



THIRU AROORAN SUGARS LIMITED
ANNUAL REPORT 2014 - 15

Contents

Board of Directors	1	Shareholders' information	3	Directors' Report	6
Report on Corporate Governance	10	Management Discussion and Analysis	16		
Independent Auditors' Report	31	Balance Sheet Analysis	35	Balance Sheet	36
Statement of Profit and Loss	37	Significant Accounting Policies	38		
Notes forming part of the Financial Statements	40	Cash Flow Statement	59		
Consolidated Financial Statements	61				

Board of Directors

Mr R V Tyagarajan

Chairman and Managing Director

Mr V Thirupathi

Mrs Malathi Ram Tyagarajan

Mr R Vijayaraghavan

Chief Financial Officer and Company Secretary

Mr R R Karthikeyan

Bankers

- Development Credit Bank Ltd
- IDBI Bank Ltd
- ICICI Bank Ltd
- Punjab National Bank
- State Bank of India
- Standard Chartered Bank
- UCO Bank
- Union Bank of India

Auditors

M/s. S.N.S. Associates

Chartered Accountants

No. 12, 11th Cross Street, Indira Nagar

Chennai - 600 020.

Registered Office

Eldorado, Fifth Floor,
112, Nungambakkam High Road,
Chennai - 600 034

CIN: L15421TN1954PLC002915

Phones : 2827 6001, 2827 8267

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59th Annual Report 2014-15

Financial Highlights

(₹ lakhs)

For the Year	2004-05 #	2005-06	2006-07	2007-08	2008-09 #	2010	2011-12 #	2012-13	2013-14	2014-15
Profit and Loss Account:										
Total Income	33,921.58	33,371.19	31,732.15	31,458.56	70,514.55	46,730.28	59,104.59	34,783.05	19,375.56	28,671.83
Total Expenditure	28,713.77	27,603.68	30,682.86	27,593.95	57,340.50	42,529.81	54,966.81	30,586.69	15,786.73	29,654.63
PBIDT	5,207.81	5,767.51	1,049.29	3,864.61	13,174.05	4,200.47	4,137.78	4,196.36	3,588.83	(982.80)
Interest	1,948.21	1,723.96	1,919.80	2,224.44	3,708.85	2,769.21	2,353.95	2,336.69	4,523.57	5,265.13
Depreciation	1,443.58	1,149.91	1,232.53	1,234.89	1,696.38	1,265.19	1,722.91	1,383.76	1,539.90	784.37
Profit before extraordinary items	1,816.02	2,893.64	(2,103.04)	405.28	7,768.82	166.07	60.92	475.91	(2,474.64)	(7,032.30)
Extraordinary Items	72.90	349.05	84.94	-	-	-	-	-	-	-
PBT	1,743.12	2,544.59	(2,187.98)	405.28	7,768.82	166.07	60.92	475.91	(2,474.64)	(7,032.30)
Tax	679.53	996.73	(765.13)	255.74	3,614.55	110.95	(2.83)	236.49	(879.12)	(2,310.04)
PAT	1,063.59	1,547.86	(1,422.85)	149.54	4,154.27	277.02	63.75	239.42	(1,595.52)	(4,722.26)
EPS (Rs.)	9.40	13.68	(12.57)	1.32	29.37	2.45	0.45	2.12	(14.10)	(41.73)
Balance Sheet:										
Gross Block	22,814.33	23,729.18	26,112.55	27,242.83	28,662.07	29,361.83	32,125.44	35,679.44	37,685.33	37,877.39
Net Block	12,985.69	12,813.95	14,018.26	14,093.16	13,826.63	13,311.68	14,369.29	16,581.85	17,071.45	17,494.21
Loan Funds	16,860.82	17,874.98	16,122.56	16,635.88	23,345.37	23,489.02	16,497.50	17,850.44	26,596.16	29,543.07
Net Worth	11,085.56	11,134.82	9,711.97	9,861.51	13,486.18	13,763.20	13,826.94	14,066.36	12,470.84	7,582.53
Book value per Share (Rs)	97.96	98.39	85.82	87.14	119.17	121.62	122.18	124.30	110.20	67.00

15 Months

Shareholders' information

Date and Venue of Annual General Meeting

Tuesday, December 15, 2015 at 10.30 A.M. at the Obul Reddy Hall at Vani Mahal, 103, G.N. Chetty Road, T.Nagar, Chennai 600 017.

Financial Calendar

The Financial Year of the Company is from April to March.

Financial Reporting for the Quarter Ended

June 30, 2015	On or before August 14, 2015
September 30, 2015	On or before November 14, 2015
December 31, 2015	On or before February 14, 2016
March 31, 2016	On or before May 30, 2016

Date of Book Closure

The Register of Members and the Share Transfer Books of the Company will remain closed from December 09, 2015 to December 15, 2015 (both days inclusive).

Share Price Movements

The high and low prices of the Company's shares on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited between April 2014 and March 2015 are as under:

Month	Bombay Stock Exchange		National Stock Exchange	
	High Rs.	Low Rs.	High Rs.	Low Rs.
April 2014	67.90	61.00	68.55	62.10
May 2014	76.35	55.15	79.35	58.50
June 2014	82.85	71.95	81.35	70.85
July 2014	77.50	66.50	77.00	64.55
August 2014	65.00	52.15	68.45	51.70
September 2014	62.70	50.00	62.00	50.60
October 2014	64.80	41.05	72.00	43.15
November 2014	51.00	42.15	51.00	42.50
December 2014	52.00	38.25	50.00	39.10
January 2015	55.20	38.20	55.25	38.10
February 2015	42.60	34.00	41.90	35.45
March 2015	40.90	24.55	38.00	24.60

Listing and Trading of Company's Equity Shares

The Company's Equity Shares are listed on the following Stock Exchanges in India. The Company has paid the annual renewal fees upto March 31, 2015 to all the Stock Exchanges on which its Equity Shares are listed.

Name and address of the Stock Exchange	Stock Code	Market Lot
National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051.	THIRUSUGAR	One Equity Share
Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001.	507450	One Equity Share

Dematerialisation of Equity Shares

The trading in the Company's Equity Shares on the specified Stock Exchanges has to be compulsorily settled in the electronic form by all the investors. The Company has entered into tripartite agreement along with the Registrar and Share Transfer Agents of the Company with two depositories viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Equity Shares of the Company have been admitted for dematerialisation by these depositories with the International Securities Identification Number (ISIN) - INE 409A01015. Members desiring to know further details may contact the Depositories at the following address:

National Securities Depository Limited
Trade World, A Wing, 4th Floor,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013.

Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers, 16th Floor,
Dalal Street, Mumbai - 400 001.

Registrars and Share Transfer Agents

M/s. Integrated Enterprises (India) Limited
2nd Floor, Kences Towers, No 1, Ramakrishna Street
North Usman Road, T. Nagar, Chennai 600 017
Tel : 044 - 2814 0801
Fax : 044 - 2814 2479
Email : corpseiv@integratedindia.in

Integrated Enterprises (India) Ltd, a SEBI registered Registrar & Share Transfer Agent (R&T Agent), maintains all work related to share registry in terms of both physical and electronic shareholding as mandated by SEBI vide its Circular No. D&CC/FITTC/CIR-15/2002 dated December 27, 2002.

Share Transfer System

As already stated, the Company's shares are traded on the Stock Exchanges compulsorily in demat mode. Therefore, investors/shareholders are requested to kindly note that physical documents, viz., Demat Request Forms (DRF) and Share Certificates, etc. should be sent by their Depository Participants (DPs) directly to the Share Transfer Agents. Any delay on the part of the DPs in sending the DRF and the Share Certificates beyond 21 days from the date of generation of the Demat Request Number (DRN) by the DP will be rejected /cancelled. This is being done to ensure that no demat requests remain pending with the Share Transfer Agent beyond a period of 30 days. Investors / Shareholders should, therefore, ensure that their DPs do not delay sending the DRF and Share Certificates to the Share Transfer Agent after generating the DRN.

Nomination Facility

Section 72 of the Companies Act,2013 and the Rules prescribed thereunder viz. Companies (Share Capital and

Debentures) Rules,2014 provide for nomination of shares. The shareholders can nominate a person with whom the shares shall vest in the event of death of the shareholders. The nomination can be made only by individuals holding shares of the Company either in sole name or jointly with another (not exceeding one joint holder). The nominee shall be an individual. In the case of nominee being a minor, he/she may be represented by his/her natural guardian or a Court appointed guardian. The transfer of shares in favour of a nominee shall be a valid discharge by the Company against the legal heirs. The nomination shall stand rescinded upon transfer of shares. The nomination by a shareholder can be changed or cancelled at any time by giving due notice and upon execution of a fresh nomination form. Shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in demat form, the nomination form may be filed with the respective Depository Participant.

Communication

All share transfers should be forwarded to the Registrars & Share Transfer Agents of the Company. All communications should be forwarded to the Registered Office of the Company, marked to the attention of the Company Secretary. Share Transfers will normally be registered and returned within 15 days from the date of receipt of correct documents.

Investors' complaints/grievances not resolved within 30 days should be addressed to the Chairman and Managing Director for redressal.

Distribution of Shareholding

No. of Equity Shares held	As on March 31, 2015				As on March 31, 2014			
	No. of Share holders	% of Share holders	No. of Shares held	% Share holding	No. of Share holders	% of Share holders	No. of Shares held	% Share holding
1 - 100	3561	68.88	205111	1.81	2985	74.24	184344	1.63
101 - 200	557	10.77	97262	0.86	395	9.82	66962	0.59
201 - 500	481	9.30	177472	1.57	282	7.01	102881	0.91
501 - 1000	249	4.82	195478	1.73	148	3.68	114622	1.01
1001 - 5000	256	4.95	548112	4.84	159	3.96	359426	3.18
5001 - 10000	28	0.54	200864	1.77	21	0.52	156271	1.38
10001 and above	38	0.74	9892425	87.42	31	0.77	10332218	91.30
Total	5170	100.00	11316724	100.00	4021	100.00	11316724	100.00

Categories of Shareholding

Category	As on March 31, 2015				As on March 31, 2014			
	No. of Share holders	% of Share holders	No. of Shares held	% Share holding	No. of Share holders	% of Share holders	No. of Shares held	% Share holding
Promoters	8	0.15	7051909	62.31	8	0.20	7051709	62.31
Mutual Funds	1	0.02	100	0.00	1	0.02	100	0.00
Banks & Financial Institutions	2	0.04	2300	0.02	2	0.05	2300	0.02
FII's	2	0.04	250400	2.21	2	0.05	250400	2.21
Corporates	164	3.17	1363176	12.05	107	2.66	1523307	13.46
Individuals (including clearing members)	4960	95.94	1918947	16.96	3864	96.10	1654387	16.30
NRIs/OCBs	33	0.64	729892	6.45	37	0.92	834521	7.38
Total	5170	100.00	11316724	100.00	4021	100.00	11316724	100.00

Plant locations : **Tirumandankudi**
Papanasam Taluk
Thanjavur District
Tamil Nadu
Pincode : 612 301

A. Chittur
Virudhachalam Taluk
Cuddalore District
Tamil Nadu
Pincode : 606 105

Other useful information for Shareholders:

In terms of Section 205A of the erstwhile Companies Act, 1956, unclaimed equity dividend for the financial year(s) upto 1993-94 has been transferred to the General Revenue Account of the Central Government. Shareholders who have so far not claimed or collected their dividend for the said financial year(s), may claim the same from the Registrar of Companies, Tamil Nadu by submitting an application in the prescribed form.

In terms of Section 205A of the erstwhile Companies Act, 1956, unclaimed equity dividend for the financial year(s) 1994-95, 1995-96, 1996-97, 1997-98, 1998-99 and 2005-06 has been transferred to the Investor Education and Protection Fund of the Central Government. It may be noted that no claims shall lie against the Company in respect of such amounts and no payment shall be made against such claims subsequent to the date of the aforesaid transfer. Pursuant to the provisions of Investor and Education

Protection Fund (Uploading of Information regarding unpaid and unclaimed dividend lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividend lying with the Company as on September 29, 2014 (date of the last Annual General Meeting) on the website of the Ministry of Corporate Affairs.

The Unpaid / Unclaimed dividend for the 15 month period ended December 31, 2009 will be transferred in March 2017. A sum of Rs. 2,63,820 remains unclaimed as on date of this report out of dividend declared at Rs.4/- per share for the aforesaid financial year. Shareholders who have not encashed the Dividend Warrant are advised to contact the Company

Investor correspondence

All queries on the Annual Report and other clarifications may be addressed to the Registered Office of the Company at
"Eldorado", 5th floor
112, Nungambakkam High Road
Chennai - 600 034.
Phone : 2827 6001
Fax : 2827 0470
Email : secretarial@tasugars.in

Disclosure of Information pursuant to Clause 49 VIII E1 of the Listing Agreement

Disclosure of Information to shareholders pursuant to Clause 49 VIII E1 of the Listing Agreement pertaining to reappointment of Director is furnished as part of the Notice convening the Annual General Meeting.

Dear Shareholders,

Your Directors present their 59th Annual Report on the working of the Company for the year ended March 31, 2015.

	(₹ in lakhs)	
	2014-15	2013-14
Profit / (Loss) before Interest & Depreciation	(982.80)	3,588.83
Less : Interest and Finance Charges	5,265.13	4,523.57
Depreciation	784.37	1,539.90
Profit / (Loss) before Tax	(7,032.30)	(2,474.64)
Less : Provision for Taxation		
- Deferred Tax	(2,310.04)	(879.12)
Profit / (Loss) after Tax	(4,722.26)	(1,595.52)
Balance brought forward from previous year	1,905.27	3,500.79
Surplus / (Loss) carried to Balance Sheet	(2,816.99)	1,905.27

Dividend :

In view of the loss for the year, no dividend is being recommended.

Operations :

The operations for the period under report reflect the performance of the Sugar and Distillery Divisions. The overall performance of the Company was severely impacted by uneconomical realizations on sale of sugar. This was further exacerbated by significant reduction in quantum of cane crushed as compared to the previous year. The aforesaid factors have together contributed to the Company reporting an unprecedented Loss of Rs.472.23 million as against Loss After Tax of Rs.159.55 million for the previous year.

Sugar:

The performance of the Sugar Division was impaired by severe drought conditions in the command area of both sugar mills. As a result, the aggregate quantity of sugarcane crushed by both the factories during the year was lower at 5.24 lakh MTs as against 7.15 lakh MTs crushed during the previous year, though the combined sugar recovery was higher at 8.90 % as against 8.42% recorded in the previous year.

The Government of India fixed the Fair and Remunerative Price (FRP) of sugarcane for 2013-14 season at Rs.2,100/- per MT linked to average recovery of 9.5%, which translated to an FRP of Rs.2,100/- per MT for both the Tirumandankudi and the A.Chittur units.

However, with a view to enthusing farmers to plant more sugarcane for the 2013-14 season and having regard to the sugar prices ruling at the start of the season, the Company announced payment of Rs.2,250/- per MT for both the units, as against the State Advised price of Rs.2,550/- per MT linked to average recovery 9.5%. This apart, the Company has borne the entire cost of cane transport, the additional burden of which worked out to Rs.129/- per MT.

As against 60,371 MTs of sugar produced during the previous year, production for the year under review aggregated to 46,617 MTs.

Distillery:

The performance of the Distillery during the year has been gratifying. Alcohol production of 11,975 KL during the year, was almost the same as compared to 11,844 KL during the previous year and likewise, average realisation on sale of alcohol during the year was also higher as compared to the previous year.

Prospects for the 2014-15 season:**Sugar:**

The Government of India fixed the Fair and Remunerative Price (FRP) of sugarcane for 2014-15 season at Rs.2,200/- per MT linked to average recovery of 9.5%, which translates to an FRP of Rs.2,200/- per MT for both the Tirumandankudi and the A Chittur units. Thereafter, the Government of Tamil Nadu announced the State Advised Price (SAP) for the 2014-15 season at Rs.2,550/- per MT linked to average recovery of 9.5%. Since the SAP announced for 2014-15 season was way beyond the paying capacity of the industry, especially in the absence of any matching sugar realizations, the private sector sugar mills in the State continued to plead with the State Government, as in the previous year, for grant of suitable financial reliefs to facilitate payment of State Advised Price. Though, effective November 01, 2014, the State Government removed the levy of Purchase Tax on sugarcane (Rs.60/- per MT), this relief was more than offset by the simultaneous introduction of VAT @ 5% (and consequent CST @ 2%) on sale of sugar. This new impost had the instantaneous impact of rendering sugar produced in Tamil Nadu non-competitive even within Tamil Nadu, vis-à-vis sugar produced in the large-surplus States of Karnataka and Maharashtra, neither of which levy VAT / CST. With unabated inflow of sugar from these States, the sugar mills in Tamil Nadu suffered a severe erosion in selling price as well as offtake. Several representations made on behalf of the private mills, seeking waiver of the VAT levy, went unheeded, which in turn seriously impaired the ability of the sugar mills to pay any price in excess of FRP. Left with no other option, the private mills, through their Association, moved a Writ Petition before the Hon'ble High Court of Madras seeking quashing of the Government Order fixing SAP. Pending disposal of the Writ, the private mills have agreed to pay an additional price of Rs.100/- per MT of sugarcane, over and above the FRP.

While so, the severe drought conditions prevailing across the State, consequent upon the third consecutive failure of the monsoons in 2014, have not only taken a heavy toll on cane yields and cane availability for the 2014-15 season, but also severely impacted planting of cane for supply during the 2015-16 season.

Sugar production in the country during 2014-15 season is estimated at 28.3 million MTs, which is in excess of projected domestic offtake of 25.1 million MTs. With production in excess of consumption for the fifth successive season, even considering the export of 1.1 million MTs, the closing stock is estimated at 9.6 million MTs. Hence, sugar prices in the domestic market have continued to remain at unviable levels. As a result, the entire industry has been subject to severe financial hardship during the year, which, in turn has led to accumulation of cane arrears at a record high.

In order to mitigate the financial crisis faced by the industry at large, so as to reduce the mounting cane price arrears, the Central Government has extended the following reliefs during the year under review:

- i) Incentive of Rs.4,000/- per MT for the production and export of raw sugar for 2014-15 season.
- ii) Hike in the import duty on sugar from 25% to 40%.
- iii) Soft Loan for cane payment with 10% interest subvention

The aforesaid reliefs, however, are only short term palliatives at best, with no permanent solution, in the form of linkage of cane price to sugar realizations, in sight.

Distillery:

The steep reduction in cane crushing in the State during the 2014-15 season has had a significant impact on molasses and alcohol prices. Since the Company has built up adequate stocks of molasses and is also holding large stocks of alcohol, the performance of the Distillery is expected to be better compared to the financial year under review.

Subsidiary and Associate Companies:

The subsidiary Company viz. Terra Energy Ltd recorded a turnover of Rs.150.95 million and reported a Profit of Rs.5.25 million for the year as against a turnover of Rs.229.35 million and Profit of Rs.6.43 million for the previous year. The Associate Company viz. Shree Ambika Sugars Ltd recorded a turnover of Rs.3101.28 million and reported a Loss of Rs.803.61 million for the year as against a turnover of Rs.3132.7 million and Loss of Rs.273.49 million for the previous year.

Consolidated Financial Statements:

The Consolidated Financial Statements of the Company prepared in terms of Section 129 of the Companies Act, 2013 read with the Companies (Accounts), Rules, 2014 and as per the Listing Agreement, together with a separate statement containing the salient features of the financial performance of the subsidiary and associate companies and the Report of the Auditors thereof form part of the Annual Report.

As required under Section 136 of the Companies Act, 2013, the Annual Report of the Company containing its standalone and consolidated financial statements and the Annual Accounts of the subsidiary and associate Companies and the related detailed information have been placed on the website of the Company www.tasugars.in.

The audited financial statements of the subsidiary and associate companies will be available for inspection by any shareholder at the Registered Office of the Company during the business hours upto the date of the Annual General Meeting. A copy of the audited financial statements of the subsidiary and associate companies will be made available to the shareholders of the Company on receipt of a request.

Directors and Key Managerial personnel:

Pursuant to Section 152 of the Companies Act, 2013, Mrs Malathi Ram Tyagarajan, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment. As required under Clause 49 of the Listing Agreement, details of her qualification, expertise etc., are furnished in the Notice convening the forthcoming Annual General Meeting

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Independent Directors were fully kept informed of the Company's operations in all its segments. During the year under review, a separate meeting of Independent Directors was held on March 25, 2013. As required u/s 134 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors has evaluated its own performance and the performance of the various Committees of the Board and also the Directors individually.

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a Policy for selection and appointment of Directors and Key Managerial Personnel and the criteria for determining qualifications, positive attributes and independence of Directors. Policy on selection of Directors and Remuneration Policy is stated in the Corporate Governance Report.

Six meetings of the Board of Directors were held during the year and the details thereof are given in the Report on Corporate Governance.

Directors' Responsibility statement:

Pursuant to Section 134(3)(c), the Directors confirm:

- i) that in the preparation of the Annual Accounts for the Year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that the Directors 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 as on March 31, 2015 and of the Loss of the Company for the year ended on that date;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis;
- v) that the Directors have laid down internal financial controls to be followed by the Company and that the said internal financial controls are adequate and are operating effectively; and
- vi) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws

and that such systems are adequate and operating effectively.

Corporate Governance and Management Discussion and Analysis Reports:

The Corporate Governance and Management Discussion and Analysis Reports form an integral part of this Report and are set out as **Annexure I** and **II** to this Report. The Certificate from the Auditors of the Company certifying compliance of conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges is also annexed to the Report on Corporate Governance.

Fixed Deposits:

26 Deposits aggregating to Rs.0.958 million due for repayment on or before March 31, 2015 were not claimed by the depositors on that date. As on the date of the Report, deposits aggregating to Rs.0.204 million thereof have been claimed and paid. The Company has discontinued acceptance of deposits from the public since April 01, 2014. As required under Section 74 of the Companies Act, 2013, deposits outstanding as on March 31, 2014 have been repaid along with interest due thereon on the due date or within one year from April 01, 2014, whichever is earlier.

Auditors**Statutory Auditors:**

The Company at its 58th Annual General Meeting (AGM) held on September 29, 2014 appointed M/s. S.N.S. Associates, Chartered Accountants, Chennai, having Firm Registration No.006297S allotted by The Institute of Chartered Accountants of India, as Statutory Auditors of the Company to hold office for three consecutive years from the conclusion of the aforesaid AGM, subject to ratification at every AGM. The Auditors' Report for the year ended March 31, 2015 does not contain any qualification or adverse remark and the same is attached with the Annual Report. The Company has obtained certificate under Section 141 of the Companies Act, 2013 from M/s. S.N.S. Associates confirming their eligibility for being the Statutory Auditors of the Company for the Financial Year 2015-16.

Cost Auditors:

As per the Companies (Cost Records and Audit) Rules, 2014, Company's cost accounting records are subject to Cost Audit. The Board of Directors, on the recommendation of the Audit Committee, have appointed M/s. Vaasan Co., Cost Accountants, as the Cost Auditor to audit the cost accounting records maintained by the Company for the Financial Year 2015-16, on a remuneration of Rs.60,000/-, apart from Service Tax and reimbursement of travel and out-of-pocket expenses that they may incur in connection with the audit. The Company has received certificate from M/s. Vaasan Co. confirming their eligibility as required under Section 141 of the Companies Act, 2013. As required under the Companies Act, 2013, a resolution seeking ratification of the Shareholders, for payment of remuneration as above approved by the Board of Directors, is included in the Notice convening the Annual General Meeting.

The Cost Audit Report for the year ended March 31, 2014 was filed by the Cost Auditor on September 27, 2014, within the stipulated deadline of September 30, 2014.

Secretarial Auditors:

Pursuant to Section 204 of the Companies Act,2013, the Board of Directors have appointed M/s. R Sridharan and Associates, Practicing Company Secretaries, as the Secretarial Auditor to carry out the secretarial audit for the Financial Year 2014-15. The Secretarial Audit Report of M/s. R Sridharan and Associates is annexed as **Annexure III** to the Report. The said Report does not contain any qualification, reservation or adverse remark.

Internal control and their adequacy:

The Company has adequate internal control system to ensure to ensure that the assets of the Company are safeguarded, all the transactions are authorised and accounted for and all statutory obligations are complied with. The internal audit is carried out by one of the Senior Executives of the Company who attends the meetings of the Audit Committee and his Reports are placed at regular intervals before the Audit Committee for its scrutiny.

DISCLOSURES:

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo.

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo are given in the **Annexure IV** to this Report, pursuant to Section 134(3)(m) of the Companies Act,2013 read with the Companies (Accounts) Rules 2014.

Corporate Social Responsibility

Section 135 of the Companies Act,2013 has mandated companies having minimum net worth of Rs.500 crores or turnover of Rs.1000 crores or a net profit of Rs.5 crores during any financial year to constitute a Corporate Social Responsibility Committee of the Board. As the Company does not meet any of the aforesaid stipulations, it remains outside the purview of Section 135 of the Companies Act,2013 and accordingly, is not required to make any disclosure in terms of the aforesaid Section.

Annual Return

Extract of Annual Return in the prescribed form is given as **Annexure V** to this Report as required under Section 134(3)(e) of the Companies Act,2013 read with the Companies (Accounts) Rules 2014.

