತಿ ರಕ್ಷಣೆಗಾಗಿ ಮತ್ತು ವಂಚನೆ ಅಕ್ರಮಗಳನ್ನು ತಪ್ಪಿಸಲು ಹಾಗೂ ಪತ್ತೆ ಮಾಡಲು ನಿರ್ದೇಶಕರು ಅರಿಯಾದ ಮತ್ತು ಸಾಕಷ್ಟು ಎಚ್ಚರಿಕೆಯಿಂದ ಕೂಡಿರುವಂತಹ ಯಥೋಚಿತ ಲೆಕ್ಕಪತ್ರ ದಾಖಲೆಗಳನ್ನು ಸಂರಕ್ಷಣೆ ಮಾಡಿರುತ್ತಾರೆ.
- (iv) ನಡೆಯುತ್ತಿರುವ ವ್ಯಾಪಾರಿ ಸಂಸ್ಥೆ (Going Concern) ತಳಹದಿಯ ಮೇಲೆ ನಿರ್ದೇಶಕರು 31 ಮಾರ್ಚ್ 2017 ಕ್ಕೆ ಕೊನೆಗೊಂಡ ಹಣಕಾಸು ವರ್ಷದ ಲೆಕ್ಕಪತ್ರಗಳನ್ನು ತಯಾರಿಸಿರುತ್ತಾರೆ.
- (v) ಕಂಪನಿಯ ಆಡಳಿತ ಮಂಡಳಿಯು ಎಲ್ಲಾ ರೀತಿಯ ಕಾಯ್ದೆ ಕಾನೂನುಗಳನ್ನು ಪರಿಪಾಲಿಸಲು ಸುವ್ಯವಸ್ಥಿತವಾದ ಕಾರ್ಯಪಾಲನೆ ವ್ಯವಸ್ಥೆಯನ್ನು ಅಳವಡಿಸಿದೆ.

7. ಸಕ್ಕರೆ ಉದ್ಯಮದ ಸಂಕ್ಷಿಪ್ತ ವರದಿ :

ಮುಂಬರುವ ಹಂಗಾಮು 2017-18 ರಲ್ಲಿ ಸಕ್ಕರೆ ಉದ್ಯಮದ ಚಿತ್ರಣವು ಅಷ್ಟೇನು ಆಶಾದಾಯಕವಾಗಿಲ್ಲ. ವರದಿ ವರ್ಷ 2016-17 ರಲ್ಲಿ ಡಿಸೆಂಬರ್ 15 ರ ನಂತರ ಸಕ್ಕರೆ ಬೆಲೆಯಲ್ಲಿ ಏರಿಕೆ ಕಂಡು ಬಂದಿತು. ಆದರೆ, ಕೇಂದ್ರ ಸರ್ಕಾರ ಪದೇ ಪದೇ ಮಧ್ಯೆ ಪ್ರವೇಶದಿಂದ ಸಕ್ಕರೆ ಉದ್ಯಮದ ನಿರೀಕ್ಷೆಗೆ ತಕ್ಕಂತೆ ಏರಿಕೆ ಸಾಧ್ಯವಾಗಲಿಲ್ಲ. ಸರ್ಕಾರದ ನೀತಿಯೂ ಸಹ ಸಕ್ಕರೆ ಉದ್ಯಮಕ್ಕೆ ಅನುಕೂಲಕರವಾಗಿರಲಿಲ್ಲ. ಹವಮಾನ ವೈಪರೀತ್ಯದಿಂದಾಗಿ ಕಬ್ಬು ಬೆಳೆಯ ಇಳುವರಿ ಕುಂಠಿತವಾಗುವ ಸಾಧ್ಯತೆ ಇದೆ. ಮುಂದಿನ ಹಂಗಾಮು 2017-18 ರಲ್ಲಿ ಹೆಚ್ಚು ಕಬ್ಬು ಬೆಳೆಯನ್ನು ನೀರಿಕ್ಷೆ ಮಾಡಲು ಸಾಧ್ಯವಿಲ್ಲ. ಜಾಗತಿಕ ಮಾರಿಕಟ್ಟೆಯಲ್ಲಿಯೂ ಸಹ ಸಕ್ಕರೆ ಕೊರತೆಯನ್ನು ನೀರಿಕ್ಷಿಸಲಾಗಿದೆ. ಆಂತರಿಕ ಬಳಕೆಯ ಸಕ್ಕರೆ ಬೆಲೆಯು ಅನುಕೂಲಕರವಾಗಿದ್ದರೂ ಸರ್ಕಾರದ ಮಧ್ಯಸ್ಥಿಕೆಯಿಂದ ಸಕ್ಕರೆ ಉದ್ಯಮದ ಲಾಭಾಂಶದ ಮೇಲೆ ವ್ಯತಿರಿಕ್ತ ಪರಿಣಾಮ ಉಂಟಾಗುತ್ತದೆ. ಸಕ್ಕರೆ ಕಾರ್ಖಾನೆಗಳನ್ನು ಪ್ರೋತ್ಸಾಹಿಸುವಂತಹ ಯಾವುದೇ ತೆರೆನಾದ ಕ್ರಮವನ್ನು ಸರ್ಕಾರವು 2017-18ನೇ ವರ್ಷದಲ್ಲಿ ತೆಗೆದುಕೊಂಡಲ್ಲಿ ಮಾತ್ರ ಸಕ್ಕರೆ ಉದ್ಯಮವು ಹಿಂದಿನ ನಷ್ಟಗಳಿಂದ ಹೊರಬರಲು ಸಾಧ್ಯವಾಗುತ್ತದೆ.

8. ಸರ್ಕಾರದ ಕ್ರಮಗಳು :

ಕೇಂದ್ರ ಸರ್ಕಾರವು ಈ ಕೆಳಗಿನ ಕ್ರಮಗಳನ್ನು ತೆಗೆದುಕೊಳ್ಳುವುದರ ಮೂಲಕ ಸಕ್ಕರೆ ಉದ್ಯಮಕ್ಕೆ ಪ್ರೋತ್ಸಾಹ ನೀಡಲು ಪ್ರಯತ್ನಿಸುತ್ತಿದೆ.

- (ಎ) ಸಕ್ಕರೆ ಆಮದು ಮೇಲೆ ಸೀಮಾ ಸುಂಕವನ್ನು ಶೇ 25 ರಿಂದ ಶೇ. 40 ಹೆಚ್ಚಿಸಿದ್ದರಿಂದ, ಸಕ್ಕರೆ ಆಮದು ಕಡಿಮೆಯಾಗಿರುತ್ತದೆ.

ದೇಶದಲ್ಲಿ ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯು ಕುಂಠಿತವಾಗುವ ಕಾರಣ ಸರ್ಕಾರ ಪ್ರಮುಖವಾಗಿ ದಕ್ಷಿಣದಲ್ಲಿರುವ ಸಕ್ಕರೆ ಕಾರ್ಖಾನೆಗಳಿಗೆ TRQ ಕೋಟಾದಡಿಯಲ್ಲಿ ಕಚ್ಚಾ ಸಕ್ಕರೆಯನ್ನು ಆಮದು ಮಾಡಿಕೊಳ್ಳಲು ಅನುಮತಿ ನೀಡಿರುತ್ತದೆ. ಇದರಂತೆ ಸುಮಾರು 3,00,000 ಮೆ.ಟನ್ ಸಕ್ಕರೆಯನ್ನು ದಕ್ಷಿಣ ಭಾಗದಲ್ಲಿರುವ ಫ್ಯಾಕ್ಟರಿಗಳಿಗೆ ವಿತರಣೆ ಮಾಡಿರುತ್ತದೆ. ನಿಮ್ಮ ಕಂಪನಿಯು 6599 ಮೆ.ಟನ್ ಕಚ್ಚಾ ಸಕ್ಕರೆಯನ್ನು ಬ್ರಜಿಲ್ ದೇಶದಿಂದ ಆಮದು ಮಾಡಿಕೊಂಡಿರುತ್ತದೆ.

9. ಸಕ್ಕರೆ ಕಾರ್ಯನೀತಿ (ಪಾಲಿಸಿ) :

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



10. ವಿದ್ಯುಚ್ಛಕ್ತಿ ಉತ್ಪಾದನೆ ಬಗ್ಗೆ ಸರ್ಕಾರದ ಕಾರ್ಯನೀತಿ :

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

11. ಹೊರಸೂಸುವಿಕೆ ನಿರ್ವಹಣಾ ಯಂತ್ರೋಪಕರಣ (EFFLUENT TREATMENT PLANT) :

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

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

ಕಂಪನಿಯು ಬಾಯ್ಲರ್ ಹೌಸ್ ಸಾಮರ್ಥ್ಯವನ್ನು 3500 ಟಿಸಿಡಿ ಯಿಂದ 4500 ಟಿಸಿಡಿಗೆ ಹೆಚ್ಚಿಸಲು ಕ್ರಮ ತೆಗೆದುಕೊಂಡಿರುತ್ತದೆ ಮತ್ತು ಇದರ ಜೊತೆಗೆ FFE ತಂತ್ರಜ್ಞಾನವನ್ನು ಮತ್ತು ವಿದ್ಯುಚ್ಛಕ್ತಿ ಉತ್ಪಾದನೆಗೆ ಕಡಿಮೆ ಪ್ರಮಾಣದಲ್ಲಿ ಸ್ಪೀಮ್ ಅನ್ನು ಉಪಯೋಗಿಸುವ ತಂತ್ರಜ್ಞಾನವನ್ನು ಅಳವಡಿಸಿದೆ. ಇದಕ್ಕಾಗಿಯೇ ಕಂಪನಿಯು ರೂ. 37.00 ಕೋಟಿಗಳ ಬಂಡವಾಳವನ್ನು ಹೂಡಿಕೆ ಮಾಡಿಕೊಂಡಿರುತ್ತದೆ.

13. 2017-18ನೇ ಸಾಲಿಗೆ ಕಬ್ಬಿನ ಬೆಳೆಯ ಕಡಿಮೆ ವಿಸ್ತೀರ್ಣದಲ್ಲಿ ನಾಟಿಯಾಗಿದ್ದು ಹವಾಮಾನ ವೈಪರೀತ್ಯದಿಂದಾಗಿ ಕಬ್ಬಿನ ಇಳುವರಿಯಲ್ಲಿ ಕುಂಠಿತವಾಗಿದ್ದು ಹಾಗೂ ರೈತರು ಬೇರೆ ಬೆಳೆಗಳತ್ತ ಆಸಕ್ತಿ ಹೊಂದಿರುವುದರಿಂದ ಕಬ್ಬಿನ ಬೆಳೆಯಲ್ಲಿ ಸಾಕಷ್ಟು ಕುಸಿತವಾಗಲಿದೆ. ತತ್ಪರಿಣಾಮ ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯಲ್ಲಿ ಕೊರತೆ ತಲೆದೋರಲಿದೆ. ಸರ್ಕಾರದ ನೀತಿಗಳಲ್ಲಿ ಸ್ಥಿರತೆ ಇರದೇ ಮತ್ತು ಪದೇ ಪದೇ ನೀತಿಗಳನ್ನು ಬದಲಾಯಿಸುವುದರಿಂದ ಸಕ್ಕರೆ ಉದ್ಯಮವು ತೊಂದರೆ ಅನುಭವಿಸುವಂತಾಗಿದೆ.

ಈ ಎಲ್ಲಾ ವೈಪರೀತ್ಯಗಳ ನಡುವೆಯೂ ಆಡಳಿತ ಮಂಡಳಿಯು ಹೆಚ್ಚು ಪ್ರದೇಶದಲ್ಲಿ ಕಬ್ಬು ಬೆಳೆಯಲು ರೈತರಿಗೆ ಪ್ರೋತ್ಸಾಹಿಸಲು ಕ್ರಮಗಳನ್ನು ಕೈಗೊಂಡಿದ್ದು, ಮುಂದಿನ ದಿನಗಳಲ್ಲಿ ಹೆಚ್ಚು ಪ್ರದೇಶದಲ್ಲಿ ಕಬ್ಬು ಬೆಳೆಯಲು ರೈತರು ಉತ್ಸಾಹದಿಂದ ಮುಂದಾಗಬೇಕೆಂದು ಆಡಳಿತ ಮಂಡಳಿಯು ಆಶಾದಾಯಕವಾಗಿದೆ. 2017-18ನೇ ಸಾಲಿನಲ್ಲಿ ಹೆಚ್ಚು ಇಳುವರಿ ನೀಡುವ ಕಬ್ಬಿನ ತಳಿಯನ್ನು ಪ್ರಾಯೋಗಿಕವಾಗಿ ಅಳವಡಿಸಲು ರೈತರಿಗೆ ಪ್ರೋತ್ಸಾಹ ಮಾಡುತ್ತಿದೆ.

