

TRIDENT SUGARS LIMITED

BOARD'S REPORT

Your Directors have pleasure in presenting the 15th Annual Report with the audited financial statements for the year ended 31st March 2017.

1) Financial Highlights

| | (Rs. in lakhs) | |
|--|----------------|-----------|
| Particulars | 2016-17 | 2015-16 |
| Total Income | 11,058.37 | 14,445.55 |
| Profit/(Loss) before Interest and depreciation | 597.36 | 322.71 |
| Interest | 707.49 | 836.15 |
| Depreciation | 196.91 | 205.71 |
| Profit/(Loss) before tax | (307.04) | (719.14) |
| Provision for deferred tax | (56.80) | (222.21) |
| Profit/(Loss) after tax | (80.05) | (496.93) |
| Basic / Diluted Earnings per share of Rs.10/- each after extraordinary items | (0.25) | (1.88) |

2) Dividend

The Board of Directors has not recommended any dividend for the year ended 31st March 2017.

3) Financial performance

The Company has incurred a net loss of Rs.80.05 lakhs for the year ended 31st March 2017 as against Rs.496.93 lakhs incurred in the previous year. Higher cane price coupled with lower realisation and lower recovery on account of erratic rainfall affected the performance of the company.

4) Change in nature of business

There has been no change in the nature of business of the Company during the year under review.

5) Operations

During the year under review, the factory has crushed 0.90 lakh tons of sugarcane at a recovery of 9.80% as against 3.40 lakh tons crushed at a recovery of 11.02% in the previous year.

6) Fixed Deposits

The Company has not accepted any deposits as per Chapter V of the Companies Act 2013, during the year under review.

7) Share Capital

The Authorized Share Capital of the company has been increased from Rs.30 Crores to Rs.35 Crores, during the year under review. The Board has issued 70,00,000 equity shares at Rs.10/- each on Rights basis to the Holding company, M/s.Rajshree Sugars & Chemicals Limited, during the year under review.

8) Directors or Key Managerial Personnel (KMP)

The details of Directors or KMP appointed/resigned during the year are furnished hereunder:

| Name | Designation | Appointment / reappointment / Resignation | Effective from |
|------------------|-------------|---|---------------------------------|
| Mr.R.Varadarajan | Director | Reappointment | 29 th September 2016 |

9) Number of Board Meetings

During the year 7 Board Meetings were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act 2013.

10) Internal control systems

The Company has established adequate internal control systems, which is commensurate with its nature and volume of operations.

11) Internal financial controls

The internal financial controls of the Company are adequate with reference to the financial statements of the Company.

12) Conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows.

Annexed herewith as **Annexure 1**.

13) Audit Committee

The composition of the Audit Committee, as required under Section 177 (8) of the Companies Act 2013, is furnished hereunder:

- a) Dr.K.Mohan Naidu, Independent Director (Chairman of the Committee)
- b) Mr.R.C.H.Reddy, Independent Director
- c) Mr.R.Varadarajan, Non-Independent & Non-Executive Director

The board has accepted all the recommendations of the committee during the year

14) Corporate Social Responsibility Committee ('CSR Committee')

The Company is not required to constitute a CSR Committee u/s 135(1) of the Companies Act, 2013. However, the Company has voluntarily constituted a CSR Committee, consisting of the following members:

- a) Dr.K.Mohan Naidu, Independent Director (Chairman of the Committee)
- b) Mr.R.C.H.Reddy, Independent Director
- c) Mr.R.Varadarajan, Non-Independent & Non-Executive Director

15) Nomination & Remuneration Committee & Policy

The Composition of the Nomination and Remuneration Committee is furnished hereunder:

- 1) Mr.R.C.H.Reddy, Independent Director (Chairman of the Committee)
- 2) Dr.K.Mohan Naidu, Independent Director
- 3) Mr.R.Varadarajan, Non-Independent & Non-Executive Director

The Nomination & Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of the Directors and recommended to the Board a policy for appointment and remuneration for the Directors, Key Managerial Personnel and other employees.

