

**21st Annual Report
2011-2012**



Prudential Sugar Corporation Limited



BOARD OF DIRECTORS

Sri Vinod Baid	—	<i>Chairman</i>
Sri Ch. Krishnamoorthy	—	<i>Managing Director</i>
Sri P.M. Nair	—	<i>Director</i>
Sri U.C. Bhandari	—	<i>Director</i>
Sri Kishore Jhunjunwala	—	<i>Director</i>
Sri Y. Ravinder Reddy	—	<i>Director</i>

AUDITORS

M/s. Laxminiwas & Jain
Chartered Accountants,
5-4-726, Nampally Station Road,
Hyderabad - 500 001.

BANKERS

Bank of India
The South Indian Bank Limited
The Dhanalakshmi Bank Limited
Bank of Maharashtra
Indian Bank

REGISTERED OFFICE

Akash Ganga, 3rd Floor,
Plot No.144, Sri Nagar Colony,
Hyderabad - 500 073.

FACTORY

“PRUDENTIAL NAGAR”
P.O. Koppedu, Nindra Mandal,
Dist. - Chittoor, A.P.
Pin - 517 587.

DEPOSITORY REGISTRAR

R&D Infotech (P) Ltd.,
1st Floor, 7A, Beltala Road
(Naresh Mitra Sarani), Kolkata - 700 026



NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the Company will be held on Wednesday, the 26th December, 2012 at 11.00 A.M. at the Registered office at 3rd Floor, Akash Ganga, Plot No. 144, Door No. 8-3-1053, Sri Nagar Colony, Hyderabad - 500 073, Andhra Pradesh, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in the place of Shri P.M. Nair, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Shri U.C. Bhandari, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors for the year 2012-2013 and to authorise Board of Directors to fix their remuneration. The present Auditors of the Company, M/s. Laxminiwas & Jain, Chartered Accountants, Hyderabad, bearing registration No. 001859S with the Institute of Chartered Accountants, retire at this Annual General Meeting and are eligible for reappointment.

For and on behalf of the Board

Place : Hyderabad

Date : 01/12/2012

VINOD BAID

Chairman

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member.
2. The Register of Members and share transfer books of the Company shall remain closed from 22nd December, 2012 to 25th December, 2012 (both days inclusive).
3. Members desiring any information as regards the Accounts are requested to write to the company at an early date so as to enable the management to keep the information ready.
4. Members are requested to notify change in address, if any, immediately to the company, quoting their Folio Number.
5. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of all such folios together with Share Certificates for Consolidation of their holdings into a single folio.
6. Members/Proxies should bring the Attendance Slips duly signed to the meeting and hand them over at the entrance. Members who hold shares in dematerialized form are requested to bring their client ID and DPID numbers for easy identification of attendance at the meeting. Xerox copy/torn attendance slips will not be accepted at the entrance of the Meeting Hall. Members are requested to bring their copy of the Annual Report to the Meeting as copies will not be distributed at the Meeting hall due to prohibitive cost of printing.
7. Consequent upon amendment of Sec 205A of the Companies Act, 1956 and introduction of section 205C by the Company's (Amendment Act, 1999), the unclaimed dividend for the financial year 1995-1996 has been transferred to the Investor Education and Protection Fund.

For and on behalf of the Board

Place : Hyderabad

Date : 01/12/2012

VINOD BAID

Chairman

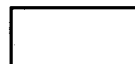
**Annexure to the Notice**

Notes on Directors seeking appointment/re-appointment as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

Profile of Directors being Appointed/Re-appointed:

Item No. 2

S.No.	Particulars	Sri P.M. Nair
1.	Age	71 years
2.	Date of Appointment	26th May, 2006
3.	Qualification	B.E. MBA
4.	Experience	He has 30 years of experience in Sugar Industry. He is a fellow member of Indian Sugar Technologists Association and of the Indian Institute of Plant Engineers. He is also a member of Indian Council of Arbitrators, Indian Labour Law Association and Loss Prevention Association of India. He worked in different capacities across various Companies.
5.	Other Directorships	1. D2R Bioinformatics Limited 2. Response Projects (India) Limited 3. Response Informatics Ltd. 4. Harith Krishi Vikas Private Limited 5. Splendour Infra and Energy Limited 6. Divya Technical Services Limited 7. Aujasya Agro Power Private Limited
6.	Chairman/Member of the Committees of the Board of the other Companies on which he is a Director	(A) Audit Committee 1. Response Informatics Ltd. (B) Share Transfer Committee/ Investors' Grievances' Committee 1. Response Informatics Ltd.



Item No. 3

S.No.	Particulars	Sri U.C. Bhandari
1.	Age	61 years
2.	Date of Appointment	31st August, 2002
3.	Qualification	FCA
4.	Experience	He is currently practicing as a Chartered Accountant. He is having vast experience in Taxation, Project Financing, Company Law and other Corporate Laws.
5.	Other Directorships	<ol style="list-style-type: none"> 1. Bon Chance Finance Private Limited 2. B & B Infratech Limited 3. Ritual Garments Exports Privated Limited 4. Atlantis Stocks Limited 5. Ritual Finance and Investments Private Limited 6. Gaurav Securities Private Limited 7. Bhan-wal Housing Limited 8. Paresh Exports Private Limited 9. Raj Packaging Industries Limited 10. Global Multiplex Limited 11. Prudential Tirumala Sugars Limited 12. Prudential Anmana Sugars Limited 13. Gennex Laboratories Limited 14. 9 Star Integrated Township Limited 15. Aniratha Finance Private Limited 16. Enrich Stocks Private Limited
6.	Chairman/Member of the Committees of the Board of the other Companies on which he is a Director	<p>(A) Audit Committee</p> <ol style="list-style-type: none"> 1. Gennex Laboratories Ltd. <p>(B) Share Transfer Committee/ Investors' Grievances' Committee</p> <ol style="list-style-type: none"> 1. Gennex Laboratories Ltd. <p>(C) Remuneration Committee</p> <ol style="list-style-type: none"> 1. Gennex Laboratories Ltd.



DIRECTORS' REPORT

To,
The Members,

1. Your Directors have pleasure in submitting their Twenty First Annual Report with the Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2012.

2. Financial Performance

(Rs. in Lakhs)

	for the Year ended 31.03.2012	for the Year ended 31.03.2011
Total Income	8527.98	8091.41
Profit/(Loss) before Interest and Depreciation	846.22	758.64
Less: Interest	276.70	276.43
Profit/(Loss) after Interest but before		
Depreciation & Tax	569.52	482.21
Less: Depreciation	280.06	278.77
Profit/(Loss) before tax	289.46	203.44
Provision for Tax:		
- Taxation for earlier year	—	—
- Current	—	—
- Deferred Tax Asset	52.91	149.29
Profit/(Loss) after Tax and Dividend	236.55	54.15
Add: Balance brought from previous year	(520.10)	(574.25)
Surplus/(Loss) carried to Balance Sheet	(283.55)	(520.10)

3. Review of Operations

During the crushing season 2011-2012 Company has crushed 386689 Mts of cane as against 357617 MTs of cane crushed during crushing season 2010-11. The average recovery during the year under review was 8.93% as against 8.73% during last crushing season.

4. Dividend

In view of the adverse working results caused by factors explained in this report, your Directors regret their inability to recommend payment of any Dividend for the year.

5. Sugar Industry Overview

The domestic sugr industry is likely to remain in surplus with the sugar output likely to outstrip domestic consumption for the second consecutive year. During S.Y. 2011-12 sugar output is likely to be around 26 Million MT(6-7% growth over previous year) and is expected to outstrip domestic consumption (around 23 Million Tons) by around 3 Million Tons. However the impact of this surplus is likely to be offset by exports. The GOI has already permitted exports of 3 Million MT. Thus sugar stocks may remain stable at about 6 million MT or about 3 month's of domestic consumption.



The domestic sugar prices have remained subdued at around 27000-30000 per Mt for the last 18 months mainly because of the domestic surplus.

Indian Industry Outlook 2012-13:

Given the domestic surplus and falling international price trends which are likely to restrict export volumes, there may not be significant change in the price trends that the sugar industry has seen in the last 18 months, at least for next couple of quarters. In the medium term, the sugar price trends will continue to be determined by the following factors.

Firstly expectations on domestic sugar production for the coming season (SY 2012-13) will be clear by end of April 2013 by which time the cane acreage for the coming season will also be known. Secondly, the international crude oil prices which will determine the sugar, ethanol mix in Brazil, (The world's largest producer) and finally the Govt. of India policies regarding export of sugar and import duties.

Decontrol of the Sugar Industry, including abolition of the levy sugar will be critical for supporting the sugar industry.

6. Internal Control, System and their Adequacy

The Company has established framework of internal controls for ensuring optimum use of resources and safeguarding of assets. Clear Policies have been laid down for approval and control of expenditure. Investment decision and capital expenditure are subject to formal detailed appraisal and review. Capital and revenue expenditure is monitored and controlled with reference to approved budgets.

7. Public Deposits

Deposits collected from Shareholders and Public as on 31.03.2012 is Nil. No Deposits are due and outstanding for payment as on 31.03.2012.