14. ಆಡಳಿತ ಮಂಡಳಿಯ ಕಾರ್ಯನೀತಿ : ಕಾಲಕ್ರಮೇಣ ಹೊಸ-ಹೊಸ ಆಧುನಿಕ ತಂತ್ರಜ್ಞಾನವನ್ನು ಅಳವಡಿಸಿಕೊಂಡು ಅತ್ಯುತ್ತಮ ದರ್ಜೆಯ ಬಿಳಿಸಕ್ಕರೆಯನ್ನು ಉತ್ಪಾದಿಸಲು ಕಂಪನಿ ಆಡಳಿತವು ನಿರಂತರವಾಗಿ ಕಾರ್ಯಪ್ರವೃತ್ತವಾಗುವತ್ತ ನಂಬಿಕೆ ಹೊಂದಿದೆ. ಕಂಪನಿಯಲ್ಲಿ ಕೆಲಸ ಮಾಡುತ್ತಿರುವ ಎಲ್ಲರೂ ಒಂದೇ ಕುಟುಂಬದವರಂತೆ ಪ್ರತ್ಯಕ್ಷವಾಗಿ ಹಾಗೂ ಪರೋಕ್ಷವಾಗಿ ಎಲ್ಲರೂ ಒಟ್ಟಾಗಿ ಕಾರ್ಯಶೀಲರಾಗುವ ವಿಶ್ವಾಸವಿದೆ. ಕಂಪನಿಯು “ಕೊಟ್ಟು ತೆಗೆದುಕೊಳ್ಳುವ ತತ್ವ” ದಲ್ಲಿ ಅಚಲವಾದ ವಿಶ್ವಾಸವಿಟ್ಟಿದೆ. ಅದೆಂದರೆ, “ಹೆಚ್ಚು ದಕ್ಷತೆ - ಹೆಚ್ಚು ಉತ್ಪಾದನೆ - ಹೆಚ್ಚು ಪ್ರತಿಫಲ”.

15. ಲೆಕ್ಕ ಪರಿಶೋಧಕರು : ಮೆ|| ಶಾಂತಪ್ಪ ಅಂಡ್ ಕಂಪನಿ, ಚಾರ್ಟೆಡ್ ಅಕೌಂಟೆಂಟ್ಸ್, ದಾವಣಗೆರೆ ಇವರನ್ನು ಕಂಪನಿಯ ಶಾಸನಬದ್ಧ ಲೆಕ್ಕಪರಿಶೋಧಕರನ್ನಾಗಿ ಹಿಂದಿನ ವಾರ್ಷಿಕ ಮಹಾಸಭೆಯಲ್ಲಿ ನೇಮಿಸಿದ್ದು, ಈ ವಾರ್ಷಿಕ ಮಹಾಸಭೆಯ ಮುಕ್ತಾಯದವರೆಗೂ ಅಧಿಕಾರ ಉಳ್ಳವರಾಗಿರುತ್ತಾರೆ. ಕಂಪನಿ ಕಾಯ್ದೆ 2013ರ ಪ್ರಕಾರ ಈ ವಾರ್ಷಿಕ ವರ್ಷ 2017-18ರ ಸಾಲಿಗೆ ಮೆ|| ಶಾಂತಪ್ಪ ಅಂಡ್ ಕಂಪನಿ, ಚಾರ್ಟೆಡ್ ಅಕೌಂಟೆಂಟ್ಸ್, ಇವರು ನಮ್ಮ ಕಂಪನಿಯ ಶಾಸನಬದ್ಧ ಲೆಕ್ಕ ಪರಿಶೋಧಕರ ಹುದ್ದೆಯಿಂದ ನಿವೃತ್ತಿಯಾಗುತ್ತಿದ್ದು ಶ್ರೀ ಲಿಂಗರಾಜು ವಿ (ಎಂ.ನಂ. 218951), ಚಾರ್ಟೆಡ್ ಅಕೌಂಟೆಂಟ್ಸ್, ಇವರು ಕಂಪನಿಯ ಶಾಸನಬದ್ಧ ಲೆಕ್ಕಪರಿಶೋಧಕರನ್ನಾಗಿ ನೇಮಕ ಮಾಡಿಕೊಳ್ಳಲು ಕಂಪನಿಯ ಆಡಳಿತ ಮಂಡಳಿಯು ಶಿಫಾರಸ್ಸು ಮಾಡಿರುತ್ತಾರೆ. ಅದರಂತೆ, ಇವರ ನೇಮಕವನ್ನು ಮಹಾಸಭೆಯಲ್ಲಿ ಅನುಮೋದಿಸಬೇಕಾಗಿರುತ್ತದೆ.



16. ಆಡಳಿತ ಮಂಡಳಿ : ಕಂಪನಿಗಳ ಕಾಯ್ದೆ 2013ರ ಕಲಂ 160 ರ ಪ್ರಕಾರ ಈ ವಾರ್ಷಿಕ ಮಹಾಸಭೆಯಲ್ಲಿ ಶ್ರೀ ಎಸ್.ಎಸ್. ಮಲ್ಲಿಕಾರ್ಜುನ ಹಾಗೂ ಶ್ರೀ ಎಸ್.ಎಸ್. ಗಣೇಶ್ ಇವರು ವಾರ್ಷಿಕ ಮಹಾಸಭೆಯಲ್ಲಿ ನಿವೃತ್ತರಾಗಲಿದ್ದು ಹಾಗೂ ಅರ್ಹತೆ ಹೊಂದಿದ್ದು ಪುನರ್ನೇಮಕ ಬಯಸಿರುತ್ತಾರೆ.

ಆಡಳಿತ ಮಂಡಳಿ ಸಭೆಗಳು :

2016-17ನೇ ವಾರ್ಷಿಕ ವರ್ಷದಲ್ಲಿ ಒಟ್ಟು 12 ಆಡಳಿತ ಮಂಡಳಿ ಸಭೆಗಳು ಜರುಗಿದ್ದು ಅದರ ವಿವರಗಳು ಈ ಕೆಳಗಿನಂತಿವೆ:

21.04.2016	10.10.2013
12.05.2016	21.11.2016
20.06.2016	19.12.2016
18.07.2016	09.01.2017
18.08.2016	16.02.2017
03.09.2016	13.03.2017

ಪ್ರಸಕ್ತ ವರ್ಷ 2016-17ರಲ್ಲಿ ನಿಮ್ಮ ಕಂಪನಿಯ ನಿರ್ದೇಶಕರಾದ ಶ್ರೀ ಎಸ್.ಎಸ್. ಜಯಣ್ಣ ನವರು ದಿನಾಂಕ: 12.05.2016 ರಂದು ನಿವೃತ್ತಿ ಹೊಂದಿರುತ್ತಾರೆ.

ಕಂಪನಿಯು ಇವರ ನಿರ್ಗಮನದ ನಂತರ ಆರು ಜನ ನಿರ್ದೇಶಕರನ್ನು ಹೊಂದಿರುತ್ತದೆ. ಇದರಲ್ಲಿ ಇಬ್ಬರು ನಿರ್ದೇಶಕರು ಸ್ವತಂತ್ರ ನಿರ್ದೇಶಕರಾಗಿರುತ್ತಾರೆ.

ಕಂಪನಿಯು ಕು: ರೇಷ್ಮ ಎಂ. ಇವರನ್ನು ಕಂಪನಿಯ ಕಾರ್ಯದರ್ಶಿಯಾಗಿ 01-06-2017ರಿಂದ ಜಾರಿಗೆ ಬರುವಂತೆ ನೇಮಕ ಮಾಡಿಕೊಂಡಿರುತ್ತದೆ. ಇವರಿಗೆ ಕಂಪನಿ ಕಾನೂನುಗಳನ್ನು ಕಂಪನಿ ಪಾಲಿಸುವ ಬಗ್ಗೆ ನಿರ್ವಹಣಾ ಜವಾಬ್ದಾರಿಯನ್ನು ವಹಿಸಿರುತ್ತದೆ.

ಸ್ವತಂತ್ರ ನಿರ್ದೇಶಕರಿಂದ ಕಂಪನಿ ಕಾಯ್ದೆ 2013 ಕಲಂ 149(7)ರ ಪ್ರಕಾರ ಮತ್ತು 149(6)ರ ಪ್ರಕಾರ ಅಗತ್ಯವಿರುವ ನಿರ್ದೇಶಕರ ಸ್ವತಂತ್ರತೆಯ ಘೋಷಣೆಯನ್ನು ಕಂಪನಿಯು ಪಡೆದಿರುತ್ತದೆ.

ಔದ್ಯಮಿಕ ಬಾಂಧವ್ಯಗಳು : ಕಾರ್ಮಿಕರೊಂದಿಗಿನ ಔದ್ಯಮಿಕ ಸಂಬಂಧ ಹೃತ್ಪೂರ್ವಕವಾಗಿ ಹಾಗೂ ತೃಪ್ತಿಕರವಾಗಿ ಮುಂದುವರೆದಿದೆ. ಪ್ರಸಕ್ತ ವರ್ಷದಲ್ಲಿ ಸಿಬ್ಬಂದಿಯವರ ಸಹಕಾರಕ್ಕೆ ನಿಮ್ಮ ನಿರ್ದೇಶಕರು ತಮ್ಮ ಗೌರವಾದರಗಳನ್ನು ದಾಖಲಿಸಲು ಇಚ್ಛಿಸುತ್ತಾರೆ.

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 : 28-08-2017

ಆಡಳಿತ ಮಂಡಳಿ ಅಪ್ಪಣೆ ಮೇರೆಗೆ
ದಾವಣಗೆರೆ ಷುಗರ್ ಕಂಪನಿ ಲಿಮಿಟೆಡ್ ಪರವಾಗಿ

ಎಸ್.ಎಸ್. ಗಣೇಶ್
ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರು



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 / Received	Advance paid (if any)	Related party due to	Member Interested in contract (with % of Shareholding in the Company)
1	Kalleswara Traders	Relative of MD is partner in firm	Purchase of provision item for Company canteen	2016-17	Rs. 4,30,566	Nil	-	N.A.
2	M/s. S. Kallappa & Sons	MD is partner in firm	Sale of Sugar	2016-17	Rs. 99,07,150	Nil	-	N.A.
	S. Kallappa & Sons	MD is partner in firm	Purchase of provision item for Company canteen	2016-17	Rs. 40,735	NIL	-	N.A.
3	M/s. Shivashankar Associates	MD is partner in firm	Purchase of provision item for Company canteen	2016-17	Rs. 1,87,995	NIL	-	N.A.
4	M/s. S.S. Trading Co.	MD is partner in firm	Sale of Sugar	2016-17	Rs.9,92,23,000	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)
1	---	---	NOT APPLICABLE	---	---	---	---	---

By the order of the Board
for Davangere sugar company limited

Place : Davangere
Date : 28-08-2017

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, 2017	For Previous Year ended March 31, 2016
I. POWER AND FUEL CONSUMPTION		
1. ELECTRICITY		
A. Purchases		
Unit	8,50,800	3,01,200
Total Amount	76,99,740	27,49,107
Rate/Unit	9.05	9.10
B. Own Generation		
[a] Through Diesel Generator		
Unit	3,330	3,890
Unit per Litre of Diesel Oil	1.75	2.38
Cost/Unit	28.22	19.48
[b] Through Steam Turbine		
Unit	8,38,78,900	15,00,14,000
Unit per MT of fuel consumed	1056.00	1050.00
Cost/Units	4.34	4.35
C. Consumption per unit of production (per Qtl of Sugar)		
Standardsif any	Current year 2016-17	Previous Year 2015-16
Products (with details) Unit – Sugar in Qtls	1,17,880	4,98,586
Electricity consumption per qtl of sugar (units) Furnace Oil	41.00	31.00
Others	-	-
Bagasse consumption per Qtl of Sugar (MTs)	0.30	0.30

For and on behalf of the Board

Place : Davangere
Date : 28-08-2017

S.S. Ganesh
Managing Director
DIN: 00451383



ANNEXED TO DIRECTORS' REPORT

FORM - B

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY
ABSORPTION, RESEARCH AND DEVELOPMENT (R & D)**

Particulars	Particulars
RESEARCH AND DEVELOPMENT (R & D)	
1] Specific areas in which R & D carried out by the Company	Steam saving device
2] Benefits derived as a result of the above R & D	On going
3] Future Plan of Action	To expand Sugar Cane growing area and to maximize sugar cane crushing quantity in coming years.
4] Expenditure on R & D:	-
[a] Capital	-
[b] Recurring	-
[c] Total	-
[d] Total R & D expenditure as a % of Total Turnover	-
TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION	
1] Efforts, in brief, made towards technology absorption, adaptation and innovation	Expansion and Modernisation of process house with FFE Technology and adoption of German model VKT technology.
2] Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.,	Increase in productivity, product quality and reduction in steam consumption.
3] In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:	
[a] Technology Imported	N.A.
[b] Year of Import	N.A.
[c] Has technology been fully absorbed?	N.A.
[d] If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	N.A.