As required under Section 178(4) of the Companies Act 2013. The Nomination & Remuneration Policy is furnished as **Annexure 2**.

16) Whistle Blower Policy ('Vigil Mechanism')

As per Section 177 (9) & 177 (10) of the Companies Act 2013 and rules made thereunder, the Board has established a Vigil Mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud.

This mechanism also provides for adequate safeguards against victimization of director(s) /employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

17) Risk Management Policy

The Company has formulated a Risk Management Policy as required under Section 134(3)(n) of the Companies Act 2013.

At present the Board has not identified any element of risk which may threaten the existence of the company. However, the details about the risks being faced by the Company are furnished hereunder:

- a) *Sugarcane availability*: Sugarcane is the main raw material in sugar mills. Sugarcane cultivation is monsoon dependent. Hence it becomes unpredictable in adverse climatic conditions. Similarly other factors like scarcity of harvest labour, lower sugarcane price, availability of attractive competitive/alternate crops will have a direct impact on cane availability and affect our business.

- b) *Sugar price realization risk*: Sugar being a commodity, the sugar price remains volatile and realisations get adversely affected during a downturn. Coupled with this, higher cane price too affects profitability.
- c) *Regulatory Risk*: The sugar industry continues to be regulated by State Governments by other controls viz., reservation of cane area and fixing sugarcane price.

Risk mitigation: Indian Sugar Mills Association (ISMA) and South Indian Sugar Mills Association (SISMA) of which the Company is a member are in the process of presenting recommendation for appropriate policy changes to reduce governmental influence in the sugar sector and work toward complete decontrol of the sugar industry.

- d) *Financial liquidity risk*: Sugar industry is highly working capital intensive. Raising adequate and rightly-priced working capital or arranging funds for payment of the interest and principal with respect to loans availed might pose challenge. The other associated risk is soaring interest rates.

18) Director's Responsibility Statement

In terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the directors would like to state that:

- a) In the preparation of the annual accounts / financial statements, the applicable accounting standards had been followed along with the proper explanation relating to material departures;
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the **loss** of the Company for the year under review.
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The directors have prepared the annual accounts / financial statements on a going concern basis.
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

19) Extract of Annual Return

Pursuant to the requirement of section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an Extract of Annual Return in Form MGT-9 is annexed as **Annexure 3.**

20) Board Evaluation

Pursuant to the provisions of the companies Act, 2013 and SEBI Listing Regulation the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its committees the performance evaluation has been carried out as per the policy laid down by the Nomination and Remuneration committee.

21) Declaration by an Independent Director(s)

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act 2013.

22) Subsidiary / Associate / Joint Venture companies

No Company has become or ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the year

23) Significant or material orders passed

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

24) Sexual Harassment

There has been no complaint received on Sexual Harassment, during the year under review.

25) Material changes & commitments

There have been no material changes & commitments between end of financial year and this report.

26) Particulars of loans, guarantees or investments under section 186

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

27) Managerial Remuneration and Employee Particulars

The details of disclosures relating to Managerial Remuneration and particular of employees as required under Section 197 (12) of the Companies Act 2013 is not applicable to the Company.

28) Related Party Transactions

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business.

There were no material contracts/arrangements/transactions with related parties during the year.

