

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2008
1. SIGNIFICANT ACCOUNTING POLICIES
i) BASIS OF ACCOUNTING & REVENUE RECOGNITION

The financial statements are prepared under historical costing convention on a going concern basis, with revenue recognised and expenses accounted on accrual concept (including provisions and adjustments) and in accordance with the applicable accounting standards referred to in sub section 3C of section 211 of the Companies Act, 1956.

ii) EMPLOYEE BENEFITS

Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gain and losses in respect of post employment and other long term benefits are charged to Profit and Loss Account / work-in-progress.

iii) FIXED ASSETS

Fixed assets are stated at historical cost including allocable borrowing costs and net of specific subsidies, cenvat credit, if any and depreciation.

iv) FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are initially recorded at the exchange rate at which the transaction is carried out. Gains or losses on the settlement of these transactions, if any, within the same accounting year are recognized in the Profit & Loss Account prepared for the said year on a net off basis. The monetary assets and liabilities related to foreign currency transactions remaining outstanding at the year end are restated.

v) DERIVATIVE TRANSACTION

In respect of derivative contracts, bank charges, provision for losses on restatement and gains / losses on settlement are recognized alongwith the underlying transactions and charged to profit and Loss account.

vi) INVENTORY VALUATION

Inventory is valued at lower of cost and net realizable value as under:

- a) In respect of sugar and industrial alcohol, cost is arrived at on historical cost basis after deducting the realisable value of the by products. In respect of manufactured finished goods, excise duty and cess payable are added to the cost, wherever applicable.
- b) In respect of immovable property cost is taken as the net payment for acquisition and expenses incurred therewith till the date of title perfection.
- c) In respect of semi finished goods (in process) cost is taken as cost of input raw materials and estimated cost of manufacture upto the various stages of completion.
- d) Stores and spares are valued at Weighted Average cost basis.

vii) INVESTMENTS

Investments are stated at cost inclusive of expenses incidental to acquisition.

viii) DEPRECIATION

Depreciation is provided on straight line method pro-rated to the number of days used during the year in accordance with the provisions of Section 205 (2) (b) of the Companies Act, 1956. In respect of plant and machinery costing less than Rs.5,000/-, 100% depreciation is provided.

ix) INCOME AND EXPENDITURE RECOGNITION

Revenue on sales transactions is recognised as and when the property in the goods sold is transferred to the buyers for a definite consideration. Revenue from other sources and expenses are recognised on accrual basis and are accounted as liabilities on the due dates.

x) EXCISE DUTY

Excise duty in respect of goods manufactured is accounted at the time of removal of goods from the factory for sale.

Cenvat credit, if any, in respect of capital goods is deducted from the respective assets. Cenvat credit in respect of revenue items are deducted in the respective expenditure itself.

xi) TAXATION

Provision for taxation is made as per estimated total income after considering various reliefs admissible under the provisions of the Income Tax Act, 1961.

In accordance with the Accounting Standard 22, the deferred tax for the timing differences between the book and tax profits for the year, is accounted for using the tax rates and laws in force as of the balance sheet date.

xii) TURNOVER

Sales are stated inclusive of excise duty and cess net of discount and rebate but exclusive of sales tax collected wherever applicable. Export sales includes export incentives.

xiii) LEASED ASSETS

Operating lease rentals are expensed / recognized with reference to lease terms and other considerations.

xiv) IMPAIRMENT OF ASSETS

Impairment is recognized to the extent that the recoverable amount of an asset is less than its carrying amount and is charged to the Profit and Loss Account as prescribed by the ICAI in AS-28.

