

BALANCE SHEET AS AT 31st MARCH 2008

AS AT 31.03.2007 Rs.	PARTICULARS	SCHEDULE	AS AT 31.03.2008 Rs.
I. SOURCES OF FUNDS			
1.SHAREHOLDERS' FUNDS			
67,375,000	(a) Share Capital	"A"	67,375,000
69,977,629	(b) Reserves & Surplus	"B"	57,250,000
			124,625,000
2. LOAN FUNDS			
277,664,446	(a) Secured	"C"	436,547,755
71,741,703	(b) Unsecured	"D"	45,819,713
			482,367,468
9,575,000	3.DEFERRED TAX		(38,026,000)
496,333,778	TOTAL		568,966,468
II. APPLICATION OF FUNDS			
1. FIXED ASSETS			
291,075,428	(a) Gross Block	"E"	409,468,205
51,937,081	(b) Less: Depreciation		67,703,701
239,138,347	(c) Net Block		341,764,504
93,252,807	(d) Capital Work in Progress		52,618,513
332,391,154			394,383,017
2. CURRENT ASSETS AND LOANS & ADVANCES			
292,554,269	(a) Inventories	"F"	316,412,220
35,225,469	(b) Sundry Debtors	"G"	2,693,547
2,498,678	(c) Cash and Bank Balances	"H"	886,797
42,892,079	(d) Loans & Advances	"I"	37,278,391
373,170,495			357,270,955
LESS: CURRENT LIABILITIES AND PROVISIONS			
207,861,794	(a) Current Liabilities	"J"	344,690,339
1,366,077	(b) Provisions	"K"	1,832,802
209,227,871			346,523,141
163,942,624	NET CURRENT ASSETS		10,747,814
-	PROFIT & LOSS ACCOUNT		163,835,637
496,333,778	TOTAL		568,966,468

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

K. Murali Mohan
Auditors, Proprietor
Membership No. 14328

R. Varadarajan
Director

Rajshree Pathy
Managing Director

Place: Coimbatore
Date : 19th June 2008

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2008

31.03.2007 Rs.	PARTICULARS	SCHEDULE	31.03.2008 Rs.
I. INCOME			
401,877,426	Gross Sales		513,902,524
<u>28,785,207</u>	LESS: Excise Duty		<u>48,891,642</u>
373,092,219	Net Sales		465,010,882
5,062,520	Other Income	"L"	5,859,728
<u>108,628,296</u>	Increase / (Decrease) in Stock	"M"	<u>14,484,013</u>
<u>486,783,035</u>	TOTAL		<u>485,354,623</u>
II. EXPENDITURE			
379,417,052	Rawmaterial Consumed	"N"	457,514,397
42,627,694	Manufacturing Expenses	"O"	66,674,177
26,065,347	Employee Cost	"P"	34,334,872
35,804,994	Interest	"Q"	46,179,390
8,887,671	Administrative Expenses	"R"	16,674,276
<u>13,957,260</u>	Depreciation		<u>15,766,620</u>
<u>506,760,018</u>	TOTAL		<u>637,143,732</u>
(19,976,983)	Profit / (Loss) for the year		(151,789,109)
3,097	LESS: Prior period expenses		30,577,306
-	Impairment of assets (Refer note No.13)		41,553,469
346,684	Income Tax paid / (Refund) of Prior Year		69,382
-	LESS: Provision for - Tax		-
(6,214,000)	- Deferred Tax (Net)		(47,601,000)
132,000	- Fringe Benefit Tax		175,000
(14,244,764)	Profit / (Loss) for the year after taxation		(176,563,266)
<u>26,972,393</u>	ADD: Balance b/f from the previous year		<u>12,727,629</u>
<u>12,727,629</u>	Balance Carried Over		<u>(163,835,637)</u>
(2.11)	Basic / Diluted Earnings per Share of Rs. 10/- each before extraordinary item		(20.04)
(2.11)	Basic / Diluted Earnings per Share of Rs. 10/- each after extraordinary item		(26.21)

As per our report of even date
For **Srikishen & Co**
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Place: Coimbatore
Date : 19th June 2008