8. Directors

Shri U.C Bhandari and Shri P. M Nair are retiring by rotation at the ensuing Annual General Meeting and are eligible for reappointment. Necessary resolution is placed before the shareholders for their approval.

9. Directors' Clarification on Auditors' Report

Point-wise explanations to the observations of the Auditors are as follows :

Note No. 4(d) of the Auditors' Report :

Since the company is having accumulated losses, the management has decided not to make provision of Retirement Benefits as per AS-15 and Provision for Liabilities as per AS-29 in the books of accounts.

10. Environmental friendliness & pollution free techniques

The consultants and the management of your Company are putting continuous efforts on the protection of environment and industrial safety at the factory zone and adequate anti-pollution measures, viz. installation of effluent treatment plant, etc. have been taken for the protection of environment of the factory as per the norms prescribed by the Government. The Company has valid Pollution Control Clearances in respect of both Air and Water.

11. Personnel

Your Company continued to maintain cordial and harmonious relations between the employees during the year under review. The Directors hereby place on record their appreciation of efficient and loyal



services rendered by the employees at all levels.

There are no employees in the Company whose particulars are required to be given pursuant to Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

12. Conservation of energy, technology absorption and foreign exchange earning/outgo

A Statement containing necessary information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto and marked 'A' forming part of this Report.

13. Directors' Responsibility Statement:

Your Directors confirm that:

- i. in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii. the Directors have selected such Accounting Policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company at the end of the Accounting year ended 31st March, 2012 and of the Profit of the Company for that year;
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis.

14. Corporate Governance

As prescribed under the Listing Agreement with the Stock Exchanges a separate report along with Auditors' Certificate on its compliance by your Company, are included as part of the Annual Report.

15. Auditors

M/s. Laxminiwas & Jain, Chartered Accountants, Hyderabad, the Auditors of your Company retire at the conclusion of this Annual General Meeting and are eligible for re-appointment. As regards Auditor observation in their report, the notes given in Notes 1 & 2 is self explanatory.

16. Acknowledgement

Your Directors place on record their gratitude to the Company's Bankers, Sugar Dealers, Cane Growers, Shareholders, Business Associates and Government Bodies for the patronage, encouragement and support extended to company.

Your Directors also wish to place on record their acknowledgement of the committed efforts of the Executive Staff and workers at all levels in attaining the results for the year.

For and on behalf of the Board

Place : Hyderabad
Date : 01/12/2012

Vinod Bald
Chairman



ANNEXURE – A

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1998.

A. Conservation of Energy

a. Energy Conservation measures taken:

1. The Plant is equipped with highly efficient equipment to run at optimum conditions. The boilers are working at higher pressures. Evaporation of Juice is done with the Double effect vapour cell resulting in steam economy for the process, the total steam consumption is of the order of 47% on cane crushed against the standard of 50%.
2. We have replaced all the jet condenser systems and all the pans with spray nozzle type condenser to save around 3% energy.
3. Desuper heating station condensate is diverted to boiler water storage tank. Hereby we are saving about 0.5% heat energy and reducing effluent quantity.

b. Additional investment and proposals, if any being implemented for reduction of consumption of energy... NIL

Company is planning to set up a co-generation plant of 10 MW capacity.

c. Impact of the measures at (a) and (b) above for reduction of consumption and consequent impact on reduction in cost of production is Rs.6.00 per bag.

d. Total energy consumption and energy consumption per unit of production --- as per Form 'A'

B. Technology Absorption

Efforts made in technology — As per Form 'B'

C. Foreign Exchange Earnings & Outgo

1. Activities relating to exports, initiatives taken to increase exports/development of new export markets for products and services.... NIL

2. Total Foreign exchange Earnings and Outgo Rs. lakhs

Foreign Exchange Outgo NIL

**FORM A
(See Rule 2)****FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION
OF ENERGY**

DESCRIPTION	2011-12	2010-11
A. POWER AND FUEL CONSUMPTION		
1. ELECTRICITY		
a. PURCHASED		
Units KWH	4,31,444	4,55,236
Total Amount (Rs.)	28,28,414	28,60,533
Rate per Unit (Rs.)	6.50	6.235
b. OWN GENERATION		
1. Through Diesel		
Generator Units (KWH)	8,404	5,064
Units per Ltr. of Diesel Oil	2.74	2.25
Cost per Unit (Rs.)	18.04	18.19
2. Through Steam Turbine / Generator Units (KWH)	89,17,376	75,59,240
KWH per tonne of Bagasse	204.50	187.80
Cost per Unit (Rs. 1,000/-)	5.7	4.25
2. BAGASSE		
Quantity (Tonnes)	43,605	40,246
Total Cost (Rs.)	Own Bagasse	Own Bagasse
Average Rate (Rs.)	—	—
B. CONSUMPTION PER UNIT OF PRODUCTION		
Electricity KWH (Per Tonne)	258.20	242.23



FORM – B

**Disclosure of particulars with respect to Technology Absorption,
Research and Development**

1. Specific areas in which R&D carried out by the company

- a. Usage of Trichogramma card, a new biological tool used to control borers as successfully tested for the internode borer management in sugar cane.
- b. Usage of Wildmint extract spray on sugar cane to control leaf sucking pest effectively as a low cost technology in sugar cane crop management.
- c. For better variety evaluation, varietal screening is done in stages.
- d. Modified cane planting method like paired row method and pit method for using drip irrigation system effectively.

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

- a. Internode borer is controlled to manageable extent and improvement in yield is achieved.
- b. Better varieties of cane have been identified which are suitable for cultivation.
- c. Drip installation is made efficient.
- d. Productivity per acre is increased and farm earnings also improved.

3. Future plan of action

- a. Increase in cane area under micro irrigation system to face drought in future and optimizing planting geometry by introduction of paired row system in planting of cane.
- b. Organic farming in sugar cultivation and taking effective steps to evolve a farmer friendly technology for trash composting and introduction of vermi compost as an additional income generating plan to the farmer.
- c. Introduction of mechanical harvester for sugar cane harvesting to reduce the manpower dependence.

4. Expenditure on Research and Development

	(Rs.in lakhs)
a. Capital	—
b. Recurring	1.01
c. Total	1.01
d. Total R&D expenditure as a percentage of total turnover	0.012%



TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts in brief, made towards technology absorption, adaptation and innovation.

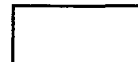
Introduction of African breed of earthworms suited to local condition with expected production of maximum quantity of humus.

2. Benefits derived as a result of the above efforts, eg., product improvement, cost reduction, product development, import substitution, etc.

Nutritive value of vermi compost is improved and the impact on vermi compost over sugar cane yield is also significant.

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.

- a) Technology imported } .
- b) Year of Import }
- c) Has technology been fully absorbed ? } Not applicable
- d) If not fully absorbed, areas where this has }
Not taken place, reasons therefore and
Future plan of action



CORPORATE GOVERNANCE REPORT

Prudential Sugars Limited is committed to good governance practices that create long term sustainable shareholders value”

1. Company’s philosophy

Prudential Sugars Limited is committed to good governance practices that create long term sustainable shareholder value. The company’s philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity in all acts of its operations and in all its interactions with its operations concerning financial institutions, banks, shareholders, employees, the Government and the lenders.

2. Board of Directors

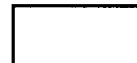
The Company’s policy is to maintain optimum combination of Executive and Non-Executive Directors. The strength of the Board as on March 31, 2012 was Six, The Executive Chairman, The Managing Director and Four Non-Executive Independent Directors.

Six Board Meetings were held during the financial year ended March31, 2012. The dates of the Board Meetings are as follows:

27.04.2011, 14.05.2011, 13.08.2011, 30.08.2011, 12.11.2011 and 15.02.2012

The Composition of Board of Directors, attendance at the Board Meetings during the financial year ended March, 31, 2012 and the last Annual General Meeting as also number of other directorships of the Directors as on March, 31, 2012, are given below:

Name of the Director	Nature of Directorships	No. of Board Meetings held	No. of Board Meetings Attended	Attendance at Last AGM	No. of Directorships
Sri Vinod Baid	Promotor and Executive Chairman	6	6	Present	14
Sri Ch. Krishnamoorthy	Managing Director	6	1	Absent	4
Sri U.C. Bhandari	Non-Executive Independent Director	6	3	Present	17
Sri Kishore Jhunjunwala	Non-Executive Independent Director	6	3	Present	22
Sri Y. Ravinder Reddy	Non-Executive Independent Director	6	6	Absent	5
Sri P.M. Nair	Non-Executive Independent Director	6	1	Present	7



3. Audit Committee

The Audit Committee was constituted in terms of Section 292A of the Companies Act, 1956 and as per the provisions of Clause 49 of the Listing Agreement. The Audit Committee consists of Non Executive Independent Directors and assists the Board in fulfilling its overall responsibilities. This comprises of three Non-Executive independent directors.

The following are the members of the Audit Committee.

