

TRIDENT SUGARS LIMITED

ANNUAL REPORT 2013-14

TRIDENT SUGARS LIMITED

BOARD OF DIRECTORS

Ms.Rajshree Pathy
Managing Director

Mr.R.Varadarajan
Director

Dr.K.Mohan Naidu
Director

Mr.G.Sathiyamoorthi
Director

AUDITORS

M/s.Srikishen & Co
Kanapathy Towers, 3rd Floor
1391/A-1, Sathy Road
Ganapathy
Coimbatore 641 006.

REGISTERED OFFICE

'The Uffizi',
338, Avanashi Road
Peelamedu
Coimbatore – 641 004

FACTORY

Madhunagar
Zaheerabad
Medak District – 502 228
Andhra Pradesh

BANKERS

UCO Bank
State Bank of India

TRIDENT SUGARS LIMITED

CIN: U15424TZ2002PLC013368

Regd. Office: "The Uffizi", 338 Avanashi Road
Peelamedu, Coimbatore 641 004

NOTICE

Notice is hereby given that the 12th Annual General Meeting of the members of the Company will be held on Monday, the 8th September 2014 at 9.15 AM at the registered office of the Company at The Uffizi, No.338, Avanashi Road, Peelamedu, Coimbatore - 641 004 to transact the following business.

AGENDA

1. To receive, consider and adopt the Statement of Profit and Loss, Cash flow Statement for the year ended 31st March 2014, the Balance Sheet as at that date, the report of the Board of Directors and the report of the Auditors.
2. To appoint a Director in the place of Mr.R.Varadarajan, who retires by rotation and being eligible offers himself for reappointment.
3. Appointment of Auditors

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

"RESOLVED that pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and rules made thereunder and pursuant to recommendations of the Audit Committee, the Company do hereby appoint M/s.Srikishen & Co. Chartered Accountants (Registration No. 0040009S), the retiring auditors as statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company on recommendation by Audit Committee."

SPECIAL BUSINESS

4. Appointment of Dr.K.Mohan Naidu as an Independent Director.

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 Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any

statutory modification(s) or re-enactment thereon for the time being in force) Dr.K.Mohan Naidu (holding DIN:01774192), in respect of whom a notice under Section 160 of the Companies Act, 2013 has been received by the Company together with requisite deposit, be and is hereby appointed as an Independent Director of the Company to hold office from the date of this Annual General Meeting upto the expiry of 3 (three) consecutive years or the date of Annual General Meeting to be held in the year 2017, whichever is earlier."

5. Appointment of Mr.R.C.H.Reddy as an Independent Director.

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 Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereon for the time being in force) Mr.R.C.H.Reddy (holding DIN: 00006184), in respect of whom a notice under Section 160 of the Companies Act, 2013 has been received by the Company together with requisite deposit, be and is hereby appointed as an Independent Director of the Company to hold office from the date of this Annual General Meeting upto the expiry of 3 (three) consecutive years or the date of Annual General Meeting to be held in the year 2017, whichever is earlier."

6. Remuneration for Cost Auditor

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolutions:

"RESOLVED that the Company do hereby confirm and ratify in terms of Section 148 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder, the remuneration of Rs.25,000/- per annum excluding out of pocket expenses, as approved by the Board of Directors on the recommendation of the Audit Committee, for M/s.Ram Babu & Co., Cost Accountants (Firm Registration No.100638) for conducting the audit of the cost records for the product sugar of the Company for the financial year ending March 31, 2015."

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

7. Borrowing Powers

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

"RESOLVED that pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), the consent of the members be and is hereby accorded to the Board of Directors (which power the Board may exercise by delegation to a duly constituted Committee thereof) to borrow, any sum or sums of money from time to time at their discretion for the purpose of business of the Company, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed at any time, the aggregate of the paid-up capital and free reserves by a sum not exceeding Rs.150 Crores (Rupees one hundred fifty crores only) in aggregate, and that the Board of Directors be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may think fit."

8. Mortgage of Assets

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

"RESOLVED that pursuant Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the Board which term shall be deemed to include duly constituted Committee thereof) for mortgaging, hypothecating and/or charging the whole or substantially the whole of the Company's any one or more of the undertakings including the present and/or future properties, whether movable or immovable comprised in any or new undertaking(s) of the Company as the case may be, in favour of financial institutions, corporations, banks, mutual funds, government / other agencies or any other person(s), entities which give, provide or extend loans / facilities to the Company or in favour of trustees of such lenders to secure amount of loans/debentures together with interest thereon, commitment charges, liquidated damages, premium on redemption, trustees remuneration, costs, charges, expenses and all other moneys payable under the agreement(s) / arrangement(s) entered into / to be entered into by the Company in respect of the said loans as the Board may deem fit in the best interests of the Company."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized and empowered to enter into, sign, seal and execute and deliver such arrangements, assignments, conveyances, covenants, contracts, deed of hypothecation, mortgage deed, other deeds, writings and other instruments and to do all such acts, deeds, matters and things in the name and on behalf of the Company as the Board may consider expedient, usual, proper or desirable for creating

mortgages / charges / hypothecation on all or any of the immovable and movable properties of the Company, both present and future, which may be beneficial and convenient to the Company."

By Order of the Board

**R.Varadarajan
Director**

**Place : Coimbatore
Date : 8th August 2014**

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy to attend and vote instead of himself/herself and the Proxy need not be a Member. The Proxy can vote in favour or against the resolution at poll.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 and the Register of Contracts and Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 ('the Act'), will be available for inspection by the members at the Annual General Meeting
3. The Statements pursuant to section 102(1) of the Companies Act, 2013, in respect of special businesses are annexed hereunder.

Explanatory statement pursuant to section 102(1) of the Companies Act, 2013.**Item No.4 & 5 : Appointment of Independent Directors**

Pursuant to Section 149 of the Companies Act, 2013 (commenced with effect from 1.4.2014) and rules made thereunder, every public Company having a paid up share capital of Rs.10 Crores or more need to appoint atleast two Directors as Independent Directors, within a period of 1 year from the commencement of the said Act.

The Independent Directors are not liable to retire by rotation and should be appointed for a fixed tenure upto five consecutive years and are eligible for reappointment for one more term of upto five years on passing of special resolution by the Company.