2. LICENCED AND INSTALLED CAPACITY AND PRODUCTION

PRODUCT	LICENCED CAPACITY	INSTALLED CAPACITY	PRODUCTION		UNIT
			2007-2008	2006-2007	
Sugar	N.A	7500 TCD	202828	206541	MT
Molasses	N.A	N.A	95687	102550	MT
Bagasse	N.A	N.A	625672	624526	MT
Industrial Alcohol	45 KLPD	45 KLPD	10103154	10089972	Lit
Electricity	N.A	34 MW	195165348	185995428	KWH
Organic Manure	N.A	30 T/Day	8641	6980	MT

3. QUANTITATIVE PARTICULARS
A) RAW MATERIAL CONSUMED

(Value Rs. in Lakhs)

PRODUCT	UNIT	2007 - 2008		2006 - 2007	
		QTY.	VALUE	QTY.	VALUE
SUGARCANE	MT	2157900	24721.51	2174632	25341.43
MOLASSES	MT	42556	--	43298	--
BAGASSE	MT	592842	--	587782	--

B) PARTICULARS IN RESPECT OF STOCK AND SALE OF GOODS MANUFACTURED

(Value Rs. in Lakhs)

PRODUCT	UNIT	OPENING STOCK		CLOSING STOCK		SALES	
		QTY	VALUE	QTY	VALUE	QTY	VALUE
SUGAR	MT	55559 (54395)	7861.89 (8045.06)	53993 (55559)	7838.83 (7861.89)	204618 (204725)	26159.48 (31762.70)
MOLASSES	MT	20103 (15859)	212.57 (184.97)	6303 (20103)	92.45 (212.57)	66929 (55008)	128.08 (140.44)
BAGASSE	MT	1300 (5100)	1.98 (7.36)	2100 (1300)	3.06 (1.98)	38006 (40544)	229.20 (274.04)
ALCOHOL	LIT	551376 (892439)	83.92 (135.45)	811170 (551376)	119.98 (83.92)	9839099 (10425275)	2260.63 (2024.03)
ELECTRICITY	KWH	--	--	--	--	120522889 (111764257)	3741.75 (3470.59)
ORGANIC MANURE	MT	1318 (2977)	10.80 (8.97)	1035 (1318)	30.74 (10.80)	8923 (8638)	139.30 (131.28)

Note: Sugar trading in NCDEX having been settled without actual delivery of sugar, quantitative information has not been given for such transaction.

C) PARTICULARS IN RESPECT OF STOCK AND SALE OF TRADING GOODS

(Value Rs. in lacs)

PRODUCT	UNIT	OPENING STOCK		CLOSING STOCK		PURCHASES		SALES	
		QTY	VALUE	QTY	VALUE	QTY	VALUE	QTY	VALUE
PROPERTY	NOS	7 (7)	530.61 (491.67)	7 (7)	530.61 (530.61)	- (-)	- (-)	- (-)	- (-)

4. Estimated amount of contracts pending to be executed on capital account as on 31/03/2008 is Rs.4238.42 lacs (previous year :Rs.12741.58 lacs)

5. CONTINGENT LIABILITIES NOT PROVIDED FOR

- Disputed interest on sales tax for the years 1995-96 to 1997-98 in respect of which stay from High Court at Chennai is obtained Rs.42,49,634/- (Previous year: Rs.42,49,634/-)
- The Company has paid statutory minimum price at the rate of Rs.645/- per ton linked to 8.5% recovery, for sugarcane for the season 2002-03 as notified by the Central Government on 12th December 2002. The South Indian Sugar Mills Association on behalf of the member mills has disputed the arbitrary and adhoc increase in the above SMP by Rs.50 per ton linked at 8.5% recovery, for the season 2002-03, vide notification dated 9th January 2003, before the Honorable High Court at Chennai which has admitted the petition and stayed the notification and the case has now been transferred to the Supreme Court. The disputed liability amounting to Rs.341 lacs and the additional sales tax of Rs.8.52 lacs on the same, payable for the financial year 2002-03 and Rs.439 lacs and the additional sales tax of Rs.10.98 lacs payable for the financial year 2003-04 has not been provided for in the accounts.
- The Government had fixed the SMP for the sugar season 2003-04 at Rs.730/- per ton linked to 8.5% base recovery and the same has been contested before the Honourable High Court at Chennai which had admitted the petition and stayed the notification. The disputed liability amounting to Rs.171.67 lacs and the additional sales tax of Rs.4.29 lacs on the same, payable for the financial year 2003-04 and the disputed liability of Rs.99.57 lacs and the additional sales tax of Rs.2.50 lacs payable for the financial year 2004-05 has not been provided for in the accounts.
- The Company has provided a corporate guarantee of Rs.17.95 crores to State Bank of India in respect of Term loan and cash credit facilities sanctioned to the subsidiary company Trident Sugars Limited. (previous year Rs.11.65 crores)
- The Company has filed a review petition before the High Court of Judicature, Madras at Chennai in relation to the writ appeals referred to in Note No.26 on purchase tax and the decision in the matter has been deferred by the High Court till disposal of similar issues by the Supreme Court in other cases. Hence no provision is made for other charges, if any, in this regard. The amount is indeterminate at this juncture.
- The Commissioner of Central Excise (Appeals) has upheld the order of the Central Excise department imposing a penalty of Rs.21 lacs in the matter of payment of service tax for agency fees and other charges paid towards ECB availed. The Company proposes to go on appeal against the orders of the Commissioner (Appeals) to the Central Excise and Gold Control Appellate Tribunal and hence no provision has been made.