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2008

31.03.2007 Rs.	PARTICULARS	31.03.2008 Rs.
	SCHEDULE "A"	
	SHARE CAPITAL	
	AUTHORISED	
100,000,000	10,000,000 Equity Shares of Rs.10/- each	100,000,000
	ISSUED, SUBSCRIBED & PAID UP:	
67,375,000	6,737,500 Shares of Rs.10/- each fully paid-up in cash The entire share capital of the company is held by the holding company M/s. Rajshree sugars & Chemicals Limited, and its nominees	67,375,000
	SCHEDULE "B"	
	RESERVES & SURPLUS	
	RESERVES	
57,250,000	Securities Premium Account	
12,727,629	Balance brought forward	57,250,000
69,977,629	Balance in Profit & Loss A/c	-
		57,250,000
	SCHEDULE "C"	
	SECURED LOANS	
	1. TERM LOANS	
113,939,991	A. From Banks	248,959,991
	2. CASH CREDIT	
163,724,455	From Banks	187,587,764
277,664,446		436,547,755
	SCHEDULE "D"	
	UNSECURED LOANS	
71,741,703	Inter corporate deposit from holding company	45,819,713

SCHEDULE "E" - FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 31.03.2007 Rs.	Additions Rs.	Deletions Rs.	As on 31.03.2008 Rs.	As on 1.4.2007 Rs.	For the Year Rs.	Withdrawn Rs.	Upto 31.03.2008 Rs.	As on 31.03.2008 Rs.	As on 1.4.2007 Rs.
Land	3,887,826	0	0	3,887,826	0	0	0	0	3,887,826	3,887,826
Buildings	55,745,984	0	0	55,745,984	6,915,985	1,635,481	0	8,551,466	47,194,518	48,829,999
Plant & Machinery	226,132,157	118,243,047	0	344,375,204	43,505,917	13,571,300	0	57,077,217	287,297,987	182,626,240
Data Processing Equip	1,502,163	112,250	0	1,614,413	527,361	253,862	0	781,223	833,190	974,802
Office Equipments	137,649	0	0	137,649	16,351	6,538	0	22,889	114,760	121,298
Furniture	1,627,474	0	0	1,627,474	433,796	103,019	0	536,815	1,090,659	1,193,678
Vehicles	2,042,175	37,480	0	2,079,655	537,671	196,420	0	734,091	1,345,564	1,504,504
Total	291,075,428	118,392,777	0	409,468,205	51,937,081	15,766,620	0	67,703,701	341,764,504	239,138,347
Work in Progress									52,618,513	93,252,807
Previous year	289,452,163	4,069,164	2,445,900	291,075,427	38,477,896	13,957,260	498,075	51,937,081	239,138,346	250,974,267

31.03.2007 Rs.	PARTICULARS	31.03.2008 Rs.
	SCHEDULE "F"	
	INVENTORIES	
	As certified by the Managing Director and valued	
268,650,412	Finished Goods at Net realisable value	286,130,112
6,858,422	Stock in Process at cost	6,560,021
17,045,435	Stores & Spares at cost	23,722,087
<u>292,554,269</u>		<u>316,412,220</u>
	SCHEDULE "G"	
	SUNDRY DEBTORS	
	UNSECURED & CONSIDERED GOOD	
-	Outstanding for more than six months	272,493
35,225,469	Others	2,421,054
<u>35,225,469</u>		<u>2,693,547</u>
	SCHEDULE "H"	
	CASH & BANK BALANCES	
219,678	Cash on hand	129,482
	with Scheduled Banks	
1,994,846	In Current Account	703,266
275,000	In Deposit Account	-
	with Unscheduled Banks	
9,154	Andra Pradesh Gramina Vikas Bank	54,049
<u>2,498,678</u>	(Maximum balance due at any time during the year Rs. 1,36,89,130/- (Previous year Rs. 68,36,140/-)	<u>886,797</u>
	SCHEDULE "I"	
	LOANS & ADVANCES	
	Recoverable in cash or in kind	
	Unsecured considered good	
37,594,161	Advances to Ryots, Staff and others	27,083,664
1,188,291	Earnest, Security & Other Deposits	1,207,531
3,771,999	Excise deposits including Cenvat credits	8,299,676
112,428	Advance Income Tax, TDS, FBT	176,804
225,200	Prepaid expenses	510,716
<u>42,892,079</u>		<u>37,278,391</u>
	SCHEDULE "J"	
	CURRENT LIABILITIES	
	Sundry Creditors	
-	Due to Micro and Small Enterprises	-
158,002,844	Due to others for purchases	298,273,709
21,239,869	Due to others for expenses	15,025,278
3,654,062	Due for Other finances	4,375,236
1,584,747	Due to Holding Company	1,034,706
1,394,440	Advances received from customers	462,415
21,985,832	Excise Duty payable - Finished Goods stock	24,476,304
0	Interest accrued but not due	1,042,691
<u>207,861,794</u>		<u>344,690,339</u>