By the order of the Board
for Davangere sugar company limited

S.S. Ganesh
Managing Director
DIN: **00451383**

Place : Davangere
Date : 28-08-2017



ANNEXURE A CORPORATE GOVERNANCE

A. MANDATORY REQUIREMENTS

Company's philosophy on Corporate Governance

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

1. Board of Directors

(a) Composition

As at the end of the year 31st March 2017 the Board of Directors had Six members comprising of one Managing Director and one Executive Director and four Non-Executive Directors. The Non-Executive Directors included two Directors who are Independent Directors and two promoter directors.

Attendance of each Director at the Board Meetings during the Financial Year 2016-17. 12 (Twelve) Board Meetings were held. The attendance of each of the Directors at the said Board Meetings is given below :

Name of Director Sriyuths	Category of Directorship	No. of Meetings attended	% of total Meetings during the tenure as a Director
1. S.S. Ganesh	MD	12	100%
2. Abhijith Ganesh Shamanur	ED	12	100%
3. S.S. Mallikarjun	IND	9	69%
4. S.S. Jayanna	IND	2	17%
5. K.V. Somashekar	IND	12	100%
6. A.C. Jayanna	IND	12	100%
7. Smt. Rekha Ganesh	IND	12	100%

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

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

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

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

12 (Twelve) Board meetings were held during the financial year ended 31st March 2017. The dates on which the said meetings were held are given below :

21.04.2016	18.07.2016	10.10.2016	09.01.2017
12.05.2016	18.08.2016	21.11.2016	16.02.2017
20.06.2016	03.09.2016	19.12.2016	13.03.2017

2 Audit Committee :

(a) Terms of Reference

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

(b) Composition, names of members and Chairperson

Vide board resolution dated 21.04.2016, the Audit Committee was re-constituted with of one Executive Director namely Sri. S.S. Ganesh and two Independent Directors namely Sri. A.C. Jayanna and Sri. K.V. Somashekar. The Statutory Auditors M/s Santhappa and Co., the Internal Auditor M/s G.Gangadhar & Co., being permanent invitees and two members of the Committee are Independent Directors. In that Sri. A.C. Jayanna is the Chairman of the Audit Committee.

(c) Meetings and Attendance during the year

Six meetings were held during the financial year ended 31st March, 2017. The First meeting on, 12th May, 2016 the second meeting on 20th June, 2016, the third meeting on 18th August, 2016 the fourth meeting on 03rd September, 2016, the fifth meeting on 19th December, 2016 and the sixth meeting on 13th March, 2017. The attendance of each member of the committee is given below :

Name of Director Sriyuths	Number of Meetings attended
1. S.S. Ganesh	6
2. K.V. Somashekar	6
3. A.C. Jayanna	6

4. Cost Audit Committee :

The Cost Audit Committee is constituted consisting of M/s. GNV & Associates, Bangalore, who have been appointed as our Company Cost Auditors under section 148(3) of the Companies Act, 2013. The committee consists of Sri A.C. Jayanna and Sri K.V. Somashekar who are the independent directors, as the members of the committee. The meeting was held on 18th July, 2016.

(a) Terms of Reference

- (i) to facilitate carryout of the cost audit of accounting records of our company, in terms of the Companies Act, 1956 read with the Companies Act, 2013
 - (ii) to identify the costs to the extent possible cost centre wise.
 - (iii) to guide the management on significant variations in the costs of a cost centre year on year basis.
- The cost audit of our Company for the Financial Year 2016-17 is under progress.



5. Nomination and Remuneration Committee

(a) Terms of Reference

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

(b) Composition, names of members and Chairperson

Vide board resolution dated 21.04.2016, the Remuneration Committee was reconstituted with three Non-Executive Directors namely, Smt. Rekha S Ganesh, Sri. A.C. Jayanna (Independent) and Sri. K.V. Somashekar, (Independent). Sri. K.V. Somashekar is the Chairman of the committee.

(c) Remuneration Policy

The remuneration is being paid to the Managing Director and Executive Director, no sitting fees is paid to any Director. The Managing Director and Executive Director are paid remuneration as approved by the members in their General Body Meeting from time to time. In its meeting held on 09.01.2017 the committee recommended remuneration policy to the Board and in the meeting held on same date, the board approved the same.

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

The Managing Director is being paid a remuneration of Rs. 3.00 lakhs per month (consolidated and all inclusive) w.e.f., 24th September, 2011 and to the Executive Director Rs. 1.62 lakhs per month w.e.f., 8th November, 2012 as approved in the General Body Meeting.

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

Vide board resolution dated 21.04.2016, Transfer & Shareholders' / Investors' Grievance Committee was reconstituted with Directors Namely Smt. Rekha S Ganesh and two Non-Executive & Independent Directors namely Sri. A.C. Jayanna and Sri. K.V. Somashekar. Sri A.C. Jayanna is the chairman of the committee.

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

7. Committee of Corporate Social Responsibility

(a) Terms of Reference :

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

(b) Composition, names of members and Chairperson

Vide board resolution dated 21.04.2016, the Corporate Social Responsibility Committee was constituted with, Sri S S Ganesh, Managing Director, Sri A.C. Jayanna, Independent Director, & Sri K.V. Somashekar Independent Director and Sri K.V. Somashekar Independent Director. Sri A.C. Jayanna is the chairman of the committee.

8. General Body Meetings

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

Location	Date	Time
i. Thogataveera Samudhaya Bhavana, M.C.C. 'A' Block, Davangere	29.09.2016	10.45 a.m.
ii. Thogataveera Samudhaya Bhavana, M.C.C. 'A' Block, Davangere	07.11.2015	10.45 a.m.
iii. Bapuji Auditorium, M.C.Colony, "B" Block, Davangere	20.09.2014	10.45 a.m.



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

9. Disclosure

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

10. General Shareholder Information

- (a) **AGM DATE AND TIME** : 21st Septemebr, 2017 at 10.45 a.m.
VENUE : **Thogataveera Samudhaya Bhavana**
M.C.C. 'A' Block, DAVANGERE
 (b) Date of Book closure : 21st September, 2017
 (c) Dividend payment date(s) : N.A.
 (d) (i) Stock code – Physical : Nil
 (ii) Demat ISIN Number for NSDL & CDSL: INE179G01011
 (e) Market price data: High/Low : Not traded through Stock Exchange.
 during each month in last Financial year : Privately traded at Rs. 10/- each during the entire year.
 (f) Stock performance in comparison :
 to broad based indices such : Not applicable
 as BSE Senses, BSE 2000, Nifty.
 (g) Registrar and Transfer Agents : M/s. Integrated Enterprises(India) Ltd.,
 30, Ramana residency, 4th Cross, Sampige Road
 Malleswaram, BANGALORE – 560 003
 (h) Share Transfer System : M/s. Integrated Enterprises (India) Ltd., has been authorized
 to approve the transfer of shares. The said transfers
 are then reported to the subsequent Board Meeting.

(i) De-materialization of shares and liquidity

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

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

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

(k) Plant Locations:

Sugar Unit & Co-generation Unit
Kukkuwada Village. Davangere taluk & District,
Karnataka State – 577 525

(l) Address for Correspondence:

Secretary (I/c)
Davangere Sugar Co.Ltd., Kukkuwada Village.
Davangere taluk & District, Karnataka State- 577 525

Place : Davangere

Date : 28-08-2017

By the order of the Board for Davangere sugar company limited

S.S. Ganesh

Managing Director **DIN: 00451383**



Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on March 2015
 [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: - L01115KA1970PLC001949
- 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	82%
2	Power	1703	18%

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 2016]				No. of Shares held at the end of the year [As on 31 March 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoters (Individuals)	1636878	27095198	28731976	64.05	1636878	27095198	28732076	64.05	Nil
NRIs- Individuals	-	2001650	2001650	4.46	-	2001650	2001650	4.46	Nil
Bodies Corp.	-	8093479	8093479	18.05	-	8093479	8093479	18.05	Nil
Others - Individuals	-	6029252	6029352	13.44	-	6029252	6029252	13.44	Nil
Grand Total	1636878	43219579	44856457	100	1636878	43219579	44856457	100	Nil

**B) Shareholding of Promoters :-**

SN	Shareholder's Name Shriyuts	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	S Shivashankarappa	500	0.0011	-	500	0.0011	-	Nil
2.	S S Ganesh	15522478	34.60	-	15522478	34.60	-	Nil
3.	Rekha S Ganesh	6086200	13.57	-	6086200	13.57	-	Nil
4.	Abhijit G Shamanur	6914724	15.42	-	6914724	15.42	-	Nil
5.	S S Mallikarjun	208174	0.46	-	208174	0.46	-	Nil

C) Change in Promoters' Shareholding (please specify, if there is no change): No change**D) Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders Shriyuts	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	S.S. Ganesh	15522478	34.60	15522478	34.60
2	Rekha S. Ganesh	6086200	13.57	6086200	13.57
3	Abhijit G. Shamanur	6914724	15.42	6914724	15.42
4.	M/s. Mafatlal Plywood Industries Ltd.	8000000	17.73	8000000	17.73

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 during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	S S Ganesh	15522478	34.60	15522478	34.60
2	Rekha S Ganesh	6086200	13.57	6086200	13.57
3	Abhijit G Shamanur	6914724	15.42	6914724	15.42
4	S S Mallikarjun	208174	0.46	208174	0.46
5	S S Jayanna	15615	0.0548	15615	0.0548
6	A C Jayanna	500	0.0011	500	0.0011
7	K V Somashekar	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 Rs. in lakhs	Unsecured Loans Rs. in lakhs	Deposits Rs. in lakhs	Total Indebtedness Rs. in lakhs
Indebtedness at the beginning of the financial year				
i) Principal Amount (Term loan and working capital)	17895.12	Nil	Nil	17895.12
ii) Interest due but not paid	30.78	Nil	Nil	30.78
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	17925.90			17925.90



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

	Secured Loans excluding deposits Rs. in lakhs	Unsecured Loans Rs. in lakhs	Deposits Rs. in lakhs	Total Indebtedness Rs. in lakhs
Indebtedness at the end of the financial year				
i) Principal Amount (Term loan and working capital)	9631.32	Nil	Nil	9631.32
ii) Interest due but not paid	112.65	Nil	Nil	112.65
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	9743.97	Nil	Nil	9743.97

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

SN.	Particulars of Remuneration	Name of MD/ED		Total Amount
		Sri S S Ganesh	Sri Abhijit G Shamanur	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3600000	1944000	54,44,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option	None	None	Nil
3	Sweat Equity	None	None	Nil
4	Commission			
	- as % of profit			
	- others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	3600000	1944000	55,44,000
	Ceiling as per the Act	10% of Net Profit	10% of Net Profit	-

B. Remuneration to other directors- No other director draws remuneration

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / ED: None

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: None

By the order of the Board
for Davangere sugar company limited

Place : Davangere
Date : 28-08-2017

S.S. Ganesh
Managing Director
DIN: 00451383



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

To
The Board of Directors of Davangere Sugar Company Limited
I, A C Jayanna, son of Sri. Channabasappa, resident of No. 351, 8th Cross,
P J Extn, Davangere, independent director of the company herby declare that
I fulfil the requirement of independence as stipulated under Section 149(6) of
Companies Act 2013

sd/-

Name: A C Jayanna

DIN: 01967757

Date: 28.08.2017

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

To
The Board of Directors of Davangere Sugar Company Limited
I, K V Somashekar, son of Sri. Kiruvadi Veerabasappa, resident of # 428/3,
K B Extension, Davanagere, independent director of the company herby
declare that I fulfil the requirement of independence as stipulated under Section
149(6) of Companies Act 2013

sd/-

Name: K V Somashekar

DIN: 02408750

Date: 28.08.2017

**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	Mr. S.S. Jayanna Resigned w.e.f. 12.05.2016
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.



Santhappa & Co.,
Chartered Accountants

'Ganesh Complex', Behind Hotel Darshan,
P.B. Road, DAVANGERE – 577 002.
Tel. Off: 08192-231672, 231673. Fax: 231674.