29) Industrial Relations

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

30) Divestment by holding Company M/s.Rajshree Sugars & Chemicals Ltd.,

In accordance with the Share Purchase Agreement (SPA) dated 24th November 2016 and Supplemental Agreement thereto dated 3rd April 2017, M/s.Rajshree Sugars & Chemicals Limited has divested its entire equity shares held by it and its nominees in the Company and transferred to M/s.Natems Sugar Private Limited. The following changes have taken place on 3rd April 2017, consequent to the aforesaid divestment:

- a) Ms.Rajshree Pathy, Mr.R.Varadarajan, Mr.R.C.H.Reddy, Mr.G.Sathiyamoorthi and Dr.K.Mohan Naidu, Directors, being nominees of Rajshree Sugars & Chemicals Ltd., have resigned.
- b) Mr.V.B.Gopal Krishnan, Chief Financial Officer and Mr.M.Ponraj, Company Secretary have resigned.
- c) Mr.R.Nandakumar, Dr.R.N.Ramnath, Mr.M.Guruvayurappan, Mr.Lakshmi Narayana Kodidela and Mr.Sudhakar Chowdary Ravi, being nominees of Natems Sugar Private Ltd., have been co-opted as Additional Directors.
- d) M/s.Srikishen & Co., and M/s.S.krishnamoorthy, Auditors of the Company have resigned.

31) Acknowledgement

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

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

For and behalf of the Board

R.VARADARAJAN
Director
DIN:0001738

RAJSHREE PATHY
Managing Director
DIN:00001614

Place : Coimbatore
Date : 3rd April 2017

TRIDENT SUGARS LIMITED

ANNEXURE 1 TO BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH 2017.

A. Conservation of Energy

- i) The steps taken or impact on conservation of energy;
 - a) In place 7.5 HP open well submersible pump for off-season requirement, we have provided 5 HP energy efficient submersible pump there by achieved power saving of 11475 KWH.
 - a) During every startup of the factory, we used to consume nearly 300 litres of HSD to run 750 KVA DG set at least for 4 hours, instead we experimented an innovative method of starting the factory by natural draft without using any electrical energy. Diesel saving per hour at optimum load is 65 liters and the total diesel saving is 260 liters per startup and for 10 start up, the total saving is 2600 liters.
 - b) Water Conservation measures were adopted in Factory operations by recycling the excess condensate after cooling. Raw water consumption was reduced and arrangement made to use for:
 - Spray pond Inlet water for Boiler ash wetting purpose and subsiding the dust emission from the cane yard.
 - Pan and Evaporator tube cleaning purpose Spray pond water used.
 - Spray pond Inlet water connection was provided to Wet scrubber. For both the wet scrubbers, only the make-up water of 5 tons per hour is added and the rest is re-circulated back to the system. Total water saving for 60 days of operation is 7200 tons.
- ii) The steps taken by the company for utilising alternate sources of energy; Nil
- iii) The capital investment on energy conservation equipment : Rs.3.00 lakhs

B. Technology Absorption: Nil

- a. The efforts made towards technology absorption; Nil
- b. The benefits derived like product improvement, cost reduction, product development or import substitution; Nil
- c. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year); Nil
- d. The expenditure incurred on Research and Development: Nil

C. Foreign exchange earnings and outgo: Nil

For and behalf of the Board

R.VARADARAJAN
Director
DIN:0001738

RAJSHREE PATHY
Managing Director
DIN:00001614

Place : Coimbatore
Date : 3rd April 2017

**ANNEXURE 2 TO BOARD'S REPORT
OF TRIDENT SUGARS LTD FOR THE YEAR ENDED 31ST MARCH 2017**

NOMINATION AND REMUNERATION POLICY

1) Introduction

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 amended from time to time this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management and other employees of the Company has been formulated by the Committee and adopted by the Board of Directors.

2) Objective and purpose of the Policy

The Nomination and Remuneration Committee and this Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto.

The objective and purpose of this policy are:

- a) To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- b) To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the sugar industry.
- c) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- d) To evaluate the performance of Directors, as well as Key Managerial and Senior Management Personnel and provide necessary report to the Board for further evaluation of the Board.
- e) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- f) To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- g) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. In the context of the aforesaid criteria the following policy has formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors.

3) Effective Date

This policy shall be effective from **1st April 2014**.