6. SECURED LOANS

- Term loans from Banks with limit of Rs.15 crores are secured by first mortgage of the Company's immovable properties at Varadaraj Nagar, Theni District and first charge on all the plant and machinery and other movable assets of the Company at Varadaraj Nagar, Theni District.
- Term loans from Banks with limit of Rs.45 crores is secured by first charge on all the plant and machineries of the cogeneration plant at Mundiampakkam, and first charge on immovable properties of cogeneration unit at Mundiampakkam and second charge on current assets of the Company and third charge on immovable properties and plant and machineries of sugar factory at Mundiampakkam.
- Term loan of Rs.17.49 crores from Sugar Development Fund is secured by way of exclusive second charge on plant and machineries, equipments, furniture and fittings related to cogeneration and sugar factory at Mundiampakkam and by way of exclusive second charge on immovable properties of the Company at Mundiampakkam.
- Working capital limits of Rs.120 crores are secured by hypothecation of current assets of the Company on first charge basis and guaranteed by a Director. It is also secured by way of second charge on immovable properties and plant and machineries of sugar and cogeneration units at Varadaraj Nagar and third charge on immovable properties and plant and machineries of cogeneration unit at Mundiampakkam and fourth charge on immovable properties and plant and machineries of sugar factory at Mundiampakkam.

- e. Corporate loan of Rs.43.13 crores from Bank consisting of (1) Term loan of Rs.21.88 crores is secured by way of equitable mortgage of Company's immovable property situated at Peelamedu, Coimbatore and pari passu first charge on current assets of the Company with existing Working capital lenders, (2) Loan of Rs.9 crores is secured by first charge on receivables from TNEB, second pari passu charge on plant and machineries of sugar & cogeneration units at Varadaraj Nagar, third pari passu charge on cogen unit at Mundiampakkam and fourth pari passu charge on sugar unit at Mundiampakkam, (3) Term loan of Rs. 12.25 crores under SEFSU, 2007 is secured by residual pari passu charge on all the fixed assets of Unit I & II.
- f. Term loan of Rs.0.60 crores from Bank is secured by way of hypothecation of plant and machineries of the bio-fertiliser plant of 300 MTPA.
- g. Term loan of Rs.10 crores from Bank is secured by way of equitable mortgage of property at New Delhi.
- h. ECB of Rs.125.15 crores is secured by first pari passu charge on plant and machineries and second charge on current assets of sugar and cogeneration units at Gingee (under installation).
- i. Term loan of Rs.11.25 crores obtained under the Scheme for Extending financial assistance to sugar undertakings is secured by residual pari passu on all the fixed assets of Unit I and II.