Employees' remuneration

The Company does not have any employee drawing remuneration warranting disclosure under Section 197 of the Companies Act,2013 read with the Companies (Appointment and remuneration of Managerial Personnel) Rules 2014. Details as required under Section 197(12) are given in the **Annexure VI** to this Report.

Details of related party transactions

All related party transactions entered into during the financial year were on arm's length basis and were in the ordinary course of business. All related party transactions are placed before the Audit Committee and the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseeable and repetitive in nature. Particulars of contracts or arrangements with Related Party referred to in Section 188 (1) of the Companies Act, 2013 read with the Companies (Accounts) Rules,2014 in furnished in Form **AOC - 2 (Annexure - VII)**.

Audit Committee

The Audit Committee comprises Mr R Vijayaraghavan, as Chairman, Mr V Thirupathi and Mr R V Tyagarajan, as Members.

Details of loans / guarantees / investments made

The Company has not given any loan or any guarantee or made any investment during the financial year under review in terms of Section 186 of the Companies Act, 2013.

Other disclosures:

There were no significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.

There is no change in the nature of business of the Company during the year under review. There are no material changes and commitments in the business operations of the Company during the period from the close of the Financial Year 2014-15 to the date of this Report.

During the year under review, there were no complaints/cases filed pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibitions and Redressal) Act, 2013.

Acknowledgement :

Your Directors wish to place on record their sincere thanks and appreciation to the Shareholders, Sugarcane Growers, Employees, Bankers, and also the Central and State Governments for their continued cooperation and support.

On behalf of the Board



R V Tyagarajan
Chairman and Managing Director
September 24, 2015

Report on Corporate Governance

1. Company's Philosophy of Corporate Governance

The Company believes that sound Corporate Governance is essential for achieving sustainable long term value for all its stakeholders. In furtherance thereof, the Company is firmly committed to the principles of good Corporate Governance and has consistently endeavoured to practice the same. The tenets of good Corporate Governance continue to influence the Company's policies and decisions, and instill the values of transparency, professionalism and accountability in all its dealings.

2. Board of Directors

a) Composition

The Board comprises the Chairman and Managing Director and three Non-Executive Directors, of whom two are Independent Directors. All except the Managing Director are Non-Executive Directors and thus constitute one-half of total number of Directors. The Company has one woman director. The Managing Director is not liable to retire by rotation. None of the Directors are Members of more than 10 Committees of Board in public limited companies or Chairman of more than 5 Committees. Necessary disclosures have been obtained from all the Directors regarding their directorships / Committee memberships and the same have been taken on record by the Board.

b) Meetings

The meetings of the Board are normally held at the Registered Office of the Company at "Eldorado", 5th Floor, 112, Nungambakkam High Road, Chennai - 600 034. During the financial year, 6 Board Meetings were held on May 09,2014, August 14,2014, August 30,2014,November 12,2014, February 14,2015 and March 31,2015.

Notice for Board Meetings together Agenda and notes on the subjects to be discussed at the Meeting is issued one week in advance. The items in the agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In addition to the information required under Annexure X to Clause 49 of the Listing Agreement, the Board is also kept informed of major events and approvals are taken wherever necessary. Periodical reports on compliance of applicable laws are placed before the meeting and the same is taken on record after discussion. In view of the complexity of the Company's business, matters requiring immediate approval of the Board are at times tabled at the Meeting with the consent of all the Directors. Draft minutes of the Meeting of the Board, prepared by the Company Secretary, are circulated among the Directors within 2 weeks of the date of the Meeting and the same is recorded subject to corrections, if any, based on the comments of the Directors. The Minutes of the meetings as recorded are placed at the succeeding meeting.

The composition of the Board of Directors as on March 31,2015 and their attendance at the Meetings held during the year and at the last Annual General Meeting, as also the number of Memberships on the Board/ Board Committees of other Companies as on March 31,2015 are as follows:

Name of Director	Category	No. of Board Meetings attended	Attendance at last AGM	No. of other Boards #	No. of other Boards Committees *
Mr R V Tyagarajan Chairman & Managing Director DIN: 02266945	Promoter, Non-Independent Executive	5	Yes	3	2
Mrs Malathi Ram Tyagarajan DIN: 00938836	Promoter, Non-Independent	6	Yes	2	2
Mr V Thirupathi DIN: 00024627	Independent, Non-Executive	6	Yes	3	2
Mr R Vijayaraghavan DIN: 00026763	Independent, Non-Executive	6	Yes	8	4

Excluding Directorships in Private Limited Companies

* Membership of Audit and Stakeholders Relationship Committee in Public Limited Companies.

None of the Directors on the Board is a member of more than 10 Committees nor Chairman of more than 5 Committees (as per Clause 49 of the Listing Agreement) across all the Public Limited Companies in which he/she is a Director. All Directors have made the requisite disclosures regarding Committee positions held by them in other Public Limited Companies and the same have been taken on record by the Board.

The Company has not had any pecuniary relationships or transactions with any of the Non Executive Directors during the year under review.

The Company does not pay any remuneration to its Non Executive Directors other than the Sitting Fees for attending meetings of the Board or Committee(s) thereof. Also, no Sitting Fees has been paid to Mr R V Tyagarajan, Chairman and Managing Director.

A Management Discussion and Analysis Report which forms part of this Report is appended as a separate annexure and attached to the Directors' Report.

c) Reappointment of Director

Mrs Malathi Ram Tyagarajan, retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-election. The additional information relating to this Director, as required under Clause 49 of the Listing Agreement with the Stock Exchanges, is furnished as part of the Notice convening the Annual General Meeting.

d) Independent Directors

The Company has two Independent Directors. The Shareholders have at the 58th Annual General Meeting held on September 29, 2014 approved the appointment of the two Independent Directors for a fixed tenure in compliance with Section 149 of the Companies Act, 2013. The Company has issued a formal letter of appointment to the Independent Directors in the manner provided under the Companies Act, 2013 and as per Clause 49 of the Listing Agreement and the terms and conditions of their appointment are disclosed on the Company's website at www.tasugars.in.

The Independent Directors have confirmed that they satisfy the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013.

3. BOARD COMMITTEES AND OTHER COMMITTEES

a) Audit Committee

The Board of Directors has constituted an Audit Committee comprising of three Directors (two Non Executive and Executive) as on March 31, 2015 and the Committee met 4 times during the year and attendance of the members at these meetings was as follows:

SI No	Name of the Member	Category	No. of Meetings attended
1.	Mr R Vijayaraghavan, Chairman Chairman w.e.f. November 14, 2013	Non Executive Independent	4
2.	Mr V Thirupathi	Non Executive Independent	4
3.	Mr R V Tyagarajan	Executive	3

The Audit Committee conforms to Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement in all respects including role and powers, mandatory review of the required information, appointment of Statutory Auditors, Cost Auditors and Secretarial Auditors. The Audit Committee reviews the Reports of the Internal Auditor and the Statutory Auditors periodically and discusses their findings. The Company Secretary acts as the Secretary to the Committee. Statutory Auditors and Internal Auditors are invited to the Meetings. Minutes of the Meetings of the Audit Committee are circulated to the Members of the Board and taken note of.

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Power) Rules, 2014 and Clause 49 of the Listing Agreement, the Company has established a vigil mechanism for Directors and employees to report genuine concerns to the Audit Committee. The Company has not received any complaint during the FY 2014-15.

b) Nomination and Remuneration Committee

i) Composition and terms of reference

The Board has constituted a Nomination and Remuneration Committee (NRC) and this Committee at present consists of Mr. V Thirupathi (Chairman) and Mr. R Vijayaraghavan, both Independent Directors and Mrs Malathi Ram Tyagarajan, Non - Executive Director. The terms of reference of the Committee include

No. of correspondence/queries/complaints received from the Shareholders/Investors from April 1,2014 to March 31, 2015 regarding non-receipt of dividend/non-receipt of share certificates sent for transfer/non-receipt of Annual Report etc.,	31
Not resolved and pending	Nil

The Company endeavors to settle all shareholder complaints in the minimum possible time. The average period of settlement may vary from 7 days to 10 days except in the event of disputed matters / cases, which are kept pending till the same are mutually settled with the shareholders or are finally disposed off by the Courts.

d) Share Transfer Committee

This Committee approves and monitors transfers, transmissions, splitting, dematerialisation, rematerialisation, consolidation of securities and issue of duplicate certificates by the Company. The Committee presently consists of Mr R V Tyagarajan, Chairman and Managing Director and Mr R R Karthikeyan, Senior General Manager - Finance & Company Secretary. The Committee met 14 times during the year ended March 31,2015.

The Company confirms that there were no share transfers pending as on March 31,2015 and all requests for dematerialisation and re-materialisation of shares as on that date were confirmed/rejected into the NSDL/CDSL system.

Compliance Officer : Mr. R R Karthikeyan, Company Secretary
Thiru Arooran Sugars Ltd
"Eldorado", 5th Floor, 112, Nungambakkam High Road, Chennai - 600 034.

e) Finance Committee

Considering the increasing complexity of the Company's business and the need to respond quickly to the business exigencies, the Board of Directors has constituted a Finance Committee / Committee of Directors (Finance) on November 23, 2006. The terms of reference and Rules for functioning of the Committee have been specified by the Board. This Committee presently comprises Mr R V Tyagarajan, Chairman and Managing Director, Mr V Thirupathi and Mrs Malathi Ram Tyagarajan, Directors of the Company.

4. OTHER INFORMATION

a) Risk Management Framework

The Company has mechanisms in place to inform Board Members about the Risk Assessment and Minimisation procedures and periodical reviews to ensure that risk is controlled by the Executive Management through the means of a properly defined framework.

b) Code of Conduct

The Company has laid down a Code of Conduct for all Members of the Board of Directors and Senior Management personnel of the Company. It is hereby affirmed that all the Directors and Senior Management personnel have complied with the Code and a confirmation to this effect has been obtained from them.

c) Prevention of Insider Trading

The Company has framed a Code of Conduct for prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations,1992. This code is applicable to all Directors/ Officers (including Statutory Auditors)/ designated employees. The code ensures prevention of dealing in Company's shares by persons who have access to unpublished price sensitive information. SEBI has notified a new Regulation viz. SEBI (Prohibition of Insider Trading) Regulations,2015 which has come into force with effect from May 15,2015. Pursuant to this Regulation, the Board of Directors has formulated the following Codes which have uploaded in the Company's website and the Stock Exchanges informed of the same.

- i) Code of Practices and Procedures for Fair disclosure of Unpublished Price Sensitive Information; and
- ii) Minimum Standards for Code of Conduct to regulate, monitor and report trading by Insiders.

The Company Secretary has been designated as the Compliance Officer for this purpose.

d) Annual General Meetings

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue
2011-12	July 30, 2012	10.15 A.M.	Auditorium of the Tamil Nadu Pollution Control Board, Guindy, Chennai - 600 032.
2012-13	September 16, 2013	3.00 P.M.	P. Obul Reddy Hall, Vani Mahal, 103 G. N. Chetty Road, Chennai - 600 017
2013-14	September 29, 2014	3.00 P.M.	Obul Reddy Hall, "Vani Mahal", 103 G. N. Chetty Road, Chennai - 600 017

- e) During the Financial Year 2014-15, the following Special Resolutions were passed:

Subject matter of the Resolution	Date of the Notice	Date of Shareholder approval
Consent u/s 180(1) (c) of the Companies Act, 2013 to the Board to borrow upto Rs.1,000 crores	August 30, 2014	September 29, 2014
Consent u/s 180(1) (a) of the Companies Act, 2013 to the Board to mortgage the immovable assets of the Company in favour of State Bank of India, UCO Bank and DCB Bank as security for the credit facilities extended by them to the Company	August 30, 2014	September 29, 2014

f) Circular Resolution

Recourse to Circular Resolution is made in exceptional and emergent cases and the same are recorded at the succeeding Board Meeting. During the year, one Circular Resolution was passed on September 23, 2014.

g) Share Capital Audit Report

The Company has submitted, for each of the 4 quarters during the year 2014-15, the Share Capital Audit Report pertaining to reconciliation of Share Capital to the Stock Exchanges in the prescribed format within 30 days from the close of the Quarter.

Description	Frequency	For the Quarter Ended	Sent to Stock Exchanges on
Share Capital Report to Stock Exchange on reconciliation of the total admitted capital with NSDL / CDSL and the total issued & listed capital	Quarterly	30.06.2014	29.07.2014
		30.09.2014	13.10.2014
		31.12.2014	19.01.2015
		31.03.2015	23.04.2015

h) Secretarial Standards

Pursuant to Section 118(10) of the Companies Act, 2013, every company shall observe Secretarial Standards with respect to General and Board meetings prescribed by the Institute of Company Secretaries of India. The Ministry of Corporate Affairs has accorded approval for the Secretarial Standards on Meetings of Board of Directors (SS-1) and General Meetings (SS-2) that has come into force from July 01, 2015. The Company's practices and procedures, by and large, meet with these prescriptions, wherever applicable.

i) Disclosures

Related Party Transactions

All Related Party Transactions (RPTs) during the year were on an arms-length basis and were in the ordinary course of business. Transactions with RPTs have been disclosed as per Accounting Standard 18 in the Note No.34 of the Financial Statements. None of the transactions with any of the related parties were in conflict with the interests of the Company at large. All RPTs have been approved by the Audit Committee. Prior omnibus approval of the Audit Committee is obtained for the transactions which are non material and repetitive in nature. During the year under review, the Company has not raised any funds from public issue, rights issue or preferential issue.

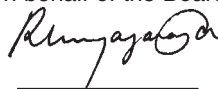
j) Means of Communication

- Quarterly results are published in an English Daily and "Makkal Kural", a vernacular daily. The annual results are posted to every shareholder of the Company.
- Management Discussion & Analysis forms part of this Annual Report, which is also being posted to all the shareholders of the Company.
- Official news releases are given directly to the Press.
- From the Quarter ended December 31, 2002 onwards, the results and shareholding pattern are posted on SEBI's website www.corpfiling.co.in.
- As per Clause 54 of the Listing Agreement with Stock Exchanges, certain documents/information such as quarterly/annual financial results, shareholding pattern and Corporate Governance are accessible on the Company's website www.tasugars.in.

k) CEO/CFO Certification

In terms of revised Clause 49 of the Listing Agreement, the certification by the CEO and CFO on the financial statements and internal controls relating to financial reporting and declaration regarding compliance of Code of Conduct has been obtained and the same has been placed before the Meeting of the Board.

On behalf of the Board



R V Tyagarajan

Chairman and Managing Director

September 24, 2015

Auditors' Certificate

Certificate on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement(s).

**To
The members of Thiru Arooran Sugars Ltd**

We have examined the compliance of conditions of Corporate Governance by **THIRU AROORAN SUGARS LIMITED** for the year ended March 31,2015, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievance (s) against the Company is / are pending for a period exceeding one month as per the records maintained by the Shareholders' Grievance Committee.

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 the Management has conducted the affairs of the Company.

For S N S Associates
Chartered Accountants
Firm Registration No. 006297S



S Nagarajan
Partner

Membership No. 20899
Chennai : September 24, 2015

Management Discussion and Analysis

CAUTIONARY STATEMENT:

This report contains forward-looking statements, which may be identified by the use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, market position, expenditure and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will materialise. Actual results may differ materially from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

COMPANY PROFILE

Your Company is engaged in the business of manufacture of Sugar, and Potable/Industrial Alcohol (including Ethanol). The operations are spread across two locations, viz., at Tirumandankudi in Thanjavur District and at A.Chittur in Cuddalore District. The Management presents its report on the industry and Company's performance and future prospects.

INDUSTRY PROFILE:

GLOBAL SCENARIO:

With 2014-15 turning out to be the 5th consecutive year of surplus production, international sugar prices have remained in the grip of a bearish trend, with most producers across the world unable to recover their production costs. Global sugar output for 2014-15 is forecast at 172 million MTs, against consumption of 171.5 million MTs, leaving a small surplus. However, global sugar prices continue to remain under pressure, thanks to the steep depreciation of the Brazilian Real against the US Dollar, and also the large crops in India, Thailand and the EU in particular.

WORLD SUGAR BALANCE

(mm MTs raw value)

	2011-12	2012-13	2013-14	2014-15
Production	174.80	179.60	171.08	172.08
Consumption	168.30	172.10	168.37	171.46
Surplus/ (Deficit)	6.50	7.50	2.63	0.62
Import Demand	53.20	50.70	56.39	55.72
Export availability	54.00	53.90	56.37	56.04
End Stock	64.30	69.70	79.58	79.89
- % of consumption	38.20	41.00	47.30	46.60

(Source: International Sugar Organisation)

Raw sugar prices touched a low of just over 10 cents/lb in early August but have since recovered in the light of significant production declines for the EU and China, apart from the El Nino induced bad weather in Brazil and drought conditions in major sugarcane growing areas in India. Current indications are that global sugar production in 2015-16 will decline while consumption records a modest increase, leaving a deficit for the first time since 2009-10. This deficit after 3 years of continually declining surplus, is perhaps an indication that the production cycle is finally turning, with producers no longer able to sustain selling sugar below their cost of production.

INDIAN SCENARIO:

Sugar Year 2013-14 turned out to be the fourth consecutive year of surplus, despite a further decline in sugar production to 24.4 million MTs from 25.14 million MTs in 2012-13. With closing stock of 7.47 million MTs, sugar markets continued to display a bearish trend, with sugar prices ruling 10-15% lower than at the start of the season.

INDIAN SUGAR BALANCE

(mm MTs)

	2013-14	2014-15 (E)
Opening Stock	9.30	7.47
Production	24.40	28.31
Imports	0.98	-
Total Availability	33.79	35.78
Offtake		
- Internal	24.19	25.62
- Exports	2.13	1.09
Total Offtake	26.32	26.71
Closing Stock	7.47	9.08
% of Internal offtake	30.9	35.4

Source: ISMA

Sugar production during 2014-15 season witnessed a sharp rebound to 28.31 million MTs, on the back of record production of 10.5 million MTs in Maharashtra and 4.95 million MTs in Karnataka. Though consumption recorded a robust increase to 24.19 million MTs, export remained sluggish at 1.09 million MTs in the wake of low international prices, leaving an estimated closing stock of 9.08 million MTs, equivalent to 35.4% of domestic consumption. In this scenario of surplus for the 5th consecutive year, sugar prices plummeted to levels below Rs.20000/- MT, not seen since 2008-09.

However prices have recovered since early August in the expectation of effective policy measures, such as mill wise minimum export obligations, being implemented during the 2015-16 season. Besides, production is expected to decline to an estimated 26.0-26.5 million MTs, due to drought in Maharashtra and Karnataka, consequent to the failure of the South-West monsoon. The projected decline of 2.0 million MTs in production coupled with the anticipated minimum export obligation of at least 3.0 million MTs, would go a long way in reducing the overhang of stocks and restoring sugar prices to viable levels by the end of the 2015-16 season.

GOVERNMENT POLICY RELATED

To alleviate the burden of mounting stocks on sugar mills, the Central Government announced an export subsidy of Rs.4000, for raw sugar in February 2015. For mills with attached distilleries, the incentive was made available only if they offered to supply a fourth of their annual alcohol production for the ethanol blending program of oil marketing companies. However, most sugar mills were not able to reap the benefit of this subsidy, as it was announced at the tail end of the crushing season when there was little scope to produce raw sugar in exportable quantities and besides, international prices had also hit new lows. Further, to improve the price sentiments in the domestic market, duty on sugar has been increased from 15% to 25% in August 2014 and further to 40% from April 30,2015.

Import of sugar under duty-free import authorization scheme has been withdrawn, while the deadline to fulfill the export obligation under Advance Authorisation Scheme (AAS) has been reduced from 18 months to 6 months, to prevent possible leakage of such sugar into the domestic markets.

With a view to providing an alternate outlet, besides exports, for surplus sugar, the Central Government has provided a fresh impetus to the Ethanol Blending Program, by approving a fixed price band of Rs.48.50 to 49.50 per litre for ethanol delivered at the depots of Oil Marketing Companies (OMCs), in lieu of the erstwhile system of price discovery through tender floated by the OMCs. This apart, the Government had also announced total waiver of excise duty on ethanol from October 01,2015 and increase in target blend from 5% to 10%.

The Government of Tamil Nadu announced State Advised price (SAP) for sugarcane for 2014-15 season at Rs.2550/- per tonne (as in 2013-14) linked to 9.5% recovery, with transport charges from field to factory to be borne in full by the sugar mills as in previous season. Sugar mills in the private sector have however challenged the legality of SAP and are paying only an agreed price for the sugarcane, apart from bearing the transport charges in full. The

Government of Tamil Nadu has further burdened the sugar mills in the State with the levy of 5% VAT (and consequent 2% CST) on sugar with effect from November 01, 2014, while removing the levy of Purchase Tax on sugarcane (Rs.60/ MT). The levy of VAT has rendered sugar produced in Tamil Nadu non-competitive, even within the State, vis-à-vis sugar produced in Karnataka and Maharashtra which does not suffer VAT/CST, resulting in reduced offtake and sales realization. Besides, sugar stocks held on November 01, 2014, would now perforce have to suffer double taxation, having to bear both Purchase Tax on input as well as VAT on output.

COMPANY PERFORMANCE: SEGMENT-WISE

Products	UoM	2014-15	2013-14
SUGAR :			
Cane Crushed	MTs	524,106	714,633
Sugar Production			
- From Cane	MTs	46,617	60,371
Sugar Sales			
- Domestic	MTs	53,156	46,564
- Export	MTs	27,500	–
- Total	MTs	80,656	46,564
Molasses Production	MTs	26,871	32,561
ALCOHOL			
- Production	KL	11,975	11,844
- Sales	KL	11,453	13,637
Bio Fertilizers			
- Sales	Rs.	7,145,950	9,377,514

RISKS AND CONCERNS:

The management cautions that the risks and concerns outlined herein are by no means exhaustive and merely highlight the salient among them. Investors are advised to exercise due diligence in assessing the various risk factors associated with the industry and your Company.

The sugar industry in India is highly vulnerable to policy as well as climate induced cyclical fluctuations and hence fraught with several risks of varying magnitude. Some of the inherent business risks and the mitigation measures initiated therefor by your Company are outlined hereunder:

a) Raw Material Risks:

Adequate availability of quality sugarcane and cost thereof affects both the sugar as well as the distillery operations. While the quality of sugarcane varies with climatic conditions as well as agronomic practices adopted by the farmer, the quantum of sugarcane available is determined by the relative attractiveness of sugarcane to the farmer as compared to other

remunerative crops and also the availability of adequate water for irrigation. Even when adequate ground water is available, uninterrupted power supply from the grid is required for pumping such water for irrigation. The cost of sugarcane itself is determined by the Fair and Remunerative Price fixed by the Central and the State Advised Price announced by State Governments, as also the taxes and duties levied on sugarcane. Another major factor affecting sugarcane cultivation is the availability and cost of harvest labour, which is increasingly becoming a scarce resource due to alternate employment opportunities.

To mitigate these raw material related risks, your Company, besides ensuring a remunerative cane price, provides subsidies to farmers for drip irrigation, ratoon management, full reimbursement of cane transport cost, and full/part reimbursement of seed/seed transport cost, apart from providing assistance in obtaining crop loans for cultivation. Your Company also provides a variety of extension services to educate the farmers about the latest agronomic practices, apart from providing assistance for sinking of borewells, adoption of drip irrigation, mechanised ratoon management and development of link road infrastructure. Of late, your Company has given special focus to promotion of mechanisation of all agricultural operations including cane harvesting. Assistance is also provided to farmers for obtaining electricity connections and loans for sinking of wells and borewells.

b) Product Risks:

Post decontrol, sugar prices are determined by the interplay of domestic demand and supply as well as Government policies on export and import, and the erstwhile controls on sale and distribution of sugar have been removed. On the other hand, alcohol prices and distribution continue to be directly or indirectly controlled by the State Government to varying degrees, especially through regulation of export and import of molasses and alcohol. The impact of domestic and global market forces and regulatory changes are beyond the control of the Company.

To mitigate these product related risks, your Company is constantly exploring the possibilities for hedging sugar price risk in the domestic and international commodity futures markets in respect of domestic sales and exports / imports, respectively, apart from providing flexibility in producing and packing to customer specifications for export. As regards alcohol, the strategy has been to provide for adequate storage capacities to enable sale at the opportune time and avoid distress sale.

c) Regulatory Risk:

Sugar and alcohol are subject to a range of direct and indirect controls by both the Central and State Governments, encompassing the entire gamut of sugarcane pricing, sugarcane command area reservation, location of new sugar mills, sugar packing and storage, sale and movement of molasses and alcohol, export / import of sugar, molasses and alcohol etc.

Such regulatory risks emanate from Government policy and legislation and are beyond the control of the Company. While your Company complies with all regulatory requirements, it proactively represents to Government both directly and through the industry associations on various regulatory issues which have a significant bearing on its operations and future prospects.

d) Financing Risk:

Sugar is a seasonal industry requiring storage of the finished product over an extended period of time, whereas, the cane dues, which constitute nearly 65-70% of the cost of production, have to be discharged within 14 days as per law. Thus, the major financing risk relates to sourcing adequate working capital, apart from finding sufficient funds for capital expenditure for modernisation and expansion. Related thereto are the interest rate risks attached to such financing, which derive from the general movement of interest rates in the economy and especially the prime lending rate fixed by various Banks and Financial Institutions from time to time. Overlaid on these is the added risk from currency fluctuations in the case of exports/imports and loans contracted in foreign currencies, and consequential risks from any attendant hedging transactions.