1. Shri U.C. Bhandari - Chairman
2. Shri Kishore Jhunjunwala - Member
3. Shri Y. Ravinder Reddy - Member

Brief description of terms of reference

The terms of reference of the Audit Committee include the following

- a. Oversee the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommend to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- c. Approve payment to statutory auditors for any other services rendered by the statutory auditors.
- d. Review, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) section 217 of the Companies Act, 1956.
 - ii. Changes, if any, in accounting policies and practices and reasons for the same.
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management.
 - iv. Significant adjustments made in the financial statement arising out of audit findings
 - v. Compliance with listing and other legal requirement relation to financial statements
 - vi. Disclosure of any related party transactions
 - vii. Qualifications in the draft audit report.

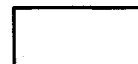
The Audit Committee met four times during the year on 13.05.2011, 12.08.2011, 11.11.2011 and 14.02.12

Name of the Director	No. of Meetings attended
Sri U.C. Bhandari	4
Sri Kishore Jhunjunwala	4
Sri Y. Ravinder Reddy	4

The necessary quorum was present at the meetings.

4. Remuneration of Directors

The Company has no pecuniary relationship or transaction with its Directors. Hence in the earlier Annual General Meeting, the members had approved remuneration to Shri Vinod Baid, Executive Chairman and Shri Ch. Krishnamoorthy, Managing Director. However, due to negative performance of the Company during the year, Executive Chairman and Managing Director have not taken remuneration and also no provision has been made in the books of Account. The Company has no Stock Option scheme. In view of the above, no remuneration committee is constituted.

**5. Shareholders' / Investors' Grievance Committee**

The shareholders' grievance committee has been constituted to oversee redressal of shareholders complaints. Shri U.C.Bhandari, Shri Kishore Jhunjunwala & Shri Y. Ravinder Reddy are the members of the committee.

During the year 2011-2012, 9 complaints were received from shareholders/investors. All complaints have been redressed to the satisfaction of the complainants.

All valid share transfers received during the year 2011-2012 have been acted upon by the Company and there were no pending share transfers as on 31st March, 2012.

6. General Body Meetings

Location and time where last three Annual General Meetings were held are given below:

Financial Year	Date	Location of the Meeting	Time
2008-2009	30th September, 2009	PSCL, Prudential Nagar, Nindra	10.00 am
2009-2010	30th September, 2010	PSCL, Prudential Nagar, Nindra	10.00 am
2010-2011	30th September, 2011	PSCL, 4th Floor, Akash Ganga Plot No. 144, Srinagar Colony.	04.00 pm

No Postal Ballot was conducted since the date of last Annual General Meeting.

7. Disclosures

- Disclosures on materially significant related party transactions i.e, transaction of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the Company at large: The Company did not have any related party transactions, which may have potential conflict with the interests of the Company at large.
- Details on non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years: The Company has complied with requirements of regulatory authorities on capital markets and no penalty/stricture was imposed on the Company during the last three years.

The Shares of the company listed on National Stock Exchange and Bombay Stock Exchange, The Company's trading was suspended in both Stock Exchanges and since then, the company is regularly complying with all the provisions of listing agreement.

8. Means of Communication

- The quarterly, half-yearly and annual results are published in newspapers.
- Presentations are also made from time to time to analysts and institutional investors.



9. General shareholder information

A. Annual General Meeting

Date and Time : 26.12.2012 at 11.00 am
 Venue : Akash Ganga, 3rd Floor, 8-3-1053
 Plot No. 144, Sri Nagar Colony, Hyderabad - 500 073. AP.

Demat ISIN No. for NSDL :

and CDSL for

Equity Shares : INE024D01016

Preference Shares : INE024D04010

B. Date of Book Closure : 22.12.2012 to 25.12.2012 (both days inclusive)

C. Registrar & Share transfer Agent

R&D Infotech (P) Ltd., 1st Floor, 7A, Beltala Road (Naresh Mitra Sarani, Kolkata - 700 026
 Telefax: 033-24192641/42; Fax: 033-24761657

D. Address for Correspondence

Prudential Sugar Corporation Limited
 3rd Floor, Akash Ganga
 Plot No. 144, Door No. 8-3-1053,
 Srinagar Colony, Hyderabad - 500 073.

E. Transfer system

To comply with the rules of the Listing Agreement the Company has appointed M/s. R&D Infotech Pvt. Ltd. as common agency for the transfer of physical as well as Demat of the Shares.

F. Dematerialization of shares and liquidity

The Company's shares being in compulsory Demat list, are transferable through the depository system. However, shares in the physical form are processed by the Registrar & Transfer Agent and approved by the Investors Grievance Committee. The share transfer process is reviewed by the said committee.

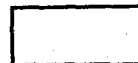
As on 31st March, 2012, a total of 18446289 shares of the Company, which forms 51.60% of the Share Capital, stands dematerialized.

G. Financial Calendar

The Company follows April-March as its financial year. The results for every quarter beginning from April are declared in the month following the quarter.

H. Distribution of Share holding as on 31st March, 2012

Share holding of Nominal value of		Shareholders		Share Amount	
Rs.	Rs.	Number	% to Total	(in Rs.)	% to Total
Upto	5,000	10,291	88.35	2,10,05,500	5.88
5,001 —	10,000	557	4.78	47,16,950	1.32
10,001 —	20,000	347	2.98	53,72,350	1.50
20,001 —	30,000	88	0.76	22,48,660	0.63
30,001 —	40,000	84	0.72	32,00,000	0.90
40,001 —	50,000	41	0.35	19,74,990	0.55
50,001 —	1,00,000	104	0.89	82,89,460	2.32
1,00,001	and above	136	1.17	31,07,12,090	86.91
Total		11,648	100.00	35,75,20,000	100.00



I. Shareholding Pattern as on 31st March, 2012

Category	No. of shares held	Percentage of shareholding
1. Promoters' Holding		
1. Indian Promoters		
- Individual	79,54,001	22.24
- Bodies Corporate	1,40,78,099	39.38
- Foreign Promoters	—	—
2. Persons acting in concert	—	—
Sub-Total - (1)	2,20,32,100	61.62
2. Non-Promoters' Holding		
Institutional Investors		
a. Mutual Funds and UTI	3,42,400	0.96
b. Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non-government Institutions)	12,900	0.04
c. FIs	—	—
Sub-Total - (2)	3,55,300	1.00
3. Others		
a. Private Corporate Bodies	52,06,171	14.56
b. Individuals	81,58,429	22.82
Sub-Total - (3)	1,33,64,600	37.38
Grand Total (1)+(2)+(3)	3,57,52,000	100.00

Prudential Sugar Corporation Limited



J. Listing on Stock Exchange with Stock Code

Name of the Stock Exchange	Stock Code	Address
1. The Hyderabad Stock Exchange Limited	PRUDSU\$	3-6-275, Himayat Nagar, Hyderabad - 500 029.
2. The Stock Exchange, Mumbai	500342	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
3. National Stock Exchange of India Limited	PRUDMOULI	Exchange Plaza, 5th Floor, Plot No. C/1 G Block, Bandra Kurla Complex, (East) Mumbai - 400 051.
4. Madras Stock Exchange	PRUDENTSUG	Exchange Building, Post Box No. 183, 11 Second Line Beach, Chennai - 600 001.
5. The Stock Exchange, Ahmedabad	PRUDSUG	Main Chowk, Ahmedabad - 480 001.
6. The Calcutta Stock Exchange Association Limited		7, Lyons Range Kolkata - 700 001.

K. The Company has not issued any GDRs/ADRs/Warrants or any other Convertible instruments.

L. Plant Location

"PRUDENTIAL NAGAR", P.O. Koppedu, Nindra Mandal, Chittoor District, Andhra Pradesh, Pin - 517 587, Phones: 08576-271093, 271202, Fax: 08576-271201.
Email: prudentialsugars@yahoo.com

M. Address for Correspondence

Prudential Sugar Corporation Limited, Registered Office at "Akash Ganga", 3rd Floor, Plot No. 144, Door No. 8-3-1053, Sri Nagar Colony, Hyderabad - 500 073. A.P. Phones: 040-23746451, 23746692, Fax: 040-66822871 and Factory Address at "PRUDENTIAL NAGAR", P.O. Koppedu, Nindra Mandal, Chittoor District, Andhra Pradesh, Pin - 517 587, Phones: 08576-271093, Fax: 08576-271201, Email: prudentialsugars@yahoo.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.

As required by Clause 49 of Listing Agreement the auditors certificate is attached herewith.



Certified by Vice President (Commercial)

- I, Pradeep Kumar Baid, Vice President (Commercial) of Prudential Sugar Corporation Limited certify that:
- a. I have reviewed the financial statements and the cash flow statements for the year and that to the best of our knowledge and belief.
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards applicable laws and regulations.
 - b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's code of conduct.
 - c. I accept responsibility for establishing and maintaining internal controls and I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
 - d. I have indicated to the Auditors and the Audit Committee
 - i. Significant changes in internal controls during the year, if any.
 - ii. that there are no significant changes in accounting policies during the year.
 - iii. that there have been no instances of significant fraud of which I have become aware, involving the management or an employee having a significant role in the Company's internal control system.