7. MANAGERIAL REMUNERATION	2007-08 Rs.	2006-07 Rs.
Salary	45,84,000	44,40,000
Commission	--	1,18,32,404
Company's contribution to Provident Fund	18,720	18,720
Monetary value of perquisites	43,200	43,200
Contribution to Superannuation Fund	2,64,600	2,43,000
Reimbursement of Medical Expenses	1,47,000	1,35,000
Encashment of Earned leave	--	1,45,641
Leave Travel Allowance	--	2,25,641
Total	50,57,520	1,70,83,606
Computation of Net Profit under section 198/349 of the Companies Act, 1956.		
Profit before taxation	(5,34,69,086)	26,92,96,241
Add: Depreciation as per books	10,56,36,112	10,31,22,726
Loss on sale of assets	87,651	13,28,388
Remuneration - Managing Director	24,30,960	1,42,63,364
Remuneration - Whotetime Director	26,26,560	28,20,242
Directors' sitting fees	5,80,000	4,00,000
	5,78,92,197	39,12,30,961
Less: Depreciation u/s 350	10,58,68,788	10,31,30,090
Profit on sale of assets	735	71,468
Compensation on aquisition - Surplus	68,482	27,62,120
	10,59,38,005	10,59,63,678
Net Profit	(4,80,45,808)	28,52,67,283
Remuneration @ 5% of above to the Managing Director	NIL	1,42,63,364
Commission to the Managing Director restricted to NIL for the year 2007-08		

8. No amount is due to Micro, Small and Medium Enterprises in respect of sundry creditors. This is as per information available with the company about the status of the parties concerned.

9. CIF Value of Imports	2007-08 Rs.	2006-07 Rs.
Raw materials - Raw Sugar	NIL	NIL
Capital Goods	5,16,22,300	1,22,60,637
Consumable spares	NIL	17,27,398

		2007-08 Rs.	2006-07 Rs.
10. Earnings in Foreign Exchange			
a) Export of goods calculated on FOB basis		117,76,93,608	22,42,06,240
b) Sale of carbon credits		7,19,14,997	5,76,72,595
c) Interest receipts		1,87,42,897	11,03,155
d) Receipt under forex derivative contract disputed		40,83,000	--
11. Expenditure in Foreign Currency			
i) Professional and Consultation and services		9,93,250	2,27,22,902
ii) Interest on ECB		10,01,58,646	41,08,372
iii) Others		18,54,270	1,00,09,245
12. Consumption			
a) Raw materials			
i) Imported		NIL (0%)	NIL (0%)
ii) Indigenous		247,21,51,500 (100%)	253,41,43,361 (100%)
b) Stores & spares:			
i) Imported	Rs.	NIL (0%)	17,27,398 (0.81)
ii) Indigenous	Rs.	21,66,82,297 (100%)	21,08,42,026 (99.19%)
13. a) Amount of Dividend remitted during the year in Foreign Exchange currencies	Rs.	49,571	57,49,315
b) Number of Non-resident shareholders		127	156
c) Number of shares held by the above persons		24,71,591	25,92,528
14. Tax deducted at source on interest income	Rs	19,05,612	13,66,586
Tax deducted at source on Contract	Rs.	NIL	NIL
Tax deducted at source on rental income	Rs.	7,32,212	6,74,283
Tax deducted at source on compensation	Rs.	NIL	4,09,688
15. Provision towards Gratuity and superannuation schemes has been made upto date as per the demands received from Life Insurance Corporation of India and HDFC Standard Life Insurance Company Limited based on actuarial valuation. Provision for leave encashment benefit has been made for the entire amount due and payable as at the close of the year.			

The disclosures required under Accounting Standard 15 "Employee Benefits" are as follows.