To mitigate these risks, your Company, which enjoys a sound reputation and good rating with the Banks and Financial Institutions, strives to focus on low cost financing options and minimising inventory levels to reduce working capital requirements. Likewise, only essential capital expenditures are undertaken and that too only after in-depth analysis. Hedging transactions are undertaken as and when deemed necessary, but only within prudent limits and constant monitoring and control.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

Your company has adequate systems and internal controls to safeguard the assets of the Company and to ensure maintenance of proper accounting records. Computerised information systems are available to capture, present and

analyse the data for management information and decision making. The Company has successfully implemented an ERP system and the same is fully operational now. There is also an internal audit system in place which reviews the key business processes and controls and also test checks on routine transactions and reports deviations. Besides, the Audit Committee also periodically reviews the functioning of the entire system.

FINANCIAL PERFORMANCE:

Please see disclosures in the Directors' Report. The financial performance of the Company is dependent on factors like cane price fixation, domestic demand supply balance, Government policies on export / import etc. over

which it has no control. On account of the increase in price paid for cane, notwithstanding lower realisation on the sale of sugar, the Company reported loss for the year under review. Reserves and Surplus decreased from Rs.1134 million on March 31, 2014 to Rs.645 million on March 31, 2015.

INDUSTRIAL RELATIONS:

Industrial relations at your Company continue to be cordial. The Company has continued its efforts to rationalise the deployment of manpower while ensuring at the same time that adequate number of professionals is positioned at all levels and in every discipline. The total manpower employed by your Company aggregates to 600.

On behalf of the Board



R V Tyagarajan
Chairman and Managing Director
September 24, 2015

Secretarial Audit Report

for the Financial Year ended 31st March, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
M/s.Thiru Arooran Sugars Limited,
Eldorado Building, 112, Uttamar Gandhi Salai
Nungambakkam, Chennai - 600 034

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Thiru Arooran Sugars Limited**, [Corporate Identity No. L15421TN1954PLC002915] (hereinafter referred to as "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under and the Companies Act, 1956 (to the extent applicable);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) During the year under review, the Company has not dealt with the matters relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings under Foreign Exchange Management Act, 1999 (FEMA) and hence, the question of complying with the provisions of FEMA and the rules and regulations made there under does not arise;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Company has not issued any securities during the year under review and hence the question of compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 does not arise;
 - d) The Company has not formulated any Scheme of ESOP/ESPS and hence the requirement of compliance of the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 does not arise;
 - e) The Company has not issued any debentures during the period under review, hence the compliance of the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 is not applicable;

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) During the year under review, the Company has not delisted its Securities from any of the Stock Exchanges in which it is listed and hence the compliance of the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 is not applicable; and
 - h) The Company has not bought back any Securities during the period under review and hence the question of complying with the provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 does not arise;
- (vi) Based on the information provided by the Company, its officers and authorised representatives during the conduct of audit, and also review of Compliance Certificate(s) issued by the Company Secretary and Internal Audit Reports taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with rules, regulations, guidelines, etc. prescribed under various laws which are applicable to the Company and categorized under the following major heads / groups:
- a. Factories Act,1948;
 - b. Acts and rules relating to Sugar industries including The Sugar Cess Act, 1982, The Sugar Development Fund Act, 1982, The Sugar(Packing & Marking) Order, 1970, The Sugar Cane Control Order, 1966, The Tamil Nadu Molasses Control and Regulation Rules, 1958, The Tamil Nadu Distillery Rules,1981;
 - c. Labour laws and other incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, provident fund, insurance, compensation etc.;
 - d. Acts relating to consumer protection including The Competition Act, 2002;
 - e. Acts and Rules prescribed under prevention and control of pollution;
 - f. Acts and Rules relating to Environmental protection and energy conservation;
 - g. Acts and Rules relating to explosives, Boilers etc., and
 - h. Other local laws as applicable to various plants and offices.

With respect to Fiscal laws such as Income Tax, Central Excise Act, TN VAT Act, Central Sales Tax, etc. based on the information and explanation provided to us by the management and officers of the Company and also on verification of reports of professionals including reports of Internal Audit, we report that adequate systems are in place to monitor and ensure compliance of fiscal laws as mentioned above.

We have also examined compliance with the applicable clauses of the following:

- (i) The Secretarial Standards on General and Board Meetings specified by the Institute of Company Secretaries of India (ICSI) as prescribed under Section 118(10) of the Act are applicable with effect from 1st July, 2015. However, the Secretarial Standards 1 and 2 relating to Board Meetings and General Meetings which were issued by the ICSI as recommendatory have been generally complied by the Company.
- (ii) The Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions were carried through with the consent of all the Directors/Committee Members present and hence the question of recording the dissent of the members does not arise. However, in the minutes of the General Meeting, the members who voted against have been properly recorded.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the financial year under review the Company has no specific events/ action having a major bearing on the company's affairs in pursuance of the above referred laws, regulations, guidelines, standards, etc. referred above.

For **R.SRIDHARAN & ASSOCIATES**
Company Secretaries

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775

Place : Chennai
Date : 24th September, 2015

This report is to be read with our letter of even date which is annexed as **ANNEXURE A** and forms an integral part of this report.

Annexure A

To,
The Members,
M/s.Thiru Arooran Sugars Limited,
Eldorado Building, 112, Uttamar Gandhi Salai
Nungambakkam, Chennai - 600 034

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **R.SRIDHARAN & ASSOCIATES**
Company Secretaries

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775

Place : Chennai
Date : 24th September, 2015

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

(Section 134(3) (m) of the Companies Act, 2013 read with Rule (8) (3)
of the Companies (Accounts) Rules, 2014)

A. CONSERVATION OF ENERGY

- (i) Steps taken or impact on conservation of energy
The Company has taken various steps for energy conservation and continues to give priority. Some of the important steps taken are as under:

- Installation of hydraulic unloader in the cane feeding system
- Modification in the mill DC motor panel busbar with flexibles
- Reduced usage of process chemicals at the evaporator station
- Installation of Variable Frequency Drives

- (ii) Steps taken for utilisation of alternate source of energy

- Subsidiary company, Terra Energy Ltd operates bagasse based cogeneration Power Plants and the power generated by the Plants are actively used by the Company for its sugar mills
- Recycling of process water to conserve natural resources

- (iii) Capital Investment on Energy Conservation Equipments

No new investment plan is under consideration in view of the difficult liquidity position of the Company for the past three years.

B. TECHNOLOGY ABSORPTION

- (i) Efforts made towards technology absorption and benefits derived

- Testing of promising sugarcane varieties collected from coastal delta region from the state of Andhra Pradesh in delta ayacuts of the Sugar Unit at Tirumandankudi to select suitable varieties with high yield and quality under wet land conditions
- Sourcing virus free healthy tissue culture plantlets of CO 86032 variety from the ICAR

- Sugarcane Processing Institute, Coimbatore for the seed multiplication program under green house condition in the shadenets.

- Incorporation of standard farm practices in the sugarcane fields dedicated for complete mechanization including machine harvesting

Benefits derived:

- High yielding cane varieties like Co V 92102, 2003 V 46 and Co A 92081 with improved cane quality have been selected as the most suitable clones under the Cauvery delta conditions for the mid-late season planting and recommended for commercial planting.
- The spread of new found Yellow Leaf Disease (YLD) in sugarcane crop especially in the predominant Co 86032 variety has been contained through health seed nursery programme.
- The operational performance of the cane harvester machines has been improved besides increasing the crop yields in the ratoon crops harvested by machines

- (ii) In case on imported technology (imported during last three years reckoned from the beginning of the financial year

Details on technology imported - Nil

- (iii) The expenditure incurred on Research and Development

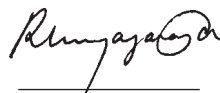
Rs.14.80 lakhs

C. Foreign Exchange Earnings and Outgo:

₹ in Lacs

	2014-15	2013.14
Foreign Exchange Earnings	34.57	—
Foreign Exchange Outgo	5,757.48	2.65

On behalf of the Board



R V Tyagarajan
Chairman and Managing Director
September 24, 2015

Annexure V to Directors' Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As of the Financial Year ended on 31st March, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	L15421TN1954PLC002915
Registration Date	July 12, 1954
Name of the Company	THIRU AROORAN SUGARS LIMITED
Category/Sub-Category of the Company	Public Limited Company - Limited by Shares
Address of the Registered office and Contact details	'Eldorado', 5 th Floor, 112 Uthamar Gandhi Salai, Nungambakkam, Chennai 600 034 Phone: 044- 2827 6001,2827 0915, 2828 1298
Whether listed company Yes / No	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Integrated Enterprises (India) Limited 2 nd Floor, Kences Towers, No.1 Ramakrishna Street, North Usman Road, T. Nagar, Chennai - 600 017 Tel : 044-28140801, Fax : 044- 2814 2479 Email: corpserv@integratedindia.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sl. No	Name and Description of main products / services	NIC code of the product / service	% to total turnover of the Company
1	Sugar	10721	79.00
2	Alcohol	1101	19.92

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	M/s Terra Energy Ltd 'Eldorado', 5 th Floor, 112, Nungambakkam High Road, Chennai 600034.	U40105TN1995PLC030420	Subsidiary	66.19	2(87)
2.	M/s Shree Ambika Sugars Ltd 'Eldorado', 5 th Floor, 112, Nungambakkam High Road, Chennai 600034	U15421TN1988PLC015660	Associate	36.14	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year - As on 31 st March 2014				No. of Shares held at the end of the year - As on 31 st March 2015				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
1) Indian									
a Individual/HUF	1,523,478	59,373	1,582,851	13.99	1,523,478	59,373	1,582,851	13.99	-
b Central Government	-	-	-	-	-	-	-	-	-
c State Governments	-	-	-	-	-	-	-	-	-
d Bodies Corporate	5,468,858	-	5,468,858	48.33	5,469,058	-	5,469,058	48.33	0.00
e Banks / Fis	-	-	-	-	-	-	-	-	-
f Any other (Specify)	-	-	-	-	-	-	-	-	-
Sub Total A (1)	6,992,336	59,373	7,051,709	62.31	6,992,536	59,373	7,051,909	62.31	0.00

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Cond.)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year - As on 31 st March 2014				No. of Shares held at the end of the year - As on 31 st March 2015				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters (Contd.)									
2) Foreign									
a NRI - Individuals	-	-	-	-	-	-	-	-	-
b Other - Individuals	-	-	-	-	-	-	-	-	-
c Bodies Corporate	-	-	-	-	-	-	-	-	-
e Banks / Fis	-	-	-	-	-	-	-	-	-
f Any other (Specify)	-	-	-	-	-	-	-	-	-
Sub Total A (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)= (A)(1) +(A)(2)	6,992,336	59,373	7,051,709	62.31	6,992,536	59,373	7,051,909	62.31	0.00
B Public Shareholding									
1) Institutions									
a Mutual Funds (includes UTI)	-	100	100	0.00	-	100	100	0.00	-
b Financial Institutions / Banks	100	2,200	2,300	0.02	100	2,200	2,300	0.02	-
c Central Government	-	-	-	-	-	-	-	-	-
d State Governments	-	-	-	-	-	-	-	-	-
e Venture capital Funds	-	-	-	-	-	-	-	-	-
f Insurance Companies	-	-	-	-	-	-	-	-	-
g FIs	250,000	400	250,400	2.21	250,000	400	250,400	2.21	-
h Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
i Any other (Specify) - Foreign Banks	-	-	-	-	-	-	-	-	-
Sub Total B(1)	250,100	2,700	252,800	2.23	250,100	2,700	252,800	2.23	-
2) Non-Institutions									
a Bodies Corporate									
i) Indian	1,513,181	10,126	1,523,307	13.46	1,353,050	10,126	1,363,176	12.05	(1.41)
ii) Overseas	279,939	1,200	281,139	2.48	178,866	1,200	180,066	1.59	(0.89)
b Individuals									
i) Individual Shareholders holding Nominal Share Capital upto Rs.1 Lakh	609,797	294,573	904,370	7.99	954,232	285,558	1,239,790	10.96	2.96
ii) Individual Shareholders holding Nominal Share Capital in excess of Rs.1 Lakh	386,328	-	386,328	3.41	646,273	-	646,273	5.71	2.30
c Any other									
- Clearing Members	363,689	-	363,689	3.21	30,884	-	30,884	0.27	(2.94)
- NRI	553,282	100	553,382	4.89	549,726	100	549,826	4.86	(0.03)
- Limited Liability Partnership	-	-	-	-	2,000	-	2,000	0.02	0.02
Sub Total B(2)	3,706,216	305,999	4,012,215	35.45	3,715,031	296,984	4,012,015	35.45	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	3,956,316	308,699	4,265,015	37.69	3,965,131	299,684	4,264,815	37.69	(0.00)
C Shares held by Custodians for GDRs and ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	10,948,652	368,072	11,316,724	100.00	10,957,667	359,057	11,316,724	100.00	(0.00)

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Mrs. Neela Tyagarajan	59373	0.52	0.00	59373	0.52	0.00	0.00
2	M/s. Venkatesa Tyagarajan Pvt Ltd.	2682600	23.71	8.58	2682600	23.71	8.58	0.00
3	Mr Venkateswaran V T	194850	1.72	0.00	194850	1.72	0.00	0.00
4	Mr Tyagarajan R V - HUF	959556	8.48	0.00	959556	8.48	0.00	0.00
5	Mr Tyagarajan R V	81000	0.71	0.00	81000	0.71	0.00	0.00
6	Mrs. Malathi Ram	288072	2.55	0.00	288072	2.55	0.00	0.00
7	M/s. Madan Capital Market Ltd.	100	0.00	0.00	100	0.00	0.00	0.00
8	M/s. Mustang Trading & Investments Pvt Ltd.	2786158	24.62	16.74	2786358	24.62	16.74	0.00
	Total	7051709	62.31	25.32	7051909	62.31	25.32	0.00

iii) Change in Promoter's Shareholding

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Mustang Trading and Investments Pvt Ltd.				
	At the Beginning of the year	2,786,158	24.62		
	Date wise increase / Decrease in Promoters Shareholding during the year				
	11/4/2014	200	0.00	2786358	24.62
	At the End of the year	2,786,358	24.62		

No change in the shareholding of other promoters.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	GANDHI SECURITIES & INVESTMENT PVT. LTD.				
	Opening Balance as on 01/04/2014	525025	4.64		
	No change in shareholding during the year				
	Closing Balance as on 31/03/2015			525025	4.64
2.	KSK WIND ENERGY PRIVATE LIMITED				
	Opening Balance as on 01/04/2014	364418	3.22		
	No change in shareholding during the year				
	Closing Balance as on 31/03/2015			364418	3.22
3.	COMET INVESTMENTS PVT LTD				
	Opening Balance as on 01/04/2014	280000	2.47		
	Date wise increase / (Decrease) in Shareholding during the year				
	27/06/2014	77046	0.68	357046	3.16
	19/09/2014	-326046	-2.88	31000	0.27
	30/09/2014	237677	2.10	268677	2.37
	03/10/2014	-341	0.00	268336	2.37
	10/10/2014	-106392	-0.94	161944	1.43
	17/10/2014	-120971	-1.07	40973	0.36
	24/10/2014	-40973	-0.36	0	0.00
	Closing Balance as on 31/03/2015				

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)
(Contd.)

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
4.	THOR INVESTMENTS LIMITED				
	Opening Balance as on 01/04/2014	279939	2.47		
	Date wise increase / (Decrease) in Shareholding during the year				
	06/06/2014	-1000	-0.01	278939	2.47
	13/06/2014	-2579	-0.02	276360	2.44
	23/01/2015	-97494	-0.86	178866	1.58
	Closing Balance as on 31/03/2015			178866	1.58
5.	GEPL CAPITAL PRIVATE LIMITED				
	Opening Balance as on 01/04/2014	255085	2.25		
	Date wise increase / (Decrease) in Shareholding during the year				
	31/12/2014	-25000	-0.22	230085	2.03
	09/01/2015	-35000	-0.31	195085	1.72
	16/01/2015	-195085	-1.72	0	0.00
	Closing Balance as on 31/03/2015			0	0.00
6.	ELM PARK FUND LIMITED				
	Opening Balance as on 01/04/2014	250000	2.21		
	No change in shareholding during the year				
	Closing Balance as on 31/03/2015			250000	2.21
7.	UTTAM KANTILAL PANDHI				
	Opening Balance as on 01/04/2014	233000	2.06		
	No change in shareholding during the year				
	Closing Balance as on 31/03/2015			233000	2.06
8.	Advent Securities Private Limited				
	Opening Balance as on 01/04/2014	208500	1.84		
	No change in shareholding during the year				
	Closing Balance as on 31/03/2015			208500	1.84
9.	NAKUL ARUN JAGJIVAN				
	Opening Balance as on 01/04/2014	204063	1.80		
	No change in shareholding during the year				
	Closing Balance as on 31/03/2015			204063	1.80
10.	AKHTAR BANU ALTALIB				
	Opening Balance as on 01/04/2014	152298	1.35		
	No change in shareholding during the year				
	Closing Balance as on 31/03/2015			152298	1.35

v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Mr R V Tyagarajan	81,000	0.71	81,000	0.71
Mrs Malathi Ram	2,88,072	2.55	2,88,072	2.55

There is no change in the shareholding during the year.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	7533.90	500.00	105.77	8139.67
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	115.11	-	-	115.11
Total (i + ii + iii)	7649.01	500.00	105.77	8254.78
Change in Indebtedness during the financial year				
- Addition	3350.89	-	-	3350.89
- Reduction	1467.52	-	-	1467.52
Net Change	1883.37	-	-	1883.37
Indebtedness at the end of the financial year				
i) Principal Amount	9151.49	500.00	-	9651.49
ii) Interest due but not paid	328.47	-	-	328.47
iii) Interest accrued but not due	52.42	-	-	52.42
Total (i + ii + iii)	9532.38	500.00	-	10032.38

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Mr R V Tygarajan, Chairman and Managing Director does not draw any remuneration from the Company

B. Remuneration to other directors: (₹ lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors	
		Mr V Thirupathi	Mr R Vijayaraghavan
1.	Independent Directors		
	Fee for attending board committee meetings	1,40,000	1,10,000
	Commission	-	-
	Others if any, specify	-	-
	Total (1)	1,40,000	1,10,000
2.	Other Non-Executive Directors	Mrs. Malathi Ram	
	Fee for attending board committee meetings	90,000	-
	Commission	-	-
	Others if any, specify	-	-
	Total (2)	90,000	-
	Total (1+2)		3,40,000
	Total Managerial Remuneration		Nil
	Overall Ceiling as per the Act	@	

@ No Remuneration for the Managing Director. Only Sitting Fees for others

C. Remuneration to Key Managerial Personnel other than MD / Manager / Whole-time Director (₹ lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
		Chief Financial Officer and Secretary
1	Gross salary	
	(a) Salary as per provisions contained in Sec 17(1) of the Income Tax Act,1961	31.50
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	2.65
	(c) Profits in lieu of salary under Section17(3) Income tax Act,1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit	-
	- others, specify	-
5	Others, please specify	-
	Total	34.15

Annexure VI to Directors' Report

Form No. AOC - 2

(Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013.

1. Details of contracts or arrangements or transactions not at arm's length basis:

NIL

2. Details of contracts or arrangements or transactions at arm's length basis:

a) Name(s) of the Related Party and nature of relationship

Terra Energy Ltd (TEL) - Subsidiary Company.

Shree Ambika Sugars Ltd (SASL) - An Associate company.

b) Nature of the contracts / arrangements / transactions

Purchase or sale of goods and services.

This covers purchase and sale of sugar and sugarcane and other supplies and services.

c) Duration of the contracts / arrangements / transactions

All are ongoing contracts and open ended and terminable by mutual consent by either party.

d) Salient terms of the contracts / arrangements / transactions

The Company enters into transactions with its Subsidiary and Associate Companies for purchase or sale of goods and services from time to time as may be warranted by exigencies of business. The price and value determined thereafter are driven by market related considerations.


e) Date of approval by the Board, if any.

Not applicable

f) Amount paid as advance, if any.

As mutually agreed.

On behalf of the Board



R V Tyagarajan
Chairman and Managing Director
September 24, 2015

Annexure VII to Directors' Report

Particulars pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a) *The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details:*

Directors are not paid any remuneration except sitting fees for attending the Meetings of the Board and the Committee thereof.

- b) *The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:*

Name	Designation	% of increase
Mr R V Tyagarajan	Chairman and Managing Director	He does not draw remuneration in the Company
Mr R R Karthikeyan	CFO and Company Secretary	Nil

- c) *The percentage increase in the median remuneration of employees in the financial year:*

Percentage varies between 5% to 10%

- d) *The number of permanent employees on the rolls of company as on March 31 2015:*

487

- e) *The explanation on the relationship between average increase in remuneration and company performance:*

The company's performance has been impacted due to reduced availability of sugarcane and mismatch between the cost of the sugarcane and sugar price. Nevertheless, the Management has provided an average increase in the range of 5% to 10% to each workman during the year.

- f) *Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:*

Name	Designation	CTC (Rs. in lakhs)	% increase in CTC	PAT Rs. in crores	% increase in PAT
Mr R V Tyagarajan	Chairman and Managing Director	-	-	-	-
Mr R R Karthikeyan	CFO and Company Secretary	34.15	Nil	(47.22)	-

- g) *Variation in the market capitalisation of the Company, Price Earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer:*

Date	Issued Capital Rs. In Lakhs	Closing Market Price per share (Rs)	EPS (Rs)	PE Ratio	Market Capitalisation (Rs in crores)
March 31, 2014	1131.67	67.00	(14.10)	NA	75.82
March 31, 2015	1131.67	25.40	(41.73)	NA	28.74
Increase / (Decrease)	-	(41.60)	(27.63)		(47.08)
% Increase / (Decrease)	-	-	(195.96)		(62.09)
Issue Price of the Share at the last Public Offer (Rights Issue)	-	Rs.90/- per Share (Premium Rs.80/-) in 1996	-	-	-
Increase in Market Price as on March 31, 2015 as compared to Issue Price of Rights Issue	-	(64.60)	-	-	-
Increase in %	-	-	-	-	-

- h) *Average percentile increase already made in the salaries of employees' other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:*

Increase of remuneration for employees was in the range of 5% to 10% and for KMP the increase was nil for the year.

- i) *The Key parameters for any variable component of remuneration availed by the Directors:*

Chairman and Managing Director does not draw any remuneration from the Company. Other Directors are paid only sitting fees.

- j) *The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:*

Not Applicable.

- k) If remuneration is as per the remuneration policy of the Company: Yes.

Independent Auditors' Report

Report on the Financial Statements

We have audited the accompanying standalone financial statements of THIRU AROORAN SUGARS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss for the year then ended, Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the

financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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:

- i) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2015;
- ii) In the case of the Statement of Profit and Loss of the Loss 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2015, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet and, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of

the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Please refer Note Nos.27 and 31 of the Notes forming part of the financial statements.
- ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S N S Associates
Chartered Accountants
Firm Registration No. 006297S



S Nagarajan
Partner
Membership No. 20899
Chennai : May 29, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

As required by the Companies (Auditors' Report) Order, 2015 ("the Order"), we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Fixed Assets have been physically verified by the Management during the year and no material discrepancies were noticed on such verification.
- (ii) (a) The inventories of the Company at all its locations have been physically verified by the management during the year.
- (b) In our opinion, the procedures of physical verification of inventories followed by the Company are reasonable and adequate in relation to the size and nature of its business.
- (c) The Company has maintained proper records of inventories and the discrepancies between the physical inventories, which have been properly dealt with in the books of account, were not material.
- (iii) The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid system of internal control.
- (v) In respect of the deposits accepted from the public in the earlier years and repaid during the year on their maturity, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder.
- (vi) On the basis of the records produced, we are of the opinion, that prima facie, the cost records prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, have been maintained. However, we are not required to and have not carried out any detailed examination of such accounts and records.
- (vii) (a) The Company been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, duty

of customs, duty of excise, value added tax, cess and other statutory duties with the appropriate authorities though there has been occasional delays in the remittance of cane cess, cane purchase tax, service tax, Excise duty in a few cases. The details of statutory dues outstanding as at the last day of the financial for a period of more than six months from the date they became payable is as under:

Details	Amount outstanding for a period of more than six months from the date they became payable
Cane Cess	₹ 29,32,630

- (b) There are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess that have not been deposited on account of any dispute except as follows:

Name of the Statute	Nature of the dues	Amount Rs.	Forum where dispute is pending
Central Excise Act, 1944	Cenvat on materials and penalty	17,86,537	CESTAT
Finance Act, 1994	Service tax on goods transport	3,63,998	Supreme Court
Finance Act, 1994	Service tax on goods transport	2,42,904	Supreme Court
Tamilnadu General Sales Tax Act, 1959	Waiver of purchase tax on cane	10,25,97,189	High Court of Judicature at Madras
Central Excise Act, 1944	Duty on captive consumption	25,44,74,573	High Court of Madras, CESTAT and Commissioner of Central Excise, Trichy
Tamilnadu General Sales tax Act, 1959	Purchase tax on cane	8,43,950	Deputy Commissioner, Commercial Taxes, Appeals
Income tax Act, 1961	Income tax	33,291	Commissioner of Income tax (Appeals)
Finance Act, 1994	Service tax on Cane harvesting charges	10,47,14,986	CESTAT
Income tax Act, 1961	Income tax	1,46,35,361	Deputy Commissioner of Income tax

- (c) There are no amounts which are required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and the rules thereunder.

- | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(viii) The Company does not have accumulated losses at the end of the financial year exceeding fifty percent of its net worth. However it has incurred cash losses in the current financial year as well as in the immediately preceding financial year.</p> <p>(ix) The Company has not defaulted in the repayment of dues to any financial institution, bank or debenture holders, though occasional delays were noticed in the repayment of the dues.</p> <p>(x) In our opinion and according to the information and explanations given to us, the terms and conditions in respect of guarantees given by the Company for the loans taken by its Subsidiary, Terra Energy</p> | <p>Limited and Associate Company, Shree Ambika Sugars Limited, are not, prima facie, prejudicial to the interests of the Company.</p> <p>(xi) The term loans availed by the Company have been applied for the purposes for which they were availed.</p> <p>(xii) During the course of our examination of the books of account carried out in accordance with generally accepted auditing principles in India, we have not come across any instance of fraud on or by the company, nor have we been informed by the Management of any such instance being noticed or reported during the year.</p> |
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For S N S Associates
Chartered Accountants
Firm Registration No. 006297S



S Nagarajan
Partner

Membership No. 20899
Chennai : May 29, 2015

Balance Sheet

Analysis

Equity Capital

The Company's Equity Capital as on March 31,2015 stands at Rs.113.17 million. The movement in the Company's Equity since 1985 is as under:

Year	No.of Shares	Paid-up Capital (Rs. in million)	Remarks
1985	6,00,000	6.00	
1988	6,00,000	12.00	Bonus Issue @ 1 : 1
1990	45,00,000	57.00	Bonus Issue @ 15 : 4
1990	16,38,750	73.38	Public Issue of 16,38,750 shares at a premium of Rs.15/- per share as per prospectus dated May 28,1990
1994	8,50,000	81.88	Preferential allotment of 8,50,000 shares to FII's at a price of Rs.260/- per share
Oct'96	4,12,869	86.01	Preferential allotment of 4,12,869 shares to Promoters at a price of Rs.165/- per share
Feb'97	21,50,405	107.52	Rights Issue of 21,50,405 equity shares at a price of Rs.90/- per share as per Letter of Offer dated December 7, 1996.
Mar'06	5,64,700	113.17	Preferential allotment of 5,64,700 shares to Promoters at a price of Rs.137.38 per share.

The Company does not have any securities, which are outstanding for conversion into equity shares. 45.06 per cent of the equity capital consists of bonus shares issued by the capitalisation of reserves.

Reserves

Reserves as on March 31, 2015 stands at Rs.645 million and all the reserves are free reserves. The book value per share as on March 31, 2014 was Rs.67.

Debt Profile

Long Term Debt

As on March 31,2015 the long term loans outstanding aggregate to Rs.842.46 million. The weighted average cost of the borrowing excluding loan under the Scheme for Extending Financial Assistance to Sugar undertakings works out to 16.69 per cent and average repayment period works out to less than 4 years. The Debt Equity ratio as on March 31,2015 was 1.11.

Gross Block

The total gross block, including capital work in progress and capital expenditure on projects as on March 31,2015 aggregated to Rs.3882.5 million. Capital work in progress represents normal capital expenditure and this expenditure will be capitalised and transferred to gross block during the current financial year.

Investments

Investments include a sum of Rs.1062 million made in Shree Ambika Sugars Limited and Terra Energy Limited. Most of the other investments represent investments in equity shares. The Company proposes to reduce other investments by a process of disinvestment at the appropriate time.

Current Assets

Inventories constitute 72.96 per cent of the Current Assets. Finished goods (sugar) account for 91.94 per cent of the Inventories.

Loans and Advances

Loans and Advances consists of advances / interim payment to farmers, adhoc tax payments, amount paid to suppliers on capital account etc.

Current Liabilities

Sundry creditors comprise mainly trade creditors, cane suppliers' balances, suppliers of capital equipment and instalments of Term Loans due within one year. In addition, the Company had also borrowed a sum of Rs.2260.17 million from the consortium of bankers under the Cash Credit facility.

Unsecured Loans by way of Fixed Deposits and Trade Deposit aggregate to Rs.62.28 million as on the date of the Balance Sheet.

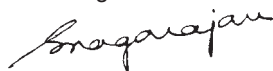
BALANCE SHEET

(₹ in lakhs)

	Note No.	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a) Share Capital	2	1,131.67	1,131.67
b) Reserves and Surplus	3	6,450.86	11,339.17
2 Non-Current Liabilities			
a) Long Term Borrowings	4	6,941.41	6,135.97
b) Deferred Tax Liability (Net)	12	–	1,235.61
c) Long Term Provisions	5	81.81	73.80
3 Current Liabilities			
a) Short Term Borrowings	6	22,601.66	20,460.19
b) Trade Payables	7	12,857.24	10,641.83
c) Other Current Liabilities	8	4,579.01	7,527.99
d) Short Term Provisions	9	675.66	840.21
TOTAL		55,319.32	59,386.44
ASSETS			
Non-Current Assets			
1 a) Fixed Assets			
i) Tangible Assets	10	17,458.39	17,017.18
ii) Intangible Assets		35.82	54.27
iii) Capital work-in-progress		947.58	885.49
b) Non-Current Investments	11	10,641.58	10,642.12
c) Defferred Tax Assets (net)	12	1,074.44	–
d) Long Term Loans and Advances	13	1,791.28	1,790.61
2 Current Assets			
a) Inventories	14	17,051.79	25,252.70
b) Trade Receivables	15	816.42	1,186.74
c) Cash and cash equivalents	16	259.67	307.89
d) Short Term Loans and Advances	17	3,947.58	1,966.86
e) Other Current Assets	18	1,294.77	282.58
TOTAL		55,319.32	59,386.44
Significant Accounting Policies	1		
See accompanying Notes forming part of the Financial Statements			


Vide our Report of even date attached

For SNS Associates
Chartered Accountants
Firm Registration No. 006297S

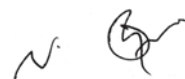


S Nagarajan
Partner
Membership No. 20899
Chennai, May 29, 2015

On behalf of the Board



R R Karthikeyan
Chief Financial Officer and
Company Secretary



V Thirupathi
Director



R V Tyagarajan
Chairman and
Managing Director

STATEMENT OF PROFIT AND LOSS


(₹ in lakhs)

	Note No.	Year ended March 31, 2015	Year ended March 31, 2014
CONTINUING OPERATIONS			
I. Revenue from Operations (Gross)	19	27,269.73	19,852.65
Less : Excise Duty		569.90	506.93
Revenue from Operations (Net)		26,699.83	19,345.72
II. Other Income	20	1,972.00	29.84
III. Total Revenue (I + II)		28,671.83	19,375.56
IV. Expenses:			
Cost of Materials consumed	21	13,198.77	15,889.75
Purchases of Stock-in-Trade		3,904.00	977.71
Changes in Inventories of Finished Goods and Work-in-progress	22	8,114.34	(6,367.18)
Employee Benefits Expense	23	1,706.43	1,465.81
Finance Cost	24	5,265.13	4,523.57
Depreciation and Amortization Expense		784.37	1,539.90
Other Expenses	25	2,731.09	3,820.64
Total Expenses		35,704.13	21,850.20
V. Profit / (Loss) Before Tax (III - IV)		(7,032.30)	(2,474.64)
VI. Tax Expenses:			
Deferred Tax		(2,310.04)	(879.12)
VII. Profit / (Loss) After Tax from Continuing Operations (V-VI)		(4,722.26)	(1,595.52)
VIII. Earnings per Equity Share (Ref. Note no. 35)			
1) Basic (Rs.)		(41.73)	(14.10)
2) Diluted (Rs.)		(41.73)	(14.10)


See accompanying Notes forming part of the Financial Statements

Vide our Report of even date attached

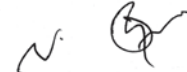
For SNS Associates
Chartered Accountants
Firm Registration No. 006297S



S Nagarajan
Partner
Membership No. 20899
Chennai, May 29, 2015



R R Karthikeyan
Chief Financial Officer and
Company Secretary



V Thirupathi
Director



R V Tyagarajan
Chairman and
Managing Director

I. Significant accounting policies

General

The accompanying Financial Statements have been prepared on the Historical Cost Convention.

Fixed Assets & Depreciation

Till last year Fixed assets other than assets of Distillery and Sugar machinery were being depreciated on Written Down Value method. From this year onwards all the fixed assets have been depreciated on Straight line method. Consequent to the notification of Schedule II of the companies Act 2013 effective 01.04.2014, the company has estimated the useful life of the fixed assets based on technical evaluation and on the basis of such evaluation the useful life of Factory Buildings and Plant and Machinery is longer than the useful life specified in Schedule II. The unamortized value of fixed assets as at 01.04.2014 has been depreciated over the remaining useful life. The unamortized value of the fixed assets whose useful life has expired by 31.03.2014, has been reduced from the surplus as at 01.04.2014.

Investments

Investments are stated at Cost. The diminution in the market value of such investments is not recognised unless such diminution is considered permanent.

Modvat credit on Capital Goods

Modvat credit on capital goods is calculated and accounted for by way of diminution in the value of the concerned capital goods.

Valuation of Inventories

- Stores and Sundry Stocks, Fertilizers and Insecticides, Bought out Raw Materials and Stock-in- process are valued at lower of cost or net realisable value.
- By products are valued at estimated realisable value.
- Tools and Implements and Crops under cultivation are valued at lower of cost or net realisable value.
- Paddy is valued at selling rates.
- Finished goods are valued at lower of cost or estimated realisable value and are inclusive of appropriate Excise Duty.
- Cost of finished goods and work in progress includes cost of conversion and other costs incurred in bringing the inventories to the present location and condition. The cost of energy from Terra Energy Limited under a barter arrangement by supply of bagasse has been considered as part of conversion and, hence, included in the value of inventory.

Foreign currency transactions

- A) Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Any income or expense on account of exchange difference is recognised in the profit and loss account.
- B) Derivative transactions are considered as off-Balance Sheet items and cash flows arising there from are recognized in the Books of Accounts as and when the settlement take place in accordance with the terms of respective contracts.

Income and Expenditure Recognition

- Income is recognised and expenditure is accounted for on their accrual.
- Under the barter agreement with the subsidiary company, Terra Energy Limited, Bagasse is supplied in exchange for Steam and Power received within the agreed norms. Consequently, no entries are passed in financial books for the value of Power and Steam received within the agreed norms and utilised for the sugar division operations of the Company. However steam is charged at cost for consumption by sugar division more than the agreed norms and for steam utilised for activities other than cane crushing operations of the Sugar division. Similar method is adopted in respect of power supplied by Terra Energy Limited.

Borrowing Costs

Borrowing costs that are attributable to the acquisition of or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial time to get ready for its intended use. All other borrowing costs are charged to revenue.

Employee Benefits

a) Short Term Employee Benefits

Short term Employee Benefits are charged at the undiscounted amount to Statement of Profit and loss in the year in which related service is rendered.

b) Defined Contribution Plan

Contribution to defined contribution schemes towards retirement benefit in the form of provident fund and superannuation fund for the year are charged to profit and loss account as incurred.

c) Defined Benefit Plan

Liabilities in respect of defined benefit plans are determined based on actuarial valuation made by an independent actuary using projected unit credit method as at the balance sheet date. Actuarial gains or losses are recognized immediately in the profit and loss account.

Terminal benefits are recognized as expenses as and when incurred.

Impairment of Fixed Assets

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment on the carrying amount of the Company's fixed assets. If any such indication exists, an asset's recoverable amount is estimated. Impairment loss is recognized whenever the carrying amount of an asset exceeds recoverable amount.

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

	As at March 31, 2015	As at March 31, 2014
2. SHARE CAPITAL		
Authorised		
35,000,000 (P.Y.: 35,000,000) Redeemable Cumulative Preference Shares of Rs 10/- each	3,500.00	3,500.00
15,000,000 (P.Y.: 15,000,000) Equity Shares of Rs.10/-each	1,500.00	1,500.00
	<u>5,000.00</u>	<u>5,000.00</u>
Issued, Subscribed and Paid up		
11,316,724 (P.Y.: 11,316,724) Equity Shares of Rs.10/-each fully paid	1,131.67	1,131.67
Total	<u>1,131.67</u>	<u>1,131.67</u>

a) Reconciliation of the number of Shares:

Equity	As on March 31, 2015		As on March 31, 2014	
	No of shares	Amount	No of shares	Amount
Shares outstanding as on April 1, 2014	11,316,724	1,131.67	11,316,724	1,131.67
Shares outstanding as on March 31, 2015	11,316,724	1,131.67	11,316,724	1,131.67

b) List of Shareholders holding more than 5% of the total number of shares issued by the Company:

Name of the share holder	As on March 31, 2015		As on March 31, 2014	
	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding
1. Mr R V Tyagarajan (HUF)	959,556		959,556	
Mr R V Tyagarajan (Individual)	81,000		81,000	
Total	<u>1,040,556</u>	9.19	<u>1,040,556</u>	9.19
2. M/s. Venkatesa Tyagarajan Private Ltd	2,682,600	23.71	2,682,600	23.71
3. M/s Mustang Trading and Investments Private Ltd	2,786,358	24.62	2,786,158	24.62

Terms attached to Shares:

Equity Shares

The Equity Shares have a par value of Rs.10/-each. Each holder of the Equity Share is entitled to one vote per share.

The dividend, when proposed by the Board of Directors, is subject to approval of the Shareholders in the ensuing Annual General Meeting. Repayment of capital on liquidation will be in proportion to the number of Equity Shares held.

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

		As at March 31, 2015	As at March 31, 2014
3. RESERVES & SURPLUS			
a. Capital Reserves			
As per the last Balance Sheet		1.40	1.40
b. Capital Redemption Reserve			
As per the last Balance Sheet		3,450.00	3,450.00
c. Share Premium Account			
As per the last Balance Sheet		5,450.40	5,450.40
d. General Reserve			
As per the last Balance Sheet		532.10	532.10
e. Surplus in the Statement of Profit & Loss			
Opening balance	1,905.27	3,500.79	
Less : Unamortised Value of Asstes whose useful life is nil	(166.05)	-	
Add : Net Profit / (Loss) for the year	(4,722.26)	(1,595.52)	
Closing Balance	(2,983.04)		1,905.27
Total		<u>6,450.86</u>	<u>11,339.17</u>

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

	As at March 31, 2015	As at March 31, 2014
4. LONG TERM BORROWINGS		
Secured		
(i) Term Loans		
From Banks	8,424.59	6,568.84
ii) Other Loans and Advances		
Obligation under Finance Lease	726.90	965.06
Unsecured		
(a) Fixed Deposit	–	105.77
(b) Trade Deposit from the subsidiary company, Terra Energy Ltd.	500.00	500.00
	<u>9,651.49</u>	<u>8,139.67</u>
Less: Amount due within 12 months disclosed under other Current Liabilities	2,710.08	2,003.70
Total	<u>6,941.41</u>	<u>6,135.97</u>

4.1 Secured Loans from banks of Rs.8424.59 lakhs as detailed below are secured on a pari-passu first charges basis on company's Fixed Assets including Land and Building, Plant and Machinery and other immovables and movable Fixed Assets both present and future and second charge on pari-passu basis on Current Assets of the Company.

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

Name of the Bank	Amount	Terms of repayment and rate of interest
1. State Bank of India	1980.00	This loan carries interest at the rate of Banks Base rate plus 6.85%(currently 17.85% Per annum) and is repayable in 20 Quarterly instalments of Rs.112.50 lakhs each commencing from June 2014
2. State Bank of India - SEFASU Scheme	3096.70	This loan carries interest at the rate of Banks Base rate plus 5.00% (currently 15.00% Per annum) and is repayable in 36 monthly instalments of Rs.0.83 lakhs each, with moratorium period of 24 months commencing from March-2016.
3. UCO Bank TL I	1531.25	This loan carries interest at the rate of Banks Base Rate plus 6% (currently 16.20% per annum) and is repayable in 64 monthly instalments of Rs.31.25 lakhs each commencing from Oct-2013.
4. UCO Bank TL II	156.25	This loan carries interest at the rate of Banks Base Rate plus 6% (currently 16.20% per annum) and is repayable in 64 monthly instalments of Rs.3.13 lakhs each commencing from Oct-2013.
5. DCB Bank	202.06	This loan carries interest at the rate of 3.5% over Banks base rate (currently 14.35 % per annum) and is repayable in 24 monthly equal instalments of Rs.20.83 lakhs each commencing from Jan-2014.
6. IDBI	1458.33	This loan carries interest at the rate of Bank Base Rate plus 575bps. (currently 16% per annum) and is repayable in 48 monthly instalments of Rs.36.45 lakhs each commencing from June-2014.
Total	8424.59	

4.2 Obligations under Finance Lease is secured by the respective assest purchased under Finance Lease. The loan carries interest at the rate of 15% p.a. and is repayable in 60 instalements from the date of disbursement.

4.3 Trade Deposit from the Subsidiary company carries interest at 16% p.a. and is repayable over a period of Five Years.

4.4 Secured Loans to the extent of Rs.1,687.50 lakhs as detailed below are additionally secured by Corporate Guarantee of the Subsidiary Company Terra Energy Ltd.

UCO Bank 1,687.50 lakhs

4.5 Secured Loans to the extent of Rs.7,112.09 lakhs are also guranteed by the Chairman and Managing Director.

	As at March 31, 2015	As at March 31, 2014
5. LONG TERM PROVISIONS		
Provision for Employee Benefits		
Earned Leave	81.81	73.80
Total	81.81	73.80
6. SHORT TERM BORROWINGS		
Secured		
From Banks		
i) Cash Credit	19,739.22	20,460.19
ii) Other Loans and Advances	2,862.44	-
Total	22,601.66	20,460.19

NOTES

Forming part of the Financial Statements

6.1 Cash Credit and other Loans and Advances are secured by way of charge on current assets viz., stocks of raw material, semi-finished and finished goods, consumable stores and spares and charge on book debts and second charge on immovable assets of the Company. The above loan to the extent of Rs.17127.19/- lakhs are also secured by the Corporate guarantee of subsidiary company Terra Energy Ltd. Cash credit is renewable every 12 months.

	As at March 31, 2015	(₹ in lakhs) As at March 31, 2014
7. TRADE PAYABLES		
a) Dues to Micro, Small and Medium Enterprises (Refer Note no. 28)	–	–
b) Due to Others:		
i) Acceptances	77.61	22.08
ii) Others	12,779.63	10,619.75
Total	12,857.24	10,641.83
8. OTHER CURRENT LIABILITIES		
(a) Current maturities of long-term debt	2,710.08	2,003.70
(b) Interest accrued but not due on borrowings	52.42	115.11
(c) Interest accrued and due on borrowings	328.47	–
(d) Unpaid dividends	2.64	2.69
(e) Unpaid matured deposits and interest accrued thereon	10.41	12.28
(f) Other payables		
Statutory dues	493.41	326.88
Others	981.58	5,067.33
Total	4,579.01	7,527.99
8.1 Refer Note no. 4 for current maturities of Long Term Debt Refer Note no.4.1 to 4.5 for details of securities etc.		
9. SHORT TERM PROVISIONS		
a) Provision for Employee Benefits		
i) Contribution to Provident Fund	19.51	19.72
ii) Gratuity	115.17	–
iii) Earned Leave	5.05	–
iv) Bonus	2.44	2.98
v) Salaries and Wages	16.15	15.39
vi) Others	11.38	12.56
b) Excise Duty on Finished Goods	505.96	789.56
Total	675.66	840.21

NOTES

Forming part of the Financial Statements

10 FIXED ASSETS

(₹ in lakhs)

Sl. No.	Description	Gross Block				Depreciation				Net Block	
		As at April 1, 2014	Additions	Sales / Adjustments	As at March 31, 2015	As at April 1, 2014	For the year	Withdrawn during the year	Amt charged to Retained Earnings *	As at March 31, 2015	As at March 31, 2014
a	Tangible Assets										
	Land - Freehold	438.24	-	-	438.24	-	-	-	-	438.24	438.24
	Buildings	4,654.46	-	-	4,654.46	3,026.47	64.92	1,038.39	143.91	2,457.55	1,627.99
	Plant and Equipment										
	(i) Owned	29,407.07	194.27	3.96	29,597.38	16,359.50	547.10	113.45	-	12,804.23	13,047.58
	(ii) Asset under lease	2,138.97	-	-	2,138.97	339.49	131.90	-	-	1,667.58	1,799.48
	Furniture & Fittings and Office Equipments - Owned	610.77	1.81	-	612.58	533.66	18.43	9.83	16.32	54.00	77.11
	Vehicles	182.62	-	0.06	182.56	155.83	8.78	19.45	0.61	36.79	26.79
	Sub Total (a)	37,432.13	196.08	4.02	37,624.19	20,414.95	771.13	1,181.12	160.84	17,458.39	17,017.18
b	Intangible Assets										
	Computer Software	253.20	-	-	253.20	198.93	13.24	-	5.21	35.82	54.27
	Sub Total (b)	253.20	-	-	253.20	198.93	13.24	-	5.21	35.82	54.27
	Total (a+b)	37,685.33	196.08	4.02	37,877.39	20,613.88	784.37	1,181.12	166.05	17,494.21	17,071.45
c	Capital Work in Progress	885.49	256.36	194.27	947.58					947.58	885.49

* Refer Note No. 26(b)

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

Particulars	As at April 1 2014	Additions during the year	Realised during the year	As at March 31 2015
11. NON-CURRENT INVESTMENTS				
At Cost				
A. Non-Trade :				
In Equity Shares of the Companies - Quoted				
a) 15,000 Equity Shares of Rs.10/-each in South Asian Financial Exchange Ltd	1.50			1.50
b) 2000 Equity Shares of Rs.2/- each in ICICI Bank Ltd.	0.20			0.20
c) 4,737 Equity Shares of Rs.10/- each in Punjab Communications Ltd	11.84			11.84
d) 414 Equity Shares of Rs.10/- each in United Spirits Ltd	3.98			3.98
e) 17,400 Equity Shares of Rs.5/- each in Prime Securities Ltd	17.57			17.57
f) 22,000 Equity Shares of Rs.10/- each in Madan Capital Market Ltd	3.37			3.37
g) 15,800 Equity Shares of Rs 10/- each in IndusInd Bank Limited.	7.11			7.11
In Mutual Funds				
Units of Franklin Templeton Mutual Fund (Including dividend reinvestment)	0.71	0.04		0.75
	46.28	0.04	-	46.32
Less: Provision for diminution in value of investments	30.60			31.18
Sub - total	15.68			15.14

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

Particulars	As at April 1 2014	Additions during the year	Realised during the year	As at March 31 2015
11. NON CURRENT INVESTMENTS (contd.)				
At Cost				
B. Non-Trade:				
In Equity Shares of Companies - Unquoted				
a) Investment in Subsidiary Company				
i) 20,540,524 Equity Shares of Rs.10/-each in Terra Energy Limited.	3,599.51	—		3,599.51
b) Investment in Company under the same management				
i) 17,532,032 Equity Shares of Rs.10/- each in Shree Ambika Sugars Ltd.	7,020.47			7,020.47
c) Investment in other Companies				
i) Shares in Thanjavur Co-operative Marketing Federation Limited	0.001			0.001
ii) Shares in M/S.Cholamandalam Industries Service Co-operative Society Ltd, Trichy	0.03			0.03
iii) 120,000 Equity Shares of Rs.10/-each in Trichy Distilleries & Chemicals Ltd.,	6.33			6.33
Government Securities:				
i) 6 Year National Savings Certificate (Deposited with various Government Departments)	0.10	—	—	0.10
Sub - total	10,626.44	—	—	10,626.44
TOTAL (A+B)	10,642.12	—	—	10,641.58

Aggregate value of Quoted Investments (P.Y.: Rs.15.68 lakhs) 15.14

Aggregate Market value of Quoted Investments (P.Y.: Rs.99.49 lakhs) 46.33

Note :

In respect of loans granted by Banks to Shree Ambika Sugars Limited, a company under the same management, the Company has given an undertaking not to dispose off its equity shareholdings in Shree Ambika Sugars Limited as long as the loans sanctioned to Shree Ambika Sugars Limited are outstanding.