31.03.2007 Rs.	PARTICULARS	31.03.2008 Rs.
SCHEDULE "K"		
PROVISIONS		
132,000	Provision for Income Tax, Wealth Tax & FBT	175,000
112,658	Provision for Gratuity	323,379
<u>1,121,419</u>	Provision for Leave Salary	<u>1,334,423</u>
<u>1,366,077</u>		<u>1,832,802</u>
SCHEDULE "L"		
OTHER INCOME		
71,629	Interest Income (TDS Rs. 14,376/-)	62,258
4,892,035	Miscellaneous Income	5,581,323
98,856	Insurance claim receipts	216,147
<u>5,062,520</u>		<u>5,859,728</u>
SCHEDULE "M"		
STOCK DIFFERENTIAL		
153,602,917	Opening stock of Finished goods	268,650,412
1,482,580	Opening stock in process	6,858,422
551,650	Scrap materials	-
268,650,412	Closing stock of Finished goods	286,130,112
<u>6,858,422</u>	Closing stock in process	<u>6,560,021</u>
119,871,687		17,181,299
<u>(11,243,391)</u>	(Add) / Less: Excise Duty on Increase/Decrease in stocks of Finished Goods	<u>(2,697,286)</u>
<u>108,628,296</u>		<u>14,484,013</u>
SCHEDULE "N"		
RAW MATERIAL CONSUMED		
359,935,626	Purchase of Raw materials	433,735,019
19,481,426	Purchase Tax	23,779,378
<u>379,417,052</u>		<u>457,514,397</u>
SCHEDULE "O"		
MANUFACTURING EXPENSES		
20,124,349	Consumption of Stores	16,659,750
11,637,927	Consumption of Packing Materials	15,026,810
71,895	Other Manufacturing Expenses	892,868
1,952,990	Power & Fuel	4,294,142
Repairs & Maintenance		
182,775	Building	2,050,078
6,437,265	Machinery	20,711,204
749,629	Vehicles	934,967
<u>1,470,864</u>	Others	<u>6,104,358</u>
<u>42,627,694</u>		<u>66,674,177</u>
SCHEDULE "P"		
EMPLOYEE COST		
22,972,909	Salaries, Wages & Bonus	29,897,461
850,220	Welfare Expenses	1,752,879
<u>2,242,218</u>	Contribution to P F & Other funds	<u>2,684,532</u>
<u>26,065,347</u>		<u>34,334,872</u>

31.03.2006 Rs.	PARTICULARS	31.03.2007 Rs.
	SCHEDULE "Q"	
	INTEREST & FINANCIAL CHARGES	
18,101,904	On Term Loan	16,237,808
17,703,090	On Others	29,941,582
<u>35,804,994</u>		<u>46,179,390</u>
	SCHEDULE "R"	
	ADMINISTRATIVE EXPENSES	
541,928	Licence Fees & Tax	1,183,590
900,375	Insurance Premium	1,540,420
1,714,847	Selling Expenses	9,123
84,439	Brokerage & Commission	-
220,769	Managerial remuneration	-
	<u>Auditor's remuneration</u>	
100,000	- Statutory Audit fees	100,000
-	- Taxation matters	25,000
51,515	Cost Audit fees	25,000
541,085	Loss on Sale of Assets	-
25,000	Charity & Donation	-
-	Transport charges - Sugar cane diversion expenses	5,440,282
4,707,713	Other Expenses	8,301,435
<u>8,887,671</u>		<u>16,674,276</u>