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized are charged off for the year as under:

Employer's Contribution to Provident Fund	Rs.80,94,972
Employer's Contribution to Superannuation Fund	Rs.37,53,364

Defined Benefit Plan

The employees's gratuity fund scheme managed by Life Insurance Corporation of India / HDFC Standard Life Insurance Company Limited is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

a. Reconciliation of opening and closing balances of Defined Benefit obligation

Defined Benefit obligation at beginning of the year	4,98,57,145
Current service cost	51,19,295
Interest cost	43,49,713
Actuarial (gain)/loss	(28,66,355)
Benefits paid	(12,10,064)
Defined Benefit obligation at year end	5,52,49,734

b. Reconciliation of opening and closing balances of fair value of plan assets

Fair value of plan assets at beginning of the year	3,91,67,799
Expected return on plan assets	30,85,021
Actuarial (gain) / loss	(18,79,978)
Employer contribution	-
Benefits paid	(12,10,064)
Fair value of plan assets at year end	3,91,62,778
Actual return on plan assets	9,86,377

c. Reconciliation of fair value of assets and obligations

Fair value of plan assets as at 31 st March 2008	3,91,62,778
Present value of obligation as at 31 st March 2008	5,52,49,734
Amount recognized in Balance Sheet	(1,60,86,956)

d. Expenses recognized during the year

Current Service Cost	51,19,295
Interest Cost	43,49,713
Expected return on plan assets	(30,85,021)
Actuarial (gain) / loss	(9,86,377)
Net Cost	53,97,610

e. Investment details

L.I.C. Group Gratuity policy	2,66,48,088
HDFC Group Gratuity policy	1,25,14,690

f. Actuarial assumptions

Mortality Table (L.I.C)	1994-96
Discount rate (per annum)	8%
Expected rate of return on plan assets (p.a)	8%
Rate of escalation in salary (p.a)	5%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. This being the first year of implementation, previous year figures have not been given.

16. Quantum of Excise Duty included in closing stock of finished goods is Rs.4,15,78,040/- (Previous year : Rs. 6,35,22,117/-).
17. Borrowing costs capitalized during the year is Rs.12,06,897/- (Previous year : Rs. 16,07,017/-). Borrowing cost included in Capital Work in progress- Rs.11,11,20,203/- (previous year Rs.33,06,565/-)
18. Interest receipt of Rs.1,95,02,045/- (including Rs.1,87,42,897/- referred in Note No.10) is credited in capital work in progress.(previous year Rs.13,67,232/-)
19. Interest on Fixed deposits include Rs.3,67,394/- paid to Ms.Rajshree Pathy, Chairman and Managing Director in respect of fixed deposits held by her.
20. Interest charges is net of amount due Rs.4,05,83,408/- from Directorate of Sugar, Government of India towards buffer stock interest subsidy claim. This amount will be disbursed by them progressively. Amount received till date is Rs.82,24,513/-
21. In terms of AS-28, the company has carried out an exercise to ascertain the impairment, if any, in the carrying values of its Fixed assets. The exercise has not revealed any impairment of assets during the year 2007-08.

22. Loss on sale of discarded asset relate to one old boiler of outdated technology in Unit II, Mundiampakkam dismantled and sold during the year.

23. In respect of the property at Delhi wherein the 1st and 2nd floors were acquired during the year 2006-07, the ground floor portion was taken on a long term operational lease of 20 years on a monthly rental of Rs.75,000/- with option to renew for further 20 years on the same terms. The refundable interest free security deposit made and maintained in a separate escrow account with Bank for this purposes is Rs.1,62,50,000/-. The lease rent amounting to Rs.9 lacs (previous year Rs.4.25 lacs) has been charged to profit and loss account. The future minimum lease payments are as under:

	2007-08	2006-07
Not later than one year	9.00	9.00
Later than 1 year and not later than 5 years	36.00	36.00
Later than 5 years	121.75	130.75

24. The Company has operating leases on premises leased to parties. The leases are for period of 36 months from the date of inception. The lease rentals received are included in the profit and loss account. Lease rental commitments from the parties are as follows.

	2007-08	2006-07
Not later than one year	12.82	29.94
Later than 1 year and not later than 5 years	13.70	26.52
Later than 5 years	Nil	Nil

Fixed assets provided on operating lease to the parties.

Building	Cost	79.46	79.46
	Depreciation	9.19	7.89
	Net book value	70.27	71.57

25. Company during the year ended 31.3.2007 had been awarded a compensation of Rs.48,34,458/- by the State Government in respect of part of land and portion of building thereon acquired by them for extension of National Highway in Mundiampakkam, Villupuram District. A balance amount of Rs.11,83,051/- is due from the State Government. Additional compensation of Rs.68,482/- has been awarded and received during this year.