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

	As at March 31, 2015	As at March 31, 2014
12. TAX EFFECTS OF ITEMS CONSTITUTING DEFERRED TAX ASSETS		
a) On difference between book value and tax balance of fixed Assets	(2807.29)	(2671.86)
b) Unabsorbed Depreciation and Business Loss	3804.84	1218.96
c) Expenses disallowed u/s 43 B allowable on Payment	76.89	217.29
Total	1074.44	(1235.61)
13. LONG TERM LOANS AND ADVANCES (Unsecured and considered good)		
a) Security Deposits	41.55	41.91
b) Advance Tax (Net of provisions)	754.41	753.38
c) Govt. Subsidies	995.32	995.32
Total	1,791.28	1,790.61
14. INVENTORIES (Valued at lower of Cost or Net realisable value)		
a) Raw materials	-	-
b) Work in progress	370.12	839.46
c) Finished goods	15,506.53	23,768.59
d) Stock in trade	618.45	-
e) Stores and Spares	552.07	638.65
f) Others:		
Standing crop at own Farm	4.19	3.34
Bio-compost	0.43	2.66
Total	17,051.79	25,252.70
15. TRADE RECEIVABLES (Unsecured and considered good)		
a) Trade Receivables outstanding for a period exceeding six months:		
i) Considered good	792.69	1,026.51
ii) Considered doubtful	3.63	3.63
Less: Provision for bad and doubtful debts	3.63	3.63
b) Other debts	23.73	160.23
Total	816.42	1,186.74
16. CASH AND CASH EQUIVALENTS		
a) Cash on hand	4.31	5.00
b) Balance with Banks:		
i) In Current Account	163.19	196.11
ii) In Deposit Account	89.41	103.96
iii) Unpaid Dividend/Dividend a/c balance	2.64	2.69
iv) In Earmarked Account	0.12	0.13
Total	259.67	307.89

16.1 Bank balance include deposit of Rs. Nil (P.Y. Rs.0.46 lakhs) which have maturity of more than 12 months.

16.2 Bank balance include deposit of Rs. 82.37 Lakhs (P.Y. Rs.86.92 Lakhs) as margin money to banks for various facilities granted to the Company.

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

	As at March 31, 2015	As at March 31, 2014
17. SHORT TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
a) Prepaid expenses	66.49	65.79
b) Balances with Central Excise Department	649.05	834.07
c) Other Advances		
Due from the Associate company		
Shree Ambika Sugars Ltd.	2,186.28	–
Others	1,045.77	1,067.00
d) Other Advances considered doubtful	25.33	25.33
Less: Provision	25.33	–
Total	<u>3,947.58</u>	<u>1,966.86</u>
18. OTHER CURRENT ASSETS		
a) Govt. Subsidies	1,000.77	–
b) Interest accrued on Deposits	71.59	72.18
c) Others:		
i) Supplier's Advance	130.21	177.22
ii) Other Advances	92.20	33.18
	<u>1,294.77</u>	<u>282.58</u>

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
19. REVENUE FROM OPERATIONS		
a) Sale of Products		
Sugar	21,076.84	13,869.87
Alcohol	5,313.92	5,788.72
Molasses	213.97	-
Bio-compost & Insecticides	71.46	96.06
Pressmud	2.32	3.77
	<u>26,678.51</u>	<u>19,758.42</u>
b) Other operating revenues		
Scrap Sale	2.62	73.25
Sale of Paddy and other produce	13.06	16.57
Duty Drawback on Export of Sugar	52.68	-
Raw sugar Export Incentive	522.49	-
Sundry Receipts	0.37	4.41
	<u>591.22</u>	<u>94.23</u>
Total Revenue from operations	<u>27,269.73</u>	<u>19,852.65</u>
20. OTHER INCOME		
a. Interest Income.		
i) Interest on Bank Deposits	7.89	8.52
ii) Other interest income	286.92	8.54
b. Dividend Income from Long Term investments	0.70	0.54
c. Rent Receipts	6.99	7.43
d. Profit on Sale of Assets	2.96	4.81
e. Net gain on Foreign Currency transactions	72.38	-
f. Compensation Received	416.96	-
g. Excess Provision for Depreciation withdrawn (Ref. Note 26(a))	1,177.20	-
Total	<u>1,972.00</u>	<u>29.84</u>
21. COST OF MATERIALS CONSUMED		
Opening Stock	-	-
Add: Purchase	13,198.77	15,889.75
	<u>13,198.77</u>	<u>15,889.75</u>
Less: Closing Stock	-	-
Cost of Material Consumed	<u>13,198.77</u>	<u>15,889.75</u>
Cost of Materials consumed comprise of :		
Sugar Cane	12,794.31	15,321.42
Molasses	404.46	568.33
Total	<u>13,198.77</u>	<u>15,889.75</u>

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
22. CHANGES IN INVENTORY OF FINISHED GOODS		
Opening Stock on 01.04.2014		
Sugar	20,549.94	14,924.95
Molasses	2,279.53	1,896.21
Alcohol	939.12	975.40
Sugar work in progress	839.46	429.61
Bio-compost	2.66	9.53
Standing crop at own farm	3.35	11.18
Total	<u>24,614.06</u>	<u>18,246.88</u>
Closing Stock on 31.03.2015		
Sugar	14,693.99	20,549.94
Molasses	345.76	2,279.53
Alcohol	1,085.23	939.12
Sugar work in progress	370.12	839.46
Bio-compost	0.43	2.66
Standing crop at own farm	4.19	3.35
Total	<u>16,499.72</u>	<u>24,614.06</u>
Changes in Inventory	<u>8,114.34</u>	<u>(6,367.18)</u>
23. EMPLOYEE BENEFITS EXPENSE		
a) Salaries and Wages	1,401.08	1,317.90
b) Contribution to Provident and Other Funds	255.71	85.95
c) Staff Welfare Expenses	49.64	61.96
Total	<u>1,706.43</u>	<u>1,465.81</u>
24. FINANCE COST		
a) Interest Expenses:		
i) Term Loan	1,308.93	792.39
ii) Other Loans	3,760.45	3,529.20
b) Other Borrowing costs	195.75	201.98
Total	<u>5,265.13</u>	<u>4,523.57</u>

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
25. OTHER EXPENSES		
Consumption of Stores and Spares	256.10	334.05
Power and Fuel	512.19	876.66
Packing Materials	259.16	307.25
Rent	36.34	100.73
Insurance	41.36	52.76
Rates & Taxes	105.83	109.61
Excise Duty Provision	(283.60)	190.29
Cane Development Expenses	494.25	534.03
Repairs & Maintenance		
- Plant & Machinery	190.07	232.64
- Buildings	22.18	27.83
- Others	69.59	68.99
Transport and Handling	6.72	4.86
Selling and Distribution Expenses	320.89	220.88
Composting and Effluent treatment expenses	262.09	267.48
Research Farm & Development Expenses	14.80	22.71
Audit Fees and Expenses:		
a. For Statutory Audit	4.00	4.00
b. For Taxation matters	0.40	0.40
c. For Other services	1.50	3.81
d. For Reimbursement of expenses	0.06	0.23
e. For Cost Audit	0.50	0.50
f. For reimbursement of expenses	0.26	-
Directors' Sitting Fees	3.82	2.47
Directors' Travelling Expenses	5.69	5.36
Legal & Professional charges	80.77	39.17
Travelling and Conveyance	33.54	37.02
Donations	15.20	3.76
Printing and Stationery	13.45	16.76
Telephone and Telex	17.71	18.85
Vehicle Maintenance	63.62	70.31
Bank Charges	20.56	5.88
Forex Fluctuation Loss	-	89.65
Security Expenses	101.45	91.53
Others	60.59	80.17
Total	2,731.09	3,820.64

26. a) During the year the Company has changed the Accounting policy of providing for depreciation on Buildings, Furniture & Fittings, Vehicles and Other Machinery to SLM method as against WDV method followed up to 31.03.2014. Consequent to the change in the Accounting Policy, the depreciation has been reworked from the date of asset being put to use and the excess depreciation amounting to Rs.1177.20 lakhs has been credited to the Profit & Loss Account.
- b) Consequent to the notification of schedule II of the Companies Act, 2013 the Company based on the technical evaluation, determined the useful life of the fixed assets and the unamortized value of the fixed assets as at 01.04.2014 has been depreciated over the remaining useful life. In case of assets whose life has expired by 31.03.2014, the unamortized value has been reduced from the surplus balance as at 01.04.2014. Had depreciation been provided as per schedule XIV of the Companies Act, 1956 and the accounting policy up to 31.03.2014, the charge on account of depreciation would have been higher by Rs.805.89 lakhs.

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
27. CONTINGENT LIABILITIES IN RESPECT OF		
Guarantees issued by bankers	–	383.98
Other Commitments - Purchase order issued for items such as Raw materials, Services etc.	80.14	13.03
Disputed Income Tax demand/liabilities not provided for	647.35	391.15
Claims against the Company for Excise Duty and others including Industrial disputes not acknowledged as debt and not provided for	3,913.01	3,613.66
Disputed Purchase Tax & Sales Tax liabilities not provided for	1,547.50	1,547.50

- 28.** The Company has not received any intimation from the suppliers regarding status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure regarding
- (i) Amount due and outstanding to suppliers as at the end of the accounting year,
 - (ii) Interest paid during the year,
 - (iii) Interest payable at the end of the accounting year and
 - (iv) Interest accrued and unpaid at the end of the accounting year, have not been provided.

29. FINANCE LEASE

- a) The Company has acquired mechanical Harvestors on lease, the fair value of which aggregates to Rs.1903.90 lakhs. As per Accounting Standard-19 the Company has capitalised the said Harvestors at its fair value as the leases are in the nature of finance lease as defined in Accounting Standard-19. Lease Payments are apportioned between finance charges and outstanding liabilities.
- b) The minimum lease rentals as at March 31, 2015 and the present value as at March 31, 2015 of minimum Lease Payments in respect of assets acquired under finance leases are as follows.

(₹ in lakhs)

Particulars	Minimum lease payments		Present value of minimum lease payments	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
1. Payable not later then 1 year	353.56	414.99	313.43	336.30
2. Payable later than 1 Year but not later than 5 Years	22.12	375.68	19.84	333.28
3. Payable later than 5 Years	–	–	–	–
Total	375.68	790.67	333.28	669.58
Less : Future Finance charges	42.40	121.09		
Present Value of Minimum Lease Payments	333.28	669.58		

- c) Contingent rent recognised in the profit and loss account in respect of Finance Lease : Rs. Nil (P.Y. : Nil).

- 30.** The Company has given Corporate Guarantee of Rs. 78509.00 lakhs (P.Y. Rs. 81,009.00 lakhs) to Banks / Financial Institutions for the Term Loans and Working Capital facilities sanctioned to its Subsidiary and Associate Companies. The total amount outstanding in respect of such loans as on March 31, 2015 is Rs.58,387.96 lakhs. (P.Y. Rs.53,198.69 lakhs).

31. Pending Litigations

- a) The Claim Petition filed by the Company against Railways for wrongful delivery of Sugar has been decided by the Railway Claims Tribunal in favour of the Company. Railways have filed appeal before the High Court of Judicature at Madras and the same is pending disposal.
- b) In addition, the Company is subject to legal proceedings and claims which have arisen in the ordinary course of business. The Management does not expect that these legal proceedings and claims when disposed, will have any material and adverse impact on the Company's financial position.

SCHEDULES

Forming part of the Financial Statements

32. Disclosure as per Accounting Standard -15 (Revised) - Employee Benefits

1. Defined Contribution Plans

Contribution of Rs.119.74 lakhs to defined contribution plans is recognized as expense and included in the employees cost in the Statement of Profit and Loss.

2. Defined Benefit Plans

(Value ₹ in lakhs)

General description	Gratuity Funded Plan		Leave Encashment Non Funded Plan	
	Year ended 31.03.2015	Year ended 31.03.2014	Year ended 31.03.2015	Year ended 31.03.2014
a) Change in Defined Benefit Obligation				
Present Value - Opening Balance	300.05	339.74	73.80	69.83
Current Service Cost	43.33	28.57	14.63	5.48
Interest Cost	22.26	25.17	5.74	5.38
Actuarial Gain/(Loss)	110.86	43.31	3.21	1.81
Benefits Paid	43.58	50.12	4.11	5.08
Present Value - Closing Balance	432.92	300.05	86.85	73.80
b) Change in fair value of Plan Assets				
Opening Balance	332.63	308.00		
Expected Return	25.90	27.75		
Actuarial Gain/(Loss)	(0.02)	(3.89)		
Contributions by Employer	–	50.89	4.11	5.08
Benefits Paid	43.58	50.12	4.11	5.08
Closing Balance	314.93	332.63		
Actual Return	25.88	23.86		
c) Amount recognised in the Balance Sheet (as at year end)				
Present Value of Obligations	432.92	300.05	86.85	73.80
Fair Value of Plan Assets	314.93	332.63		
Net assets/(liability) recognised	(117.99)	32.58	86.85	73.80
d) Expenses recognised in the Statement of Profit and Loss				
Current Service cost	43.33	28.57	14.63	5.48
Interest on obligation	22.26	25.17	5.74	5.38
Expected return on plan assets	25.90	27.75		
Net actuarial Gain/(Loss)	110.86	39.42	3.21	1.81
Total included in Employee Cost	150.55	(13.43)	17.16	9.05
e) Principal actuarial Assumptions				
Discount rate (%)	8.00%	9.00%	8.00%	9.00%
Future Salary Increase (%)	4.00%	4.00%	4.00%	5.00%
Rate of Return on plan assets	8.00%	9.00%	–	–
f) In the absence of detailed information regarding Plan assets which is funded with SBI Life Insurance Co Ltd, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of the plan assets has not been disclosed.				
g) The Company expects to contribute Rs.60.00 lakhs to Gratuity Fund in 2015-16.				
h) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.				

NOTES

Forming part of the Financial Statements

33. Segment Information for the year ended March 31, 2015

Information about primary business segments

(₹ in lakhs)

Description	Sugar		Distillery		Unallocated		Elimination		Total	
	YE 31.03.15	YE 31.03.14	YE 31.03.15	YE 31.03.14	YE 31.03.15	YE 31.03.14	YE 31.03.15	YE 31.03.14	YE 31.03.15	YE 31.03.14
SEGMENT REVENUE										
External sales / income	23,008.07	13,634.31	5,372.40	5,732.13	291.36	9.12	291.36	9.12	28,380.47	19,366.44
Inter-segment Sales	1,830.38	2,015.07	-	-	-	-	1,830.38	2,015.07	-	-
Total Revenue	24,838.45	15,649.38	5,372.40	5,732.13	291.36	9.12	2,121.74	2,024.19	28,380.47	19,366.44
SEGMENT RESULT										
Segment Result	(2,926.47)	862.23	1,481.45	1,634.13	-	-	-	-	(1,445.02)	2,496.36
Unallocated Corporate Expenses net off unallocable Income	-	-	-	-	616.97	465.03	-	-	616.97	465.03
Operating Profit	(2,926.47)	862.23	1,481.45	1,634.13	(616.97)	(465.03)	-	-	(2,061.99)	2,031.34
Interest Expense	-	-	-	-	5,265.13	4,523.57	-	-	5,265.13	4,523.57
Interest Income	-	-	-	-	294.82	17.60	-	-	294.82	17.60
Profit Before Tax	(2,926.47)	862.23	1,481.45	1,634.13	(5,587.28)	(4,971.00)	-	-	(7,032.30)	(2,474.64)
Income Tax										
Deferred Tax (Net)	-	-	-	-	(2,310.04)	(879.12)	-	-	(2,310.04)	(879.12)
Profit After Tax	(2,926.47)	862.23	1,481.45	1,634.13	(3,277.24)	(4,091.88)	-	-	(4,722.26)	(1,595.52)
OTHER INFORMATION										
Segment Assets	35,546.83	42,276.34	6,970.73	8,009.80	-	-	-	-	42,517.56	50,286.14
Unallocated Corporate Assets	-	-	-	-	12,801.76	10,615.40	-	-	12,801.76	10,615.40
Total Assets	35,546.83	42,276.34	6,970.73	8,009.80	12,801.76	10,615.40	-	-	55,319.32	60,901.54
Segment Liabilities	33,531.63	36,474.62	2,009.29	2,293.79	-	-	-	-	35,540.92	38,768.41
Unallocated Corporate Liabilities	-	-	-	-	19,778.40	22,133.13	-	-	19,778.40	22,133.13
Total Liabilities	33,531.63	36,474.62	2,009.29	2,293.79	19,778.40	22,133.13	-	-	55,319.32	60,901.54
Capital Expenditure	190.04	931.87	59.32	590.67	1.32	43.32	-	-	250.68	1,565.86
Depreciation	606.91	1,104.85	157.76	410.78	19.69	24.27	-	-	784.37	1,539.90
Non-Cash Expenses other than Depreciation	-	-	-	-	-	-	-	-	-	-
Geographical Segment										
	India		Other Countries		Total					
	YE 31.03.15	YE 31.03.14	YE 31.03.15	YE 31.03.14	YE 31.03.15	YE 31.03.14				
Segment Revenue External Sales to Customers / Income	22,536.84	19,366.44	5,843.62	-	28,380.47	19,366.44				

Segment Reporting

- The Company's operations relate to manufacture of sugar and alcohol.
- The Company is exporting sugar apart from sale in the domestic market. The analysis of geographical segment is demarcated into local and exports.
- Inter segment Transfer Pricing Policy: Molasses supplied to Alcohol segment is based on market price.

NOTES

Forming part of the Financial Statements

34. RELATED PARTY DISCLOSURES

- a) Names of the Related Parties
1. Subsidiary Company : Terra Energy Ltd
 2. Associate Company : Shree Ambika Sugars Ltd
- b) Key Managerial Personnel : R.V. Tyagarajan, Chairman and Managing Director
Note: Related party relationships are as identified by Management and relied upon by the Auditors
- c) Transactions with Subsidiary and Associate Companies

(₹ in lakhs)

	As at March 31, 2015		As at March 31, 2014	
	Subsidiary Company	Associate Company	Subsidiary Company	Associate Company
Sale of Molasses & Bio Compost	–	302.81	–	–
Purchase of Bio Compost & Pressmud	–	26.46	–	–
Sale of store materials	0.76	10.27	0.80	53.88
Purchase of store materials	0.31	69.79	–	212.05
Sale of Sugar	–	–	–	3,035.79
Purchase of Sugar	–	3,902.75	–	–
Purchase of Steam & Power	488.45	–	863.64	–
Interest Paid for Trade Deposit	80.00	–	253.87	–
Closing Balance Debit	–	2,186.28	–	–
Closing Balance Credit	1,565.90	–	9.58	1,224.02
Trade Deposit outstanding	500.00	–	500.00	–
Investments made in :				
Equity shares				
Terra Energy Limited				
20,540,524 shares of Rs.10/- each	3,599.51	–	3,599.51	–
Shree Ambika Sugars Ltd.,				
17,532,032 equity shares of Rs.10/- each	–	7,020.47	–	7,020.47
Guarantees given	2,800.00	75,709.00	2,800.00	78,209.00
Corporate Guarantee received	20,364.00	–	20,364.00	–

Note : The Chairman & Managing Director has not been paid any remuneration. As per the terms of arrangement between Thiru Arooran Sugars Ltd and Terra Energy Ltd., 150,321 MTs (P.Y. 173,093 MTs) of Bagasse has been Supplied by Thiru Arooran Sugars Ltd., in exchange for 235,807 MTs (P.Y. 321,585 MTs) of steam and 15,720,491 Units (P.Y. 21,438,994 Units) of Power from Terra Energy Ltd.

35. EARNINGS PER SHARE

	March 31, 2015	March 31, 2014
Profit / (Loss) After Tax as per Statement of Profit & Loss	(4,722.26)	(1,595.52)
Weighted average number of Equity Shares of Rs.10/- each outstanding during the year	11,316,724	11,316,724
Earnings per share – Basic and Diluted (Annualised) (Rs.)	(41.73)	(14.10)

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
36. VALUE OF IMPORTED / INDIGENOUS RAW MATERIAL / SPARES AND COMPONENTS CONSUMED		
1. Raw materials		
a. Imported	—	—
b. Percentage	—	—
c. Indigenous	13,198.77	15,889.75
d. Percentage	100.00%	100.00%
2. Spares & Components		
a. Imported	2.43	3.18
b. Percentage	0.75%	0.92%
c. Indigenous	320.87	343.95
d. Percentage	99.25%	99.08%
3. VALUE OF IMPORTS CALCULATED ON CIF BASIS		
a. Raw Materials	—	—
b. Components & Spare Parts	—	—
c. Capital Goods	—	—
4. EXPENDITURE IN FOREIGN CURRENCY		
a. Travelling Expenses	2.59	2.65
b. Others	31.98	—
5. Amount Remitted in Foreign Currency	—	—
6. EARNINGS IN FOREIGN CURRENCY		
Export of Sugar on FOB Basis	5,340.52	—
Others	416.96	—
Total	5,757.48	—

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

Vide our Report of even date attached

For SNS Associates
Chartered Accountants
Firm Registration No. 006297S




S Nagarajan
Partner
Membership No. 20899
Chennai, May 29, 2015

On behalf of the Board



R R Karthikeyan
Chief Financial Officer and
Company Secretary



V Thirupathi
Director



R V Tyagarajan
Chairman and
Managing Director

Statement pursuant to first proviso to Sub Section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules 2014.

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

Part A - Subsidiaries

Value ₹ in lakhs

Sl.No.	Name of the Subsidiary Company	:	TERRA ENERGY LIMITED
1.	Reporting Period for the Subsidiary concerned if different from the Holding company's reporting period	:	Same as Holding company
2.	Reporting currency and Exchange rate as on the last date of relevant Financial year in the case of foreign Subsidiaries	:	Not applicable
3.	Share Capital	:	3,103.29
4.	Reserves and Surplus	:	5,101.58
5.	Total Assets	:	17,642.69
6.	Total Liabilities	:	17,642.69
7.	Investments	:	1.17
8.	Turnover	:	1,509.47
9.	Profit before Taxation	:	52.46
10.	Provision for Taxation	:	20.65
11.	Profit after Taxation	:	31.81
12.	Proposed Dividend	:	Nil
13.	% of Shareholding	:	66.19

Notes:

- | | | | |
|----|---------------------------------------------------------------------------|---|-----|
| 1. | Name of the subsidiaries which are yet to commence operation | : | Nil |
| 2. | Names of subsidiaries which have been liquidated or sold during this year | : | Nil |

Part B - Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act 2013, related to Associate Company

Sl.No.	Name of the Associate	:	SHREE AMBIKA SUGARS LIMITED
1.	Latest Audited Balance Sheet date	:	March 31, 2015
2.	Shares of Associate held by the Company on the year end:		
	a) No. of Shares	:	17,532,032
	b) Amount of Investment in Associates	:	7,020.47
	c) Extent of holding %	:	36.14
3.	Description of how there is significant influence	:	Company hold more than 20% in Equity Share Capital of the Company.
4.	Reason why Associate is not consolidated	:	Consolidated
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	:	20,292.88
6.	Profit/(Loss) for the year	:	(5,459.76)
	a) Considered in consolidation	:	Yes
	b) Not Considered in consolidation	:	No

Notes:

- | | | | |
|----|----------------------------------------------------------------------------------------|---|-----|
| 1. | Name of the Associate or Joint Venture which are yet to Commence operation | : | Nil |
| 2. | Names of Associate or Joint Venture which have been liquidated or sold during the year | : | Nil |

CASH FLOW STATEMENT

(₹ in lakhs)

	Year ended March 31, 2015	Year ended March 31, 2014
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Taxation	(7,032.30)	(2,474.64)
Adjustments for		
- Depreciation	784.37	1,539.90
- Interest expenses	5,265.13	4,523.57
- Loss / (Profit) on sale of Assets	(2.96)	(4.81)
- Provision for dimunition in the value of Investment	0.58	(0.89)
- Other Income	(295.50)	(17.60)
Operating Profit Before Working Capital Changes (A)	(2,457.89)	3,565.53
Decrease in Current Assets		
- Inventories	8,200.91	(6,129.79)
- Receivables	370.32	819.34
- Loans & Advances	(2,993.59)	2,835.56
- Margin Deposit for Loans	4.55	(6.84)
Increase (Decrease) in Current Liabilities	(1,862.27)	(4,392.32)
(Increase) / Decrease in Working Capital (B)	3,719.92	(6,874.05)
Cash Generated From Operations (A + B)	1,262.03	(3,308.53)
Cash Flow before Extraordinary items	1,262.03	(3,308.53)
Net Cash from Operating activities (C)	1,262.03	(3,308.53)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Assets		
- Payment to suppliers & others	(258.16)	(543.37)
Investments(net)	(0.04)	0.01
Interest Received	294.81	17.06
Dividend Received	0.70	0.54
Proceeds from Sale of Assets	3.05	14.06
Cash flow from Investing Activities (D)	40.35	(511.71)
Net Cash used in Investment activities (C + D)	1,302.38	(3,820.24)

CASH FLOW STATEMENT

(₹ in lakhs)

	For the year ended March 31, 2015	For the year ended March 31, 2014
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	3,070.00	2,326.84
Changes in Short term borrowings	2,141.47	7,368.53
Repayment of Long Term Borrowings	(1,558.18)	(255.45)
Interest paid	(4,999.35)	(5,503.52)
Net Cash from Financing Activities (E)	(1,346.06)	3,936.40
Net Increase in Cash (C+D+E)	(43.68)	116.16
Opening Balance	220.97	104.81
Closing Balance	177.30	220.97
Reconciliation of Cash & Cash Equivalents with the Balance Sheet		
Cash & Cash Equivalents as per Balance Sheet	259.67	307.89
Less : Margin Deposit not considered as Cash and Cash equivalents as defined in AS-3	82.37	86.92
Cash and Cash Equivalents as per Cash Flow closing balance	177.30	220.97

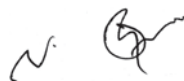
Note 1. Figures in brackets represent outflows.

2. Previous year figures have been regrouped to conform to current year's grouping.

On behalf of the Board



R R Karthikeyan
Chief Financial Officer and
Company Secretary



V Thirupathi
Director



R V Tyagarajan
Chairman and
Managing Director

Auditors' Certificate

This is the Cash Flow statement referred to in our report of even date attached.