Since, the Company is having paid up share capital of more than the threshold limit, it is proposed to appoint Dr.K.Mohan Naidu and Mr.R.C.H.Reddy, who are qualifying to be appointed as Independent Directors as per the Companies Act 2013, as Independent Directors to hold office from the date of this Annual General Meeting upto the expiry of 3 (three) consecutive years or the date of the Annual General Meeting to be held in the year 2017, whichever is earlier."

The Company has received notices in writing alongwith the deposit of requisite amount under Section 160 of the Companies Act proposing the candidatures of each of Dr.K.Mohan Naidu & Mr.R.C.H.Reddy, for being appointed as Independent Directors of the Company.

The proposed independent Directors have also furnished declarations that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act 2013. They are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act 2013 and have given their consent to act as Directors / Independent Directors.

In the opinion of the Board, Dr.K.Mohan Naidu and Mr.R.C.H.Reddy, fulfil the conditions for appointment as Independent Directors as specified in the Act and the rules made thereunder and that the proposed Directors are independent of the management. They are also serving as Independent Directors of the holding Company M/s Rajshree Sugars & Chemicals Ltd.

Copy of the draft letters for respective appointments of Dr.K.Mohan Naidu and Mr.R.C.H.Reddy, as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

None of the Directors/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions excepting the interest of each of the person above in their respective appointments.

The Board commends the Ordinary Resolutions set out in the respective items of Agenda for approval by the shareholders.

Item No.6 : Ratification of Remuneration to Cost Auditor

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s.S.Mahadevan & Co., Cost Accountants to conduct the audit of the cost records of the Company in respect of the product sugar, for the financial year ending March 31, 2015 at a remuneration of Rs.Rs.25,000/- per annum excluding out of pocket expenses.

Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as determined by the Board on recommendation of Audit Committee, has to be ratified by the shareholders of the Company at the following general meeting. The approval of the Central Government is not required under the Companies Act, 2013 notified with effect from 1.4.2014.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors / key managerial personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the resolutions for approval by the shareholders.

Item No.7: Borrowing Powers

The members had, at the Annual General Meeting held on 27th September 2004, authorized the Board to borrow Rs.100 Crores from time to time in excess of aggregate of paid up capital and free reserves for the time being. Such authorization was given by way of ordinary resolutions.

The Section 180 of the Companies Act, 2013, required that such power had to be given by way of special resolutions. Hence the resolutions are being proposed at the ensuing Annual General Meeting.

Taking the advantages of the position and keeping in mind the enlarged business activities, it is proposed to get approval by way of special resolutions for borrowing a sum of Rs.150 Crores from time to time in excess of aggregate of paid up capital and free reserves for the time being.

The Board of Directors recommends passing of the Special resolutions as set out in the item No.7 of the agenda.

None of the Directors / key managerial personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Item No.8: Mortgage of Assets

The members had, at the Annual General Meeting held on 27th September 2004, authorized the Board for mortgaging, hypothecating and/or charging Company's movable or immovable assets. Such authorization was given by way of ordinary resolutions.

The Section 180 of the Companies Act, 2013, required that such power had to be given by way of special resolutions. Hence the resolutions are being proposed at the ensuing Annual General Meeting.

The Board of Directors recommends passing of the Special resolutions as set out in the item No.8 of the agenda.

None of the Directors / key managerial personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

By Order of the Board

**R.Varadarajan
Director**

**Place : Coimbatore
Date : 8th August 2014**

TRIDENT SUGARS LIMITED

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 12th Annual Report with the audited financial statements for the year ended 31st March 2014.

(Rs. In lakhs)

FINANCIAL HIGHLIGHTS	2013-14	<i>2012-13</i>
Total Income	9389.21	<i>10958.19</i>
Profit/(Loss) before Interest and depreciation	(14.84)	<i>392.68</i>
Interest	781.16	<i>802.05</i>
Depreciation	315.85	<i>287.13</i>
Exceptional items	-	<i>(6.77)</i>
Prior period income reversed	-	-
Profit/(Loss) before tax	(1111.85)	<i>(689.73)</i>
Provision for taxation	-	-
Provision for deferred tax	(343.56)	<i>(213.13)</i>
Income tax of prior period	-	-
Profit/(Loss) after tax	(768.29)	<i>(476.61)</i>

Dividend

The Board of Directors have not recommended dividend for the year 2013-14.

Financial performance

The Company has incurred a net loss of Rs.768.29 lakhs during 2013-14 as against a net loss of Rs.476.61 lakhs incurred in the previous year. Higher cane price coupled with lower realisation and lower recovery on account of erratic rainfall affected the performance of the company.

Operations

During the year under review, the factory has crushed 3.80 lakh tons of sugarcane as against 4.25 lakh tons crushed in the previous year.

Future outlook

With the expected normal monsoon this year, the sugarcane crushing for the year 2014-15 is expected to be sustained at last year's level.

The domestic sugar prices have already started showing signs of recovery in this financial year and it is expected that sugar prices would remain firm reflecting the demand – supply situation over the next twelve months.

Audit Committee

The composition of the Audit Committee, as required under the Companies Act, is furnished hereunder:

Ms.Rajshree Pathy - Chairperson
Mr.R.Varadarajan - Member
Dr.K.Mohan Naidu - Member

Further Issue of Shares

During the year, the company has issued and allotted on rights basis 70,83,674 Equity shares of Rs.10/- each for cash at par as fully paid-up to M/s Rajshree Sugars & Chemicals Limited, the holding company in accordance with Section 81(1) of the Companies Act, 1956.

Directors

Mr.R.Varadarajan, Director retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment.

Auditors

M/s Srikishen & Co., Chartered Accountants, the present auditors of the Company, retires at the ensuing Annual General Meeting and are eligible for reappointment. They have furnished necessary certificate in terms of Section 224(1B) of the Companies Act, 1956.

Cost Audit

Your company had filed the Cost Audit Reports with the Ministry of Corporate Affairs for its Sugar division for the financial year ended 31.3.2013 as detailed below:

Details of Cost Auditor	Year	Due date of filing	Actual date	SRN No.	Qualification
M/s. Ram Babu & Co Cost Accountants 1-1-336/57, Viveknagar Chikkadapally Hyderabad 500 020. Mr.Ram Babu M.No.16360	2012-13	30.9.2013	25.9.2013	S22508337	NIL

Particulars of employees under section 217(2A)

None of the employees of the Company were in receipt of remuneration, which in the aggregate exceeded the limits fixed under sub-section (2A) of the Section 217 of the Companies Act, 1956.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors' confirms that in the preparation of annual financial statements for the financial year ended 31st March 2014:-

- I. the applicable accounting standards have been followed;
- II. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- III. they 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 and
- IV. the annual financial statements have been prepared on a going concern basis.