AUDITORS' REPORT

To,
The Members of Davangere Sugar Company Limited
Report on the Financial Statements

We have audited the accompanying financial statements of **Davangere Sugar Company Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

1. The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility:

2. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
3. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.
4. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

5. In our opinion and to the best of our information and according to the explanations given to us, the 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:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017 ;
 - (b) in the case of the Statement of Profit and Loss, of the **LOSS** of the Company for the year ended on that date, and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

6. As required by the **Companies (Auditor's Report) Order, 2015** ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.

**7. As required by section 143(3) of the Act, we further 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 purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the Balance Sheet, and the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- e. on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

Place : Davangere
Date : 28-08-2017

For Santhappa & Co.,
Chartered Accountants ICAI FRNo: 003564S

Veerendra Kumar M.V.
Partner Membership No: 216317

Annexure referred to in paragraph 6 Our Report of even date to the members of Davangere Sugar Company Limited, on the accounts of the company for the year ended 31st March, 2017

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that :

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) As explained to us, the Fixed Assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed during the course of such verification.
c) In our opinion, the disposal of fixed assets during the year has not affected the going concern assumption.
2. a) In our opinion, the stocks of finished goods, stores and spare parts and raw materials including components during the year, have been physically verified and as certified by the management .
b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
c) In our opinion and according to the information and explanations given to us the company has maintained proper records of its inventories and no material discrepancies were observed during the course of physical verification.
3. The Company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to the purchase of inventory, Fixed Assets and sale of goods. During the course of our audit no major weakness has been noticed in the internal controls in respect of these areas.
5. a) Based on the audit procedure applied by us and according to the information and explanations provided to us by the management, we are of the opinion that the transactions that need to be entered in the Register maintained under section 189 of the Companies Act, 2013 have been so entered.



- b) According to the information and explanation given to us, the transactions made in pursuance of Contract or Arrangements entered in the Registers maintained under section 189 and exceeding the value of Five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at relevant time.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits within the meaning of section 73 to 76 of the Companies Act, 2013 and the Rules framed there-under.
 7. In our opinion, the company has an internal audit system commensurate with the size and nature of it's business.
 8. We have broadly reviewed the books of accounts relating to the materials, labour and other items of cost maintained by the company in pursuant 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 carry out nor have carried out any detailed examination of such accounts and records.
 9. a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess, Service Tax and other material statutory dues, as applicable with appropriate authorities in India.
b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty, Cess, Service Tax and/or other material statutory dues.
 10. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise as at 31st March, 2017.
 11. The company has no accumulated losses at the end of the financial year and has not incurred any cash losses in the current and immediately preceding financial year.
 12. In our opinion and according to the information and explanations given to us, the company has not defaulted in payment of dues to any Financial Institutions, Bank or Debenture Holders.
 13. The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 14. In our opinion, and according to the information and explanations given to us, the Company has extended corporate guarantee to H & T farmers contractors who have borrowed from banks during the year.
 15. According to the records of the company examined by us and as per the information and explanations given to us, the company has availed loans from financial institution or banks for the purpose of the development of the company and has not issued debentures.
 16. No funds raised on short term basis have been used for long term investment/s or vice versa.
 17. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 189 of the Act.
 18. The company has not issued any debentures during the year.
 19. During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.

Place : Davangere
Date : 28-08-2017

For Santhappa & Co.,
Chartered Accountants ICAI FRNo: 003564S

Veerendra Kumar M.V.
Partner Membership No: 216317



31-03-2017 ರ ಅಂತ್ಯಕ್ಕೆ ಇದ್ದಂತೆ ಆಸ್ತಿ ಮತ್ತು ಹೊಣೆ ತಃಖ್ತೆ
BALANCE SHEET AS AT 31.03.2017

All Figures in Rs.

ವಿವರ Particulars	ಅನುಸೂಚಿ Note No.	31-03-2017 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2017	31-03-2016 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2016
I ಈಕ್ವಿಟಿ ಮತ್ತು ಹೊಣೆಗಳು I EQUITY AND LIABILITIES			
1. ಷೇರುದಾರರ ನಿಧಿಗಳು 1 SHAREHOLDERS' FUNDS			
ಎ) ಷೇರು ಬಂಡವಾಳ a) Share Capital	1	44,85,64,570.00	44,85,64,570.00
ಬಿ) ಮೀಸಲು ನಿಧಿ ಮತ್ತು ಮಿಗತೆ b) Reserves and Surplus	2	52,69,31,517.80	54,33,11,904.34
		97,54,96,087.80	99,18,76,474.34
2. ಚಾಲ್ತಿ ಅಲ್ಲದ ಹೊಣೆಗಳು 2 NON-CURRENT LIABILITIES			
ಎ) ದೀರ್ಘಾವಧಿ ಸಾಲಗಳು a) Long Term Borrowings	3	30,53,02,566.67	43,26,79,332.41
ಬಿ) ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹೊಣೆಗಳು b) Deferred Tax Liabilities	4	---	---
ಸಿ) ಇತರೆ ದೀರ್ಘಾವಧಿ ಹೊಣೆಗಳು c) Other Long Term Liabilities	5	5,38,36,864.96	13,66,49,911.54
ಡಿ) ದೀರ್ಘಾವಧಿ ಹವಣಿಕೆಗಳು d) Long Term Provisions	6	---	---
3. ಚಾಲ್ತಿ ಹೊಣೆಗಳು 3 CURRENT LIABILITIES			
ಎ) ಅಲ್ಪಾವಧಿ ಸಾಲಗಳು a) Short Term Borrowings	7		
Cash Credit		46,34,70,747.17	90,28,90,386.38
Buyers Credit		7,62,50,025.00	15,66,00,652.00
ಬಿ) ಕೊಡಬೇಕಾಗಿರುವ ವ್ಯಾಪಾರ ಬಾಕಿಗಳು b) Trade Payables	8	3,27,12,321.36	25,93,08,278.76
ಸಿ) ಇತರೆ ಚಾಲ್ತಿ ಹೊಣೆಗಳು c) Other Current Liabilities	9	74,60,37,024.76	61,18,80,482.64
ಡಿ) ಅಲ್ಪಾವಧಿ ಹವಣಿಕೆಗಳು d) Short Term Provisions	10	---	---
TOTAL ಒಟ್ಟು ಮೊತ್ತ		2,65,31,05,637.72	3,49,18,85,518.07



All Figures in Rs.

ವಿವರ Particulars	ಅನುಸೂಚಿ Note No.	31-03-2017 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2017	31-03-2016 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2016
I ಆಸ್ತಿಗಳು ASSETS			
1 ಚಾಲ್ತಿ ಅಲ್ಲದ ಆಸ್ತಿಗಳು NON-CURRENT ASSETS			
ಎ) ಸ್ಥಿರ ಆಸ್ತಿಗಳು			
a) Fixed Assets	11		
1. ವಾಸ್ತವಿಕ ಆಸ್ತಿಗಳು Tangible Assets		1,44,91,07,726.74	158,75,43,902.59
2. ನಿರ್ಮಾಣದ ಹಂತದಲ್ಲಿರುವ ಸ್ಥಿರಾಸ್ತಿಗಳು Capital Work in Progress		11,53,88,395.68	-
ಒಟ್ಟು ಮೊತ್ತ Total		1,56,44,96,122.42	1,58,75,43,902.59
ಬಿ) ಚಾಲ್ತಿ ಅಲ್ಲದ ಹೂಡಿಕೆಗಳು			
b) Non-Current investments	12	5,45,900.00	5,45,900.00
2. ಚಾಲ್ತಿ ಆಸ್ತಿಗಳು CURRENT ASSETS			
ಎ) ದೀರ್ಘಾವಧಿ ಸಾಲಗಳು ಮತ್ತು ಮುಂಗಡಗಳು			
a) MAT Credit Entitlement	13	6,94,64,123.00	6,79,85,705.00
ಬಿ) ದಾಸ್ತಾನುಗಳು			
b) Inventories	14	58,90,78,191.20	1,35,65,81,631.67
ಸಿ) ಬರಬೇಕಾದ ವ್ಯಾಪಾರದ ಬಾಕಿಗಳು			
c) Trade Receivables	15	20,51,33,352.02	22,50,56,274.52
ಡಿ) ನಗದು ಮತ್ತು ಸಮಾನಾಂತರಗಳು			
d) Cash and cash equivalents	16	3,63,52,669.57	5,35,77,477.56
ಇ) ಅಲ್ಪಾವಧಿ ಸಾಲ ಮತ್ತು ಮುಂಗಡಗಳು			
e) Short-term loans and advances	17	17,72,43,442.59	16,56,63,715.81
ಎಫ್) ಇತರೆ ಚಾಲ್ತಿಯಲ್ಲದ ಆಸ್ತಿಗಳು : ಮುಂದೂಡಿದ ತೆರಿಗೆ ಆಸ್ತಿಗಳು			
f) Other Non Current assets: Deferred Tax Asset	4	1,07,91,836.92	3,49,30,910.92
TOTAL ಒಟ್ಟು ಮೊತ್ತ		2,65,31,05,637.72	3,49,18,85,518.07

As per our Audit Report of even date annexed

For Santhappa & Co.
Chartered Accountants
ICAI FRNo. 003564S

Sd/-

VEERENDRA KUMAR M.V.

Partner M.No. : 216317

Place : Davangere

2017

For and on behalf of the Board of Directors

Sd/-

ABHIJITH G SHAMANUR

Executive Director

Sd/-

S.S.GANESH

Managing Director



31-3-2017 ಕ್ಕೆ ಅಂತ್ಯಗೊಂಡ ವರ್ಷದ ಲಾಭ ಮತ್ತು ನಷ್ಟದ ತಃಖ್ತೆ
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2017

All Figures in Rs.

ವಿವರ PARTICULARS	ಅನುಸೂಚಿ Note No.	31-03-2017 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2017	31-03-2016 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2016
I ವ್ಯಾಪಾರ ವಹಿವಾಟುಗಳು ಒಟ್ಟು ಮೊತ್ತ REVENUE FROM OPERATIONS (GROSS)	18	1,81,53,02,540.00	1,90,33,57,759.98
ಅಬಕಾರಿ ತೆರಿಗೆ ಕಳೆದದ್ದು Less: Excise Duty		8,44,24,824.00	6,66,74,824.00
ವ್ಯಾಪಾರ ವಹಿವಾಟುಗಳ ನಿವ್ವಳ ಮೊತ್ತ Revenue from Operations (Net)		1,73,08,77,716.00	1,83,66,82,935.98
II ಇತರ ಆದಾಯಗಳು Other Income	19	48,21,520.00	96,55,372.74
III ಒಟ್ಟು ವಹಿವಾಟು Total Revenue		1,73,57,00,236.00	1,84,63,38,308.72
IV ಖರ್ಚುಗಳು EXPENSES			
ಎ) ಬಳಕೆ ಮಾಡಿದ ಸರಕು ಸಾಮಗ್ರಿಗಳ ವೆಚ್ಚ a) Cost of Materials Consumed	20	47,14,73,960.60	165,05,90,917.28
ಬಿ) ತಯಾರಾದ ಸರಕುಗಳ ಖರೀದಿ b) Purchase of Traded Goods	21	---	---
ಸಿ) ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯಕ್ಕೆ ಇರುವ ಸಿದ್ಧ ಮತ್ತು ಕಚ್ಚಾ ದಾಸ್ತಾನುಗಳ ಬದಲಾವಣೆ ಮೊತ್ತ c) Changes in inventories of finished goods and stock in process	22	86,46,79,546.00	(49,50,07,420.00)
ಡಿ) ನೌಕರರ ಸೌಲಭ್ಯಗಳ ವೆಚ್ಚ d) Employees Benefit Expenses	23	7,02,89,869.07	8,06,31,950.27
ಇ) ಹಣಕಾಸು ವೆಚ್ಚ e) Finance Costs	24	13,61,80,670.92	18,44,41,917.96
ಎಫ್) ಸವಕಳಿ f) Depreciation	11	9,21,24,409.81	7,68,69,993.98
ಜಿ) ಇತರ ವೆಚ್ಚಗಳು g) Other Expenses	25	9,31,92,092.14	22,11,01,947.29
TOTAL EXPENSES ಒಟ್ಟು ವೆಚ್ಚಗಳು		1,72,79,40,548.54	1,71,86,29,306.78