Place : Hyderabad

Pradeep Kumar Baid

Date : 31/08/2012

Vice President (Commercial)

Auditors' Certificate to the members of Prudential Sugar Corporation Limited on Compliance of the conditions of Corporate Governance for the year ended 31st March, 2012 under clause 49 of the Listing Agreement with the Stock Exchanges

We have examined the compliance of the conditions of Corporate Governance by Prudential Sugar Corporation Limited for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchanges (hereinafter referred to as Clause 49).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has by 31st March, 2012, complied in all material respects with the conditions of Corporate Governance as stipulated in clause 49, except appointment of Company Secretary.

As required by the Guidance note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India, we state that, the Company have certified that as on 31st March, 2012 there were no investor grievances remaining pending for a period exceeding one month, and as explained to us by the management, the Company have reported to the Shareholders/Investors' Grievances Committee regularly on the status of such grievances.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which management has conducted the affairs of the Company.

Place : Hyderabad

Date : 31/08/2012

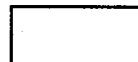
For **Laxminiwas & Jain**
Chartered Accountants
Firm Registration No. 001859S
Smt. Sharada G. Patil
Partner
Membership No. 015332



AUDITORS' REPORT

To
The Members,
PRUDENTIAL SUGAR CORPORATION LIMITED

1. We have audited the attached Balance Sheet of M/s **PRUDENTIAL SUGAR CORPORATION LIMITED** as at 31.03.2012 and the Statement of Profit and Loss of the Company for the year ended on that date and also the Cash Flow statement for the year ended thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes, assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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 accounts as required by law have been kept by the Company so far as appears from our examination of such books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash flow Statement referred to in this report are in agreement with the books of accounts;
 - d. In our opinion, statement of Profit and Loss, Balance Sheet and the Cash Flow Statement comply with the requirements of the Accounting standards (AS) referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956 **non accounting of interest on accrual basis, non provision of retirement benefits as per AS-15 and non provision of liabilities as per AS-29 refer Point No. a,b and f in Note 22.**
 - e. Based on the representations made by the Directors of the Company and the information and explanations as made available, Directors of the Company do not prima facie have any disqualification as referred to in clause (g) of Sub section (1) to section 274 of the Companies Act, 1956.
 - f. In our opinion and to the best of our information and according to the explanations given to us, the said Accounts, Subject to para(d) above, the impact of non accounting of interest/liabilities is that the Profit for the year is overstated by Rs. 76.80 lacs and cumulative impact is that the liabilities are understated by Rs. 873.53 lacs refer point no. a,b and f of Note 22 . Also providing of less Depreciation @ 5.28% on Sugar work Rollers whereas eligible depreciation as per schedule XIV of the Companies Act is 100% refer b.2 in Note 21 the impact is that the cumulative Profit is overstated by Rs. 14.78 Lacs **point no. a (5) in Note 22 regarding non redemption of 16% Cumulative Redeemable Preference Shares, the impact of which is**



that the current liabilities are understated by Rs. 408 Lacs and Capital is overstated by Rs. 408 Lacs. Refer pote no.g in Note 22 for non accounting of Provision for Retirement benefit as per AS-15, also refer point no. e in Note 22 regarding non confirmation/ reconciliation of Trade Receivables, Trade payables, Secured Loans, Unsecured Loans, Loans and advances, Other Current assets and Current Liabilities the impact of which on assets/ liabilities and Profit is unascertained, gives the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012
- ii. in the case of statement of Profit & Loss, the Profit of the company for the year ended on that date and
- iii. in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For Laxminiwas & Jain
Chartered Accountants
Firm Registration No. 001859S

Place : Hyderabad
Date : 31/08/2012

Smt. Sharada G. Patil
Partner
Membership No. 015332



ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date:

- i. a. The company has maintained proper records showing full particulars, including quantitative details and situations of Fixed assets, Which is required to be updated.
- b. As explained to us, All the assets have not been physically verified by the Management during the year but there is a regular programme of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, No material discrepancies were noticed on such verification.
- c. According to the information and explanation furnished to us, the company has not disposed of a substantial part of its fixed assets during the year.
- ii. a. According to the information and explanation furnished to us, the Management has physically verified inventories during the year. In our opinion, the frequency of such verification is reasonable.
- b. In our opinion, 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. According to the information furnished to us, the Company is maintaining proper records of its inventory and the discrepancies, if any, noticed on verification between the physical stocks and the book records were not material, and have been properly dealt within the books of accounts.
- iii. a. The Company has not granted any loans to companies and other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- b. According to the information & explanation furnished to us, the Company had taken unsecured loans from five parties, covered under register maintained under Section 301 of the Companies Act, 1956. During the year it has accepted Rs.50 Lacs & repaid Rs.166.00 Lacs. The year-end balances of loans taken from such parties were Rs 436 Lacs.
- c. In our opinion, the rate of interest and other terms and conditions on which loans were taken from Companies, firms, or other parties covered under the register maintained under Section 301 of the Companies Act, 1956, are not prima facie, prejudicial to the interest of the Company.
- d. According to the information and explanation given to us, the company is regular in repayment of the principle and interest amounts wherever applicable as stipulated on the loans taken by it from the parties listed in the registers maintained under section 301 of the companies Act 1956.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal controls.
- v. a. Based on the information and explanations given to us, we are of the opinion that the transactions that are required to be eEntered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under



Section 301 of Companies Act, 1956 and exceeding the value of Rupees Five Lakhs in respect of each party have been entered during the Financial year at price which are reasonable having regard to prevailing market prices at relevant time.

- vi. In our opinion and according to the information and explanations given to us, The Company has not accepted any fresh deposits during the year within the purview of Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
- vii. In our opinion and according to the information and explanations given to us, the company has an internal audit system which in our opinion, considering the size and nature of company's business , needs to be further strengthened.
- viii. We have broadly reviewed the Cost Records maintained by the Company pursuant to the order of The Central Government for maintenance of cost records under section 209(1)(d) of the Companies Act 1956 and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however , made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix. a. In our opinion and according to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including Income Tax, Sales Tax, Excise duty and other statutory dues with appropriate authorities except Provident fund, Professional Tax which has been deposited with delays.
- b. In our opinion and according to the information and explanations given to us, the undisputed statutory dues outstanding as at 31.03.2012 for a period of more than six months are Purchase Tax, CDCF, and Dividend Distribution Tax Totaling to Rs. 349.23 Lacs.
- c. In our opinion and according to the information and explanations given to us, the following amounts of Sales tax has been disputed by the company and hence , were not deposited with the concerned authorities as at 31st March, 2012.

Sl.No.	Nature of Dues	Name of Statute	Amount	Pending before
1.	Sales Tax	APGST 1957	11.15 lacs	High Court of Andhra Pradesh

- x. In our opinion and according to the information and explanations given to us, company's accumulated losses at the end of the financial year are less than 50% of its net worth and it has not incurred cash loss in current financial year as per books and also not incurred cash losses in immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the company has defaulted in repayment of dues, to the financial institutions, the details for which as per books are given below. The Company has not issued any Debentures.

Sl. No.	Name of the Bank	Default
1.	I I B I	324.27 Lacs
2.	I F C I (Assigned to Sri Venkateswara Sugar & Industries Pvt. Ltd.,)	245.40 Lacs

- xii. According to the information furnished to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.



- xiii. In our opinion and according to the information and explanations given to us,, the company is not a chit fund or a nidhi / mutual benefit fund/ society and hence, the requirements of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company during year under report.
- xiv. According to the information furnished to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the requirement of clause 4(xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company..
- xv. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- xvi. Based on information & explanation given to us by the Management, during the year term loans were applied for the purpose for which the loans were obtained.
- xvii. According to the information and explanations given to us and on the overall examination of the balance sheet of the company, we report that the funds raised on short-term basis have, prima-facie, not been used for long term investments.
- xviii. According to the information and explanation furnished to us, the company has not made preferential allotment of shares during the year to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. According to the information and explanation given to us, the Company has not issued any debentures during the year under report.
- xx. The company has not raised any monies through public issues of its securities during the year. Accordingly, the provisions of clause 4(xx) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- xxi. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For Laxminiwas & Jain
Chartered Accountants
Firm Registration No. 001859S