Conservation of energy

Particulars required to be furnished under sub section 1(e) of section 217 of the Companies Act, 1956 are also annexed to this report.

Acknowledgement

Your Directors thank the Banks and Financial Institutions for the continued financial assistance and support provided by them to the Company. Your Directors also thank the cane growers, suppliers, Government Institutions and others for the cooperation extended to the Company. The Board also places on record its appreciation of the dedicated services rendered by the employees of the Company.

May **Goddess Lakshmi** shower Her blessings for the continued prosperity of the Company.

For and behalf of the Board

R.VARADARAJAN
Director

RAJSHREE PATHY
Managing Director

Place: Coimbatore
Date : 14th May 2014

TRIDENT SUGARS LIMITED

ANNEXURE-1 TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2014.

(AS PER RULE 2 OF COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF *DIRECTORS*) RULES, 1988)

A) CONSERVATION OF ENERGY:

- i) During the year under review, the Company has taken following energy conservation measures:
 - a) To reduce the steam % on cane the following steam saving measures were implemented.
 - Evaporator I body vapour bleeding arrangements provided for Clear juice heater instead of using Exhaust steam.
 - Evaporator III body vapour bleeding arrangements provided for Raw juice II stage heating.
 - Exhaust steam usage for Pan boiling completely avoided.
 - b) Damaged insulations of all the three boilers air heater, economizer completely renewed to reduce the heat loss through radiation.
 - c) VFD provided for Imbibition water pump (40 HP) thereby saved 9 units/hour permanently.
 - d) Power factor improved by installation of capacitors for the load of 500 Kvr and thereby reduction in power consumption and heat loss.
- ii) Additional investment and proposal, if any being implemented for reduction of consumption of energy: Nil

Along with expansion it is proposed to install the following equipments to reduce the steam % on cane:

- Vapour line juice heaters in evaporator
- Condensate heater for Raw juice heating.
- B continuous pan

- iii) The impact of the above measures taken during Financial Year 2013-14:

The above steam saving measures coupled with modification of vapour bleeding arrangements facilitated higher crushing rate and completely eliminated the low steam stoppages in the plant. Crushing rate for the Financial Year 2013-14 is 3037 MT against the crushing rate of 2742 MT for the financial year 2012-13.

The Total energy consumption and energy consumption per unit of production is given in Form A

Form A

a) Power and Fuel consumption

SN	Power Details	2013-14	2012-13
1)	a) Electricity purchased (No.of units)	316437	4,61,338
	Total amount (Rs in Lakhs)	37.08	36.91
	Rate per unit(Rs.)	11.72	8.00
2)	b)Own generation		
	i) Through Diesel Generators (Units)	85,840	1,80,068
	Units per ltr of Diesel.	3.52	2.79
	Cost per unit in Rs.	16.29	17.47
3)	ii)Through Steam turbine (units)	91,10,036	1,10,94,380
	Units per MT of bagasse	112	106
	Cost Per unit in (Rs in lakhs)	(Own Bagasse used)	(Own Bagasse used)

b) Consumption per unit of Production

Product	White crystal sugar 2013-14	White crystal sugar 2012-13
Electricity (Units per Qtl of sugar)	23.06	29.07

A. TECHNOLOGY ABSORPTION:

FORM B

(Research and development and technology absorption)

i) Research and development (R&D)

1. Specific areas in which R & D carried out by the Company and benefits derived:

- a) Soil health management and maximizing the sugarcane yield
- b) Development of package for chip bud seedlings for Trident area.

- c) Sourcing and evaluation of varieties for higher sucrose content and yield.
- d) Development of drip fertigation schedule for Trident command area
- e) Sourcing and evaluation of new herbicide for effective weed management of Trident command area.
- f) Transfer of Technology for cane production and publications

2. Benefits derived as a result of above R&D:

- a) Soil health improvement and improved agronomic practices:
As part of soil health improvement program, we collected soil samples randomly and analyzed for organic carbon, macro and micro nutrients. The analytical data showed that 77% soils are low in nitrogen, whereas 60.3% of soil contains high in potassium. The organic carbon content and available phosphorus content of the soils are low to medium range.
- b) Development of package for chip bud seedlings for Trident area
Plant geometry study to improve the yield was initiated to optimize the requirement of chip bud seedlings at Zaheerabad condition. The study showed that 5.5'X 1.5' spacing (5500 seedlings per ac) produced the highest sugarcane yield (69 t/ac) followed by 5'X 2' and 5.5'X2.0 spacing.
- c) Sourcing and evaluation of varieties for higher sucrose content and yield.
Clones were collected from M/s. Sadhana Agri Tech Consulting (P) Ltd., Bangalore and Sugarcane Breeding Institute, Coimbatore through all Indian co-ordinated projects on Sugarcane. Around 126 clones were obtained and evaluated at Trident environment and the study shows few promising clones, which will be used for further multiplication .
- d) Development of fertigation schedule for Trident command area
A new fertigation (Fertilizers application along with irrigation water) schedule is developed and the field evaluation is in progress in trident command area. A card indicating the daywise schedule is also printed for the benefit of Trident farmers.
- e) Sourcing and evaluation of new herbicide for effective weed management
New herbicide, halosulfuron methyl was sourced and evaluated to control *Cyperus* (Korai) weed, which is dominating the Trident area.

- f) Transfer of technology to farmers for cane production and publications.

The scientists from Trident R&D demonstrated the yield maximization demos in farmers' holdings, farmers training program on improved agronomic practices, chip bud production technologies and drip fertigation.