4) Applicability

This Policy is applicable to;

- a) Directors (Executive and Non-Executive)
- b) Key Managerial Personnel
- c) Senior Management Personnel
- d) Other employees of the Company

5) Nomination and Remuneration Committee

The Nomination and Remuneration Committee, constituted by the Board, comprises of the following Directors:

- 1) Mr.R.C.H.Reddy, Independent Director (Chairman of the Committee)
- 2) Dr.K.Mohan Naidu, Independent Director
- 3) Mr.R.Varadarajan, Non-Independent & Non-Executive Director

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

6) Definitions

- a) "Company" "The Company" means Trident Sugars Limited.
- b) "Board" means Board of Directors of the Company.
- c) "Directors" mean Directors of the Company.
- d) "Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- e) "Independent Director" means a Director referred to in Section 149 (6) of the Companies Act, 2013.
- f) "Key Managerial Personnel (KMP)" means
 - (i) Executive Chairman and / or Managing Director;
 - (ii) Wholetime Director;
 - (iii) Chief Financial Officer;
 - (iv) Company Secretary;
 - (v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.
- g) "Senior Management Personnel" - means personnel of the Company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

7) General

This Policy is divided in three parts: Part A covers the matters to be dealt with and recommended by the Committee to the Board, Part B covers the appointment and nomination and Part C covers remuneration and perquisites, etc.

8) Role of Committee

The role of the Committee inter alia will be the following:

- a) to formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) to carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.
- c) to recommend to the Board the appointment and removal of Senior Management.
- d) to recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive.
- e) to make recommendations to the Board concerning any matters relating to the continuation in office or any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- f) ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- g) to devise a policy on Board diversity;
- h) to develop a succession plan for the Board and to regularly review the plan;

9) Membership

- a) The Committee shall consist of a minimum 3 non-executive Directors, majority of them being independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

10) Chairman

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

11) Frequency of Meetings

The meeting of the Committee shall be held at such regular intervals as may be required.

12) Committee Members' Interests

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

13) Secretary

The Company Secretary of the Company shall act as Secretary of the Committee.

14) Nomination Duties

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;
- b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;
- c) Identifying and recommending Directors who are to be put forward for retirement by rotation;
- d) Determining the appropriate size, diversity and composition of the Board;
- e) Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- f) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- g) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- h) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- i) Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- j) Recommend any necessary changes to the Board; and
- k) Considering any other matters as may be requested by the Board.

15) Remuneration Duties

The duties of the Committee in relation to remuneration matters include:

- a) to consider and determine the Nomination and Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board;

- b) to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
- c) to delegate any of its powers to one or more of its members or the Secretary of the Committee to consider any other matters as may be requested by the Board;
- d) Professional indemnity and liability insurance for Directors and senior management.

PART- A

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall:

- a) Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- b) Identify persons who are qualified to become Director and. persons who may be appointed in Key Managerial and Senior Management positions.
- c) Recommend to the Board appointment and removal of Director, KMP and Senior Management Personnel.

PART- B

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

a) Appointment criteria and qualifications

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification/ expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Wholetime Director who has attained the age of seventy years.

Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

b) Term / Tenure

1. Managing Director / Whole-time Director

The Company shall appoint or reappoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director; Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

4. Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act / rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

5. Retirement

The Director, KMP and Senior Management personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the, prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel. in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PART C

POLICY RELATING TO THE REMUNERATION FOR THE WHOLETIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

a) General

1. The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation /

commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

2. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
4. Where any insurance is taken by the Company on behalf of its Wholetime Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration;

b) Remuneration to Wholetime / Executive / Managing Director, KMP and Senior Management Personnel

1. Fixed pay

The Wholetime Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break - up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director, Whole Time Director. in accordance with the provisions of Schedule V of the Companies Act, 2013 .and if it is not able to comply with such provisions/ with the previous approval of the Central Government.