Place : Hyderabad
Date : 31/08/2012

Smt. Sharada G. Patil
Partner
Membership No. 015332

Prudential Sugar Corporation Limited



BALANCE SHEET AS AT 31st MARCH, 2012

PARTICULARS	Notes	As at 31.03.2012 In Rupees	As at 31.03.2011 In Rupees
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
Share Capital	1	323,320,000	323,320,000
Reserves & Surplus	2	<u>(26,855,487)</u>	<u>(50,510,288)</u>
		<u>296,464,513</u>	<u>272,809,712</u>
2 Non-current liabilities			
Long-term borrowings	3	113,605,221	116,717,054
Other Long term liabilities		—	—
Long-term provisions	4	<u>8,021,230</u>	<u>8,021,230</u>
		<u>121,626,451</u>	<u>124,738,284</u>
3 Current liabilities			
Short-term borrowings	5	132,335,067	143,575,042
Trade payables		381,467,769	233,017,713
Other current liabilities	6	82,466,178	68,218,366
Short-term provisions		—	—
		<u>596,269,014</u>	<u>444,811,121</u>
(TOTAL OF 1+2+3)		<u>1,014,359,979</u>	<u>842,359,117</u>
II. ASSETS			
Non-current assets			
1. Fixed assets			
Tangible assets	7	267,514,608	285,850,110
Intangible assets		—	—
Capital work-in-progress		—	—
Non-current investments	8	5,528,005	5,528,005
Deferred tax assets (net)		73,032,918	78,323,857
Long-term loans and advances		—	—
Other non-current assets		—	—
		<u>346,075,531</u>	<u>369,701,972</u>
2. Current assets			
Current investments		—	—
Inventories	9	454,282,440	320,888,199
Trade receivables	10	63,250,190	46,987,811
Cash and cash equivalents	11	34,508,647	22,168,571
Short-term loans and advances	12	116,243,171	82,612,564
Other current assets		—	—
		<u>668,284,449</u>	<u>472,657,145</u>
(TOTAL OF 1+2)		<u>1,014,359,979</u>	<u>842,359,117</u>
III. SIGNIFICANT ACCOUNTING POLICIES			
NOTES TO ACCOUNTS	21		
	22		

The accompanying notes are an integral part of the Financial Statements.

For and on behalf of the Board

As per our report of even date

For **Laxminiwas & Jain**

Chartered Accountants

Firm Regd. No. 001859S

Place : Hyderabad

Vinod Baid

Ch. Krishnamoorthy

Smt. Sharada G. Patil

Date : 31/08/2012

Chairman

Managing Director

Partner

Membership No. 015332



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2012

PARTICULARS	Notes	Year ended 31.03.2012 In Rupees	Year ended 31.03.2011 In Rupees
I. income:			
Revenue from operations	13	852,797,890	809,141,807
Less: Excise Duty		<u>42,910,242</u>	<u>38,842,816</u>
		809,887,648	770,298,991
Other income	14	<u>108,349</u>	<u>155,348</u>
Total Revenue (I)		<u>809,995,997</u>	<u>770,454,339</u>
II. Expenses:			
Cost of materials consumed	15	737,671,264	640,460,452
[Increase]/Decrease in inventories of finished goods work-in-progress and Stock-in-Trade	16	(128,022,610)	(49,232,187)
Employee benefits expense	17	45,585,610	39,030,520
Finance costs	18	27,669,683	27,643,254
Depreciation and amortization expense	19	28,006,140	27,877,028
Other expenses	20	<u>69,941,602</u>	<u>64,331,404</u>
Total Expenses (II)		<u>780,851,689</u>	<u>750,110,471</u>
Profit before Exceptional, Extraordinary items & Taxation		29,144,308	20,343,868
Exceptional items: Loss on sale of Asset		198,567	—
Tax expenses	5,791,391	—	—
Less: MAT Credit Entitlement	5,791,391	—	—
Deferred tax		5,290,939	14,929,028
Profit / (Loss) for the year from continuing operations		<u>23,654,802</u>	<u>5,414,840</u>
Earnings per equity share:			
Basic		0.84	0.19
Diluted		0.83	0.19
III. SIGNIFICANT ACCOUNTING POLICIES 21			
NOTES TO ACCOUNTS 22			

The accompanying notes are an integral part of the Financial Statements.

For and on behalf of the Board

As per our report of even date

For **Laxminiwas & Jain**

Chartered Accountants

Firm Regd. No. 001859S

Place : Hyderabad
Date : 31/08/2012

Vinod Baid
Chairman

Ch. Krishnamoorthy
Managing Director

Smt. Sharada G. Patil
Partner
Membership No. 015332

Prudential Sugar Corporation Limited**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2012**

31.03.2012

31.03.2011

(Rs. in lakhs)

Cash flow from Operating activities

Net Profit before Tax and Extraordinary items	289.46	203.44
Adjustments for :		
Depreciation	280.06	278.77
Interest paid	276.69	276.43
Other Income	(1.08)	(1.55)
Operating Profit before working capital changes	845.13	757.09
Adjustments for:		
Decrease/(Increase) in Trade and Other Receivables	(498.93)	111.79
Decrease/(Increase) in inventories	(1,333.94)	(503.58)
(Decrease)/Increase in Trade Payables/current liabilities	1,626.98	41.94
Cash generation from operations	639.24	407.24
Net Cash flow from operating activities (A)	639.24	407.24

Cash flow from Investing Activities

Purchase of Fixed assets	(99.74)	(1.28)
Proceeds from sale of fixed assets	3.01	--
Other Income	1.08	1.55
Net Cash flow from Investing activities (B)	(95.65)	0.27

Cash flow from Financing activities

Repayment of Long Term Borrowings	(31.11)	4.49
Repayment of Short Term Borrowings	(112.39)	(22.50)
Interest paid	(276.69)	(276.43)
Net Cash flow from Financing activities (C)	(420.19)	(294.44)

NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES

	123.40	113.08
Add: Opening Cash and cash equivalents	221.68	108.60
Cash and cash equivalents at the end of the period	345.08	221.68

For and on behalf of the Board

As per our report of even date

For **Laxminiwas & Jain**

Chartered Accountants

Firm Regn. No. 001859S

Place : Hyderabad

Vinod Baid**Ch. Krishnamoorthy****Smt. Sharada G. Patil**

Date : 31/08/2012

Chairman

Managing Director

Partner

Membership No. 015332

Prudential Sugar Corporation Limited



As at 31.03.12
In Rupees

As at 31.03.11
In Rupees

1. SHARE CAPITAL

Authorised

5,00,00,000 Equity Shares of Rs. 10/- each	500,000,000	500,000,000
16% Cum.Redeemable Preference shares of Rs.50/- each	<u>250,000,000</u>	<u>250,000,000</u>
	<u>750,000,000</u>	<u>750,000,000</u>

Issued

a. 1,54,06,400 Equity shares of Rs.10/ each	154,064,000	154,064,000
b. 1,00,00,000 Equity shares of Rs.10/ each issued at a premium of Rs.10/ each	100,000,000	100,000,000
c. 10345600 Equity Shares of Rs.10/ each (Converted from 2586400 Equipref Shares of Rs 40/ each)	103,456,000	103,456,000
d. 20000 16% Cum.Redeemable Pref. Shares of Rs.40/ each (Rs.10/ converted into Equity)	800,000	800,000
e. 1000000 16% Cum.Redeemable Pref.Shares of Rs. 50/ each (Redeemable at any time on or before 10/02/2006)	50,000,000	50,000,000
	<u>408,320,000</u>	<u>408,320,000</u>

Subscribed & Fully Paid up

1,54,06,400 Equity shares of Rs.10/ each	154,064,000	154,064,000
1,03,45,600 Equity shares of Rs.10/- each (Converted from 2586400 Equipref Shares of Rs 40/ each)	103,456,000	103,456,000
20,000 16% Cum.Redeemable Pref. Shares of Rs.40/ each (Rs.10/ converted into Equity)	800,000	800,000
	<u>258,320,000</u>	<u>258,320,000</u>

Subscribed but not fully Paid up

1,00,00,000 Equity shares of Rs.10/ each issued at a premium of Rs.10/ each called up and paid up @ Rs.2.50	25,000,000	25,000,000
1000000 16% Cum.Redeemable Pref.Shares of Rs.50/- each Rs.40/- per share each called up and up	40,000,000	40,000,000
Total	<u>65,000,000</u>	<u>65,000,000</u>

1.1. The Opening and closing balance of the Subscribed and Paid-up equity shares of the company are same, hence, the reconciliation between opening number and closing number of shares does not arise.