The new technologies and best practices from R&D were published in the local Telugu news magazine and newspapers for the benefit of the farmers

3. Future plan of action:

- a) Development of pipe-line varieties for higher sucrose and sugarcane yield
- b) Formulation of micronutrient mixture for Trident command area.
- c) Identifying effective herbicide for monocot weeds.
- d) Development of model farm for Trident

4. Expenditure on R & D: (Rs in lakhs)

(a) Capital	- Nil (Nil)
(b) Recurring	- 9.54 (8.21)
(c) Total	- 9.54 (8.21)
(d) Total R & D expenditure as a percentage of total turnover	- 0.10 (0.07%)

Technology absorption, adaptation and innovation

- 1) Effort/s in brief towards technology absorption, adaptation and innovation:
New sugarcane chip bud planter was introduced.

- 2) Benefit/s derived as a results of the above effort/s:

Planted sugarcane chip seedlings using a low cost chip bud planter for about 100 ac on trial basis in Zaheerabad area.

B. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total foreign exchange used and earned (Rs in lakhs)

Foreign exchange earned: Nil (Nil)

Foreign exchange outgo : Nil (Nil)

Independent Auditor's Report

To the Members of Trident Sugars Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Trident Sugars Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.

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 control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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 March 31, 2014;
- b) in the case of Statement of Profit and Loss , the loss 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

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For SRIKISHEN & CO.
Regn.No.004009S.
Chartered Accountants

Place: Coimbatore
Date :14.05.2014

K. Murali Mohan
Auditors, Proprietor
Membership No:14328

Annexure to the Auditors' Report
(Referred to in paragraph 1 of report on legal and regulatory requirements)

- (i) a. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b. As explained to us, all the fixed assets have been physically verified in a phased periodical manner, by the management, which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies have been noticed on such physical verification.
- c. In our opinion the company has not disposed a substantial part of its fixed assets during the year.
- (ii) a. Physical verification of inventory has been conducted by the management at reasonable intervals during the year.
- b. 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. On the basis of our examination of records of inventory, in our opinion, the Company has maintained proper record of inventory and no material discrepancies were noticed on the physical verification of inventories as compared to the book records.
- (iii) a) The Company has not granted any loans to the Companies, firms or other parties covered in the register maintained section 301 of the Companies Act.
- b) The Company has taken unsecured loan from its holding company, company covered in the register maintained under section 301 of the Companies Act. The maximum amount involved in the above transaction net of periodical repayments is Rs.3201.22 Lacs and the year end balance is Rs.2419.56 Lacs.

In our opinion and according to the information and explanations given to us, the rate of interest & other terms and conditions of the loan taken are not prima facie prejudicial to the interests of the company .In respect of said loan, principal and interest are payable on demand and therefore the question of overdue amounts does not arise.
- iv) In our opinion and according to the information and explanations given to us there are adequate internal control systems commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weaknesses have been noticed in the internal control systems.

- v) To the best of our knowledge and belief, and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register in pursuance of section 301 of the Companies Act, 1956 have been so entered.

In our opinion and according to the information and explanations given to us, such transactions have been made at prices, which are reasonable having regard to the prevailing market prices at the relevant time.

- vi) In our opinion and according to the information and explanations given to us, the Company has not obtained any deposit from public during the year.
- vii) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business;
- viii) The Central Government has prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956, in respect of certain products manufactured by the company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however carried out a detailed examination of the same.
- ix) a. The Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Customs duty, Excise duty, service tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanation given to us no undisputed arrears of statutory dues were outstanding as at 31.03.2014 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, the details of disputed statutory dues which have not been deposited is as given below:

Name of the statute	Period to which amount relates	Nature of demand	Amount disputed	Forum where dispute is pending
APST	2005-06 to 2007-08	Sales Tax	Rs.4.06 lacs	Sales tax Appellate Tribunal, Hyderabad

- x) The accumulated losses of the company at the end of the financial year are more than fifty percentage of its net worth. The company has incurred cash loss during the financial year covered by our audit .and. in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or Banks. The Company has not issued any debentures till date.

- xii) During the year, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The provisions of special statute applicable to Chit fund, nidhi /mutual Benefit fund/ societies are not applicable to the Company.
- xiv) The Company is not dealing or trading in shares, securities, debentures and other investments.
- xv) During the year the Company has not given any guarantee for loans taken by others, from banks or financial institutions.
- xvi) The Company has applied the term loans for the purpose for which the loans were obtained during the year.
- xvii) According to the information and explanations given to us and on an overall examination of the source and application of funds of the Company, we report that no funds raised on short term basis have been used for long term investments.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956 during the year.
- xix) In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the period covered by our audit report.
- xx) During the period covered by our audit report, the Company has not raised any money by public issues.
- xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no frauds on or by the Company has been noticed or reported during the year.

For SRIKISHEN & CO.
Regn.No.004009S.
Chartered Accountants

Place: Coimbatore
Date :14.05.2014

K. Murali Mohan
Auditors, Proprietor
Membership No:14328

TRIDENT SUGARS LIMITED
Balance Sheet as at 31.03.2014

Amount in Lakhs

Particulars	Note No.	31.03.2014	31.03.2013
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	<u>A</u>	1,449.49	741.13
(b) Reserves and surplus	<u>B</u>	(1,197.12)	(428.83)
		<u>252.37</u>	<u>312.29</u>
2 Non-current liabilities			
(a) Long-term borrowings	<u>C</u>	2,004.58	1,895.30
		<u>2,004.58</u>	<u>1,895.30</u>
3 Current liabilities			
(a) Short-term borrowings	<u>D</u>	5,426.68	4,077.58
(b) Trade payables	<u>E</u>	4,192.18	3,671.48
(c) Other current liabilities	<u>F</u>	1,909.57	1,179.04
(d) Short-term provisions	<u>G</u>	11.42	12.04
		<u>11,539.85</u>	<u>8,940.14</u>
TOTAL		<u>13,796.80</u>	<u>11,147.74</u>
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	<u>H</u>	4,402.73	4,528.67
(ii) Capital work-in-progress		55.35	190.17
(c) Deferred tax assets (net)	<u>I</u>	659.32	315.76
(d) Long-term loans and advances	<u>J</u>	19.18	16.60
(e) Other non-current assets			
		<u>5,136.58</u>	<u>5,051.20</u>
2 Current assets			
(a) Current investments			
(b) Inventories	<u>K</u>	7,920.67	5,527.97
(c) Trade receivables	<u>L</u>	15.58	7.34
(d) Cash and cash equivalents	<u>M</u>	311.15	182.01
(e) Short-term loans and advances	<u>N</u>	396.53	363.71
(f) Other current assets	<u>O</u>	16.30	15.51
		<u>8,660.22</u>	<u>6,096.54</u>
TOTAL		<u>13,796.80</u>	<u>11,147.74</u>