For SNS Associates
Chartered Accountants
Firm Registration No. 006297S



S Nagarajan,
Partner
Membership No. 20899
Chennai, May 29, 2015

Consolidated Financial Statements of Thiru Arooran Sugars Ltd

Report of the Auditors

Independent Auditors' Report

To

**The Board of Directors of
Thiru Arooran Sugars Limited**

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of THIRU AROORAN SUGARS LIMITED (hereinafter referred to as the Holding Company), its Subsidiary Terra Energy Limited (the Holding Company and its subsidiary together referred to as "the Group") and its Associate Company Shree Ambika Sugars Limited comprising of the Consolidated Balance Sheet as at 31st March 2015, the Consolidated Statement of Profit and Loss for the year then ended, the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as the Consolidated Financial Statements)

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and the consolidated Cash Flows of the Group including its subsidiary and associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies whose accounts are included in these Consolidated Financial Statements are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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:

- (i) In the case of the Consolidated Balance Sheet of the state of affairs of the Group and its Associate as at 31st March, 2015:
- (ii) In the case of the Consolidated Statement of Profit and Loss of the Loss of the Group and its Associate for the year ended on that date; and
- (iii) In the case of the Consolidated Cash h Flow Statement of the cash flows of the Group and its Associate for the year ended on that date.

Emphasis of Matter

We draw attention to Note No.29 relating to accounting of interest on amounts due from TANGEDCO and Note No. 30 regarding the rate at which power supplied to TANGEDCO has been billed pending fixation of tariff, for the reasons stated therein.

Our opinion is not qualified in respect of these matter.

Report on Other Legal and Regulatory Requirements

3. As required by the Companies (Auditors' Report) Order, 2015, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the Auditors' Report of the Holding Company, Subsidiary Company and Associate Company incorporated in India, whose accounts are included in these Consolidated Financial Statements, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

4. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet and, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the preparation of the Consolidated Financial Statements.
- d) In our opinion, the aforesaid Consolidated financial Statements comply with the Accounting

Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditors of the Subsidiary Company and the Associate Company incorporated in India, none of the directors of the Group Companies, its Associate Company, is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the report of the Statutory Auditors of the Subsidiary Company and the Associate Company:
 - (i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and its Associate Company. Please refer Note Nos.28,29,30 and 31 of the Notes forming part of the Consolidated Financial Statements.
 - (ii) The Group and its Associate Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its Subsidiary and its Associate Company incorporated in India.

For SNS Associates
Chartered Accountants
Firm Registration No. 006297S



S Nagarajan
Partner

Membership No. 20899
Chennai : May 29, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REOPRT

As required by the Companies (Auditors' Report) Order, 2015 ("the Order"), we report that:

- (i) (a) The Group and its Associate Company have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Fixed Assets of the Group and its Associate Company have been physically verified by the respective Management during the year and no material discrepancies were noticed on such verification.
- (ii) (a) The inventories of the Group and its Associate Company at all its locations have been physically verified by the management during the year.
- (b) In our opinion, the procedures of physical verification of inventories followed by the Group and the Associate Company are reasonable and adequate in relation to the size and nature of its business.
- (c) The Group and its Associate Company has maintained proper records of inventories and the discrepancies between the physical inventories, which have been properly dealt with in the books of account, were not material.
- (iii) The Group and its Associate Company have not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion, there is an adequate internal control system commensurate with the size of the Group and its Associate Company and the nature of their business, for the purchase of inventory and fixed assets and for the sale of goods and services and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid system of internal control.
- (v) In respect of the deposits accepted by the Holding Company from the public in the earlier years and repaid during the year on their maturity, the Holding Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder. The Subsidiary Company and the Associate Company have not accepted any deposits from the public.
- (vi) On the basis of the records produced, we are of the opinion, that prima facie, the cost records prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, have been

maintained. However, we are not required to and have not carried out any detailed examination of such accounts and records.

- (vii) (a) The Group and the Associate Company been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory duties with the appropriate authorities though there has been occasional delays in the remittance of cane cess, cane purchase tax, service tax, Excise duty in a few cases. The details of statutory dues outstanding as at the last day of the financial for a period of more than six months from the date they became payable is as under:

Details	Amount outstanding for a period of more than six months from the date they became payable
Holding Company	
Cane Cess	₹ 29,32,630
Associate Company	
Cane Cess	₹ 46,86,683

- (b) There are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess that have not been deposited on account of any dispute except as follows:

Name of the Statute	Nature of the dues	Amount Rs.	Forum where dispute is pending
Holding Company			
Central Excise Act, 1944	Cenvat on materials and penalty	17,86,537	CESTAT
Finance Act, 1994	Service tax on goods transport	3,63,998	Supreme Court
Finance Act, 1994	Service tax on goods transport	2,42,904	Supreme Court
Tamil Nadu General Sales Tax Act, 1959.	Waiver of purchase tax on cane	10,25,97,189	High Court of Judicature at Madras
Central Excise Act, 1944	Duty on captive consumption	25,44,74,573	High Court of Madras, CESTAT and Commissioner of Central Excise, Trichy
Tamil Nadu General Sales Tax Act, 1959	Purchase tax on cane	8,43,950	Deputy Commissioner, Commercial Taxes, Appeals
Income tax Act, 1961	Income tax	33,291	Commissioner of Income tax (Appeals)
Finance Act, 1994	Service tax on Cane harvesting charges	10,47,14,986	CESTAT

Name of the Statute	Nature of the dues	Amount Rs.	Forum where dispute is pending
Income tax Act, 1961	Income tax	1,46,35,361	Deputy Commissioner of Income tax
Subsidiary Company			
Income tax Act, 1961	Penalty	4,00,00,000	High Court of Judicature at Madras
Tamil Nadu General Sales tax Act, 1959	Sales tax	9,335	Assistant Commissioner, Commercial Taxes
Tamil Nadu General Sales tax Act, 1959	Sales tax	79,978	Deputy Commissioner, Commercial Taxes
Customs Act, 1961	Customs duty and penalty	60,60,434	CESTAT
Associate Company			
Central Excise Act, 1944	Cenvat on materials	1,10,74,708	CESTAT, New Delhi
Central Excise Act, 1944	Cenvat on materials	40,524	CESTAT, Chennai
Central Excise Act, 1944	Penalty on Cenvat credit improperly taken	8,01,826	High Court of Judicature at Madras
Customs Act, 1961	Differential customs duty on coal imports	1,44,17,671	CESTAT
Tamil Nadu General Sales Tax Act, 1959	Sales tax	5,12,07,082	Deputy Commissioner, Commercial Taxes - Appeals
Tamil Nadu Panchayats Act, 1994	Property tax	15,76,748	High Court of Judicature at Madras
Income tax Act, 1961	Income tax and interest	1,08,95,420	Deputy Commissioner of Income tax

- (c) There are no amounts which are required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and the rules thereunder.
- (viii) The Company does not have accumulated losses at the end of the financial year exceeding fifty percent of its net worth. However as per the consolidated Statements of Profit and Loss, there is cash loss in the current financial year while there was no cash loss in the immediately preceding financial year.
- (ix) The Group and its Associate Company have not defaulted in the repayment of dues to any financial institution, bank or debenture holders, though occasional delays were noticed in the repayment of the dues.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions in respect of guarantees given by the Holding Company for the loans taken by its Subsidiary, Terra Energy Limited and Associate Company, Shree Ambika Sugars Limited, are not, prima facie, prejudicial to the interests of the Company.
- (xi) The term loans availed by the Group and its Associate Company have been applied for the purposes for which they were availed.
- (xii) During the course of our examination of the books of account carried out in accordance with generally accepted auditing principles in India, we have not come across any instance of fraud on or by the company, nor have we been informed by the Management of any such instance being noticed or reported during the year.

For S N S Associates
Chartered Accountants
Firm Registration No. 006297S



S Nagarajan
Partner

Membership No. 20899
Chennai : May 29, 2015

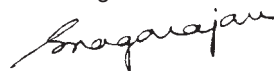
CONSOLIDATED BALANCE SHEET

(₹ in lakhs)

	Note No.	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a) Share Capital	2	1,131.67	1,131.67
b) Reserves and Surplus	3	22,089.23	29,133.22
2 Minority Interest		6,836.72	10,312.57
3 Non-Current Liabilities			
a) Long Term Borrowings	4	38,264.75	38,458.43
b) Deferred Tax Liability (Net)	12	–	4,785.47
c) Long Term Provisions	5	176.36	179.65
4 Current Liabilities			
a) Short Term Borrowings	6	52,698.74	47,194.27
b) Trade Payables	7	34,041.81	32,745.41
c) Other Current Liabilities	8	19,523.61	19,876.87
d) Short Term Provisions	9	1,847.77	1,855.56
TOTAL		176,610.66	185,673.12
ASSETS			
Non-Current Assets			
1 a) Fixed Assets			
i) Tangible Assets	10	68,074.77	68,845.65
ii) Intangible Assets		37.72	57.05
iii) Capital work-in-progress		2,960.09	2,714.60
iv) Goodwill (on consolidation)		5,278.37	5,278.37
b) Non-Current Investments	11	3,641.40	3,671.17
c) Deferred Tax Assets (Net)	12	90.76	–
d) Long Term Loans and Advances	13	6,032.82	6,251.60
2 Current Assets			
a) Inventories	14	51,413.99	66,859.15
b) Trade Receivables	15	16,893.02	15,667.86
c) Cash and Cash Equivalents	16	982.71	2,551.75
d) Short Term Loans and Advances	17	2,836.66	2,817.73
e) Other Current Assets	18	18,368.35	10,958.19
TOTAL		176,610.66	185,673.12
Significant Accounting Policies	1		
See accompanying Notes forming part of the Financial Statements			

Vide our Report of even date attached

For SNS Associates
Chartered Accountants
Firm Registration No. 006297S

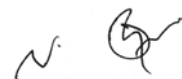


S Nagarajan
Partner
Membership No. 20899
Chennai, May 29, 2015

On behalf of the Board



R R Karthikeyan
Chief Financial Officer and
Company Secretary



V Thirupathi
Director



R V Tyagarajan
Chairman and
Managing Director

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

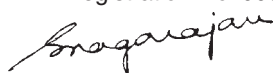
(₹ in lakhs)

	Note No.	Year ended March 31, 2015	Year ended March 31, 2014
CONTINUING OPERATIONS			
I. Revenue from Operations (Gross)	19	55,124.06	49,563.66
Less : Excise Duty		1,075.19	988.22
Revenue from Operations (Net)		54,048.87	48,575.44
II. Other Income	20	3,726.64	1,081.68
III. Total Revenue (I + II)		57,775.51	49,657.12
IV. Expenses:			
Cost of Materials consumed	21	29,638.38	39,175.38
Purchases of Stock-in-Trade		55.14	1,019.61
Changes in Inventories of Finished Goods and Work-in-progress	22	15,337.22	(16,516.67)
Employee Benefits Expense	23	3,941.07	3,396.50
Finance Cost	24	13,915.93	12,607.52
Depreciation and Amortization Expense		2,473.24	6,130.35
Other Expenses	25	7,408.23	8,880.62
Total Expenses		72,769.21	54,693.31
V. Profit / (Loss) from Continuing Operations (III-IV)		(14,993.70)	(5,036.19)
DISCONTINUED OPERATIONS:			
VI Loss from Discontinued Operations before Tax	26	-	(10.56)
VII Profit / (Loss) Before Tax (V-VI)		(14,993.70)	(5,046.75)
VIII Tax expense:			
1) Current tax		10.50	13.00
2) Deferred tax		(4,876.24)	(1,805.59)
IX Profit / (Loss) After Tax (VII-VIII)		(10,127.96)	(3,254.16)
X Less: Minority Interest		(3,475.85)	(1,138.18)
XI Profit / (Loss) for the year		(6,652.11)	(2,115.98)
XII Earnings per Equity share: (Ref. Note no.34)			
(1) Basic (Rs)		(58.78)	(18.70)
(2) Diluted (Rs)		(58.78)	(18.70)

See Accompanying Notes forming part of the Financial Statements

Vide our Report of even date attached

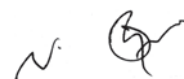
For SNS Associates
Chartered Accountants
Firm Registration No. 006297S



S Nagarajan
Partner
Membership No. 20899
Chennai, May 29, 2015



R R Karthikeyan
Chief Financial Officer and
Company Secretary



V Thirupathi
Director



R V Tyagarajan
Chairman and
Managing Director

On behalf of the Board

I. Significant accounting policies

a. Basis of Accounting

The financial statements are prepared under the historical cost convention and comply with applicable accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013.

b. Principles of Consolidation

The Consolidated Financial Statements relate to Thiru Arooran Sugars Limited and its subsidiary Terra Energy Limited and Associate Shree Ambika Sugars Ltd. The Consolidated Financial Statements have been prepared on the following basis :

- i. The Financial Statements of the Company and its subsidiary and Associate have been prepared on a line by line consolidation by adding together the book value of like items of assets, liabilities, income and expenses as per the respective financial statements duly certified by the auditors of the respective Companies. Intra-group balances, intra-group transactions and the unrealised profits on stocks/assets arising out of intra-group transactions have been eliminated.
- ii. Consolidated Financial Statements have been prepared using uniform accounting policies for the like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's individual Financial Statement.
- iii. The Subsidiary & Associate Company considered in the Company's Financial Statements are as follows

Name of the Company	Country of Incorporation	% of voting power held on 31.03.2015
Terra Energy Limited	India	66.19%
Shree Ambika Sugars Limited	India	36.14 %

c. Other Significant Accounting Policies

These are set out in the notes to accounts under significant accounting policies of the Financial Statements of the Company and its Subsidiary company, Terra Energy Limited and its Associate Company Shree Ambika Sugars Limited.

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

	As at March 31, 2015	As at March 31, 2014
2. SHARE CAPITAL		
Authorised		
35,000,000 (P.Y.: 35,000,000) Redeemable Cumulative Preference Shares of Rs. 10/- each	3,500.00	3,500.00
15,000,000 (P.Y.: 15,000,000) Equity Shares of Rs.10/-each	1,500.00	1,500.00
	<u>5,000.00</u>	<u>5,000.00</u>
Issued, Subscribed and Paid up		
11,316,724 (P.Y.: 11,316,724) Equity Shares of Rs.10/-each fully paid	1,131.67	1,131.67
Total	<u>1,131.67</u>	<u>1,131.67</u>

a) Reconciliation of the number of Shares:

Equity	As on March 31, 2015		As on March 31, 2014	
	No of shares	Amount	No of shares	Amount
Shares outstanding as on 1 st April 2014	11,316,724	1,131.67	11,316,724	1,131.67
Shares outstanding as on March 31, 2015	11,316,724	1,131.67	11,316,724	1,131.67

b) List of Shareholders holding more than 5% of the total number of shares issued by the Company:

Name of the share holder	As on March 31, 2015		As on March 31, 2014	
	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding
1. Mr R V Tyagarajan (HUF)	959,556		959,556	
Mr R V Tyagarajan (Individual)	81,000		81,000	
Total	<u>1,040,556</u>	9.19	<u>1,040,556</u>	9.19
2. M/s. Venkatesa Tyagarajan Private Ltd	2,682,600	23.71	2,682,600	23.71
3. M/s. Mustang Trading and Investments Private Ltd	2,786,358	24.62	2,786,158	24.62

Terms attached to Shares:

Equity Shares

The Equity shares have a par value of Rs.10/-each. Each holders of equity share is entitled to one vote per share. The dividend when proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

		As at March 31, 2015	As at March 31, 2014
3. RESERVES & SURPLUS			
a. Capital Reserves			
As per the last Balance Sheet		247.39	247.39
b. USAID Matching Grant			
As per the last Balance Sheet		178.72	178.72
c. Capital Redemption Reserve			
As per the last Balance Sheet		6,690.73	6,690.73
d. Share Premium Account			
As per the last Balance Sheet		12,881.48	12,881.48
e. General Reserve			
As per the last Balance Sheet		4,822.50	4,822.50
f. Surplus in the Statement of Profit & Loss			
Opening balance	4,312.40	6,428.34	
Less : Unamortized Value of Fixed Assets whose useful Life is Nil	(391.88)	-	
Add : Net Profit / (Loss) for the year	<u>(6,652.11)</u>	<u>(2,115.94)</u>	
Closing Balance		(2,731.59)	4,312.40
Total		<u>22,089.23</u>	<u>29,133.22</u>

		As at March 31, 2015	As at March 31, 2014
4. LONG TERM BORROWINGS			
Secured			
i) Term loans			
a) From Banks		31,081.82	29,725.05
b) From Govt.of India, Sugar Development Fund (SDF)		3,452.95	3,664.95
c) From L&T infrasture Finance Company Ltd		1,004.10	1,124.70
d) From L&T Fin Corp Limited		5,735.21	6,373.30
ii) Other Loans and Advances			
a) Obligation under Finance Lease		1,228.83	1,672.19
b) Tamil Nadu Newsprint and Papers Limited			
Interest bearing Loans		2,525.00	1,050.00
Interest free Advance		4,100.00	3,600.00
c) Vehicle Loan		1.47	2.76
Unsecured			
Fixed Deposit		-	105.77
		<u>49,129.38</u>	<u>47,318.72</u>
Less: Amount due within 12 months disclosed under Other Current Liabilities		<u>10,864.63</u>	<u>8,860.29</u>
Total		<u>38,264.75</u>	<u>38,458.43</u>

NOTES

Forming part of the Financial Statements

4.1 Secured Loans from banks of Rs.10,529.09/- lakhs as detailed below are secured on a pari-passu first charges basis on company's Fixed Assets including Land and Building, Plant and Machinery and other immovable Fixed Assets both present and future and second charge on *pari-passu* basis on current Assets of the Company.

(₹ in lakhs)

Name of the Bank	Amount	Terms of repayment and rate of interest
1. State Bank of India	1,980.00	This loan carries interest at the rate of Banks Base rate plus 6.85%(currently 17.85% p.a.) and is repayable in 20 Quarterly instalments of Rs.112.50 Lakhs each commencing from June 2014
2. UCO Bank TL I	1,531.25	This loan carries interest at the rate of Banks Base Rate plus 6% (currently 16.20% p.a.) and is repayable in 64 monthly instalments of Rs.31.25 Lakhs each commencing from October, 2013
3. State Bank of India - SEFASU Scheme	3,096.70	This loan carries interest at the rate of Banks Base rate plus 5% (currently 15% per annum) and is repayable in 36 monthly instalments of Rs 0.83 lakhs each, with moratorium period of 24 months commencing from March-2016.
4. UCO Bank TL II	156.25	This loan carries interest at the rate of Banks Base Rate plus 6% (currently 16.20% per annum) and is repayable in 64 monthly instalments of Rs.3.13 Lakhs each commencing from Oct-2013
5. DCB Bank	202.06	This loan carries interest at the rate of 3.50% over Banks Base rate (currently 14.35% p.a.) and is repayable in 24 monthly equal instalments of Rs 20.83 lakhs each commencing from January,2014.
6. IDBI	1,458.33	This loan carries interest at the rate of Bank Base Rate plus 575bps (currently 16% p.a.) and is repayable in 48 monthly instalments of Rs 36.45 lakhs each commencing from June, 2014.
7. State Bank of India, Term Loan	650.00	This loan carries interest at 3.60% above Bank Base rate (present rate 13.60%) and repayable in 54 monthly instalment commencing from October 2013.
8. State Bank of India Corporate Loan - I	499.50	This loan carries interest at 3.10% above Base rate (Present rate 13.10%) and is repayable in 19 monthly instalment commencing from April, 2014.
9. State Bank of India Corporate Loan - II	955.00	This loan carries interest at 3.15% above Base rate (Present rate 13.15%) and is repayable in 72 monthly instalment commencing from April, 2014.
Total	10,529.09	

4.2 Secured Loans from banks of Rs.20,552.73 lakhs are secured as detailed below.

Name of the Bank	Amount	Terms of repayment and rate of interest
1. Punjab National Bank	831.97	Secured by Pari-passu First charge on the block Assets of the company. The loan Carries interest at base Rate +3.75% Plus Term prima 0.50% (Currently 14.50% per annum) and is repayable in 84 monthly instalments commencing from March 2009
2. Corporation Bank	598.97	Secured by Pari-passu first charge on the block Assets of the company and Pari-passu second charge on the Current Assets of the company. The loan carries interest at COBAR +0.50% (Currently 16.10% per annum) and is repayable in 60 monthly instalments commencing from October 2010.0
3. Canara Bank	4,540.00	Secured by Pari-passu first charge on the fixed Assets of the company and Pari-passu first charge on receivables of Distillery division. The loan carries interest at Base Rate +3.75% (Current 13.95% per annum.) and is repayable in 60 monthly instalments commencing from December 2013.
4. The Lakshmi Vilas Bank Ltd	2,362.50	Secured by Pari-passu first charge on the fixed Assets of the company excluding Kottur unit Power division and pari-passu first charge on receivables of Distillery Division. The Loan carries interest at Base Rate +5% (Currently 18.25% per annum) and is repayable in 72 unequal monthly instalments commencing from February 2014.
5. Andhra Bank	2,124.98	Secured by Pari-passu first charge on the fixed Assets of the company and Pari-passu first charge on receivables of Distillery division. The loan carries interest at Base Rate +4.50%+ Term Prima 0.25% (Currently 16.00% per annum.) and is repayable in 60 monthly instalments commencing from April 2014.
6. IDBI Bank-Working Capital Term Loan	4,974.03	Secured by Pari-passu first charge on the fixed Assets of the company and Pari-passu first charge on receivables of Distillery division. The loan carries interest at Base Rate +5.55% (Currently 16.80% per annum.) and is repayable in 60 monthly instalments commencing from October 2014.

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

Name of the Bank	Amount	Terms of repayment and rate of interest
7. Punjab National Bank-Term Loan SEFASU-2014	2,870.28	Secured by Pari-passu first charge on the fixed Assets of the company and Current Assets of the company. The Loan carries interest @ 12% and is repayable in 12 quarterly instalments commencing from April 2016.
8. Punjab National Bank - Corporate Loan	2,250.00	Secured by Pari-passu first charge on the fixed Assets of the company and Pari-passu first charge on receivables of Distillery division. The loan carries interest at Base Rate +4.00% + Term prima (Currently 14.75% per annum.) and is repayable in 60 monthly instalments commencing from June 2014.
	20,552.73	
9. Term Loan from Sugar Development Fund For the expansion of Sugar Plants	3,452.95	Term loan from SDF of Rs.932.83 lakhs is secured by Pari-passu first charge on immovable and movable assets of Kottur unit and loan of Rs.2520.12 lakhs is secured by Pari-passu first charge on immovable and movable assets of Pennadam unit. The Loan carries interest at 2% below the Bank Rate (Currently 4.00% per annum.) and is repayable in 5 yearly instalments commencing from April 2017.
	3,452.95	

4.3 Term Loan L&T Infrastructure Finance Company Ltd and L&T Fin Corp Ltd are Secured by

- a) First charge by way of hypothecation of all present and future book debts of Co-generation Division and exclusive charge on Escrow Account of Power receivables.
- b) Second Paripasu charge by way of hypothecation of Company's movable including movable plant and machinery, spares, tools accessories, furniture, fixtures, vehicles and other movable assets, present and future asset of the Company.
- c) Second pari passu charge by way of hypothecation in favour of Lender, all present and further book debts, bills, monies receivables and cash flows except receivables and cash flows of Power Plants of the Company.
- d) Subservient charge on the Fixed Assets of the Power Plant at Kottur.
- e) Mortgage by second paripassu charge on immovable properties of the company except Fixed Assets of Kottur Plant.
- f) The loan carries interest at 14.25% per annum and is repayable in 120 monthly instalments commencing from June 2011.

4.4 Obligations under Finance Lease is secured by the respective assets purchased under Finance Lease. The loan carries interest at the rate of 15% and is repayable in 60 instalments from the date of disbursement.

4.5 Interest free Advance from Tamil Nadu News print and papers Ltd is Secured by way of residuary charges on the Fixed Assets of the company. The advance is repayable on completion or fuel supply agreement with respective companies.

4.6 Interest bearing Advance from Tamil Nadu News print and Papers Ltd of Rs.2525.00 Lakhs (PY Rs.1050.00) is Secured by way of residuary charges on the Fixed Assets of the Power Plant. The loan carries interest at the rate of 9% p.a. and is repayable in half yearly instalments from the respective due dates.

4.7 Secured Loans to the extent of Rs.27,292.04 lakhs (P.Y.27,849.21) lakhs as detailed below are additionally secured by Corporate Guarantee of Thiru Arooran Sugars Ltd.

a) From Banks	20,552.73
b) L&T Infrastructure Finance Co Ltd	1,004.10
c) L&T Fin Corp. Ltd	5,735.21
Total	27,292.04

4.8 Secured Loans to the extent of Rs.1687.50 lakhs as detailed below are additionally secured by Corporate Guarantee of Terra Energy Ltd.

UCO Bank	1687.50
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4.9 Secured Loans to the extent of Rs.25,325.87 lakhs are also guaranteed by Chairman and Managing Director.

4.10 Term loans availed by Holding, Subsidiary and Associate company are secured by the assets of the respective company as detailed above.