1.2. Details of Shareholders holding more than 5% of shares in the company (Details given considering fully paid up and partly paid up shares separately)

S. Name of Shareholder No.	As at 31 March 2012		As at 31 March 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1. VAB Ventures Ltd.,	8,877,889	24.83	13,352,599	37.35
2. Bank of India (Pledgee of Shares of the following Companies)	3,500,500	9.79	3,500,500	9.79
a. Premier Fiscal Services Private Ltd.	1,500,500			
b. Premier Industrial & Commercial Services Private Ltd.	1,000,000			
c. J.M.Properties Private Ltd.	500,000			
d. Baid Apartments Private Ltd.	500,000			
3. Nageshwar Consultants Private Ltd.,	2,700,000	7.55	—	—
4. Mandapam Commercial Ltd.,	—	—	2,700,000	7.55
5. Chadalavada Krishna Moorthy	2,125,000	5.94	—	—
6. Sucharitha Manda	2,000,000	5.59	—	—

Prudential Sugar Corporation Limited



As at 31.03.12
In Rupees

As at 31.03.11
In Rupees

2. RESERVES AND SURPLUS

Capital Reserves

Opening Balance	1,500,000	1,500,000
(+) Current Year Transfer	—	—
(-) Written Back in Current Year	—	—
Closing Balance	1,500,000	1,500,000

Surplus/(Deficit) in the Statement of Profit and Loss

Opening balance	(52,010,289)	(57,425,129)
(+) Net Profit/(Net Loss) For the current year	23,654,802	5,414,840
Closing Balance	(28,355,487)	(52,010,289)
Total	(26,855,487)	(50,510,289)

3. LONG TERM BORROWINGS

a. Term loans

Rupee loan from banks - IFCI Limited	24,540,054	24,540,054
Rupee loan from banks - IIBI Limited	15,525,000	15,525,000
Interest Accrued and Due on above Loan	16,902,000	16,902,000
Rupee loan from banks	56,239,167	59,750,000

b. Vehicle Loan from Bank

	399,000	—
Total	113,605,221	116,717,054

Notes

- 3.1 Loan from IFCI is assigned to Sri Venkateswara Sugar & Industries Pvt. Ltd. In terms of assignment of Loan of IFCI
- 3.2 Loan from IIBI is Secured by 1st Charge on the Fixed Assets of the company and guaranteed by one of the director and one former director
- 3.3 Rupee loan from banks are secured by Hypothecation of Inventories, Bookdebts and also secured by 2nd charge on all the fixed assets of the company, further guaranteed by one Director/one former director and three corporate bodies
- 3.4 Vehicle loan is Secured By Hypothecation of vehicle purchased.

4. PROVISIONS (Long Term)

a. Provision for employee benefits

Superannuation (unfunded)	8,021,230	8,021,230
Total	8,021,230	8,021,230

Prudential Sugar Corporation Limited



**As at 31.03.12
In Rupees**

**As at 31.03.11
In Rupees**

5. CURRENT LIABILITIES

SHORT TERM BORROWINGS

Cash credit from Banks (Secured)
Crop Loan (Secured)

47,913,317

47,553,292

40,000,000

40,000,000

87,913,317

87,553,292

Unsecured

a. Other Loans and advances

From Directors
From Others

43,600,000

55,200,000

821,750

821,750

44,421,750

56,021,750

Total

132,335,067

143,575,042

TRADE PAYABLES

381,467,769

233,017,713

5.1 The above borrowings from banks are Secured by Hypothecation of Inventories, Book debts and also secured by 2nd charge on all the fixed assets of the company, further guaranteed by one Director/one former director and three corporate bodies.

6. OTHER CURRENT LIABILITIES

a. Interest accrued but not due on borrowings
b. Accrued Salaries and Benefits
c. Statutory Dues
d. Vehicle Loan
e. Others

4,931,514

4,725,303

6,007,893

5,214,579

48,402,461

43,073,485

228,000

59,996

22,896,310

15,145,003

Total

82,466,178

68,218,366

7. FIXED ASSETS

(In Rupees)

SL. No.	DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as on 01.04.2011	Additions during the year	Deductions during the year	Cost upto 31.03.2012	Total Dep. upto 31.03.2011	Depreciation for the year	Depreciation on deletions	Total Dep. upto 31.03.2012	As at 31.03.2012	As at 31.03.2011
1	Land	16,343,937	—	16,343,937	—	—	—	—	—	16,343,937	16,343,937
2	Plant & Machinery	414,693,779	9,170,810	—	423,864,589	246,892,481	2,192,379,092	—	268,816,272	155,048,317	167,801,298
3	Furniture & Fittings	23,826,613	52,180	—	23,878,793	19,045,662	1,495,423,544	—	20,541,086	3,337,707	4,780,951
4	Buildings	157,717,744	—	—	157,717,744	62,504,234	4,231,130,577	—	66,735,365	90,982,379	95,213,510
5	Vehicles	5,897,786	751,215	772,915	5,876,086	4,187,374	3,557,949,246	468930	4,074,239	1,801,847	1,710,412
	Total	618,479,859	9,974,205	772,915	627,681,149	332,629,751	28,006,140	468,930	360,166,961	267,514,188	285,850,108
	Previous Year	618,848,937	127,990	497,068	618,479,859	305,249,790	27,877,029	497,068	332,629,751	285,850,108	313,599,147



Prudential Sugar Corporation Limited



As at 31.03.12
In Rupees

As at 31.03.11
In Rupees

8. NON-CURRENT INVESTMENTS

Trade Investments (Valued at cost unless stated otherwise)

Equity Shares (quoted)

500 Shares of Rs.1/- each fully paid up in KCP Sugars Ltd.	3,755	3,755
50 Shares of Rs.10/- each fully paid up in The KCP Ind. Ltd.	3,755	3,755
100 Shares of Rs.10/- each fully paid up in Sakthi Sugars Ltd.	4,495	4,495
5 Shares of Rs.10 /- each fully paid up in Kothari Sugars & Chem Ltd.	3,000	3,000
100 Shares of Rs.10/- each fully paid up in Aruna Sunrise Hotels Ltd.	2,000	2,000

Equity Shares (Unquoted)

5,50,000 Equity Shares of Rs.10/- each fully paid up in Prudential Spinners Ltd.	5,500,000	5,500,000
--	-----------	-----------

Other Investments

National Savings Certificate (Deposited with Forest Department)	11,000	11,000
---	--------	--------

Total	5,528,005	5,528,005
--------------	------------------	------------------

9. INVENTORIES (Valued at Lower of Cost and Net Realisable Value)

a. Work-in-progress	20,558,800	11,087,000
b. Finished Goods	376,199,321	257,648,510
c. Stores and spares	57,168,771	51,821,118
d. Loose Tools	355,549	331,571

Total	454,282,440	320,888,199
--------------	--------------------	--------------------

10. TRADE RECEIVABLES (Unsecured, considered good unless stated otherwise)

Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	63,250,190	46,987,811
Less: Provision for doubtful debts	—	—

Total	63,250,190	46,987,811
--------------	-------------------	-------------------

11. CASH AND BANK BALANCES

a. Balances with banks*		
On Current accounts	33,704,461	21,192,094
b. Margin Money	625,000	625,000
c. Cash on hand*	179,186	351,477

Total	34,508,647	22,168,571
--------------	-------------------	-------------------

12. SHORT TERM LOANS AND ADVANCES

a. Loans and advances to related parties		
Unsecured, considered good	104,150,000	61,412,949
Doubtful	—	—
Less: Provision for doubtful loans and advances	—	—

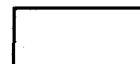
	104,150,000	61,412,949
--	--------------------	-------------------

b. Others

Loans and advances to employees	1,152,044	904,682
Prepaid Expenses	399,097	95,419
Balances with Statutory/Government Authorities	4,472,117	3,594,426
Others	6,069,913	16,605,088

	12,093,171	21,199,615
--	-------------------	-------------------

Total	116,243,171	82,612,564
--------------	--------------------	-------------------



**For the year
ended 31.03.12
In Rupees**

**For the year
ended 31.03.11
In Rupees**

13. REVENUE FROM OPERATIONS

Sale of products	852,706,490	809,141,807
Sale of services	—	—
Other operating revenues		
Scrap sales	91,400	—
<u>Less: Excise duty</u>	<u>42,910,242</u>	<u>38,842,816</u>
Total	<u>809,887,648</u>	<u>847,984,623</u>

14. OTHER INCOME

Interest Income	69,829	69,829
Others	38,520	85,519
Total	<u>108,349</u>	<u>155,348</u>

15. COST OF RAWMATERIALS AND COMPONENTS CONSUMED

Inventory at the beginning of the year	—	—
Add: Purchases	737,671,264	640,460,452
Less: Inventory at the end of the year	—	—
Cost of Raw materials and Components Consumed	<u>737,671,264</u>	<u>640,460,452</u>

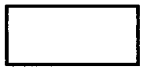
16. (INCREASE) / DECREASE IN INVENTORIES

Inventories at the end of the year		
Work in Progress	20,558,800	11,087,000
Finished Goods	376,199,320	257,648,510
	<u>396,758,120</u>	<u>268,735,510</u>
Inventories at the beginning of the year		
Work in Progress	11,087,000	2,537,500
Finished Goods	257,648,510	216,965,823
	<u>268,735,510</u>	<u>219,503,323</u>
Total	<u>128,022,610</u>	<u>49,232,187</u>

17. EMPLOYEE BENEFIT EXPENSES

a. Salaries, Wages and Bonus	41,312,048	34,843,474
b. Contributions to Provident and other funds	2,637,874	2,587,314
c. Gratuity expenses	541,690	332,893
c. Staff welfare expenses	1,093,998	1,266,839
Total	<u>45,585,610</u>	<u>39,030,520</u>

Prudential Sugar Corporation Limited



18. FINANCE COST

	For the year ended 31.03.12 In Rupees	For the year ended 31.03.11 In Rupees
Interest expense	27,669,683	27,643,254
Other borrowing costs	—	—
Total	27,669,683	27,643,254

19. DEPRECIATION

Depreciation of Tangible Assets	28,006,140	27,877,028
Total	28,006,140	27,877,028