See accompanying notes to the financial statements

As per our report of even date

For **Srikishen & Co.**

Chartered Accountants

Registration No: 004009S

K Murali Mohan

Membership No. 14328

Auditors, Proprietor

Place: Coimbatore

Date : 14th May 2014

R Varadarajan

Director

Rajshree Pathy

Managing Director

TRIDENT SUGARS LIMITED**Profit & Loss statement for the year ended 31.03.2014**

Amount in Lakhs

Particulars	Note No.	31.03.2014	31.03.2013
INCOME			
I. Revenue from operations	<u>P</u>	9,368.32	10,947.00
II. Other income	<u>Q</u>	20.89	11.19
III. Total Revenue (I + II)		9,389.21	10,958.19
IV. Expenses:			
Cost of materials consumed	<u>R</u>	9,879.07	11,061.50
Changes in inventories of finished goods work-in-progress and St	<u>S</u>	(2,235.79)	(2,292.18)
Employee benefits expense	<u>T</u>	596.94	506.55
Finance costs	<u>U</u>	787.16	802.05
Depreciation and amortization expense		315.85	287.13
Other expenses	<u>V</u>	1,157.84	1,289.65
Total expenses		10,501.07	11,654.69
V. Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)		(1,111.86)	(696.50)
VI. Exceptional items		-	(6.77)
VII. Profit /(Loss) before extraordinary items and tax (V - VI)		(1,111.86)	(689.73)
VIII. Extraordinary Items		-	-
IX. Profit / (Loss) before tax (VII- VIII)		(1,111.86)	(689.73)
X Tax expense:			
(1) Income tax		-	-
Less MAT credit entitlement		-	-
(2) Deferred tax liability / (Asset)		(343.56)	(213.13)
XI Profit / (Loss) for the period from continuing operations (IX-X)		(768.29)	(476.61)
XII Profit / (Loss) for the period		(768.29)	(476.61)
XIII Earnings per equity share:			
(1) Basic		(8.36)	(7.05)
(2) Diluted		(8.36)	(7.05)

See accompanying notes to the financial statements

As per our report of even date

For Srikishen & Co.

Chartered Accountants

Registration No: 004009S

K Murali Mohan

Membership No. 14328

Auditors, Proprietor

Place: Coimbatore

Date : 14th May 2014

R Varadarajan

Director

Rajshree Pathy

Managing Director

TRIDENT SUGARS LIMITED

NOTES TO THE FINANCIAL STATEMENTS:

PARTICULARS	Amount in Lakhs	
	31.03.2014	31.03.2013
A. SHARE CAPITAL		
AUTHORISED		
20,000,000 Equity Shares of Rs.10/- each	<u>2,000.00</u>	<u>1,000.00</u>
<i>Previous year 10,000,000 Equity shares of Rs 10/- each</i>		
ISSUED SUBSCRIBED & PAID UP:		
14,494,924 Equity Shares of Rs.10/- each fully paid-up in cash	<u>1,449.49</u>	<u>673.75</u>
<i>Previous year 7,411,250 Equity shares of Rs 10/- each</i>		
i) <i>No of Equity Shares outstanding</i>		
<i>at the beginning of the year</i>	6,737,500	6,737,500
<i>Changes during the year</i>	673,750	-
<i>at the end of the year.</i>	7,411,250	6,737,500
ii) <i>Shareholder holding more than 5 percent shares:</i>		
<i>M/s. Rajshree Sugars & Chemicals Limited</i>	7,411,250	6,737,500
iii) <i>Shares held by the holding company:</i>		
<i>M/s. Rajshree Sugars & Chemicals Limited</i>	7,411,250	6,737,500
B RESERVES & SURPLUS		
RESERVES		
i) General Reserve		
Opening Balance	572.50	572.50
Additions / (Deletions) during the year	-	-
Closing Balance	<u>572.50</u>	572.50
SURPLUS		
ii) Surplus in Profit & Loss statement:		
Opening Balance	(1,001.33)	(688.13)
Add: Profit / (Loss) after tax	<u>(768.29)</u>	<u>(476.61)</u>
Closing Balance	<u>(1,769.62)</u>	<u>(1,164.74)</u>
TOTAL	<u>(1,197.12)</u>	<u>(592.24)</u>
C LONG - TERM BORROWINGS		
i) SECURED LOANS		
Term Loans		
a) From Banks	1,525.00	1,256.00
b) From Other parties		
Sugar Development Fund	<u>479.58</u>	<u>639.30</u>
	<u>2,004.58</u>	<u>1,895.30</u>

TRIDENT SUGARS LIMITED**NOTES TO THE FINANCIAL STATEMENTS:**

PARTICULARS	Amount in Lakhs	
	31.03.2014	31.03.2013
D SHORT - TERM BORROWINGS		
i) SECURED LOANS		
Loans repayable on demand from Banks		
Cash Credit	3,007.12	2,867.25
ii) UNSECURED LOAN		
Loans and Advances from related parties		
M/s. Rajshree Sugars & Chemicals Limited - Holding Company	2,419.56	1,210.32
	<u>5,426.68</u>	<u>4,077.58</u>
E TRADE PAYABLES		
Due to Micro, Small & Medium Enterprises	-	-
Due to Others	4,192.18	3,671.48
	<u>4,192.18</u>	<u>3,671.48</u>
F OTHER CURRENT LIABILITIES		
i) Current maturities of long term debt	906.72	704.00
ii) Interest accrued but not due on borrowings	132.60	86.63
iii) Statutory Payables:	413.50	294.48
iv) Advance received from Customers	429.71	34.11
Creditors for Capital expenditure	27.05	59.82
	<u>1,909.57</u>	<u>1,179.04</u>
G SHORT- TERM PROVISIONS		
i) Provisions for employee benefits:	11.42	12.04
ii) Others :		
Provisions for taxation	-	-
	<u>11.42</u>	<u>12.04</u>
I DEFERRED TAX ASSETS (Net)		
Opening balance	315.76	102.63
Addition / (Reversal) during the year	343.56	213.13
	<u>659.32</u>	<u>315.76</u>
J LONG TERM LOANS & ADVANCES :		
(Unsecured, considered good)		
i) Capital Advance	5.52	0.23
ii) Security Deposits	13.66	16.37
	<u>19.18</u>	<u>16.60</u>

TRIDENTSUGARSLIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31.03.2014

SCHEDULE "H"
FIXED ASSETS

ASSET HEADS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS ON 31.03.2013	ADDITIONS FOR THE PERIOD	DELETIONS FOR THE PERIOD	AS ON 31.03.2014	UP TO 31.03.2013	FOR THE YEAR	WRITTEN BACK	UP TO 31.03.2014	AS ON 31.03.2014	AS ON 31.03.2013
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
LAND	70.32	0.00	0.00	70.32	0.00	0.00	0.00	0.00	70.32	70.32
BUILDINGS	952.79	0.00	0.00	952.79	177.82	29.17	0.00	206.99	745.81	774.97
PLANT & MACHINERY	5226.86	186.66	0.00	5413.52	1589.64	278.98	0.00	1868.62	3544.90	3637.22
DATA PROCESSING EQUIPMENTS	33.57	0.49	0.00	34.06	20.31	2.97	0.00	23.28	10.78	13.26
OFFICE EQUIPMENTS	3.87	0.92	0.00	4.79	0.85	0.19	0.00	1.04	3.74	3.02
FURNITURE	18.83	0.00	0.00	18.83	11.00	1.19	0.00	12.19	6.64	7.83
VEHICLES	44.41	1.87	1.26	45.02	22.35	3.35	1.23	24.47	20.55	22.05
TOTAL	6350.65	189.94	1.26	6539.33	1821.98	315.84	1.23	2136.59	4402.74	4528.67
WORK IN PROGRESS									55.35	190.17
2012-13	5465.61	885.04	0.00	6350.65	1534.85	287.13	0.00	1821.98	4528.67	3930.77

TRIDENT SUGARS LIMITED**NOTES TO THE FINANCIAL STATEMENTS:**

PARTICULARS	Amount in Lakhs	
	31.03.2014	31.03.2013
K INVENTORIES		
Work-in-progress at cost	163.42	63.08
Finished Goods at Cost	7,483.45	5,234.88
Stores & Spares at cost	273.80	230.00
	<u>7,920.67</u>	<u>5,527.97</u>
L TRADE RECEIVABLES: (Unsecured, considered good)		
Outstanding for a period exceeding six months	7.20	6.74
Others	8.38	0.60
	<u>15.58</u>	<u>7.34</u>
M CASH AND CASH EQUIVALENTS:		
Balance with Banks :	269.13	139.85
Cash on hand	2.78	3.54
Margin money deposits	39.23	38.61
	<u>311.15</u>	<u>182.01</u>
N SHORT TERM LOANS AND ADVANCES: (Unsecured, considered good)		
i) Others:		
Staff and other advance	196.33	186.60
Advance to Ryots	58.21	40.68
Income Tax Advance	87.64	87.33
Prepaid Expenses	19.44	16.74
Excise Duty Deposits	34.91	32.35
	<u>396.53</u>	<u>363.71</u>
O OTHER CURRENT ASSETS:		
i) Interest accrued on investment:		
Interest receivable	16.94	13.06
Income receivable	(0.64)	2.45
	<u>16.30</u>	<u>15.51</u>
NOTES TO THE FINANCIAL STATEMENTS:		
P REVENUE FROM OPERATIONS		
Sales	9,787.48	11,401.39
Other Operating Revenues :		
Sale of Scrap	16.81	72.99
	<u>9,804.29</u>	<u>11,474.37</u>
LESS: Excise Duty	435.97	527.37
Net Sales	<u>9,368.32</u>	<u>10,947.00</u>

TRIDENT SUGARS LIMITED**NOTES TO THE FINANCIAL STATEMENTS:**

PARTICULARS	Amount in Lakhs	
	31.03.2014	31.03.2013
Q OTHER INCOME		
Interest Income	4.50	7.78
Other non- operating Income:		
Sundry Income - Lease Plot	-	-
Other Miscellaneous Income	3.15	2.67
Miscellaneous Sales	1.92	0.74
Insurance claim receipts	11.32	-
	<u>16.39</u>	<u>3.41</u>
	<u>20.89</u>	<u>11.19</u>
R COST OF MATERIALS CONSUMED:		
Raw material - Sugar cane	<u>9,879.07</u>	<u>11,061.50</u>
S CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS:		
Opening Inventories:		
Finished Goods	5,234.88	2,933.89
Work in progress	<u>63.08</u>	<u>40.64</u>
	<u>5,297.97</u>	<u>2,974.52</u>
Less : Closing Inventories:		
Finished Goods	7,483.45	5,234.88
Work in progress	<u>163.42</u>	<u>63.08</u>
	<u>7,646.87</u>	<u>5,297.97</u>
	<u>(2,348.90)</u>	<u>(2,323.44)</u>
Less: Excise duty on Increase / (Decrease) in stock of Finished Goods	<u>(113.11)</u>	<u>(31.26)</u>
	<u>(2,235.79)</u>	<u>(2,292.18)</u>
T EMPLOYEE BENEFIT EXPENSES:		
Salaries, Wages & Bonus	537.44	430.96
Contribution to P F & Other funds	39.33	66.58
Welfare Expenses	<u>20.17</u>	<u>9.02</u>
	<u>596.94</u>	<u>506.55</u>
U FINANCE COST:		
i) Interest expense	757.85	782.81
ii) Other borrowing costs	<u>29.30</u>	<u>19.24</u>
	<u>787.16</u>	<u>802.05</u>

TRIDENT SUGARS LIMITED**NOTES TO THE FINANCIAL STATEMENTS:**

PARTICULARS	Amount in Lakhs	
	31.03.2014	31.03.2013
V OTHER EXPENSES:		
Consumption of Stores & spares	190.00	196.74
Consumption of Packing Materials	181.55	233.87
	371.55	430.61
Power & Fuel	53.12	38.81
Building rent	52.88	22.73
Repairs & Maintenance		
Building	21.09	17.06
Machinery	369.99	370.64
	391.08	387.70
Insurance Premium	24.15	27.01
Licence Fees & Tax	4.20	6.04
Freight outwards	16.23	47.46
Payment to Auditor's :		
- Statutory Audit fees	2.00	2.00
- Taxation matters	0.50	0.50
- Certification	0.10	0.17
	2.60	2.67
Cost Audit fees	0.25	0.25
Miscellaneous Expenses	241.88	326.39
	1,157.94	1,289.65

As per our report of even date

For Srikishen & Co.