3. Provisions for excess remuneration

If any Executive Director draws or receives / directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act1 2013 or without the prior sanction of the Central Government where required/ he / she shall refund such sums to the Company and until such sum is refunded 1 hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

c) Remuneration to Non- Executive / Independent Director Sitting Fees

The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committees thereof. Provided that the amount of such fees shall not exceed Rupees One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

d) Minutes of Committee Meeting

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

For and behalf of the Board

Place : Coimbatore
Date : 3rd April 2017

R.VARADARAJAN
Director
DIN:0001738

RAJSHREE PATHY
Managing Director
DIN:00001614

**ANNEXURE 3 TO BOARD'S REPORT
OF TRIDENT SUGARS LIMITED FOR THE YEAR ENDED 31ST MARCH 2017**

**Form No.MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31ST March 2017**
[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

| | | |
|------|--|---|
| i) | CIN | U15424TZ2002PLC013368 |
| ii) | Registration Date | 22/08/2002 |
| iii) | Name of the Company | TRIDENT SUGARS LIMITED |
| iv) | Category / Sub-Category of the Company | Company Limited by Shares |
| v) | Address of the Registered Office and contact details | "The Uffizi", 338/8 Avanashi Road, Peelamedu, Coimbatore 641 004. |
| vi) | Whether listed company | No |
| vii) | Name, Address and contact details of Registrar and Transfer Agents | Not applicable |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company is furnished hereunder:

| Name and Description of main products / services | NIC Code of the Product / Service | % to total turnover of the company |
|--|-----------------------------------|------------------------------------|
| White Crystal Sugar | 1072 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Name and Address of the Company | CIN/GLN | Holding / Subsidiary / Associate | % of shares held | Applicable section |
|-------------------------------------|-----------------------|----------------------------------|------------------|--------------------|
| Rajshree Sugars & Chemicals Limited | L01542TZ1985PLC001706 | Holding | 100% | 2(87) |

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

a) Category-wise Shareholding

| Category of Shareholders | No. of shares held at the beginning of the year | | | | No. of shares held at the end of the year | | | | % change during the year |
|--|---|-----------------|-----------------|-------------------|---|-----------------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of total shares | Demat | Physical | Total | % of Total shares | |
| A) PROMOTERS | | | | | | | | | |
| Indian | | | | | | | | | |
| 1) Bodies Corporates | Nil | 26494324 | 26494324 | 99.99 | Nil | 33494324 | 33494324 | 99.99 | 26.42 |
| 2) Nominees ** | | | | | | | | | |
| Ms.Rajshree Pathy | Nil | 100 | 100 | 0.00 | Nil | 100 | 100 | 0.00 | Nil |
| Mr.R.Varadarajan | Nil | 100 | 100 | 0.00 | Nil | 100 | 100 | 0.00 | Nil |
| Dr.K.Mohan Naidu | Nil | 100 | 100 | 0.00 | Nil | 100 | 100 | 0.00 | Nil |
| Mr.Aditya Krishna Pathy | Nil | 100 | 100 | 0.00 | Nil | 100 | 100 | 0.00 | Nil |
| Mr.N.Manoharan | Nil | 100 | 100 | 0.00 | Nil | 100 | 100 | 0.00 | Nil |
| Ms.S.Valliammai | Nil | 100 | 100 | 0.00 | Nil | 100 | 100 | 0.00 | Nil |
| Total Shareholding of Promoters | Nil | 26494924 | 26494924 | 100.00 | Nil | 33494924 | 33494924 | 100.00 | Nil |
| B) PUBLIC SHAREHOLDING | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Grand Total (A+B) | Nil | 26494924 | 26494924 | 100.00 | Nil | 33494924 | 33494924 | 100.00 | Nil |