26. The company has during the year paid the entire amount of disputed purchase tax on cane pertaining to the years 1989-90 to 1994-95 aggregating to Rs.9.95 crores against the provision of Rs.3.47 crores and advance payment of Rs.0.46 crores carried in the books, consequent upon vacation of stay by the High Court of Judicature, Madras at Chennai vide its Order dated 23.11.2007 in writ appeals 1492 and 1493 of 2007.

27. Loss on derivatives

In respect of one of the derivative contract of the value of Rs. 10 crores entered into by the company relating to currency swap and since settled on 15.4.2008, the company has incurred a loss of Rs.1,95,56,190/- which amount has been recognized in the books as on 31.3.2008 considering the principles of prudence as enunciated in Accounting Standard 1.

However, in respect of another derivative contract of the notional value of USD 10 million entered into with AXIS Bank Limited which may escalate to USD 40 million based on prescribed exchange rates of designated currencies occurring during the reference period, the very subsistence of the contract including its legality has been disputed by the Company in the suit CS No.240/2008 before the High Court of Judicature, Madras at Chennai and the High Court by its order in OA No.251/2008 has granted interim injunction till 20.6.2008 restraining the bank from enforcing the contract against the Company. Hence the unrealized loss or gain, if any, as on 31.3.2008 has not been recognized in the books. An initial amount of Rs.40,83,000 (USD 100,000) received under this contract has been included in other income.

28. Deferred tax workings:

Particulars	Opening balance	Addition / Reversal	Closing balance
Deferred tax liabilities			
Depreciation	34,25,12,216	56,41,270	34,81,53,486
Total - A	34,25,12,216	56,41,270	34,81,53,486
Deferred tax assets			
Compensation under voluntary retirement scheme	28,42,093	(10,77,007)	17,65,086
Unabsorbed losses	--	95,61,739	95,61,739
Disallowance u/s 43 B	--	1,04,09,538	1,04,09,538
Total - B	28,42,093	1,88,94,270	2,17,36,363
Net Deferred tax liability (A-B)	33,96,70,123	(1,32,53,000)	32,64,17,123

29. Information about Segments: Primary segment - Business segments

(Rs. in Thousands)

Particulars	Sugar	Distillery	Others	Total
REVENUE				
External Sales	3223385	245724	-	3469109
Inter-segment Sales	19729	-	-	19729
Total Revenue	3243114	245724	-	3488838
RESULT				
Segment result	75353	162429	-	237782
Unallocated corporate expenses				48438
Operating Profit				189344
Interest Expense				141263
Interest Income				-
Income Taxes				(5685)
Profit from ordinary activities				53766
Extraordinary Items				(101550)
Net Profit				(47784)
OTHER INFORMATION				
Segment assets	5680502	77483	-	5757985
Unallocated corporate assets				-
Total Assets				5757985
Segment Liabilities	4445982	225	-	446207
Unallocated Corporate Liabilities				20931
Total Liabilities				4467138
Capital Expenditure				-
Depreciation	100650	4986	-	105636
Non-cash expenses other than depreciation	-	-	-	-

Notes:

a. The Company has identified business segments as primary segments. The reportable business segments are based on segment results.

b. Composition of the business segments and types of products in each of them is as under:

- | | |
|----------------|--|
| i. Sugar | White Crystal Sugar & Cogeneration of Electricity |
| ii. Distillery | Rectified Spirit, Denatured Spirit, Anhydrous Alcohol & Organic Manure |
| iii. Others | Property Development |

c. Inter Segment revenues are recognised at net realisable price as on the date of transaction and are eliminated in consolidation.

d. The Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

e. Secondary Segment:

Geographical segment has been identified as secondary segment based on segment revenue.

Domestic Sales	Rs. 202,31,69,692
Export Sales including carbon credit sales	Rs. 144,59,39,127
Total	Rs. 346,91,08,819

Export sales were to Sri Lanka, China, West Asian countries.