Chartered Accountants

Registration No: 004009S

K Murali Mohan

Membership No. 14328

Auditors, Proprietor

Place: Coimbatore

Date : 14th May 2014

R Varadarajan

Director

Rajshree Pathy

Managing Director

W) SIGNIFICANT ACCOUNTING POLICIES:

(a) Accounting Convention

The financial statements are prepared under historical costing convention on a going concern basis, with revenue recognized and expenses accounted on accrual concept (including provisions and adjustments) and in accordance with the applicable accounting standards.

(b) Fixed Assets

Fixed Assets are stated at their Purchase cost less accumulated depreciation. Cost includes attributable expenses, pre-operative expenses, financing costs during the period of construction for qualifying assets and net of Cenvat and Service Tax credit, if any.

(c) Preoperative expenses

Expenditure (including financing cost relating to the borrowed funds for construction and acquisition of qualifying fixed assets) incurred on projects under implementation are treated as pre-operative expense pending allocation to the assets and are shown under "Capital Work in Progress".

(d) Depreciation

Depreciation on fixed assets is provided on straight-line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956

(e) Inventories

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

- a) Raw material is valued at cost on FIFO basis.
- b) In respect of sugar, 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.
- 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.

(f) Employee Benefits

Contribution to Provident Fund made to appropriate authorities is charged to revenue. In respect of Gratuity, the company's contribution, calculated on actuarial basis, to the Group Gratuity Scheme of Life Insurance Corporation of India is charged to revenue. Amount payable towards leave encashment benefit as at the close of this year has been provided for in its entirety.

(g) Excise Duty

Excise duty payable on finished products/by-products held as stock at the year-end has been provided for as expenditure for the year and included in the valuation of Closing Stock.

(h) Taxation

Tax expenses for the year comprising current tax and deferred tax are considered in determining the net profit for the year. Provision is made for the Current Tax based on tax

liability computed in accordance with relevant tax rates and tax laws. Provision is made for deferred tax for all timing differences arising between taxable income and accounting income at currently enacted tax rates. Deferred tax assets are recognized only if there is a reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

(i) Earnings Per Share

The earnings for the purpose of ascertaining the Company's EPS, comprises the net profit/(loss) after tax and includes the post tax effect of any extraordinary items. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

(j) Impairment of Assets

Impairment is ascertained at each Balance Sheet date in respect of cash generating units and impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on their appropriate discount factor.

(k) Provision and Contingent Liability

Provisions are recognized in the accounts in respect of present probable obligations, the amount of which can be reliably estimated. Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Control of the Company.

(l) Income and Expenditure Recognition

Revenue on sales transactions is recognized as and when the property in goods sold is transferred to the buyers for a definite consideration. Income & Expenditure are recognized on accrual basis.

X) OTHER ADDITIONAL INFORMATION

1) Rate of Interest and Maturity Profile of Long Term/Short Term Borrowings
(Forming part of Note for Long Term/Short Term Borrowings)

Rs in lakhs

Rate of Interest	2014-15	2015-16	2016-17	2017-18	2018-19	Total
4%	320	160	160	160	-	480
16.9%	587	669	-	-	-	669
3.9%	-	64	288	288	216	856
Total	907	893	448	448	216	2005

Security Details for long term borrowings:

- a) Term loan Rs.1256.00 lakhs secured by 1st pari passu charge on the current assets of the company and 1st pari passu charge on the Company's immovable and fixed assets at Madhunagar, Medak District. The term loan is guaranteed by the holding Company.

- b) Term loan Rs.799.30 lakhs secured by exclusive 2nd Charge on all immovable and movable properties (save and except book debts) of company's sugar factory situated at Medak District, Andhra Pradesh.
- c) Term loan Rs.856.00 lakhs secured by 1st pari passu charge on the current assets of sugar factory at Madhunagar, Medak District and 3rd paripassu charge on immovable properties and fixed assets at Madhunagar, Medak District and personally guaranteed by the Managing Director.
- d) Aggregate amount of loan guaranteed by others is Nil.
- e) Period and amount of continuing default in respect of the aforesaid loans is Nil.

Security Details for Short term borrowings:

- a) Working Capital limit Rs.3007.12 lakhs secured by 1st pari passu charge on the current assets of sugar factory at Madhunagar, Medak District and 3rd paripassu charge on immovable properties and fixed assets at Madhunagar, Medak District.
 - b) The working capital facilities guaranteed by the holding Company.
 - c) Aggregate amount of loans guaranteed by others is Nil.
 - d) Period and amount of default in respect of the aforesaid loans is Nil.
- 2) The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:

	31.03.2014	31.03.2013
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

- 3) Contingent Liabilities not provided for:

- a) VAT 2006-07 4.06 4.06
Appeal is pending before the Sales Tax Appellate Tribunal.
- b) Income tax assessment upto assessment year 2011-12 have been completed. There are no pending demands payable nor any disputes affecting tax liability of the company.

- 4) The Company had taken certain properties on lease for operating purposes and the future minimum lease payments are as under

Not later than one year	38.00	36.00
Later than 1 year and not later than 5 years	52.00	38.00
Lease payments recognized in the Statement of Profit & Loss	52.87	22.72

5) Borrowing costs capitalized	13.58	43.98
6) Borrowing costs included in Capital Work in progress	2.26	9.35

7) The disclosures required under Accounting Standard 15 “Employee Benefits” are as follows:

Defined Contribution Plan:

Contributions to Defined contribution plan, recognized and charged off for the year is as under:

Employer’s contribution to Provident Fund	39.33	37.46
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Defined Benefit Plan:

The employee’s gratuity fund scheme managed by Life Insurance Corporation of India 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

	31.3.2014	31.3.2013
Defined benefit obligation at beginning of the year	112.47	94.20
Current service cost	6.64	6.15
Interest Cost	9.00	7.54
Actuarial (gain)/loss	(39.51)	16.31
Benefits paid	(10.24)	(11.73)
Defined benefit obligation at end of the year	78.36	112.47

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

Fair value of plan assets at beginning of the year	83.35	78.36
Expected return on plan assets	5.40	7.43
Actuarial (gain)/ loss	Nil	Nil
Employer contribution	0.00	9.29
Benefits paid	(10.24)	(11.73)
Fair value of plan assets at year end	78.51	83.35

c. Reconciliation of fair value of assets and obligations

	31.3.2014	31.3.2013
Fair value of plan assets	78.51	83.35
Present value of obligation	78.36	112.47
Amount recognized in Balance Sheet	(0.15)	29.12

d. Expenses during the year

Current service cost	6.64	6.15
Interest cost	9.00	7.54
Expected return on plan assets	(5.40)	(7.43)
Actuarial (gain)/loss	(39.51)	16.31
Net cost	(29.27)	22.57

- e. Investment details:
L.I.C. Group gratuity policy
- 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) | 4% |

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.