20. OTHER EXPENSES

Consumption of Stores & Spares	8,418,876	5,751,141
Power & Fuel	5,677,204	5,180,043
Freight and handling charges	2,775,707	2,070,412
Repairs and maintenance		
To Plant & Machinery	22,144,638	20,408,948
To Buildings	1,191,809	391,790
To Others	2,857,944	1,368,411
Insurance	632,517	713,484
Rates & taxes	595,190	413,139
Legal & Professional Fees	231,859	719,057
Packing Materials	19,744,736	21,609,937
Bank charges	184,322	139,393
Printing & Stationery	216,922	242,792
Telephone & Internet Charges	302,325	229,697
Travelling Expense	1,470,732	1,307,509
Sales commission	855,005	711,175
Business Promotion	20,349	229,960
Rent	107,132	162,200
Miscellaneous Expense	2,314,335	2,482,317
Total	69,741,602	64,131,404
Payment to Auditors		
Audit Fee	175,000	175,000
Tax Audit Fee	25,000	25,000
Total	200,000	200,000



NOTE: 21

SIGNIFICANT ACCOUNTING POLICIES

a. General

Financial statements are prepared under the historical cost convention and in accordance with generally accepted accounting standards.

b. Fixed Assets and Depreciation:

1. Fixed Assets are stated at cost less accumulated depreciation. Cost of acquisition of Fixed Assets is inclusive of freight, duties, taxes & incidental expenses and net of Cenvat/Modvat credit, if any.
2. Depreciation has been provided on Fixed Assets under straight line method as per rates prescribed by schedule XIV of the Companies Act, 1956. In case of sugar work rollers, eligible depreciation under schedule XIV is 100% but the depreciation on the same has been considered by the Company at 5.28%.

c. Investments

Investments are stated at cost price.

d. Inventories

1. Sugar is valued at cost price or net realizable value whichever is less.
2. Molasses and Bagasse (By products) valued at net realizable value.
3. Stores and Spares, Stock-in-process and other inventories valued at cost or Net Realizable value whichever is lower. Cost is determined by using weighted average method.

e. Revenue recognition

1. Revenue/Income and Cost/Expenditure are generally accounted on accrual basis except as stated otherwise.
2. Sales are inclusive of Excise duty.

f. Capital Grants

Investment subsidy from State Government towards capital cost has been considered as Capital Reserve.

g. Retirement Benefits

Contribution to Provident Fund is made monthly, at a predetermined rate, to the Commissioner of Provident Fund and debited to the Profit & Loss Account on accrual basis.

h. Cenvat Credit on Capital goods

Cenvat credit on capital goods is adjusted and taken credit out of the sale proceeds



i. Miscellaneous Expenditure

Capital Issue Expenses / Preliminary Expenses are being amortized over a period of 10 years.

j. Taxes

Provision for current tax is made after taking into consideration benefits under the provision of the Income-Tax Act, 1961.

Deferred Tax is provided and recognized on timing differences between taxable income and accounting income subject to consideration of prudence.

k. Foreign Currency Transaction

Transaction in foreign currency are accounted for at the exchange rates prevailing on the date of transaction. Foreign currency current assets and current liabilities as at the year and other than those relating to fixed assets are translated at the applicable year and exchange rate and exchange differences, if any, are recognized in the Profit & Loss account. Foreign currency transactions covered under forward contracts are accounted for at the contracted rates.

l. Impairment of Assets

An Asset is treated as impaired when the carrying cost of the Asset exceeds its recoverable value. An Impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount

For and on behalf of the Board

As per our report of even date
For **Laxminiwas & Jain**
Chartered Accountants

Firm Regn. No. 001859S

Place : Hyderabad
Date : 31/08/2012

Vinod Baid
Chairman

Ch. Krishnamoorthy
Managing Director

Smt. Sharada G. Patil
Partner
Membership No. 015332

**NOTE 22****NOTES TO ACCOUNTS****a. Contingent Liabilities / Liabilities not provided**

1. Company has entered into a Settlement Agreement with Ashok Leyland Finance Limited for Rs. 28.52 lacs payable in 3 installments. Out of the the said settled amount company has already paid a sum of Rs.20 lacs. The Company has requested further time for payment of balance amount and the same is under consideration of M/s. Ashok Leyland Finance Limited. On receipt of the full amount the cases will be withdrawn by Ashok Leyland Finance Limited. In case of failure, an additional amount of Rs. 12.81 lacs (PY - Rs.11.75 lacs) to be further provided in the Books of Accounts.
2. Claims Rs.22.08 Lacs (P.Y.- 22.08 Lacs) by Soubhagya Advertising Associates for services for which an appeal is pending with High Court of Andhra Pradesh.
3. Counter guarantee given by company against Bank Guarantee is Rs.25.00 Lacs (Previous Year Rs. 25.00 lacs).
4. Sales Tax claim of Rs.22.80 Lacs (Previous Year Rs. 22.80 Lacs) for which an appeal is pending with High Court of Andhra Pradesh. The Company has paid Rs. 11.65 lacs (P.Y. Rs.11.65 lacs) against above claim which is shown as deposit recoverable in the books of accounts.
5. The Company has issued 16% Cumulative Redeemable Preference Shares to promoters in the year 1995-96 redeemable on or before 12.01.2005 which is pending redeemable to the tune of Rs.8 lacs. The Company had also issued 16% Cumulative Redeemable Preference Shares for Rs.400 lacs in the year 1996-97 redeemable on or before 10.02.2006. The Company could not redeem the above shares in time as it was registered with BIFR,if redeemed with accumulative dividend the liability upto 31.03.2012 shall stand to Rs.3463.49 lacs (P.Y.Rs.2929.49 Lacs) on account of Dividend.
6. Disputed claim of interest on delayed payment of Purchase Tax Rs. 362.72 lacs. (P.Y. Rs.362.72 lacs)
7. Disputed claim of penal charges on delayed payment of Provident Fund Rs. 9.87 lacs. (P.Y. Rs. 9.87 lacs)

b. IIBI

Company has entered in to One Time Settlement with IIBI on 27.11.2002 for a sum of Rs.444.27 Lacs. Out of the settled amount company has already paid Rs.120 Lacs. The balance amount was to be paid in 12 installments latest by 31.03.2005. Due to financial constraint company could not fulfill OTS proposal. IIBI has right to reverse the waiver of dues as envisaged in the scheme and restore the original liability as per the terms of the loan agreement entered in by the company as adjust the payment, received towards the same, in event of default of installment or interest on settled amount as envisaged in the sanction letter along with liquidated damages For delay in payment of installments the interest amounting to Rs.332.79 Lacs (P.Y.Rs.293.87 lacs) which includes Rs.38.92 Lacs (P.Y. Rs. 38.92 Lacs) for the Current Year, is not provided as the company's proposal for the waiver of the interest on settled amount is pending with them. And company is hopeful of getting waiver of the same.



c. Custom Duty on Import of Raw Sugar:

	31.03.12	31.03.11
Export Obligation:	4638 Mts	4638 Mts
Duty component to be paid in case of non fulfillment of obligation	Rs.483.62 lacs	Rs.483.62 lacs

** No provision is considered necessary since the company expects favorable decision/fulfilling obligation in all the above cases.

d. The Company's reference application, based on 2007-08 financials, before BIFR has been dismissed and the Company had preferred an Appeal against the BIFR's Order before the AAIFR. AAIFR was pleased to admit the Company's Appeal which is presently being heard. The Company expects that a verdict will be delivered by the AAIFR after completion of pleadings and arguments and counter-arguments of the parties concerned.

e. Balance in Trade Receivables, Trade payables, Secured Loans, Unsecured Loans, Loans and Advances, Other Current Assets and Current Liabilities are subject to reconciliation/confirmation. In the opinion of the management Trade Receivables, Loans and Advances and other Current Assets are fully realizable.

f. The Company had entered into One Time Settlement for amount outstanding to IFCI in the year 2007. However the company could not pay a sum of Rs. 245.50 Lacs out of the above payable amount on or before 31.03.2009. IFCI Limited has advised the company vide their letter dated that the outstanding debt along with all the rights have been assigned by them to Sri Venkateswara Sugar and Industries Limited. The Company have been approached by SVSIPL for settlement of Dues, which is in process. Pending settlement, an amount of interest on the said loan of Rs.110.46 lacs (P.Y.73.64) is not been provided in the books of account.

g. The Company is in the process to obtain the actuarial value for Gratuity and Leave Encashment. As such the same is not provided for the current year. However the Amount paid during the year is debited to Profit and Loss account.