** Nominees of Rajshree Sugars & Chemicals Limited

b) Shareholding of Promoters

| SN | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | Shares of % change in shareholding during the year |
|----|-------------------------------------|---|------------------------------|--|-------------------------------------|------------------------------|--|--|
| | | No. of shares | % of total shares of company | % of shares pledged / encumbered to total shares | No. of shares | % of total shares of company | % of shares pledged / encumbered to total shares | |
| 1. | Rajshree Sugars & Chemicals Limited | 26494324 | 99.99 | Nil | 33494324 | 99.99 | Nil | 26.42l |
| 2. | Ms.Rajshree Pathy | 100 | 0.00 | Nil | 100 | 0.00 | Nil | Nil |
| 3. | Mr.R.Varadarajan | 100 | 0.00 | Nil | 100 | 0.00 | Nil | Nil |
| 4. | Dr.K.Mohan Naidu | 100 | 0.00 | Nil | 100 | 0.00 | Nil | Nil |
| 5. | Mr.Aditya Krishna Pathy | 100 | 0.00 | Nil | 100 | 0.00 | Nil | Nil |
| 6. | Mr.N.Manoharan | 100 | 0.00 | Nil | 100 | 0.00 | Nil | Nil |
| 7. | Ms.S.Valliammai | 100 | 0.00 | Nil | 100 | 0.00 | Nil | Nil |
| | Total | 26494924 | 100.00 | Nil | 33494924 | 100.00 | Nil | Nil |

c) Change in Promoters' shareholding: 70,00,000 equity shares at Rs.10/- each on Rights basis were to the Holding company, M/s.Rajshree Sugars & Chemicals Limited, during the year under review.

d) Shareholding Pattern for top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) ; Nil

e) Shareholding of Directors and Key Managerial Personnel

Ms.Rajshree Pathy, Dr.K.Mohan Naidu & Mr.R.Varadarajan are holding 100 shares each as Nominees of Rajshree Sugars & Chemicals Limited and no other Directors and KMPs are holding shares in the company at the beginning and end of the year.

V. INDEBTEDNESS (Rs. in lakhs)

Indebtedness of the Company including interest outstanding / accrued but not due for payment

| Particulars | Secured Loans | Unsecured Loans | Total Indebtedness |
|--|-------------------|-----------------|--------------------|
| Indebtedness at the beginning of the financial year | | | |
| i) Principal Amount | 8,908.37 | 531.73 | 9,440.10 |
| ii) Interest due but not paid | 80.88 | - | 80.88 |
| iii) Interest accrued but not due | - | - | - |
| Total (i+ii+iii) | 8,989.25 | 531.73 | 9,520.98 |
| Change in Indebtedness during the financial year | | | |
| Addition | - | 3,120.69 | 3,120.69 |
| Reduction | 6,212.93 | 531.73 | 6,744.67 |
| Net change Indebtedness | (6,212.93) | 3652.42 | (3,623.98) |
| At the end of the financial year | | | |
| i) Principal Amount | 2,695.44 | 3,120.69 | 5,816.13 |
| ii) Interest due but not paid | 176.62 | | 176.62 |
| iii) Interest accrued but not due | | | |
| Total (i+ii+iii) | 2,872.06 | 3,120.69 | 5,992.75 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNAL: Nil

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES : Nil

For and behalf of the Board

R.VARADARAJAN
Director
DIN:0001738

RAJSHREE PATHY
Managing Director
DIN:00001614

Place : Coimbatore
Date : 3rd April 2017

Independent Auditor's Report
To the Members of Trident Sugars Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Trident Sugars Limited ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- a) In the case of the Balance Sheet, the state of affairs of the Company as at 31 March 2017 ,
- b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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, a statement on the matters specified in the paragraph 3 and 4 of the order.
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, the statement of Profit and loss and the Cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid 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 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) 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 does not have any pending litigations which will have an impact on its financial position in its 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