V	ವಿಶೇಷ ಮತ್ತು ಪ್ರತಿಷೇಧ ಬಾಬುಗಳು ಮತ್ತು ತೆರಿಗೆ ಮೊದಲಿನ ಲಾಭ/ನಷ್ಟ PROFIT/LOSS BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)	77,58,687.46	12,77,09,001.94
VI	ಪ್ರತಿಷೇಧ ಬಾಬುಗಳು Exceptional Items	---	---
VII	ವಿಶೇಷ ಬಾಬುಗಳು ಮತ್ತು ತೆರಿಗೆಯ ಮೊದಲಿನ ಲಾಭ/ನಷ್ಟ PROFIT/LOSS BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)	77,58,687.46	12,77,09,001.94
VIII	ವಿಶೇಷ ಬಾಬುಗಳು Extraordinary Items	---	---
IX	ತೆರಿಗೆಯ ಮೊದಲಿನ ಲಾಭ/ನಷ್ಟ PROFIT/LOSS BEFORE TAX (VII-VIII)	77,58,687.46	12,77,09,001.94
X	ತೆರಿಗೆ ವೆಚ್ಚಗಳು TAX EXPENSES		
	ಎ) ಮ್ಯಾಟ್ ತೆರಿಗೆ ಮೇಲೆ ಬಡ್ಡಿ a) Interest on MAT	---	
	ಬಿ) ಮುಂದೂಡಿದ ತೆರಿಗೆ b) Deferred Tax	2,41,39,074.00	2,57,21,128.00
	ಒಟ್ಟು Total	2,41,39,074.00	2,57,21,128.00
XI	ಅವಧಿಯಲ್ಲಿ ಬಂದಿರುವ ಲಾಭ / ನಷ್ಟ NET PROFIT /LOSS FOR THE PERIOD(IX-X)	(1,63,80,386.54)	10,19,87,873.94
XII	ಪ್ರತಿ ಷೇರಿಗೆ ಗಳಿಗೆ (ಮೂಲ ಮತ್ತು ನಿಷ್ಕಾರ) Earnings per Share (Basic and Diluted)Rs.	-0.37	2.27

As per our Audit Report of even date annexed

For Santhappa & Co.
Chartered Accountants
ICAI FRNo. 003564S

For and on behalf of the Board of Directors

Sd/-
VEERENDRA KUMAR M.V.
Partner
M.No. : 216317
Date : 28-08-2017
Place : DAVANGERE

Sd/-
ABHIJITH G SHAMANUR
Executive Director

Sd/-
S.S.GANESH
Managing Director



ಹಣಕಾಸಿನ ತಃಖ್ತೆಗಳಿಗೆ ಟಿಪ್ಪಣಿಗಳು
NOTES TO FINANCIAL STATEMENTS

NOTE 1 : SHARE CAPITAL ಷೇರು ಬಂಡವಾಳ :

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಅಧಿಕೃತ ಷೇರು ಬಂಡವಾಳ : 6,00,00,000 ಈಕ್ವಿಟಿ ಷೇರುಗಳು ಪ್ರತಿಷೇರಿಗೆ ರೂ. 10/- ರಂತೆ Authorised Share Capital : 6,00,00,000 Equity Shares of Rs. 10/- each	60,00,00,000.00	60,00,00,000.00
ವಿತರಿಸಿದ, ಆರ್ಜಿಸಿದ ಮತ್ತು ಪಾವತಿಸಲ್ಪಟ್ಟ ಬಂಡವಾಳ 4,48,56,457 ಈಕ್ವಿಟಿ ಪ್ರತಿ ಷೇರಿಗೆ ರೂ. 10/- ರಂತೆ Issued , Subscribed and Paid-up Capital : 4,48,56,457 Equity Shares of Rs. 10/- each	44,85,64,570.00	44,85,64,570.00
ಒಟ್ಟು TOTAL	44,85,64,570.00	44,85,64,570.00

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	No. of Shares	No. of Shares
1	S S GANESH	1,55,22,478	1,55,22,478
2	ABHIJITH GANESH SHAMANUR	69,14,724	69,14,724
3	REKHA GANESH	60,86,200	60,86,200
4	M/S MAFATHLAL PLAYWOOD IND. LTD.,	80,00,000	80,00,000

ಮೀಸಲು ಮತ್ತು ಮಿಗತೆ**NOTE 2 : RESERVES AND SURPLUS**

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
1 ಬಂಡವಾಳ ಮೀಸಲು : Capital Reserve: ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯದಲ್ಲಿನ ಶಿಲ್ಕು Balance at the beginning and end of the year	4,07,160.33	4,07,160.33
2 ಷೇರು ಪ್ರೀಮಿಯಮ್ ಮೀಸಲು : Securities Premium Reserve : ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯದಲ್ಲಿನ ಶಿಲ್ಕು Balance at the beginning and end of the year	2,49,46,750.00	2,49,46,750.00



3 ಸಾಮಾನ್ಯ ಮೀಸಲು : General Reserve : ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯದಲ್ಲಿನ ಶಿಲ್ಕು Balance at the beginning and end of the year	59,95,836.32	59,95,836.32
4 ಮಿಗತೆ : Surplus : ವರ್ಷಾರಂಭಕ್ಕೆ Balance brought forward from previous year	51,19,62,157.69	40,99,74,283.75
ವರ್ಷದ ಲಾಭ ನಷ್ಟ ತಃಖ್ತೆಯಿಂದ Add: Transfer from the Statement of Profit and Loss Account for the year	(1,63,80,386.54)	10,19,87,873.94
ವಿನಿಯೋಗಗಳ ಸಲುವಾಗಿ ಉಳಿಕೆಯಾದ ಮೊತ್ತ Balance available for Appropriations = B	49,55,81,771.15	51,19,62,157.69
ವಿನಿಯೋಗಗಳು : Appropriations : ಮುಂದಿನ ವರ್ಷಕ್ಕೆ ಮುಂದುವರಿದ ಶಿಲ್ಕು Balance carried forward to next year	49,55,81,771.15	51,19,62,157.69
ಒಟ್ಟು TOTAL (A+B)	52,69,31,517.80	54,33,11,904.34

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

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ ASAT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ ASAT 31.03.2016
ಎ. ಆಧಾರ ಸಹಿತ Secured : ಅವಧಿ ಸಾಲಗಳು Term Loans :		
i ಸಿಂಡಿಕೇಟ್ ಬ್ಯಾಂಕ್, ದಾವಣಗೆರೆ Term Loan-1 From Syndicate Bank, DVG	10,84,16,163.69	13,98,25,204.81
Term Loan-2 From Syndicate Bank, DVG	9,32,69,460.98	11,58,08,626.60
ii ಸ್ಟೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡಿಯಾ ಉಗ್ರಾಣ ನಿರ್ಮಾಣ (ನಾಬಾರ್ಡ್ ಗ್ರಾಮಾಂತರ ಉಗ್ರಾಣ ಯೋಜನೆ ಅಡಿಯಲ್ಲಿ) ಸಾಲ Term Loan for construction of Godowns (under NABARD Rural Godown Construction Scheme) SBI	1,16,55,762.00	2,13,70,237.00
iii ಸ್ಟೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡಿಯಾ, ದಾವಣಗೆರೆ ಇವರಿಂದ ಕಂಪನಿಯ ರಿಫೈನರಿ ಯುನಿಟ್‌ಗೆ State Bank of India, Davangere for Refinery Project	68,76,548.00	50,33,169.00



iv ಸ್ಟೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡಿಯಾ (ಮಿಲ್‌ನ್ನು ವಿಸ್ತರಿಸಲು) State Bank of India (Sugar Mill Expansion)	3,26,18,891.00	5,60,87,459.00
v ಸ್ಟೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡಿಯಾ, ದಾವಣಗೆರೆ State Bank of India, Davangere SEFASU-2014	2,55,86,594.00	4,31,56,300.00
vi ಇಂಡಿಯನ್ ಬ್ಯಾಂಕ್, ದಾವಣಗೆರೆ Indian Bank, Davangere - SEFASU-2014	2,63,17,280.00	4,97,48,602.00
vii ವಾಹನ ಸಾಲ Vehicles Loan	5,61,867.00	16,49,734.00
ಒಟ್ಟು TOTAL	30,53,02,566.67	43,26,79,332.41

Disclosures:**A Secured :**

- 1 Additional Term Loan from Syndicate Bank, Davangere is borrowed for the new Project of "Modernisation of Process House with latest technology and steam saving devise". The Term Loan sanctioned in Jan, 2016 for Rs.1618.00 lakhs and company has availed Rs.1386.78 lakhs. The loan secured by Pari-passu first charge on the land & buildings of the company with primary security on the plant and machineries financed by the bank. The compay is serving interest regularly and repayment of installment commenced from February 2016. No interest is overdue as on the reporting date.
- 2 Term Loan from Syndicate Bank, Davangere is borrowed for the new Project of "Modernisation of Process House with latest technology and steam saving devise". The Term Loan sanctioned in December, 2014 for Rs.1814.00 lakhs and company has availed Rs.1719.00 lakhs. The loan secured by Pari-passu first charge on the land & buildings of the company with primary security on the plant and machineries financed by the bank. The company is serving interest regularly and repayment of installment has commenced from December, 2015. No interest is overdue as on the reporting date.
- 3 Term Loan from State Bank of India, Davangere is borrowed for construction of Godowns at factory premises (under NABARD Gramin Bhandar Youjana). The term loan sanctioned is Rs.500 lakhs in March, 2014. The loan is secured by Pari-passu first charge on the land & buildings of the Company. The company is serving regularly the installment and interest on the loan. There are no overdues of any intallment or interest on the reporting date.
- 4 Term Loan of Rs.2000 Lakhs and Rs.500 Lakhs were sanctioned in May, 2010 and December, 2011 respectively for commissioning of the Sugar Refinery Unit. The loan is secured by by way of Hypothecation of plant and machinery purchased for the unit out of bank finance. Second Charge for the loan is extended over the current assets of the Company inclusive of stocks, receivables and other current assets and Extension of III Charge over fixed assets of the Company on pari passu basis with other consortium Bankers. The term loan is repayable in 24 quarterly installments. There are no overdues as on the date of reporting. The loans are closed in April 2017.
- 5 Term Loan from Srei Equipment Finance Private Limited, Kolkata was borrowed in February 2012, for Purchase of Helicopter and is secured by an exclusive charge by way of hypothecation on the Helicopter together with all refurbishments, modifications, additions, performance enhancements, installations after Delivery including all parts, materials, tools replacements and alternations thereto. The term loan carries interest at the rate of 14% and repayable in 60 monthly instalments. The last installment is paid on 15.07.2016. The loan is closed.
- 6 Term Loan of Rs.1400 lakhs is borrowed from State Bank of Mysore, Davangere for sugar mill capacity expansion and is secured by by way of Hypothecation of plant and machinery purchased for the unit out of bank finance. Second Charge over current assets of the Company inclusive of stocks, receivables and other current assets and III Charge over fixed assets of the Company on pari passu basis with other consortium members. The term loan is repayable in 24 quarterly installments. There are no overdues as on the date of reporting.

ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹೊಣೆಗಳು**NOTE 4 : DEFERRED TAX LIABILITIES**

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



(All figures in Rupees)		
	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
1. ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹೊಣೆ		
1 Deferred Tax Liability/Asset	---	---
ಸ್ಥಿರ ಆಸ್ತಿಗಳ ಸವಕಳಿಯ ಅವಧಿಯ ವ್ಯತ್ಯಾಸದಿಂದ On account of Timing differences in Depreciation of Fixed		
2. ಮುಂದೂಡಿದ ತೆರಿಗೆ ಆಸ್ತಿಗಳು		
Deferred Tax Assets	(3,49,30,910.92)	(6,06,52,038.92)
3. ನಿವ್ವಳ ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹೊಣೆ / ಆಸ್ತಿ Net Deferred Tax Liabilities / (Assets) thereon		
4. ಕಳೆಯಿರಿ : ಹಿಂದಿನ ವರ್ಷದಲ್ಲಿ ಹೊಂದಿಸಿದ್ದು Less : Provided for in the previous year	(3,49,30,910.92)	(6,06,52,038.92)
5. ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹವಣಿಸಿರುವುದು (ಹಿಮ್ಮರಿಳಿಕೆ) Deferred Tax Provided / (Reversed)	2,41,39,074.00	2,57,21,128.00
ಒಟ್ಟು TOTAL	(1,07,91,836.92)	(3,49,30,910.92)

ಇತರೆ ದೀರ್ಘಾವಧಿ ಹೊಣೆಗಳು

NOTE 5 : OTHER LONG TERM LIABILITIES

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಎ) ಕೊಡಬೇಕಾದ ವ್ಯವಹಾರ ಬಾಕಿಗಳು		
a) Trade Payables:	1,23,89,956.96	2,84,27,112.54
b) Others :		
(i) Soft Loan State Bank of India (SBM)	3,27,46,908.00	4,29,43,019.00
(ii) Soft Loan IDBI	87,00,000.00	1,74,00,000.00
(iii) Soft Loan Canara Bank	-	2,73,79,780.00
(iv) Soft Loan Indian Bank	-	2,05,00,000.00
ಒಟ್ಟು TOTAL	5,38,36,864.96	13,66,49,911.54



ದೀರ್ಘಾವಧಿ ಹವಣಿಕೆಗಳು

NOTE 6 : LONG TERM PROVISIONS

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಎ) ನೌಕರರ ಸೌಲಭ್ಯಗಳಿಗೆ ಒದಗಿಸಿಕೊಟ್ಟ ಮೊತ್ತ		
a) Provisions for Employees Benefits	---	---
ಬಿ) ಇತರೆ		
b) Others :	---	---
ಒಟ್ಟು TOTAL	---	---

ಅಲ್ಪಾವಧಿ ಸಾಲಗಳು

NOTE 7 : SHORT TERM BORROWINGS

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಎ) ಆಧಾರ ಸಹಿತ :		
A Secured :		
ಕನ್ಸೋರ್ಟಿಯಂ ಬ್ಯಾಂಕ್‌ಗಳಿಂದ ಪಡೆದಿರುವ ಕ್ಯಾಷ್ ಕ್ರೆಡಿಟ್ ಸಾಲ Loans repayable on demand		
Cash Credit Loans from Consortium Banks	46,34,70,747.17	90,28,90,386.38
Buyer's Credit with State Bank of India (SBM)	7,62,50,025.00	15,66,00,652.00
ಒಟ್ಟು TOTAL	53,97,20,772.17	1,05,94,91,038.38

Disclosures :

A Secured :

- 1 Cash Credit Loan sanctioned by State Bank of Mysore in consortium consists of State Bank of Mysore, Canara Bank, Indian Bank, Union Bank of India and I D B I Bank are secured by hypothecation of Stock of Sugar, Stock of Molasses, Consumable Stores and receivables. Further the same is secured by personal guarantee of three directors of the Company and Pari passu III Charge over fixed assets of the Company. The above Cash Credit Loan carries interest varies from individual Bank base rates and time to time changes as per the regulations of R.B.I. the present rate of interest is being 12.00% per annum.

NOTE 8 : ಕೊಡಬೇಕಾದ ವ್ಯವಹಾರ ಬಾಕಿಗಳು TRADE PAYABLES

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
A ಆಧಾರ ಸಹಿತ Secured :		
ಖರೀದಿ ಮತ್ತು ಸೇವೆಗಳ ಬಾಬು		
On purchases and Services	3,27,12,321.36	25,93,08,278.76
ಒಟ್ಟು TOTAL	3,27,12,321.36	25,93,08,278.76

**Disclosures :**

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

NOTE 9 : ಇತರೆ ಚಾಲ್ತಿ ಹೊಣೆಗಳು**OTHER CURRENT LIABILITIES**

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಎ) ಆಧಾರ ರಹಿತ :		
a) Un Secured :		
ಕಬ್ಬು ಕಟಾವು ಮತ್ತು ಸಾಗಾಣಿಕೆ ಮುಂಗಡ ವಸೂಲಿ Recoveries on account of sugarcane and H&T farmers	52,53,30,430.00	41,36,48,975.00
ಬಿ) ಅವಧಿ ಮುಗಿದಿರುವ ಚಾಲ್ತಿ ದೀರ್ಘಾವಧಿ ಹೊಣೆಗಳು	14,20,41,642.00	18,01,88,950.05
ಸಿ) ಸಾಲಗಳ ಮೇಲಿನ ಕ್ರೋಢಿಕರಿಸಿದ ಬಡ್ಡಿ	15,67,652.00	30,78,423.00
ಡಿ) ಮಾರಾಟ ಬಾಬು ಮುಂಗಡ	-	-
ಇ) ಶಾಸನಬದ್ಧ ಪಾವತಿಗಳು	34,70,750.46	11,09,914.00
ಎಫ್) ವ್ಯವಹಾರ ಅಥವಾ ಭದ್ರತಾ ಠೇವಣಿ ಪಡೆದಿರುವುದು	9,83,074.00	10,72,181.00
ಗ) Loan from Managing Director	6,50,00,000.00	-
ಹೆಚ್) ಇತರೆ	76,43,476.30	1,27,82,039.59
ಒಟ್ಟು TOTAL	7,46,37,024.76	61,18,80,482.64

B Disclosures :

- Recoveries from H & T farmers who have taken loan from Banks for harvesting and supply of sugarcane to the company, is secured by personal guarantee of three Directors of the company. The onus of recovering the loans to the H & T farmers is on the company and repay the same to the banks extending H & T loans to the farmers.
- Loan from Managing Director is for on short period of 10 days and hence appearing in current liabilities.

ಅಲ್ಪಾವಧಿ ಹವಣಿಕೆಗಳು**NOTE 10 : SHORT TERM PROVISIONS**

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಕನಿಷ್ಠ ಪರ್ಯಾಯ ತೆರಿಗೆ For Minimum Alternate Tax	-	-
ಒಟ್ಟು TOTAL	-	-



ಚಾಲ್ತಿ ಅಲ್ಲದ ಆಸ್ತಿಗಳು

NOTE 11 : NON - CURRENT ASSETS

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಸ್ಥಿರ ಆಸ್ತಿಗಳು Fixed Assets		
	'ಲಗತ್ತಿಸಿದೆ' 'ANNEXED'	

ಚಾಲ್ತಿಯಲ್ಲದ ಹೂಡಿಕೆಗಳು

NOTE 12 : NON - CURRENT INVESTMENTS

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಎ) ಚಾಲ್ತಿ ವ್ಯವಹಾರದಲ್ಲಿ ಇಲ್ಲದ್ದು (ಘೋಷಿತ ಬೆಲೆಗೆ) A NON-TRADE (QUOTED- AT COST)	---	---
ಬಿ) ಚಾಲ್ತಿ ವ್ಯವಹಾರದಲ್ಲಿ ಇಲ್ಲದ್ದು (ಅಘೋಷಿತ ಬೆಲೆಗೆ) B NON-TRADE (UN QUOTED- AT COST)		
I ಸರ್ಕಾರದ ಆಧಾರ ಪತ್ರಗಳು IN GOVERNMENT SECURITIES:	19,900.00	19,900.00
II ಇತರೆ ಹೂಡಿಕೆಗಳು OTHER INVESTMENTS		
ಎ) ಡಿಎಸ್‌ಸಿಎಲ್ ಎಂಪ್ಲಾಯಿಸ್ ಕೋ-ಆಪ್ ಸೊಸೈಟಿಯಲ್ಲಿನ ಷೇರುಗಳು a) Shares with DSCL Employee's Co-operative Society (500 Shares of Rs.10/- each)	5,000.00	5,000.00
ಬಿ) ಬಾಪೂಜಿ ಕೋ-ಆಪ್ ಬ್ಯಾಂಕ್‌ನ ಷೇರುಗಳು b) Shares with Bapuji Co-operative Bank Limited, (200 Shares of Rs.50/- each)	10,000.00	10,000.00
ಸಿ) ದಾವಣಗೆರೆ ಹರಿಹರ ಅರ್ಬನ್ ಕೋ-ಆಪ್ ಬ್ಯಾಂಕ್ ಲಿ. ನ ಷೇರುಗಳು c) Shares with Davangere Harihar Urban Co-operative Bank Limited, (501 Shares of Rs.1000/- each)	5,01,000.00	5,01,000.00
ಡಿ) ಚಿತ್ರದುರ್ಗ ಡಿಸ್ಟ್ರಿಕ್ಟ್ ಕೋ-ಆಪ್ ಬ್ಯಾಂಕ್ ಲಿ. ನ ಷೇರುಗಳು d) Shares with Chitradurga District Co-operative Bank Limited, (200 Shares of Rs.50/- each)	10,000.00	10,000.00
III ಇತರೆ ಹೂಡಿಕೆಗಳು OTHER INVESTMENTS	---	---
ಒಟ್ಟು TOTAL	5,45,900.00	5,45,900.00



FIXED ASSETS SCHEDULE AS ON 31.03.2017

PARTICULARS	COST				DEPRECIATION (Provided under Equated Method for the Year 2016-17)				WRITTEN-DOWN VALUE	
	AS ON 01.04.2016	ADDITIONS	Withdrawal	AS ON 31.03.2017	AS ON 01.04.2016	PROVIDED During the Year	Withdrawal	AS ON 31.03.2017	AS ON 31.03.2016	AS ON 31.03.2017
	LAND	54046992.92	---	---	54046992.92	---	---	---	---	54046992.92
BUILDINGS,ROADS & YARDS	500078550.38	---	---	500078550.38	217715695.21	12618617.88	---	229139560.79	282362855.17	270938989.59
PLANT & MACHINERY	2185354299.08	2000000.00	---	2187354299.08	1035297192.89	60610434.58	---	1111810564.28	1150057106.19	1075543734.80
WELL & WATER WORKS	9885812.95	---	---	1976430.95	1403717.50	596501.54	---	1570927.72	8482095.45	405503.23
FURNITURE & FIXTURES	2486232.11	---	---	2486232.11	2352999.59	34942.76	---	2361633.45	133232.52	124598.66
VEHICLES	57980148.76	---	---	57980148.76	33450778.24	2263163.41	---	36494208.90	24529370.52	21485939.86
OFFICE EQUIPMENTS	1471362.95	---	---	1471362.95	1370272.28	147223.71	---	1387994.38	101090.67	83368.57
LIBRARY	41213.03	---	---	41213.03	40911.80	---	---	40911.80	301.23	301.23
CANTEEN EQUIPMENTS	143608.82	---	---	143608.82	137009.56	676.55	---	137831.71	6599.26	5777.11
COMPUTERS	5408018.55	115855.00	---	5523873.55	4286759.14	242675.37	---	4595438.42	1121259.41	928435.13
WATER STORAGE TANK	22403248.95	12287799.00	---	42600429.95	16415669.74	355758.18	---	17056344.31	5987579.21	25544085.64
TOTAL	2839299488.50	14403654.00	---	2853703142.50	1312471005.95	92124409.81	---	1404595415.76	1526828482.55	1449107726.74
Previous years	2428201720.53	471813188.01	---	2900014908.54	1235601011.97	76869993.98	---	1312471005.95	1192600708.56	1587543902.59



ದೀರ್ಘಾವಧಿ ಸಾಲಗಳು ಮತ್ತು ಮುಂಗಡಗಳು

NOTE 13 : LONG TERM LOANS AND ADVANCES

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಕನಿಷ್ಠ ಪರ್ಯಾಯ ತೆರಿಗೆ ಮುಂಬರುವ ಆದಾಯ ತೆರಿಗೆ ಹೊಂದಾಣಿಕೆಗಾಗಿ ಇರುವ ಮೊತ್ತ		
I MAT Credit Entitlement	6,94,64,123.00	6,79,85,705.00
ಒಟ್ಟು TOTAL	6,94,64,123.00	6,79,85,705.00

ದಾಸ್ತಾನು

NOTE 14 : INVENTORIES

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಎ. ಸಿದ್ಧ ದಾಸ್ತಾನು		
A. FINISHED GOODS :		
(Value at lower of cost or net realisable value and as certified by the Managing Director)		
I SUGAR ಸಕ್ಕರೆ	19,69,68,750.00	106,16,32,000.00
II MOLASSES ಕಾಕಂಬಿ	3,99,18,729.00	3,99,35,025.00
ಬಿ. ಕಚ್ಚಾ ಸಾಮಗ್ರಿಗಳು		
B. CONSUMABLE STORES	8,78,59,383.23	7,89,26,864.70
ಸಿ. ಕಲ್ಲಿದ್ದಲು ದಾಸ್ತಾನು		
C. STOCK OF COAL	26,43,31,328.97	17,60,87,741.97
ಒಟ್ಟು TOTAL	58,90,78,191.20	135,65,81,631.67

ಬರಬೇಕಾದ ವ್ಯಾಪಾರ ಬಾಕಿಗಳು

NOTE 15 : TRADE RECEIVABLES:

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಎ. ಆಧಾರಹಿತ ಖಾತ್ರಿಯಾಗಿ ಪರಿಗಣಿಸಿರುವುದು		
A UN SECURED CONSIDERED GOOD		
I ಆರು ತಿಂಗಳಿಗೂ ಮೇಲ್ಪಟ್ಟು ಬಾಕಿ ಉಳಿದಿರುವುದು Out standing for a period exceeding six months	5,88,78,377.56	2,86,10,732.60
II ಇತರೆ ಬರಬೇಕಾದ ಬಾಕಿಗಳು Other Receivables	14,62,54,974.46	19,64,45,541.92
ಒಟ್ಟು TOTAL	20,51,33,352.02	22,50,56,274.52



ನಗದು ಮತ್ತು ನಗದಿಗೆ ಸಮಾನಂತರವಾದುದು

NOTE 16 : CASH AND CASH EQUIVALENTS

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಎ. ನಗದು		
A. CASH ON HAND	18,22,313.64	1,88,41,880.14
ಬಿ. ಬ್ಯಾಂಕುಗಳಲ್ಲಿನ ಶಿಲ್ಕು		
B. BALANCE WITH BANKS :		
I ಷೆಡ್ಯೂಲ್ ಬ್ಯಾಂಕುಗಳ ಚಾಲ್ತಿ ಖಾತೆಯಲ್ಲಿ In Current Account with Schedule Banks	1,24,79,963.35	59,71,674.34
II ನಾನ್ ಷೆಡ್ಯೂಲ್ ಬ್ಯಾಂಕ್‌ಗಳ ಚಾಲ್ತಿ ಖಾತೆಯಲ್ಲಿ In Current Account with Non Schedule Banks	6,34,416.58	3,14,933.08
III ಬ್ಯಾಂಕುಗಳಲ್ಲಿರುವ ಅವಧಿ ಠೇವಣಿಗಳು Margin Money Deposits with Banks	2,14,15,976.00	2,84,48,990.00
ಒಟ್ಟು TOTAL	3,63,52,669.57	5,35,77,477.56

ಅಲ್ಪಾವಧಿ ಸಾಲಗಳು ಮತ್ತು ಮುಂಗಡಗಳು

NOTE 17 : SHORT TERM LOANS AND ADVANCES

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
I ಠೇವಣಿಗಳು		
Sundry Deposit	2,63,608.30	2,63,608.30
II ಅಬಕಾರಿ ತೆರಿಗೆ ಇಲಾಖೆಯಲ್ಲಿ ಠೇವಣಿ		
In Deposit with Central Excise Department	5,87,73,196.31	5,53,81,916.30
III ನಗದು ಅಥವಾ ವಸ್ತುಗಳ ರೂಪದಲ್ಲಿ ಬರಬೇಕಾದ ಮುಂಗಡ ಹಣ		
Advances recoverable in cash or in kind	11,82,06,637.98	11,00,18,191.21
ಒಟ್ಟು TOTAL	17,72,43,442.59	16,56,63,715.81



ವ್ಯವಹಾರದಿಂದ ಬಂದ ಆದಾಯ

NOTE 18 : REVENUE FROM OPERATIONS

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಎ) ಉತ್ಪನ್ನಗಳ ಮಾರಾಟ A. SALE OF PRODUCTS		
I ಸಕ್ಕರೆ Sugar	1,34,94,15,826.00	99,34,01,626.00
II ಕಾಕಂಬಿ Molasses	5,43,49,687.00	14,14,28,903.00
III ವಿದ್ಯುತ್ Power	31,14,02,749.00	67,73,25,504.98
ಬಿ) ಇತರೆ ವ್ಯವಹಾರದಿಂದ ಆದಾಯ B. OTHER OPERATING INCOME		
1. ಇತರೆ ಮಾರಾಟ Miscellaneous Sales	4,97,630.00	1,51,659.00
2. ವಾಯುಯಾನ ಬಾಡಿಗೆ Aviation Receipts	1,52,11,824.00	2,43,75,243.00
ಒಟ್ಟು TOTAL	1,73,08,77,716.00	1,83,66,82,935.98

ಇತರೆ ಆದಾಯ

NOTE 19 : OTHER INCOME

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಎ) ಬಡ್ಡಿಯ ಆದಾಯ A INTEREST INCOME		
I ಸಾಲ ಮತ್ತು ಮುಂಗಡಗಳಿಂದ From Loans and Advances	38,73,550.00	89,95,694.00
II ಠೇವಣಿಗಳಿಂದ From Deposits	-	60,729.00
ಬಿ) ಹೂಡಿಕೆಗಳಿಂದ ಡಿವಿಡೆಂಡ್ B DIVIDEND FROM INVESTMENTS	76,515.00	76,816.00
ಸಿ) ಇತರೆ ಕಾರ್ಯಚಟುವಟಿಕೆಯಲ್ಲದ ಆದಾಯ C OTHER NON OPERATING INCOME		
I Loss on sale of Assets	-	(25,84,349.26)
II ಸ್ವೀಕರಿಸಿದ ಬಾಡಿಗೆ Rent received	28,500.00	---
III ವಿಮೆಯಿಂದ ಬಂದ ಹಣ Insurance Claims Received	8,42,955.00	---
IV ಕಮೀಷನ್ Guarantee Commission	-	31,06,483.00
ಒಟ್ಟು TOTAL	48,21,520.00	96,55,372.74



NOTE 20 : COST OF MATERIALS CONSUMED

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಎ) ಕಬ್ಬು ಖರೀದಿ ಮತ್ತು ಬಳಕೆ (ಇತರೆ ಸರಬರಾಜು ವೆಚ್ಚ ಮತ್ತು ಕಬ್ಬು ಖರೀದಿ ಕರ ಸೇರಿ)		
A. Sugar Cane purchased and consumed (Inclusive of Cane purchase Tax and Other procurement Charges)	42,26,30,579.96	129,10,88,306.24
ಬಿ) ಕಚ್ಚಾ ಸಕ್ಕರೆ ಖರೀದಿ ಮತ್ತು ಬಳಕೆ		
B. Raw Sugar purchased and consumed (Inclusive of Duties and Transportation Charges)	-	-
ಸಿ) ಕಲ್ಲಿದ್ದಲು ಖರೀದಿ ಮತ್ತು ಬಳಕೆ (ಸುಂಕ ಮತ್ತು ಸಾಗಾಣಿಕೆ ಸೇರಿ)		
C. Steaming Coal purchased and consumed (Inclusive of Duties and Transportation Charges)	4,88,43,380.64	35,95,02,611.04
ಒಟ್ಟು TOTAL	47,14,73,960.60	1,65,05,90,917.28

ಮಾರಾಟ ಸಿದ್ಧ ವಸ್ತುಗಳ ಖರೀದಿ

NOTE 21 : PURCHASE OF TRADED GOODS

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
(ಅನ್ವಯಿಸುವುದಿಲ್ಲ) Not Applicable		
ಒಟ್ಟು TOTAL	---	---

ದಾಸ್ತಾನಿನಲ್ಲಿ (ಏರಿಕೆ / ಇಳಿಕೆ)

NOTE 22 : (INCREASE) / DECREASE IN INVENTORIES:

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಎ) ಸಿದ್ಧ ವಸ್ತುಗಳು		
A FINISHED GOODS		
ಪ್ರಾರಂಭಿಕ ದಾಸ್ತಾನು		
a) Opening Stock:		
ಸಕ್ಕರೆ		
Sugar	1,06,16,32,000.00	56,50,05,375.00
ಕಾಕಂಬಿ		
Molasses	3,99,35,025.00	4,15,54,230.00
ಒಟ್ಟು TOTAL	1,10,15,67,025.00	60,65,59,605.00



ಬಿ) ಅಖೈರು ದಾಸ್ತಾನು		
b) Closing Stock:		
ಸಕ್ಕರೆ		
Sugar	19,69,68,750.00	106,16,32,000.00
ಕಾಕಂಬಿ		
Molasses	3,99,18,729.00	3,99,35,025.00
ಒಟ್ಟು TOTAL	23,68,87,479.00	110,15,67,025.00
	(a) - (b)	86,46,79,546.00 (49,50,07,420.00)
ಎ) ಉತ್ಪಾದನೆ ಹಂತದಲ್ಲಿರುವ ದಾಸ್ತಾನು		
A. WORK IN PROGRESS :		
ಎ) ಪ್ರಾರಂಭ ಶಿಲ್ಕು		
A) Opening Stock :		
ಸಕ್ಕರೆ		
Sugar	---	---
ಕಾಕಂಬಿ		
Molasses	---	---
ಒಟ್ಟು TOTAL	---	---
ಬಿ) ಅಖೈರು ಶಿಲ್ಕು		
B) Closing Stock :		
ಸಕ್ಕರೆ		
Sugar	---	---
ಕಾಕಂಬಿ		
Molasses	---	---
ಒಟ್ಟು TOTAL	---	---
	(a) - (b)	---
Grand Total		86,46,79,546.00 (49,50,07,420.00)

ನೌಕರರ ಸೌಲಭ್ಯಗಳ ವೆಚ್ಚಗಳು

NOTE 23 : EMPLOYEE BENEFIT EXPENSES

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಎ) ಸಂಬಳ, ಮಜೂರಿ ಮತ್ತು ಭತ್ಯೆಗಳು		
A Salaries, wages and allowances	6,04,67,126.24	6,96,17,260.00
ಬಿ) ಭವಿಷ್ಯನಿಧಿ ಮತ್ತು ಇತರೆ ನಿಧಿಗಳಿಗೆ ಪಾವತಿಸಿರುವುದು		
B Contribution to Provident fund and Other funds	69,86,649.00	76,86,228.00
ಸಿ) ಸಿಬ್ಬಂದಿ ಕ್ಷೇಮಾಭ್ಯುದಯ ಖರ್ಚುಗಳು		
C Staff Welfare Expenses	28,36,093.83	33,28,462.27
ಒಟ್ಟು TOTAL	7,02,89,869.07	8,06,31,950.27



ಹಣಕಾಸು ವೆಚ್ಚಗಳು

NOTE 24 : FINANCE COSTS

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಎ) ಬಡ್ಡಿ ವೆಚ್ಚ		
A Interest Expenses	12,70,20,576.89	17,45,64,816.92
ಬಿ) ಇತರೆ ಸಾಲಗಳಿಗೆ ವೆಚ್ಚ		
B Other Borrowings Costs	91,60,094.03	98,77,101.04
ಒಟ್ಟು TOTAL	13,61,80,670.92	18,44,41,917.96

ಇತರೆ ಖರ್ಚುಗಳು

NOTE 25 : OTHER EXPENSES

(All figures in Rupees)

	31.03.2017 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2017	31.03.2016 ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2016
ಸ್ಪೋರ್ಸ್ ಮತ್ತು ಬಿಡಿಭಾಗಗಳ ಬಳಕೆ		
Consumption of Stores and spares	75,79,077.50	2,28,02,665.15
ಖಾಲಿ ಚೀಲಗಳು ಮತ್ತು ದಾಸ್ತಾನಿನ ಖರ್ಚುಗಳು		
Packing and storage expenses	64,18,952.50	2,29,28,851.51
ನೀರಿನ ಕರ		
Water Charges	63,364.00	94,518.00
ಬಾಡಿಗೆ		
Rent	38,96,621.00	56,95,058.00
ಕಾನೂನು ಮತ್ತು ಸೇವಾ ಖರ್ಚುಗಳು		
Legal and Professional Charges	59,46,757.00	37,87,379.00
ದುರಸ್ತಿ ಮತ್ತು ನಿರ್ವಹಣೆ :		
Repairs and Maintenance:		
ಕಟ್ಟಡಗಳಿಗೆ		
on Buildings	33,71,081.94	81,63,290.78
ಯಂತ್ರೋಪಕರಣಗಳಿಗೆ		
on Plant and Machinery	3,03,85,955.46	9,06,54,641.14
ಇತರೆ		
on Others	18,96,232.05	44,74,662.75
ಸರಬರಾಜು ಮತ್ತು ವಿತರಣಾ ಖರ್ಚುಗಳು		
Supply and Distribution Expenses	77,14,238.82	2,69,33,998.86
ಪ್ರಯಾಣ ಭತ್ಯೆ ಖರ್ಚುಗಳು		
Travelling and Conveyance	31,39,960.00	14,96,830.00