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

	As at March 31, 2015	As at March 31, 2014
5. LONG TERM PROVISIONS		
a) Provision for Employee Benefits		
Earned Leave	176.36	179.65
Total	<u>176.36</u>	<u>179.65</u>
6. SHORT TERM BORROWINGS		
Secured		
From Banks		
i) Cash Credit	46,836.30	47,194.27
ii) Other loans and advances	5,862.44	-
Total	<u>52,698.74</u>	<u>47,194.27</u>
6.1 Cash credit facilities and other Loans and Advances are secured by way of Charge on current assets viz., stocks of raw material, semi-finished and finished goods, consumable stores and spares and charge on book debts and second charge on immovable assets of the Company. The above loan to the extent of Rs. 25,084.67 lakhs are also secured by the Corporate guarantee of Thiru Arooran Sugars Ltd and loan to the extent of Rs.17,127.19 lakhs secured by the Corporate guarantee of Terra Energy Ltd.		
6.2 The above Loan to the extent of Rs.4,763.47 lakhs (P.Y. 4,763.47 lakhs.) are also guaranteed by the Chairman and Managing Director.		
	As at March 31, 2015	As at March 31, 2014
7. TRADE PAYABLES		
a) Dues to Micro, Small and Medium Enterprises (Refer Note no. 32)		
b) Due to Others		
i) Acceptances	1,198.33	1,113.68
ii) Others	32,843.48	31,631.73
Total	<u>34,041.81</u>	<u>32,745.41</u>
8. OTHER CURRENT LIABILITIES		
a) Current maturities of Long Term Debt	10,864.63	8,860.29
b) Interest accrued but not due on borrowings	703.62	659.15
c) Interest accrued and due on borrowings	1,427.60	334.45
d) Unpaid dividends	2.64	2.69
e) Unpaid matured Deposits and interest accrued thereon	10.41	12.28
Statutory dues	818.98	682.75
Others	5,695.73	9,325.26
Total	<u>19,523.61</u>	<u>19,876.87</u>
8.1 Refer Note no.4 for current maturities of Long Term Debt. Refer Note no. 4.1 to 4.9 for details of securities etc.		
9. SHORT TERM PROVISIONS		
a) Provision for Employee Benefits		
i) Contribution to Provident Fund	46.06	46.48
ii) Gratuity	305.27	3.32
iii) Earned Leave	39.26	-
iv) Bonus	7.97	5.93
v) Salaries and Wages	34.23	31.42
vi) Others	26.18	32.14
b) Excise Duty on Finished Goods	1,388.80	1,736.27
Total	<u>1,847.77</u>	<u>1,855.56</u>

NOTES

Forming part of the Financial Statements

10 FIXED ASSETS

(₹ in lakhs)

Sl. No.	Description	Gross Block				Depreciation				Net Block	
		As at April 1, 2014	Additions	Sales / Adjustments	As at March 31, 2015	As at April 1, 2014	For the year	Withdrawn during the year	Charged to Retained Earnings	As at March 31, 2015	As at March 31, 2014
a	Tangible Assets										
	Land - Freehold	3,447.37	-	-	3,447.37	-	-	-	-	-	3,447.37
	Buildings	12,206.33	0.97	-	12,207.30	5,295.73	274.49	1,038.39	320.90	4,852.73	6,910.60
	Plant and Equipment										
	(i) Owned	111,055.08	890.47	3.96	111,941.59	56,081.05	1,870.20	113.51	6.73	57,844.47	54,974.03
	(ii) Asset under lease	4,061.77	-	-	4,061.77	792.80	251.65	-	-	1,044.45	3,268.97
	Furniture & Fittings and Office Equipments - Owned	950.58	6.28	-	956.86	782.51	34.40	9.86	52.63	859.68	168.07
	Vehicles	393.46	-	15.62	377.84	316.86	28.38	35.01	6.40	316.63	76.60
	Sub Total (a)	132,114.59	897.72	19.58	132,992.73	63,268.95	2,459.12	1,196.77	386.66	64,917.97	68,845.65
b	Intangible Assets										
	Computer Software	255.99	-	-	255.99	198.94	14.12	-	5.22	218.27	57.05
	Total (a+b)	132,370.58	897.72	19.58	133,248.72	63,467.89	2,473.24	1,196.77	391.88	65,136.24	68,902.70
c	Capital Work In Progress	2,714.60	1,138.29	892.80	2,960.09	-	-	-	-	-	2,714.60

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

Particulars	As at April 01 2014	Additions during the year	Realised during the year	As at March 31 2015
11. NON-CURRENT INVESTMENTS				
At Cost				
A. Non-Trade:				
In Equity Shares of the Companies - Quoted				
a) 15,000 Equity Shares of Rs.10/-each in South Asian Financial Exchange Ltd.	1.50			1.50
b) 400 Equity Shares of Rs.10/- each in ICICI Bank Ltd.	0.20			0.20
c) 4,737 Equity Shares of Rs.10/- each in Punjab Communications Ltd.	11.84			11.84
d) 414 Equity Shares of Rs.10/- each in United Spirits Ltd.	3.99			3.99
f) 17,400 Equity Shares of Rs.5/- each in Prime Securities Ltd.	17.57			17.57
g) 22,000 Equity Shares of Rs.10/- each in Madan Capital Market Ltd.	3.37			3.37
h) 15,800 Equity Shares of Rs 10/- each in IndusInd Bank Limited	7.11			7.11
i) 7,200 Equity Shares of Rs 10/- each in Union Bank of India	1.15			1.15
j) 1,001 Equity Shares of Rs 10/- each in Madan Capital Market Ltd	0.12			0.12
k) 7,800 Shares of Rs.10/- each in UCO Bank at a premium of Rs.2/- each fully paid.	0.94			0.94
l) 4,717 Shares of Rs.10/- each in Punjab National Bank at a premium of Rs.380/- each fully paid.	18.40			18.40
m) 37,335 Shares of Rs.10/- each in Union Bank of India at a premium of Rs.100/- each fully paid.	41.07			41.07
n) 352 Shares of Rs.10/- each in IDBI	0.04	–		0.04
IN MUTUAL FUNDS				
j) Units of Franklin Templeton Mutual Fund (Including dividend reinvestment)	7.18	0.43	–	7.61
Canara Robeco Mutual Fund	45.10	–	29.63	15.47
	159.58	0.43	29.63	130.38
Less : Provision for diminution in value of Investments	30.60	–	–	31.18
Sub - Total (A)	128.98	0.43	29.63	99.20

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

Particulars	As at April 01 2014	Additions during the year	Realised during the year	As at March 31 2015
11. NON-CURRENT INVESTMENTS (contd.)				
At Cost				
B. Non-Trade:				
In Equity Shares of Companies - Unquoted				
Investment in other Companies:				
i) Shares in Thanjavur Co-operative Marketing Federation Limited	0.001			0.001
ii) Shares in M/S Cholamandalam Industries Service Co-operative Society Ltd, Trichy	0.03			0.03
iii) 120,000 Equity Shares of Rs.10/- each in Trichy Distilleries & Chemicals Ltd.,	6.33			6.33
Others:				
1) 225,000 Equity Shares of Rs.10/- each fully paid up in E-Commodities Private Ltd.	22.50			22.50
2) 6,300 Equity Shares of Rs.10/- each in Kumbakonam Rural Electricity Society	0.63			0.63
3) 35,12,600 6% Redeemable Cumulative Preference Shares of Rs.100/- each in Shreevastava Industries Pvt Ltd.	3,512.60			3,512.60
Government Securities				
6 Year National Savings Certificate (Deposited with various Government Departments)	0.10	–	–	0.10
Sub Total (B)	3,542.19	–	7,020.49	3,542.20
TOTAL (A+B)	3,671.17	0.43	–	3,641.40
Aggregate value of Quoted Investments (Previous Year Rs. 83.46 lakhs)				99.20
Aggregate Market value of Quoted Investments (Previous Year Rs.229.25 lakhs)				178.06
Aggregate value of Unquoted Investments (Previous Year Rs. 3,535.77 lakhs)				3,535.77

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

	As at March 31, 2015	As at March 31, 2014
12. TAX EFFECTS OF ITEMS CONSTITUTING DEFERRED TAX ASSETS		
a) On difference between book value and tax balance of fixed Assets	(11,792.49)	(10,859.48)
b) Unabsorbed Depreciation and Business Loss	11,816.82	5,832.02
c) Expenses disallowed u/s 43 B allowable on payment	66.43	241.99
Total	<u>90.76</u>	<u>(4,785.47)</u>
13. LONG TERM LOANS AND ADVANCES (Unsecured and considered good)		
a) Security Deposits	409.96	389.67
b) Advance for Capital Goods	61.37	89.65
c) Advance Tax (Net of provisions)	1,068.18	1,545.01
d) Govt Subsidies	1,484.81	1,484.81
f) Interest receivable on Trade Dues	3,008.50	2,742.46
Total	<u>6,032.82</u>	<u>6,251.60</u>
14. INVENTORIES (Valued at lower of cost or net realisable value)		
a) Raw Materials	348.79	182.20
b) Work in progress	917.78	1,422.72
c) Finished Goods	45,777.80	61,246.14
d) Stock in Trade	618.45	-
e) Stores and Spares	3,733.65	3,990.43
f) Others:		
i) Standing crop at own Farm	12.33	10.90
ii) Bio-compost	5.19	6.76
Total	<u>51,413.99</u>	<u>66,859.15</u>
15. TRADE RECEIVABLES (Unsecured and considered good)		
a) Trade Receivables outstanding for a period exceeding six months		
i) Considered good	14,447.60	12,644.28
ii) Considered doubtful	3.63	3.63
Less: Provision for bad and doubtful debts	<u>3.63</u>	<u>3.63</u>
b) Other debts	2,445.42	3,023.58
Total	<u>16,893.02</u>	<u>15,667.86</u>

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

	As at March 31, 2015	As at March 31, 2014
16. CASH AND CASH EQUIVALENTS		
a) Cash on hand	9.54	10.86
b) Balance with Banks		
i) In Current Account	383.93	1,148.46
ii) In Deposit Account	585.55	1,372.70
iii) Unpaid Dividend / Dividend a/c balance	2.64	2.69
iv) In earmarked Account	1.05	17.04
Total	<u>982.71</u>	<u>2,551.75</u>

16.1 Bank balance include deposit of Rs.Nil lakhs (P.Y. Rs.141.61 lakhs) which have maturity of more than 12 months.

16.2 Bank balance include deposit of Rs.574.08 Lakhs (P.Y. Rs.1,268.66 lakhs) as margin money to banks for various facilities granted.

	As at March 31, 2015	As at March 31, 2014
17. SHORT TERM LOANS AND ADVANCES (Unsecured and considered good)		
a) Prepaid expenses	169.23	179.06
b) Balances with Central Excise Department	994.04	1,021.55
c) Others	1,673.39	1,617.12
d) Other Advances considered doubtful	25.33	25.33
Less: Provision	<u>25.33</u>	<u>25.33</u>
Total	<u>2,836.66</u>	<u>2,817.73</u>
18. OTHER CURRENT ASSETS		
Govt. Subsidies	1,795.62	–
Interest accrued on Deposits	72.60	74.26
Interest accrued on Trade Receivables	836.57	737.77
Supplier's Advance	130.21	177.22
Others	15,533.35	9,968.94
Total	<u>18,368.35</u>	<u>10,958.19</u>

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
19. REVENUE FROM OPERATIONS		
a) Sale of Products		
Sugar	39,099.14	30,921.19
Alcohol	7,950.65	13,801.42
Bio-compost & Insecticides	129.15	233.10
Pressmud	12.33	14.98
Sale of Power	6,096.78	4,154.99
	<u>53,288.05</u>	<u>49,125.68</u>
b) Other Operating Revenues		
Scrap sale	48.86	140.40
Sale of Paddy and other produce	38.90	69.51
Diesel bunk Income	99.15	2.14
Duty Drawback on Export of Sugar	1,571.90	–
Sundry receipts	77.20	225.93
	<u>1,836.01</u>	<u>437.98</u>
Total Revenue from Operations	<u>55,124.06</u>	<u>49,563.66</u>
20. OTHER INCOME		
a) Interest Income		
i) Interest from Bank Deposits	102.76	104.35
ii) Interest on overdue Trade receivables	990.11	364.85
iii) Others	611.33	477.20
b) Dividend Income from Long Term Investments	14.25	7.71
c) Rent receipts	13.88	14.82
d) Profit on sale of Assets	3.46	7.18
e) Net gain on Foreign Currency transactions	79.86	105.57
f) Compensation Received	733.79	–
g) Excess Provision for Depreciation withdrawn	1,177.20	–
Total	<u>3,726.64</u>	<u>1,081.68</u>
21. COST OF MATERIALS CONSUMED		
Opening Stock	182.20	59.09
Add: Purchases	29,804.98	39,298.49
	<u>29,987.17</u>	<u>39,357.58</u>
Less: Closing Stock	348.79	182.20
Cost of Materials Consumed	<u>29,638.38</u>	<u>39,175.38</u>
Sugarcane	28,387.35	36,563.57
Molasses	1,344.57	2,281.97
Rawsugar	–	303.24
Coal	68.62	313.87
Bagasse	12.93	13.30
Others	(175.08)	(300.57)
Total	<u>29,638.38</u>	<u>39,175.38</u>

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
22. CHANGES IN INVENTORY OF FINISHED GOODS		
Opening Stock on 01.04.2014		
Sugar	56,177.67	40,312.57
Molasses	3,246.86	3,184.83
Alcohol	1,589.12	1,527.51
Bagasse	24.70	11.88
Sugar work in progress	1,422.73	886.44
Biocompost	6.76	26.10
Standing crop at own farm	10.90	12.74
Total	62,478.74	45,962.07
Closing Stock on 31.03.2015		
Sugar	43,588.49	56,177.67
Molasses	1,235.75	3,246.86
Alcohol	1,357.03	1,589.12
Bagasse	24.96	24.70
Sugar work in progress	917.78	1,422.73
Biocompost	5.19	6.76
Standing crop at own farm	12.32	10.90
Total	47,141.52	62,478.74
Changes in Inventory	15,337.22	(16,516.67)
23. EMPLOYEE BENEFIT EXPENSES		
a) Salaries and Wages	3,181.14	3,029.39
b) Contribution to provident and other funds	628.98	223.49
c) Staff welfare expenses	130.95	143.62
Total	3,941.07	3,396.50
24. FINANCE COST		
a) Interest Expenses		
i) Term Loan	6,540.40	3,225.09
ii) Other loans	6,890.94	8,751.89
b) Other borrowing costs	484.59	630.54
Total	13,915.93	12,607.52

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
25. OTHER EXPENSES		
Consumption of Stores and Spares	676.84	839.31
Power and Fuel	1,239.73	1,747.14
Packing Materials	590.05	553.89
Rent	53.27	115.81
Insurance	154.66	168.86
Rates & Taxes	240.25	279.73
Excise Duty Provision	(347.47)	161.02
Cane Development Expenses	1,391.44	1,434.08
Repairs & Maintenance:		
- Plant & Machinery	674.69	665.18
- Buildings	48.07	66.85
- Others	223.54	236.37
Transport and Handling	31.37	37.89
Selling and Distribution expenses	835.86	758.34
Raw Sugar Processing Charges (Net)	—	11.26
Composting and Effluent treatment expenses	393.49	579.83
Research Farm & Development Expenses	56.40	90.48
Audit Fees and Expenses:		
a. For Statutory Audit	9.96	10.34
b. For taxation matters	1.36	1.92
c. For other services	2.18	7.68
d. For reimbursement of expenses	0.06	0.66
e. For Cost Audit	2.15	1.25
f. For other services	0.06	0.04
g. For reimbursement of expenses	0.70	—
Managing Director Remuneration	56.97	56.85
Directors Sitting Fees	6.06	6.28
Directors Travelling Expenses	12.98	20.15
Legal & Professional charges	356.16	232.22
Travelling and Conveyance	57.79	61.16
Donations	15.20	3.76
Printing and Stationery	25.06	27.32
Telephone and Telex	32.22	27.39
Vehicle Maintenance	143.88	164.25
Bank Charges	37.21	21.60
Forex Fluctuation Loss	—	89.65
Security Expenses	259.55	234.39
Others	126.49	167.67
Total	7,408.23	8,880.62

NOTES

Forming part of the Financial Statements

26. DISCONTINUED OPERATIONS

Pursuant to the approval of Board of Directors on July 24, 2012, the lease deed dated 01.08.2006 entered in to between the Company and Sri Sree Rama Sahakari Sakkare Karkhane Ltd, a Co-operative Society registered under the Karnataka Co-operative Society Act 1959 was terminated. The said business was reported as part of Sugar Segment of the Company. The result of the business during the year were as under.

Statement of Profit and Loss

(₹ in lakhs)

Particulars	Year ended	
	March 31, 2015	March 31, 2014
I. Revenue from Operations (Gross)	–	–
Less: Excise Duty	–	–
Revenue from Operations (Net)	–	–
II. Other Income	–	–
III. Total Revenue (I+II)	–	–
IV. Expenses:		
Cost of materials consumed	–	–
Changes in inventories of finished goods and work-in-progress	–	–
Employee benefits expense	–	–
Finance cost	–	–
Depreciation and amortization expense	–	–
Other expenses	–	10.56
Total expenses	–	10.56
V. Profit/(Loss) for the period	–	(10.56)
VI. Less: Loss on disposal of assets/Settlement of Liabilities	–	–
VII. Loss from Discontinued Operations	–	(10.56)

As at 31st March 2015, the Carrying amount of Current Assets of the closed division was Rs. 43.44 lakhs and its Liabilities were Rs.6.24 lakhs.

27. NET ASSETS AND SHARE OF PROFIT OR LOSS OF SUBSIDIARY/ASSOCIATE ON CONSOLIDATED NET ASSETS / PROFIT OR LOSS

Name of the Entity	Net Assets		Share in Profit or (Loss)	
	As a % of consolidated Net assets	Amount (Rs. in lakhs)	As a % of consolidated Profit or (loss)	Amount (Rs. in lakhs)
Indian Subsidiary: Terra Energy Ltd.	27.30	8,204.87	0.31	31.81
Associate: Shree Ambika Sugars Ltd	67.51	20,292.88	53.91	(5,459.76)
Minority interest in all Subsidiaries and Associates	22.75	6,836.72	34.32	(3,475.85)

NOTES

Forming part of the Financial Statements

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
28. CONTINGENT LIABILITIES IN RESPECT OF		
Guarantees issued by bankers	–	383.68
Estimated amount of Contracts to be executed on capital account and not provided for (Net of advance paid)	96.46	252.38
Other Commitments-Purchase Order given for items such as Raw materials, services etc.,	216.28	83.70
Disputed income tax demand/liabilities not provided for	1156.20	891.05
Claims against the Company for excise duty and others including Industrial disputes not acknowledged as debts and not provided for	5112.17	4552.82
Disputed Purchase tax & Sales tax liabilities not provided for	3282.28	3282.28
Claims against company not acknowledged as debt and not provided for	177.46	84.84

- 29.** In respect of power exported by the company to Tamil Nadu Generation and Distribution Corporation (TANGEDCO) Limited during the off-season, TANGEDCO has settled the purchase price of power at a lower rate since April 01, 2005 till March 31, 2010 as against the applicable tariff under the Power Purchase Agreement (PPA) entered into between the Company and the TANGEDCO. The differential amount due from TANGEDCO on this account is Rs.2,575.81 lakhs (Previous year Rs.2,575.81 lakhs)The Petition filed by the Company before the Tamil Nadu Electricity Regulatory Commission seeking direction to TANGEDCO to settle the arrears for the said period along with claim for interest is pending disposal. The interest claimed from TANGEDCO on the aforesaid arrears is Rs.364.85 lakhs (Previous year Rs.364.85 lakhs) which is included in the Other Interest Income under Item No.20.
- 30.** As per the Power Purchase Agreement entered into between the Company and TANGEDCO, the tariff payable in respect of power exported by the Company is governed by TANGEDCO Board Proceedings No.1 dated January 11, 2000 and No.93 dated May 16, 2000. Vide aforesaid Board Proceedings, the tariff was fixed for a period of 10 years from April 01, 2000 to March 31,2010 with a condition that it will be reviewed after this period. TANGEDCO has filed a Petition before TNERC for determination of the tariff effective April 01,2010 and pending this exercise, the Company has raised invoices for power exported to TANGEDCO at rates arrived at, having regard to an earlier order of TNERC, determining tariff after its period of expiry under the PPA in the case of another generator. Sale of power includes Rs.1,673.36 lakhs (Previous year Rs.1791.75 lakhs) representing the excess of the invoiced amount over the tariff rate at which invoices were settled by TANGEDCO prior to March 31,2010.
- 31.** Company has filed Appeal before the Supreme Court against the Order of the High Court of Madras, dismissing the Writ Petition filed by the company, challenging the levy of Electricity Tax as per Tax on Consumption and Sale of Electricity Act, 2003 as amended by Act 38 of 2007. Pending disposal of the Appeal/Special Leave Petition by the Supreme Court, no provision is considered necessary for Rs.2014.68 lakhs (Previous year Rs.1972.59 lakhs). Against this liability, demand has been raised for Rs 1568.43 lakhs(Previous year Rs.1486.73 lakhs) which includes interest of Rs. 432.56 lakhs(P.Y. Rs.350.86 lakhs) for sale of power through PTC which has been stayed by the High Court of Madras and demand of Rs. 1432.43 lakhs(Previous year Rs.1160.20 lakhs) (inclusive of interest of Rs. 589.03 lakhs (Previous year Rs.412.42 lakhs)) for consumption of power by sugar unit.
- 32.** The Company has not received any intimation from the suppliers regarding status under the Micro, Small and Medium enterprises development Act, 2006 (The Act) and hence disclosure regarding:
- Amount due and outstanding to suppliers as at the end of the accounting year.
 - Interest paid during the year.
 - Interest payable at the end of the accounting year.
 - Interest accrued and unpaid at the end of the accounting year, have not been provided.

NOTES

Forming part of the Financial Statements

33. FINANCE LEASE

- a) The Company has acquired mechanical Harvesters on lease, the fair value of which aggregates to Rs.1903.90 lakhs. As per Accounting Standard-19, the Company has capitalised the said Harvesters at their fair value as the leases are in the nature of finance lease as defined in Accounting Standard-19. Lease Payments are apportioned between finance charges and outstanding liabilities.
- b) The minimum lease rentals as at March 31, 2015 and the present value as at March 31, 2015 of Minimum lease payments in respect of assets acquired under finance leases are as follows.

(₹ in lakhs)

Particulars	Minimum lease payment		Present value of minimum lease payments	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
1. Payable not later than 1 Year	599.71	731.91	533.85	596.84
2. Payable later than 1 Year but not later than 5 Years.	25.78	625.45	23.26	557.11
Total	625.49	1357.36	557.11	1153.95
Less: Future Finance Charges	63.38	203.41	–	–
Present Value of Minimum Lease payments	557.11	1153.95	–	–

- c) Contingent rent recognised in the profit and loss account in respect of finance lease: Rs. Nil (Previous year: Rs. Nil)

34. EARNINGS PER SHARE

	As at 31.03.2015	As at 31.03.2014
Profit/(Loss) After Tax as per Statement of Profit & Loss (Rs.in lakhs)	(6,652.11)	(2,115.98)
Weighted average number of Equity Shares of Rs.10/- each outstanding during the year	11,316,724	11,316,724
Earnings per Share (Annualised) Basic and Diluted (Rs.)	(58.78)	(18.70)

35. Particulars of unhedged Foreign Currency Exposure as at Balance Sheet date (₹ in lakhs)

	As at 31.03.2015	As at 31.03.2014
Export Advance	3035.64	3003.00

36. Since the accounts of the Associate company Shree Ambika Sugars Ltd has been consolidated as required under Companies Act 2013, previous year figures have been suitably changed to include the results of the Associate company Shree Ambika Sugars Ltd.

NOTES

Forming part of the Financial Statements

37. Disclosure as per Accounting Standard -15 (Revised) - Employee Benefits

1. Defined Contribution Plans

Contribution of Rs.414.03 lakhs to defined contribution plans is recognized as expense and included in the employees cost in the profit and loss account.

2. Defined Benefit Plans

(Value ₹ in lakhs)

General description	Gratuity Funded Plan		Leave Encashment Non Funded Plan	
	Year ended 31.03.2015	Year ended 31.03.2014	Year ended 31.03.2015	Year ended 31.03.2014
a) Change in Defined Benefit Obligation				
Present Value - Opening Balance	655.28	689.19	179.64	156.16
Current Service Cost	94.16	67.78	34.20	21.16
Interest Cost	48.89	51.41	13.86	12.00
Actuarial Gain / (Loss)	254.71	60.03	7.26	6.04
Benefits Paid	88.34	93.07	12.92	12.06
Present Value - Closing Balance	964.70	655.28	215.62	179.64
b) Change in fair value of Plan Assets				
Opening Balance	687.88	592.00		
Expected Return	53.77	52.80		
Actuarial Gain / (Loss)	(0.02)	(2.91)		
Contributions by Employer	3.32	139.06	12.92	12.06
Benefits Paid	88.34	93.07	12.92	12.06
Closing Balance	656.61	687.88		
Actual Return	25.88	23.86		
c) Amount recognised in the Balance Sheet (as at year end)				
Present Value of Obligations	964.70	655.28	215.62	179.64
Fair Value of Plan Assets	656.61	687.88		
Net assets / (liability) recognised	(308.09)	32.60	215.62	179.64
d) Expenses recognised in the Statement of Profit and Loss				
Current Service cost	94.16	67.78	34.20	21.16
Interest on obligation	48.89	51.41	13.86	12.00
Expected return on plan assets	53.77	52.80		
Net actuarial Gain / (Loss)	254.71	57.12	7.26	6.04
Total Included in Employee Cost	343.99	9.27	48.90	35.54
e) Principal actuarial Assumptions				
Discount rate (%)	8.00%	8.67%	8.00%	9.00%
Future Salary Increase (%)	4.00%	4.33%	4.00%	5.00%
Rate of Return on plan assets	8.00%	8.67%	—	—
f)	In the absence of detailed information regarding Plan assets which is funded with SBI Life Insurance Co Ltd, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of the plan assets has not been disclosed.			
g)	The Company expects to contribute Rs.152.00 lakhs to Gratuity Fund in 2015-16.			
h)	The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.			