	31.03.2012	31.03.2011
	Rupees	Rupees
h. Auditors' remuneration represents		
a. Statutory Audit Fees	1,75,000	1,75,000
b. Tax Audit Fees	25,000	25,000
	<u>2,00,000</u>	<u>2,00,000</u>
i. Tax deducted at sources on interest receipts	<u>6,983</u>	<u>6,983</u>

j. There are no Micro and Small Enterprises to whom the company owes amounts which are outstanding as at 31st March 2012. The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME) has been determined on the basis of and to the extent information is available with the company. No interest is paid/payable during the year to any enterprises registered under the MSME.

k. The company operation consists only one segment – Sugar and therefore the figures given relates to one segment.



i. Earnings per shares (EPS)	2011-12	2010-11
	(Rs.in lacs)	(Rs. In lacs)
Basic and Diluted:		
Profit/(Loss) attributable to equity holders	235.27	52.87
Weighted average number of shares	2,82,52,000	2,82,52,000
EPS - (Rs.)	0.83	0.19

m. Deferred Tax Assets

The major components of the Deferred Tax Assets/Liabilities are as under:

Nature of timing difference

	Deferred Tax Asset/ Liability) as at 01.04.2011 (Rs.in lacs)	(Charge)/Credit for the current year (Rs.in lacs)	Deferred Tax Asset/ (Liability) as at 31.03.2012 (Rs. In lacs)
1. Deferred Tax Asset			
Items covered u/s 43 B	230.94	(41.20)	272.14
Brought forward losses	1137.32	124.82	1012.50
Sub Total - A	<u>1368.26</u>	<u>83.62</u>	<u>1284.64</u>
2. Deferred Tax Liability			
Depreciation	585.02	30.72	554.31
Sub Total - B	<u>585.02</u>	<u>30.72</u>	<u>554.31</u>
3. NET AMOUNT	783.24	52.90	730.33

n. Disclosure Pursuant To AS-28 on "IMPAIRMENT OF ASSETS"

The Company during the year, has reviewed carrying value of the Assets for finding out the impairment, if any. The review has not revealed any impairment of Assets.

o. RELATED PARTY DISCLOSURES

I. RELATED PARTIES

A. KEY MANAGERIAL PERSONNEL

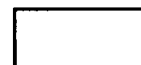
Sri Vinod Baid, Chairman
Sri Ch Krishnamoorthy, Managing Director

B. Relatives of Key Managerial Personnel

Ms Aruna Ramni Krishna
Ms Kavita C
Ms Sucharita
Ms Sumalatha

C. ENTERPRISES IN WHICH KEY MANAGERIAL PERSONNEL

O.R Distilleries
Krishna Teja Group College
VAB Ventures Ltd.



II. RELATED PARTY TRANSACTION

	Key Managerial Personnel	Relatives of key Managerial	(Amt in lacs) Enterprises Personnel
Acceptance of Unsecured Loans			
Opening Balance	337.00	215.00	Nil
Acceptance during the year	50.00	Nil	110.00
Paid during the year	166.00	Nil	1151.50
Closing balance	221.00	215.00	1041.50
Sale of Molasses			Nil
Advance against sales			88.02
			(Amt in Lacs)
		31.03.12	31.03.11
p. Advance Due from officers (Senior Executives of the Company	1.84		1.05
Maximum Amount due from officers (Senior Executives) of the Company	2.65		1.88

q. Additional Information:

Additional information pursuant to the provision of the paragraph, 3, 4C & 4D of part II of Schedule VI of the Companies Act, 1956.

A. PARTICULARS REGARDING CAPACITY.

Class of Goods	As on 31.03.2012		As on 31.03.2011	
	Unit	Quantity	Unit	Quantity
i. Sugar-Capacity				
a) Licenced	TCD	2500	TCD	2500
b) Installed	TCD	2500	TCD	2500
c) Actual production	QTs.	327020	QTs	281575
ii. Molasses (by product)				
a) Actual production	MTs	16860	MTs	14640


iii. Sales & Stock

	Unit	Qty.	2012		Unit	Qty.	2011	
			Value Rs. in Lacs				Value Rs. in Lacs	
a) Sales								
Sugar	QTs	293026	7870.87		QTs	263213	7487.33	
Molasses	MTs	14771	389.76		MTs	10684	363.26	
Bagasse	MTs	22564	259.57		MTs	20506	237.07	
Filter Cake	MTs	9124	6.86		MTs	7525	3.76	
			<u>8527.06</u>				<u>8091.42</u>	
b) Stock								
Sugar	QTs	122956	3504.25		QTs	88962	2369.95	
Molasses	MTs	8732	215.90		MTs	6643	184.18	
Bagasse	MTs	3640	41.84		MTs	1903	22.36	
IN-PROCESS								
Sugar	QTs	7288	200.42		QTs	4015	104.39	
Molasses	MTs	304	5.17		MTs	324	6.48	
			<u>3967.58</u>				<u>2687.36</u>	
iv. Details of Raw Material Consumed								
Sugarcane	MTs	368531	7376.71		MTs	326137	6404.60	
			<u>7167.72</u>				<u>6404.60</u>	
v. Value of imported and indigenous material consumed								
Raw material		Percentage	Amount		Percentage		Amount	
Indigenous		100	7376.71		100		6404.60	
Imported		0	—		—		—	
			<u>7167.72</u>				<u>6404.60</u>	
vi. Value of imported and indigenous chemicals and consumables consumed								
Chemicals & consumables		Percentage	Amount		Percentage		Amount	
Indigenous		100	84.18		100		57.51	
Imported		—	—		—		—	
			<u>84.18</u>				<u>57.51</u>	

r. Earnings in foreign currency for sale of sugar — Nil

s. Previous year figures are recasted /rearranged wherever necessary.



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. Registration Details

Registration No.	:	32731	State Code	:	01
Balance Sheet Date	:	31.03.2012			

2. Capital Raised during the year (Rs. in Lacs)

Public Issue	:	NIL	Right Issue	:	NIL
Bonus Issue	:	NIL	Private Placement	:	NIL

3. Position of Mobilisation and Deployment of Funds (Rs. in Lacs)

Total Liabilities	:		Total Assets	:	10143.60
-------------------	---	--	--------------	---	----------

Source of Funds

Paid up Capital (Equity) (Preference)	:	2825.20	Paid up Capital (Preference)	:	408.00
Reserves & Surplus	:	(268.55)	Secured Loans	:	2071.46
Unsecured Loans	:	444.21	Current Liabilities	:	4717.28

Application of Funds

Net Fixed Assets	:	2675.14	Investments	:	55.28
Net Current Assets	:	6682.85	Misc. Exps.	:	—
Profit and Loss A/c	:	—	Deferred Tax Asset	:	730.33

4. Performance of the Company (Rs. in Lacs)

Turnover (including increase/decrease in stock & other income)	:	9380.19	Total Expenditure	:	9090.73
Profit before Tax	:	289.47	Prior period adjustments	:	Nil
Profit after Tax	:	236.55	Earning per Share	:	0.84
Dividend Rate	:	NIL			

5. Generic Names of three Principal Services of Company

Item Code No. (ITC Code)	:	170111.09
Product Description	:	S U G A R

For and on behalf of the Board

Place : Hyderabad
Date : 31/08/2012

Vinod Baid
Chairman

Ch. Krishnamoorthy
Managing Director

PRUDENTIAL SUGAR CORPORATION LIMITED

Regd. Office: "Akash Ganga", 3rd Floor, 8-3-1053, Sri Nagar Colony
Hyderabad - 500 073. AP

PROXY FORM

Folio No.....

I/We ofin
..... being a Member(s) of PRUDENTIAL SUGAR CORPORATION LIMITED
hereby appoint..... of or failing
him/her..... ofin the district of
.....as my/our proxy to attend and vote for me/us, on my/our
behalf at the 21st ANNUAL GENERAL MEETING of the Company to be held on Wednesday, the
26th December, 2012 at 11.00 A.M. at the Registered Office of the Company at "Akash Ganga", 3rd
Floor, 8-3-1053, Sri Nagar Colony, Hyderabad - 500 073, AP and at any adjournment thereof.

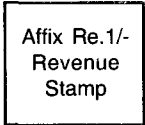
Signed this day of Two Thousand Twelve.

Signature(s) of the Shareholder(s)

Folio No.

No. of Shares

Distinctive Nos.



(Signature of the Member across the Stamp)

Note:1. This form must be deposited at the Registered Office of the Company not later than 48 hours before the time
forholding the Meeting.

2. A PROXY NEED NOT BE A MEMBER

PRUDENTIAL SUGAR CORPORATION LIMITED

Regd. Office: "Akash Ganga", 3rd Floor, 8-3-1053, Sri Nagar Colony
Hyderabad - 500 073. AP

ATTENDANCE SLIP

Folio No.

Name of the attending Member

Name of the Proxy*.....

*(If Proxy attends instead of member)

I hereby record my presence at the 21st Annual General Meeting.

Venue : Registered Office: **M/s. PRUDENTIAL SUGAR CORPORATION LIMITED**
"Akash Ganga", 3rd Floor, 8-3-1053, Sri Nagar Colony, Hyderabad - 500 073, AP

Date : Wednesday, 26th December, 2012

Time : 11.00 A.M.

Signature of the Member/Proxy

Note: Please fill this Admission slip and hand it over at the entrance. Shareholders who come to attend the meeting are
requested to bring the copies of the Annual Report also with them.

**BOOK-POST
PRINTED MATTER**

If undelivered, please return to:



Prudential Sugar Corporation Limited

Regd. Office: Akash Ganga, 3rd Floor, Plot No. 144,
Sri Nagar Colony, Hyderabad - 500 073. AP