8) Related Party Disclosures

- (i) Key Managerial Personnel - Ms. Rajshree Pathy
- (ii) Holding Company - Rajshree Sugars & Chemicals Ltd

The following transactions were carried out with the related parties in the ordinary course of business:

Nature of Transaction	Key Management Personnel		Holding Company	
	31.03.2014	31.03.2013	31.3.2014	31.03.2013
Purchase of Assets/Accessories	--	--	8.60	28.12
Purchase of Stores & Consumables	--	--	32.50	17.16
Sale of Assets/ Accessories	--	--	7.99	13.61
Interest Paid	--	--	261.17	248.42
Finance				
Loan taken	--	--	3497.07	2272.96
Loan repaid	--	--	3048.10	2811.37
(Payable)/Receivable	--	--	(2419.56)	(1210.32)
Corporate Guarantee from holding company	--	--	4263.12	4667.25
Equity Contribution Received	--	--	708.37	67.38

9) Break up of deferred tax liability/ assets and reconciliation of current year deferred tax charges:

Particulars	Opening balance	Additions / (Reversal)	Closing balance
Deferred tax Assets			
Unabsorbed Depreciation/losses	694.01	284.72	978.74
Expenses charged to Profit & Loss account but allowable in Income Tax on payment basis	10.90	-	10.90
Total A	704.90	284.72	989.64
Deferred tax Liability			
Tax impact of difference between amount of fixed	590.20	(6.89)	583.31

assets in the financial statements and the Income Tax Return			
Total B	590.20	(6.89)	583.31
Add: MAT Credit C	201.03	51.95	252.98
Total A-B+C	315.75	343.56	659.31

10) Earnings/(loss) per Share:

	31.03.2014	31.03.2013
Weighted average number of equity shares of Rs.10/- each at the end of the year.	9188830	67,55,959
Profit/(Loss) before exceptional/extraordinary items & tax	(1111.85)	(696.50)
Basic/Diluted earnings per share of Rs.10/- each	(12.10)	(10.31)
- Profit/(Loss) after exceptional/extraordinary items & tax	(768.29)	(476.61)
Basic/Diluted earnings per share of Rs.10/- each	(8.36)	(7.05)

The Company does not have any outstanding dilutive potential equity shares. Consequently the basic and diluted earnings per share of the Company remain the same.

11) Cost of material Consumed

Sugarcane **9879.07** 11061.49

12) Capital and other commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for **24.82** 17.01

13) The Company is engaged in manufacture and sale of sugar, which as per Accounting Standard AS-17 is considered only reportable business segment. The geographical segment is not relevant as there are no exports.

14) In the opinion of Board of Directors, the Current Assets, Loans & Advances have a value on realisation equal to the amounts at which they are stated in the Balance Sheet, in the ordinary course of business.

15) Balances under Current Liabilities and Loans & Advances are subject to the confirmation. However the management does not expect any material revenue impact in this regard.

16) Previous year figures have been regrouped wherever necessary to conform to current year's classification.

As per our report of even date
For SRIKISHEN & CO
Registration No.004009S
Chartered Accountants

K.MURALI MOHAN
Membership No.14328
Auditors, Proprietor

R.VARADARAJAN
Director

RAJSHREE PATHY
Managing Director

Place: Coimbatore
Date : 14th May 2014

TRIDENT SUGARS LIMITED

Cash Flow Statement for the Year ended

31.03.2014

31.03.2013

Amount in Lakhs

A. Cash Flow from Operating activities:

Net Profit before taxation & extraordinary items	(1,111.86)	(689.73)
Adjustment for:		
Depreciation	315.85	287.13
Interest paid	787.16	802.05
Profit on Sale of assets	(0.33)	-
Interest received	(4.50)	(7.78)
Operating profit before working capital changes	(13.67)	391.67
Adjustments for:		
Trade and other receivables	(44.42)	919.02
Inventories	(2,392.70)	(2,347.40)
Trade payables	1,250.61	1,923.04
Cash generated from Operations	(1,200.18)	886.33
Direct taxes (paid) / Refund	-	-
Cashflow before extraordinary items	(1,200.18)	886.33
Extraordinary items	-	-
Net cash from operating activities	(1,200.18)	886.33
B. Cash flow from investing Activities		
Purchase of Fixed Assets	(55.12)	(425.03)
Sale of Fixed Assets	0.35	-
Interest received	4.50	7.78
Net Cash used in Investing Activities	(50.27)	(417.25)
C. Cash Flow from Financing Activities		
Proceeds from issue of Share Capital	708.37	
Proceeds from / (Repayment of) long term borrowings	109.28	(304.35)
Proceeds from / (Repayment of) short term borrowings	1,349.10	513.17
Interest paid	(787.16)	(802.05)
Dividend paid including tax on dividend	-	-
Net Cash from in Financing Activities	1,379.59	(525.85)
Net Increase / (Decrease) in Cash and Cash Equivalents	129.14	(56.77)
Cash and cash equivalent as at the beginning of the Yea	182.01	238.77
Cash and cash equivalent as at the close of the Year	311.15	182.01

As per our report of even date

For Srikishen & Co.

Chartered Accountants

Registration No: 004009S

K Murali Mohan
Membership No. 14328
Auditors, Proprietor

R Varadarajan
Director

Rajshree Pathy
Managing Director

Place: Coimbatore
Date : 14th May 2014