NOTES

38. Consolidated Segment Information for the year ended 31st March 2015 Information about primary business segments

(₹ in lakhs)

Description	Sugar		Distillery		Power		Unallocated		Elimination		Total	
	YE 31.03.15	YE 31.03.14	YE 31.03.15	YE 31.03.14	YE 31.03.15	YE 31.03.14	YE 31.03.15	YE 31.03.14	YE 31.03.15	YE 31.03.14	YE 31.03.15	YE 31.03.14
SEGMENT REVENUE												
External sales / income	41,825.49	30,517.86	10,517.78	13,841.25	3,654.15	4,371.72	-	-	-	-	55,997.42	48,730.83
Inter-segment Sales	9,269.20	9,578.59	-	-	3,669.09	4,558.02	-	-	12,938.29	14,136.61	-	-
Total Revenue	51,094.69	40,096.45	10,517.78	13,841.25	7,323.24	8,929.74	-	-	12,938.29	14,136.61	55,997.42	48,730.83
SEGMENT RESULT												
Segment Result	(7,173.99)	914.90	1,956.18	2,898.98	3,774.00	3,620.90	-	-	-	-	(1,443.81)	7,434.78
Unallocated Corporate Expenses net off unallocable Income												
Operating Profit	(7,173.99)	914.90	1,956.18	2,898.98	3,774.00	3,620.90	1,335.01	820.38	-	-	1,335.01	820.38
Interest Expense	-	-	-	-	-	-	(1,335.01)	(820.38)	-	-	(2,778.82)	6,614.40
Interest Income	-	-	-	-	-	-	13,915.93	12,607.52	-	-	13,915.93	12,607.52
Profit Before Tax	(7,173.99)	914.90	1,956.18	2,898.98	3,774.00	3,620.90	(13,549.89)	(12,481.53)	-	-	(14,993.70)	(5,046.75)
Income Tax												
Deferred Tax (Net)							10.50	13.00	-	-	10.50	13.00
Profit After Tax	(7,173.99)	914.90	1,956.18	2,898.98	3,774.00	3,620.90	(4,876.24)	(1,805.59)	-	-	(4,876.24)	(1,805.59)
OTHER INFORMATION												
Segment Assets	109,187.94	129,980.14	14,213.93	15,934.07	43,664.82	31,769.89	-	-	-	-	167,066.69	177,684.10
Unallocated Corporate Assets							10,527.66	9,504.10	-	-	10,527.66	9,504.10
Total Assets	109,187.94	129,980.14	14,213.93	15,934.07	43,664.82	31,769.89	10,527.66	9,504.10	-	-	177,594.35	187,188.20
Segment Liabilities	89,662.50	81,031.44	2,768.21	2,658.39	19,128.42	16,564.16	66,035.22	86,934.21	-	-	111,559.13	100,253.99
Unallocated Corporate Liabilities									-	-	66,035.22	86,934.21
Total Liabilities	89,662.50	81,031.44	2,768.21	2,658.39	19,128.42	16,564.16	66,035.22	86,934.21	-	-	177,594.35	187,188.20
Capital Expenditure	863.84	1,471.59	65.53	599.88	205.89	219.68	1.84	43.91	-	-	1,137.10	2,335.06
Depreciation	1,493.73	3,059.36	324.89	852.57	633.35	2,191.52	21.27	26.90	-	-	2,473.24	6,130.35
Non-Cash Expenses other than Depreciation	-	-	-	-	-	-	-	-	-	-	-	-

Geographical Segment	India		Other Countries		Total	
	YE 31.03.15	YE 31.03.2014	YE 31.03.15	YE 31.03.2014	YE 31.03.15	YE 31.03.2014
Segment Revenue External						
Sales to Customers / Income	45,683.02	43,376.45	10,314.40	5,354.38	55,997.42	48,730.83

Segment Reporting

- The Company's operations relate to manufacture of sugar, alcohol and generation of power.
- The Company is exporting sugar apart from sale in the domestic market. The analysis of geographical segment is demarcated into local and exports.
- Inter segment Transfer Pricing Policy: Molasses supplied to Alcohol segment is based on market price and steam on actual cost.

CASH FLOW STATEMENT

CONSOLIDATED CASH FLOW STATEMENT

(₹ in lakhs)

	Year ended March 31, 2015	Year ended March 31, 2014
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before Taxation	(14,993.70)	(5,046.75)
Adjustments for		
- Depreciation	2,473.24	6,130.35
- Depreciation withdrawn	(1,177.20)	
- Interest expenses	13,915.93	12,607.52
- Loss / (Profit) on sale of Assets / Investments	(3.46)	(7.18)
- Provision for diminution in the value of Investment	0.59	(0.89)
- Other Income	(1,718.45)	(954.11)
Operating Profit Before Working Capital Changes (A)	(1,503.05)	12,728.94
Decrease in Current Assets		
- Inventories	15,445.16	(16,395.83)
- Receivables	(1,225.16)	2,338.87
- Loans & Advances	(7,210.31)	(542.66)
- Margin Deposit for Bank loans	694.58	(1,268.66)
Increase in Current Liabilities	(2,209.97)	(11,532.32)
(Increase) / Decrease in Working Capital (B)	5,494.30	(27,400.60)
Cash generated from Operations (A + B)	3,991.25	(14,671.66)
Income Tax Paid	(10.50)	(13.00)
Cash Flow before Extraordinary items	3,980.75	(14,684.66)
Net Cash From Operating Activities (C)	3,980.75	(14,684.66)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Assets		
- Payment to suppliers & others	(1,143.22)	(2,335.08)
Investments	29.19	(45.50)
Interest Received	1,704.20	946.40
Dividend Received	14.25	7.71
Proceeds from Sale of Assets	3.55	16.55
Cash flow from Investing Activities (D)	607.97	(1,409.92)
Net Cash used in Investment activities (C + D)	4,588.72	(16,094.58)

CASH FLOW STATEMENT

(₹ in lakhs)

	Year ended March 31, 2015	Year ended March 31, 2014
CASH FLOW FROM FINANCING ACTIVITIES		
Redemption of Preference shares	-	(137.50)
Proceeds from Long Term Borrowings	8,070.00	22,944.93
Proceeds from / (Repayment) of Short Term Borrowings	5,398.70	9,784.41
Repayment of Long Term Borrowings	(6,153.57)	(4,404.63)
Interest Paid	(12,778.31)	(12,064.23)
Net Cash From Financing Activities (E)	(5,463.18)	16,122.98
Net Increase In Cash (C + D + E)	(874.46)	28.40
Opening Balance	1,283.09	1,254.69
Closing Balance	408.63	1,283.09
Reconciliation of Cash & Cash Equivalents with the Balance Sheet		
Cash & Cash Equivalents as per Balance Sheet	982.71	2,551.75
Less : Margin Deposit not considered as Cash and Cash Equivalents as defined in AS-3	574.08	1,268.66
Cash & Cash Equivalents as per Cash Flow closing balance	408.63	1,283.09

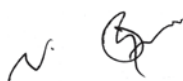
Note: 1. Figures in brackets represent outflows

2. Previous year figure has been regrouped to conform to current year's classification.

On behalf of the Board



R R Karthikeyan
Chief Financial Officer and
Company Secretary



V Thirupathi
Director



R V Tyagarajan
Chairman and
Managing Director

Auditors' Certificate

This is the Cash Flow statement referred to in our report of even date attached.

For SNS Associates
Chartered Accountants
Firm Registration No. 006297S



S Nagarajan,
Partner

Membership No. 20899
Chennai, May 29, 2015

THIRU AROORAN SUGARS LIMITED

CIN: L15421TN1954PLC002915

Regd. Office: "Eldorado" - 5th Floor 112, Nungambakkam High Road, Chennai - 600 034

Website: www.tasugars.in, E-mail id: secretarial@tasugars.in

Phone: 044 - 28276001,28270915, Fax : 044-28270470

Notice to Shareholders

NOTICE is hereby given that the 59th Annual General Meeting of the Shareholders of the Company will be held at 10.30 A.M. on Tuesday, December 15, 2015 at the Obul Reddy Hall, "Vani Mahal" ,103 G.N.Chetty Road, T.Nagar, Chennai - 600 017, to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Financial Statements

To consider and adopt

- i) the Audited Financial Statements of the Company for the year ended March 31,2015 and the Reports of the Board of Directors and Auditors thereon; and
- ii) the Audited Consolidated Financial Statements of the Company for the year ended March 31,2015 and the Report of the Auditors thereon.

2. Reappointment of retiring Directors

To appoint a Director in the place of Mrs Malathi Ram Tyagarajan (DIN 00938836), Director, who retires by rotation and being eligible offers herself for reappointment.

3. Ratification of Statutory Auditors' appointment

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

RESOLVED THAT the appointment of M/s. S.N.S. Associates, Chartered Accountants, Chennai, having Firm Registration No.006297S allotted by the Institute of Chartered Accountants of India, as Statutory Auditors of the Company to hold office, from the conclusion of this Annual General Meeting (AGM) until the conclusion of the next AGM of the Company, for the second year in the first term of three years, as recommended by the Audit Committee and approved by the Board of Directors of the Company, pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 on such remuneration as the Board of Directors of the Company may determine, be and is hereby ratified.

SPECIAL BUSINESS:

4. Ratification of remuneration of Cost Auditor

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

RESOLVED that the Company do hereby confirm and ratify, in terms of Section 148 of the Companies Act, 2013 and other applicable provisions, if any of the Companies Act,2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration approved by the Board of Directors, on the recommendation of the Audit Committee for M/s. Vaasan & Co., Cost Accountants, to conduct the audit of the cost records of the Company for

the Financial Year 2015-16 at Rs.60,000/- (Rupees Sixty thousand only) exclusive of travel and out-of-pocket expenses incurred for purpose of such audit.

By order of the Board
for THIRU AROORAN SUGARS LIMITED



R R Karthikeyan
Company Secretary

Place : Chennai
Date : September 24, 2015

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 the proxy need not be a member of the Company. A proxy form is attached. Instrument of proxy form for use at the above meeting must be lodged at the Registered Office of the Company, not later than 48 hours before the time fixed for the meeting. 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. A member holding more than ten percent 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 proxy for any other person or member.**
2. Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business under item no.4 is annexed hereto.
3. As per the recommendation of the SEBI Committee on Corporate Governance, in respect of reappointment of the retiring Director, a statement containing particulars of the concerned Director is attached herewith.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, December 09, 2015 to Tuesday, December 15, 2015 (both days inclusive).
5. Members holding shares in physical form are requested to notify / send details of their bank account, e-mail id etc in case the same have not been furnished earlier or any change in their registered address / e-mail id / NECS mandate / bank details etc., to the Company or its Registrar and Share Transfer Agent (RTA), M/s. Integrated Enterprises (India) Ltd, II Floor, Kences Towers, No.1 Ramakrishna Street, North Usman Road, T. Nagar, Chennai - 600 017, quoting their folio numbers.
Members holding shares in demat form are requested to notify/send the aforesaid details to their respective Depository Participant (s)
6. In terms of Circular issued by SEBI, it is mandatory to furnish a copy of PAN card to the Company / RTA in the following cases viz. transfer of shares, deletion of name, transposition of shares and transmission of shares held in physical form. Shareholders are requested to furnish copy of PAN card for all the aforesaid transactions.
7. Notice of the AGM along with the Annual Report for the financial year 2014-15 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. The Annual Report and the Notice of the 59th AGM will also be available on the Company's website **www.tasugars.in**.
8. Voting facilities
 - i) Remote e-Voting:
Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended vide Companies (Management and

Administration) Rules,2015 and Clause 35B of the Listing Agreement, the Company is offering e-Voting facility to its members in respect of business to be transacted at the 59th Annual General Meeting which includes remote e-Voting (i.e. voting electronically from a place other than the venue of the General Meeting). For this purpose, the Company has entered into an Agreement with National Securities Depository Ltd (NSDL) for facilitating e-Voting as the Authorised Agency to provide e-Voting process.

- ii) The Company also offers the facility for voting through polling paper at the Annual General Meeting. A shareholder **can choose** only one of the aforesaid two options.
9. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend the meeting.
10. Members are requested to bring their copies of the Annual Report to the meeting.

Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 4

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Vaasan Co., Cost Accountants, as the Cost Auditors of the Company to conduct the audit of the cost records of the Company relating to Sugar and Industrial Alcohol for the Financial Year 2015-16 at a remuneration of Rs.60,000/- exclusive of travelling and out-of-pocket expenses.

Pursuant to Section 148 of the Companies Act, 2013, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company. Accordingly, ratification of the Shareholders is being sought for payment of remuneration as above to M/s. Vaasan Co., Cost Accountants in terms of the approval of the Board of Directors.

Memorandum of Interest

None of the Directors/Key Managerial Personnel of the Company or their relatives are, in any way concerned or interested, financially or otherwise, in the resolution.

The Directors recommend the Resolution for approval by the Shareholders.

By order of the Board
for THIRU AROORAN SUGARS LIMITED



R R Karthikeyan
Company Secretary

Place : Chennai
Date : September 24, 2015

Details of Director seeking reappointment at the Annual General Meeting to be held on December 15, 2015

(Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges)

1. Name	Mrs Malathi Ram Tyagarajan
Date of Birth	April 26, 1958
Date of Appointment	September 19, 1995
DIN	00938836
Nature of expertise in specific functional areas	Corporate Director
Qualification	Graduate in Commerce
List of outside Directorships held excluding alternate Directorship and of Private Companies	1 Shree Ambika Sugars Ltd 2 Terra Energy Limited
Chairman/Member of the Committee of the Board of Directors of the Company	Nomination and Remuneration Committee - Member Finance Committee - Member
Chairman/Member of the Committee of the Board of Directors of other Companies in which she is a Director	Audit Committee: Shree Ambika Sugars Ltd - Member Terra Energy Ltd - Member Finance Committee: Shree Ambika Sugars Ltd - Member Nomination and Remuneration Committee: Shree Ambika Sugars Ltd - Member
No of shares held in the Company	2,88,072 Equity Shares

Instructions and other information relating to remote e-Voting

A) Remote e-Voting

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended vide Companies (Management and Administration) Rules, 2015 the Company is pleased to provide the Members the facility to exercise their right to vote at the 59th Annual General Meeting (AGM) on the resolutions proposed to be passed thereat by electronic means and the business may be transacted through e-Voting services which includes remote e-Voting (i.e. voting electronically from a place other than the venue of the general meeting) provided by the National Securities Depository Limited (NSDL).

The following instructions with regard to e-Voting are provided for the Members' information and use:

i) In case of members receiving e-mail from NSDL:

- a) Open e-mail and open PDF file viz., "Arooran Sugars e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your User Id and password / PIN for e-Voting. Please note that the password is an initial password.
- b) Launch internet browser by typing the following **URL:https://www.evoting.nsdl.com/**
- c) Click on "shareholder" - "Login".
- d) Key in user ID and password as initial password / PIN noted in step (a) as above. Click "Login".
- e) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits or characters or a combination thereof. Please take note of the new password. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
- f) Home page of 'e-Voting' opens. Click on "e-Voting: Active Voting Cycles".
- g) Select 'EVEN' of Thiru Arooran Sugars Ltd.
- h) Now, you are ready for "e-Voting" as "Cast Vote" page opens.
- i) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- j) Upon confirmation, the message "Vote cast successfully" will be displayed.
- k) Once you have voted on the resolution, you will not be allowed to modify your vote.
- l) Institutional Shareholders (i.e. other than individuals, HUFs, NRIs etc.) are required to send scanned copy (PDF / JPG format) of the relevant Board Resolution/authority letter etc., together with attested specimen signature of the duly authorized signatory(ies), who are authorized to vote to the Scrutinizer at his e-mail ID - **rsaevoting@gmail.com** with a copy marked to **evoting@nsdl.co.in**.

ii) In case of Members receiving physical copy of the Notice of AGM (for members whose e-mail IDs are not registered with the Company/Depository Participant(s) or requesting physical copy):

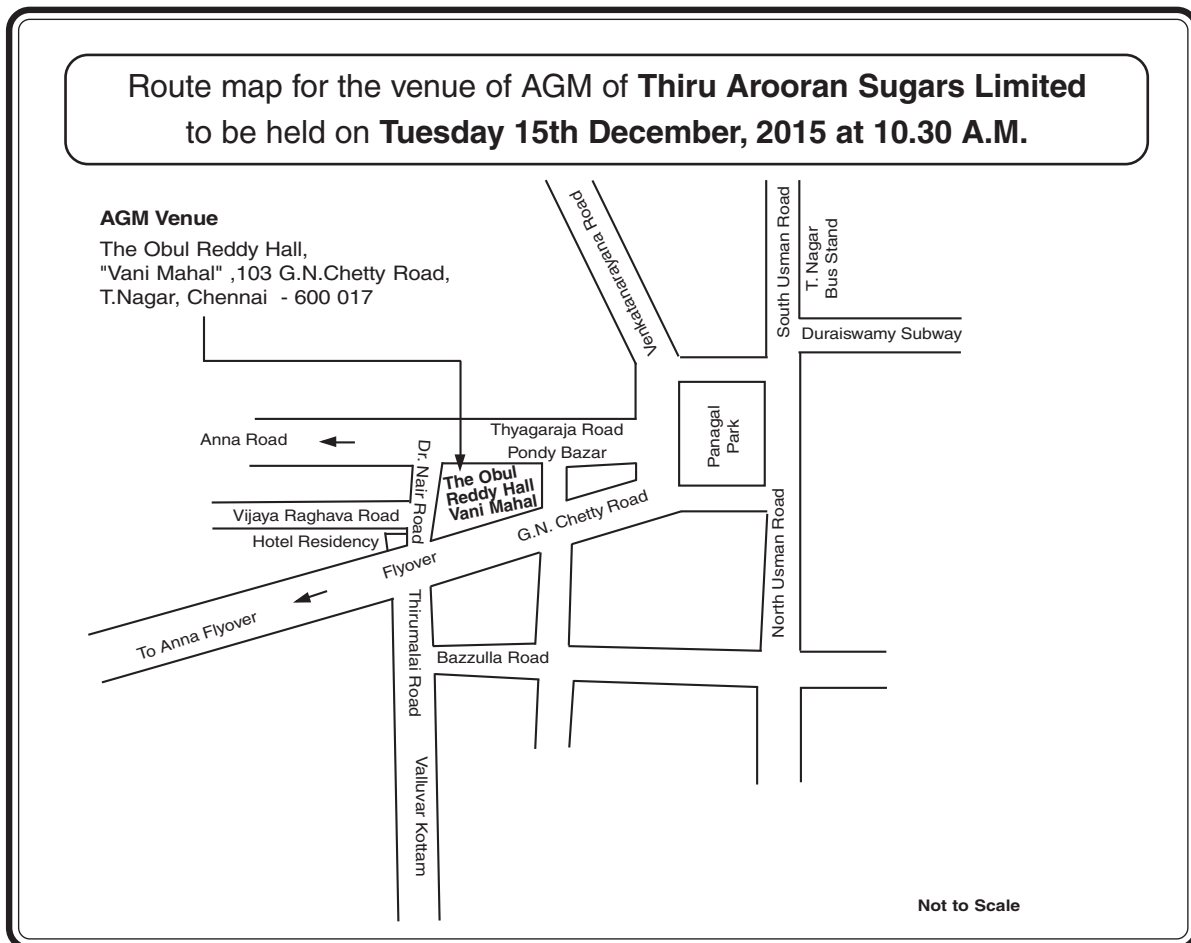
- a) Initial password is provided at the bottom of the Attendance slip.
- b) Please follow all steps from Sl. No. i(b) to (j) above, to cast your vote.
- c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-Voting user manual for members available at the "downloads" section of **www.evoting.nsdl.com**.
- d) If you are already registered with NSDL for e-Voting, then you can use your existing user ID and password for casting your vote and there is no need to register once again.
- e) You can also update your mobile number and e-mail Id in the user profile details of the folio which may be used for sending future communication(s).
- f) The remote e-Voting commences on December 11, 2015 (9.00 A.M.) and ends on December 14, 2015 (5.00 P.M.). During this period, shareholders of the Company holding shares in physical form or in dematerialized form as on the cut-off date of 9th December 2015, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- g) Persons who acquired shares of the Company and became members of the Company after the despatch of the Notice of the AGM but before the Cut-off date of December 9, 2015 may obtain their user ID and password for e-Voting by sending a request at **evoting@nsdl.co.in** However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details/Password" option available on **www.evoting.nsdl.com**.
- h) The voting rights of shareholders shall be in proportion of their shares of the paid-up equity share capital of the Company as on the Cut-off date of December 09, 2015. A person, whose name is recorded in the register of

members or in the register of beneficial owners maintained by the depositories as on the Cut-off date, i.e. December 09, 2015 only shall be entitled to avail the facility of remote e-voting / voting at the meeting.

- i) The Board of Directors of the Company has appointed Mr R Sridharan (C.P.No.3239) of M/s. R.Sridharan & Associates, Company Secretaries, Chennai, as Scrutinizer to scrutinize both the remote e-Voting and the physical voting process at the meeting in a fair and transparent manner.
- j) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-Voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- k) The Scrutiniser after scrutinising the votes cast at the meeting and through remote e-voting will, not later than two days of conclusion of the Meeting, make a consolidated scrutiniser's report and submit the same to the Chairman. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.tasugars.in and on the website of NSDL within two (2) days of passing the resolutions at the 59th AGM of the Company and simultaneously communicated to the Stock Exchanges.
- l) Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of meeting viz. December 15, 2015.

B) Voting at AGM

1. The Company also offers the facility for voting through polling paper at the meeting. The members as on the Cut-off date attending the AGM are entitled to exercise their voting right at the meeting if they have not cast their vote by remote e-Voting.
2. Members who have cast their vote by remote e-Voting are also entitled to attend the meeting but they cannot cast their vote at the AGM.
3. The Chairman will fix the time for voting at the meeting.



THIRU AROORAN SUGARS LIMITED

CIN: L15421TN1954PLC002915

Regd. Office: "Eldorado" - 5th Floor 112, Nungambakkam High Road, Chennai - 600 034

Website: www.tasugars.in, E-mail id: secretarial@tasugars.in

Phone: 044 - 28276001,28270915, Fax : 044-28270470

Form No. MGT - 11

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

59th Annual General Meeting - December 15, 2015

Name of the Member(s) :

Registered Address :

E-mail Id :

Folio No./Client ID, DPID :

I/We, being the holder(s) of shares of Thiru Arooran Sugars Ltd, hereby appoint.

1. Name Address

E-mail ID Signature or failing him/ her

2. Name Address

E-mail ID Signature or failing him/ her

3. Name Address

E-mail ID Signature

as my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 59th Annual General Meeting of the Company to be held at 10.30 A.M. on Tuesday, December 15, 2015 at the Obul Reddy Hall, "Vani Mahal" ,103 G.N.Chetty Road, T.Nagar, Chennai - 600 017, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
	Ordinary Business
1	To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2015 along with the Reports of the Board of Directors and Auditors.
2	To appoint a Director in the place of Mrs Malathi Ram Tyagarajan (DIN 00938836), Director, who retires by rotation and being eligible offers herself for re-appointment.
3	Appointment of Auditors and fixing their remuneration.
	Special Business
4	Ratification of remuneration for the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year 2015-16.

Signed this _____ day of _____ 2015

Signature of the Shareholder _____

Signature of the Proxy holder(s) _____

Affix
Revenue
stamp

Note : 1. This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. Please complete all details of member(s) before submission.



THIRU AROORAN SUGARS LIMITED

FORM A

1.	Name of the Company	THIRU AROORAN SUGARS LTD
2.	Annual Financial Statement for the year ended	March 31,2015
3.	Type of Audit observation	<p>Unqualified in respect of Standalone Financial Statements of the Company.</p> <p>Matter of Emphasis in respect of the Consolidated Financial Statements.</p>
4.	Frequency of observation	In respect of the Consolidated Financial Statements, Matter of Emphasis appears for the third time.

R. Srinivasan

Chairman & Managing Director

R. Srinivasan

Chief Financial Officer

S. Nagarajan

Chairman - Audit Committee



**For S.N.S. ASSOCIATES
CHARTERED ACCOUNTANTS
(FIRM REGISTRATION No: 0062975)**

S. Nagarajan

(S. NAGARAJAN)
Partner

MEMBERSHIP No: 20899

Auditor of the Company

September 24,2015