30. RELATED PARTY DISCLOSURE
Transactions with related parties
(Value in Rs.)

Particulars	Subsidiaries	Key Management Personnel	Relatives of key Management personnel	Other Related Parties	Total
Remuneration	-- (--)	50,57,520 (1,70,83,606)	-- (90,000)	-- --	50,75,520 (1,71,73,606)
Purchase of Goods	-- (--)	-- (--)	1,57,489 (65,481)	10,91,587 (8,49,792)	12,49,076 (9,15,273)
Purchase of Assets / materials	-- (64,695)	-- (--)	-- (--)	4,99,437 (4,23,799)	4,99,437 (4,88,494)
Sale of Assets / materials	53,82,214 (21,48,602)	-- (--)	-- (--)	-- (--)	53,82,212 (21,48,602)
Rendering of Services	-- (--)	-- (-)	-- (--)	72,802 (43,328)	72,802 (43,328)
Receiving of Services	--	--	--	36,19,019 (22,75,159)	36,19,019 (22,75,159)
Finance(including loans and equity contributions In cash or kind)	3,19,17,133 (16,22,58,839)	-- (--)	-- (--)	-- (-)	3,19,17,133 (16,22,58,839)
Interest paid	-- (--)	3,67,394 (2,47,108)	-- (--)	-- (-)	3,67,394 (2,47,108)
Interest received	69,31,570 (50,45,639)	-- (--)	-- (--)	-- (-)	69,31,570 (50,45,639)
Guarantee on behalf of Subsidiary company	17,95,00,000 (11,65,00,000)	-- (--)	-- (--)	-- (-)	17,95,00,000 (11,65,00,000)
Lease rent paid	--	--	--	1,93,960 (5,89,105)	1,93,960 (5,89,105)
Vehicle repairs	--	--	--	33,505 (2,80,910)	33,505 (2,80,910)
Rent received	--	--	--	48,000 (48,000)	48,000 (48,000)
Outstandings					
Payable	-- (--)	(1,18,32,404)	12,734 (--)	2,48,584 (1,67,331)	2,61,318 (11,999,735)
Receivable	4,68,54,419 (7,33,26,450)	-- (--)	-- (--)	41,427 (-)	4,68,95,846 (7,33,26,450)

Note:

Names of related parties and description of relationship

1. Holding Companies		
None		
2. Subsidiaries		
Trident Sugars Limited		
3. Fellow Subsidiaries		
None		
4. Associates		
None		
5. Key Management Personnel		
a. Ms. Rajshree Pathy		
b. Mr. R.Varadarajan		
6. Relatives of Key Management Personnel		
Ms.Aiswarya Pathy		
7. Other Related Parties		
a. RSCLProperties Pvt. Ltd		
b. Ganga Textiles Ltd		
c. CAI Industries Ltd.		
d. Rajshree Automotive Ltd.		
e. Aloha Tours & Travels (India) Pvt. Ltd		
f. P S G G M Trust		
g. Rajshree Spinning Mills Limited		
h. Raj Fabrics and Accessories (Cbe) Ltd		
31. Earnings per share	31.3.08	31.3.07
a) Net profit before extraordinary items	5,37,53,940	28,85,20,210
Net profit after extraordinary items	(4,77,84,169)	22,59,70,826
b) Weighted average number of equity shares of Rs.10/-each outstanding during the year	22,691,700	22,691,700
c) Basic/Diluted earnings per share (Rs.)		
Before extraordinary items	2.37	12.71
After extraordinary items	(2.11)	9.96

32. Previous year figures have been regrouped wherever necessary to conform to current year's classification. Paise are rounded off to the nearest rupee.

As per our report of even date
For **Srikishen & Co**
Chartered Accountants

K. Murali Mohan
Auditors, Proprietor
Membership No. 14328

C. Shankar
Company Secretary

Rajshree Pathy
Chairman and Managing Director

Place: Coimbatore
Date : 19th June 2008

R Varadarajan
Director & Chief Operating Officer