ಬಾಡಿಗೆ ಮತ್ತು ಸಾಗಾಣಿಕೆ ವೆಚ್ಚಗಳು Freight and Forwarding	41,00,858.00	92,83,973.00
ಅಂಚೆ ಮತ್ತು ದೂರವಾಣಿ ಖರ್ಚುಗಳು Postage and Telephone Expenses	6,62,857.90	7,83,404.59
ಮುದ್ರಣ ಮತ್ತು ಲೇಖನಿ ಖರ್ಚುಗಳು Printing and Stationery	5,02,214.00	5,76,248.00
ವಿಮೆ Insurance	18,33,695.00	26,12,892.00
ವಾಹನಗಳ ನಿರ್ವಹಣೆ Vehicle Maintenance	63,94,765.30	80,97,615.74
ಪ್ರಚಾರ Advertisement	-	1,70,000.00
ನಿರ್ದೇಶಕರುಗಳ ಪ್ರವಾಸದ ಖರ್ಚುಗಳು Travelling Expenses to Directors	50,30,665.00	34,33,084.00
ಆಡಿಟ್ ಶುಲ್ಕ : Audit Fee :		
ಕಾಯ್ದೆ ಬದ್ಧ ಆಡಿಟ್‌ಗೆ For Statutory Audit	1,72,500.00	2,93,540.00
ಕಾಸ್ಟ್ ಆಡಿಟ್‌ಗೆ For Cost Audit	-	60,000.00
ಇತರೆ ಸೇವೆಗಳಿಗೆ For Other Services	81,945.00	93,808.00
ಇತರೆ ಖರ್ಚುಗಳನ್ನು ಭರಿಸಿದ್ದು For Reimbursement of Expenses	-	12,000.00
ಇತರೆ ಖರ್ಚುಗಳು Other Expenses	40,00,351.67	86,53,486.77
ಒಟ್ಟು TOTAL	9,31,92,092.14	22,11,01,947.29

**NOTE 26 :****NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017****1. Accounting Policies:**

As per the requirements of the **Accounting Standard-1**, The financial statements are prepared under the convention of historical cost 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:

As per the requirements of **Accounting Standard -2** 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:

As per the requirements of **Accounting Standard – 3** 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:

As per the requirements of the **Accounting Standard – 4**, 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:

As per the requirements of the **Accounting Standard – 5**, 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 from the previous financial year 2015-16. An option was given under the Companies Act, 2013 to provide depreciation for F.Y. 2014-15 under the provisions of previous companies Act 1956. So, the Company opted for providing depreciation for the F.Y. 2014-15 as per the provisions of Companies Act, 1956. Now, Company has provided depreciation for the F.Y. 2016-2017 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. Depreciable value of each asset is cost/WDV as on 01.04.2015 after deducting a residual value of up to 5% of the cost of the 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 as on 01.04.2016 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:

- (a) Revenue is recognized when property in goods that is Sugar & Molasses are sold for consideration.



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

8. Accounting for fixed assets:

As per the requirements of **Accounting Standard – 10**, the accounting for fixed assets is on the following basis:

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

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

9. Foreign Currency Transactions :

(With reference to the requirements of **Accounting Standard – 11**)

The details of foreign exchange earnings and out go during the financial year is as follows.

(i) **Earnings :** Nil

(ii) **Outgoings:**

- a. 1,24,500 USD (Equivalent to INR 83.41 Lakhs) being 10% of the value of Buyers Credit of USD 12,45,000 availed against import of 25000 MT of Coal from Indonesia.
- b. 23,71,600 USD (Equivalent to INR 1517 Lakhs) against import of 44000 MT of Coal from Indonesia.

10. Accounting for Investments:

With reference to the **Accounting Standard – 13**, 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.5,26,000/- . 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:

In terms of **Accounting Standard – 15** 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:**

With reference to the **Accounting Standard – 16** 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 as per the requirements of **Accounting Standard-17**

14. Related party disclosure:

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

Rupees in Lakhs

Name	Sale Of Sugar	Sale Of Molasses	Purchase of provision for canteen
M/s S S Trading Company	992.23	—	—
M/s Shamanur Kallappa & Sons	99.07	—	0.41
M/s. Sri Kalleswara Traders	—	—	4.31
M/s. Shivashankar Associates	—	—	1.88

15. Earnings per share :

As per requirement of **Accounting Standard – 20**, the earning per share for the financial year ended works out to be **Rs. -0.37 (previous financial year is Rs 2.27)** per equity share of Rs.10 each.

16. Taxes on income :

Company is liable to pay MAT since 100% deduction is allowed under the provisions of Section 80IA against Co-generation income.

17. Deferred tax :

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

18. Interim Financial Reporting :

As per the guidelines as provided in Accounting Standard – 25, 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 as per the guidelines of the **Accounting Standard – 28**.

21. Debtors and Creditors balances :

Debtors and Creditors balances for the financial year ended as shown in the books of accounts are subject to confirmation from the parties. Based on the information available with the Company



in respect of **MSME** (as defined in The Micro Small and Medium Enterprises Development Act,2006) there were no delays in payment of dues to such creditors and there are no dues to such creditors at the end of the year.

22. Balance with Non Schedule Banks:

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

1. Bapuji Co-operative Bank Limited	....	Rs.2,65,466.26
2. Karnataka State Co-Operative Apex Bank Limited	....	Rs. 1,903.00
3. Davangere Harihar Urban Co-op Bank Limited	....	Rs.3,25,193.12
4. Shimoga District Central Co-operative Bank Ltd	....	Rs. 36,238.50
5. The Davangere Urban Co-operative Bank Limited	....	Rs. 5,615.70

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

During the Financial year there are no employees who were in receipt of remuneration exceeding Rs. 60.00 lakhs per annum when employed throughout the year and exceeding Rs. 5,00,000/- per month when employed for the part of the year.

24. Remuneration to Auditors :

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

25. Managerial remuneration :

During the financial year company has paid remuneration of Rs. 3,00,000/- per month to the Managing Director and Rs. 1,62,000/- per month to the Executive Director.

26. During the financial year there are no exceptional income and expenses as observed.

27. In the opinion of the management, the current assets, loan and advances have been valued at not less than the value at which they are stated in the balance sheet, if realized in the ordinary course of business.

28. Provision for contingent liability or assets :

The Company has referred to the guidelines as envisaged in Accounting Standard – 29 and furnishes the information on provision for contingent liabilities as follows:

*The contingent liabilities during the financial year is to the extent of corporate guarantees extended against the loans of H & T farmers contractors for facilitating harvesting & transportation.

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

As per our Audit Report of even date annexed

For Santhappa & Co.
Chartered Accountants
ICAI FRNo. 003564S

Sd/-

Veerendra Kumar M.V.
Partner M.No. : 216317

Place : Davangere
Date : 28-08-2017



30. CASH FLOW STATEMENT ANNEXED TO ANNUAL REPORT FOR THE YEAR ENDED ON 31.03.2017

(Rs. Lakhs)

	As at 31.03.2017	As at 31.03.2016
A Cash flow from Operating activities:		
Net profit after tax	(163.80)	1019.88
Adjustment for provision for taxation	241.39	-
	77.59	1019.88
Adjustment for depreciation	921.24	768.69
Operating profit before working capital adjustment	998.83	1788.57
Adjustment for :		
Inventories	7,675.03	(3892.01)
Sundry Debtors & trade receivables	261.94	13.39
Trade payables	(2,265.95)	343.94
Deferred Revenue Expenditure	241.39	257.21
Others	-	-
Net cash flow from operating activities	6879.88	(1488.89)
B Cash flow from Investing Activities:		
Sale of Fixed Assets	-	-
Purchase of Fixed Assets	-	(429.95)
From capital work in progress	(931.97)	(567.15)
From Investment	-	-
Net Cash flow from Investing activities	(931.97)	(997.10)
C Cash flow from Financing activities:		
Proceeds from share allotment	-	-
Proceeds from share premium & Capital reserve	-	-
Proceeds from working capital loan	-	-
Proceeds from Short Term Borrowings	(5,197.90)	(1886.88)
Proceeds from Long Term Borrowings	(1,273.76)	2281.94
Proceeds from Other Current Liabilities	(766.78)	(45.48)
Proceeds from Long Term Loans and Advances	-	-
Proceeds from Other Current Liabilities	1310.21	560.54
Proceeds from Short Term Provisions	-	-
Proceeds from Short Term Loans and Advances	(130.58)	388.49
Proceeds from unsecured loan	-	-
Net cash flow from financing activity	(6120.16)	1298.61
Net cash used in cash & cash equivalents (A+B+C)	(172.25)	(1187.38)
Cash & cash equivalents at the beginning of the year	535.76	1723.15
Cash & cash equivalents at the end of the year	363.52	535.77

For and on behalf of the Board of Directors

ABHIJITH G SHAMANUR

Executive Director

S.S.GANESH

Managing Director

AUDITORS' CERTIFICATE

We have verified the above cash flow statement of M/s. Davangere Sugar Company Limited, derived from the audited financial statements & the books & records maintained by the company for the year ended on 31.03.2017 and found the same to be in agreement therewith.

Place : Davangere

Date : 28-08-2017

As per our report of even date
for **SANTHAPPA & CO.,**
Chartered Accountants



NOTE 27 : QUANTITATIVE DETAILS

		Unit	As at 31.03.2017	As at 31.03.2016
A	Particulars of Capacity			
	i) Licenced Capacity			
	Co Gen		24.45 M W	24.45 M W
	Sugar		5500 TCD	5500 TCD
	ii) Installed Capacity			
	Co Gen		24.45 M W	24.45 M W
	Sugar		4750 TCD	4750 TCD
B	Actual Production			
	Co Gen	KWH	83878900	150014400
	Sugar	Qtls.	117880	499350
	Molasses	MTs.	7645	29264
C	Details of Turnover			
	Co Gen			
	Quantity	KWH	71994880	124423200
	Value	Rs.	311402749.00	677325504.98
	Sugar			
	Quantity	Qtls.	395255	407347
	Value	Rs.	1349415826.00	993401526.00
	Molasses			
	Quantity	MTs.	9799.940	34564.580
	Value	Rs.	54349687.00	141428903.00
D	Opening Stock			
	Sugar (Finished Goods)			
	Quantity	Qtls.	311760	237897
	Value	Rs.	1061632000.00	5650053750.00
	Molasses			
	Quantity	MTs.	8550.770	13851.410
	Value	Rs.	39935025.00	41554230.00
E	Closing Stock			
	Sugar (Finished Goods)			
	Quantity	Qtls.	52525	331760
	Value	Rs.	196968750.00	1061632000.00
	Molasses			
	Quantity	MTs.	6396.830	8550.770
	Value	Rs.	39918729.00	39935025.00
F	Processing Loss			
	Quantity	Qtls.	.	.
G	Consumption of Raw Materials			
	i) Sugar Cane			
	Quantity	MTs.	149632.717	529964.886
	Value	Rs.	404370352.00	1241919238.00
	ii) Non Coking Steam Coal			
	a) Imported			
	Quantity	MTs	10760.000	57326.000
	Value	Rs.	48735660.64	359502611.04
	b) Indigenous			
	Quantity	MTs	.	.
	Value	Rs.	.	.
H	Value of Stores & Spares consumed			
	Co-Gen			
	a) Imported	Rs.	.	.
	b) Indigenous	Rs.	15100928.30	39510349.96
	Sugar			
	a) Imported	Rs.	.	.
	b) Indigenous	Rs.	32769851.53	104513351.94



NOTE 28 :

Segment information for the year ended 31st March, 2017

Rs. In lakhs

	SUGAR	POWER	AVIATION	TOTAL
Primary :				
1. External revenues	14042.63	3115.48	150.66	17277.42
Total	14042.63	3115.48	150.66	17277.42
2. Segment expenses (excluding interest) :				
Cost of material consumed	4245.42	44.29	25.02	4714.73
Employees Cost	535.28	132.54	52.08	702.90
Other Expenses	473.44	262.90	178.60	931.92
Provision for Taxation	241.39	-	-	241.39
Stock Adjustment	8646.79	-	-	8646.79
Total	14142.32	839.73	255.70	15237.73
5. Segment results	-99.69	2244.40	-105.04	2039.69
6. Add: Un allocated revenue	46.75	-	1.46	48.21
7. Operating profit	-52.94	2244.40	-103.58	2087.90
8. Less: Interest expenses	1323.11	38.68	-	1361.81
9. Total	-1344.70	2205.72	-103.58	757.44
10. Segment assets	20757.50	5592.30	149.90	26499.70
11. Segment liabilities	20757.50	5592.30	149.90	26499.70
12. Depreciation	862.33	58.91	-	921.24
13. Net cash expenses other than depreciation	15434.08	878.41	255.70	16568.19
Profit as per Books	-2238.38	2178.16	-103.58	-163.80

As per our Audit Report of even date annexed

For Santhappa & Co.
Chartered Accountants
ICAI FRNo. 003564S

For and on behalf of the Board of Directors

Veerendra Kumar M.V.
 Partner M.No. : 216317
 Place : Davangere
 Date : 28-08-2017

Abhijith G. Shamanur
 Executive Director

S.S. Ganesh
 Managing Director