for **SRIKISHEN&CO**
Chartered Accountants
Firm Regn. No.: 004009S

for **S. KRISHNAMOORTHY & CO**
Chartered Accountants
Firm Regn. No.: 001496S

K. MURALI MOHAN
Auditor, Proprietor
Membership number: 14328

K.N.SREEDHARAN
Auditor, Partner
Membership number:012026

Place: Coimbatore
Date: 3rd April 2017

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
 - (b) As explained to us, all fixed assets have been physically verified in a phased periodical manner, by the management, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such physical verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The physical verification of inventory has been conducted by the management at reasonable intervals. The company has maintained proper record of inventory and no material discrepancies were noticed on the physical verification of inventories as compared to the book records.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not advanced any loans to its directors or any other person in whom the directors are interested or given any guarantee or provided any security in connection with any loan taken by the directors or such other person as contemplated under section 185 of the Act.
There are no loans and/or investment made by the company as contemplated under section 186 of the Act.
- (v) The Company has not accepted any deposits.
- (vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of sugar manufactured by the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however carried out a detailed examination of the same.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31 March 2017 for a period of more than six months from the date they became payable..
 - (b) According to the information and explanations given to us, the Company does not have any disputed statutory dues which have not been deposited.
- (viii) The Company has not borrowed from any financial institution and has not issued any debentures till date. In respect of borrowings from Banks and Sugar Development Fund , the details of default in repayment is as under:

| Name of the lender | Amount of default | | Period of default | Remarks |
|------------------------|-------------------|--------------|--------------------------------|--|
| | Principal | Interest | | |
| Sugar Development Fund | 479.58 Lakhs | 154.91 Lakhs | From March 2015 to March 2017. | The company has requested for restructuring of the loans |
| UCO Bank | 28.00 Lakhs | 6.88 Lakhs | March 2017 | |
| SBI | - | 14.83 Lakhs | March 2017 | |

- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The Company has not availed any new term loans during the year
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) No managerial remuneration has been provided or paid during the year.
- (xii) The Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) Based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standard. Provisions of Section 177 are not applicable to the Company.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for **SRIKISHEN&CO**
Chartered Accountants
Firm Regn. No.: 004009S

for **S. KRISHNAMOORTHY & CO**
Chartered Accountants
Firm Regn. No.: 001496S

K. MURALI MOHAN
Auditor, Proprietor
Membership number: 14328

K.N.SREEDHARAN
Auditor, Partner
Membership number:012026

Place: Coimbatore
Date: 3rd April 2017

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Trident Sugars Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **SRIKISHEN&CO**
Chartered Accountants
Firm Regn. No.: 004009S

for **S. KRISHNAMOORTHY & CO**
Chartered Accountants
Firm Regn. No.: 001496S

K. MURALI MOHAN
Auditor, Proprietor
Membership number: 14328

K.N.SREEDHARAN
Auditor, Partner
Membership number:012026

Place: Coimbatore
Date: 3rd April 2017

TRIDENT SUGARS LIMITED
Balance Sheet as at 31.03.2017

Rupees in Lacs

| Particulars | Note No. | 31.03.2017 | 31.03.2016 |
|------------------------------------|----------|------------------------|-------------------------|
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholders' funds | | | |
| (a) Share capital | <u>A</u> | 3,349.49 | 2,649.49 |
| (b) Reserves and surplus | <u>B</u> | (3,069.04) | (2,988.99) |
| | | <u>280.45</u> | <u>(339.50)</u> |
| (2) Non-current liabilities | | | |
| (a) Long-term borrowings | <u>C</u> | 1,496.00 | 2,188.11 |
| | | <u>1,496.00</u> | <u>2,188.11</u> |
| (3) Current liabilities | | | |
| (a) Short-term borrowings | <u>D</u> | 3,120.69 | 6,372.67 |
| (b) Trade payables | <u>E</u> | 134.49 | 1,931.16 |
| (c) Other current liabilities | <u>F</u> | 1,478.04 | 1,965.64 |
| (d) Short-term provisions | <u>G</u> | 20.22 | 23.09 |
| | | <u>4,753.44</u> | <u>10,292.55</u> |
| TOTAL | | <u>6,529.89</u> | <u>12,141.16</u> |
| II. ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Fixed assets | | | |
| (i) Tangible assets | <u>H</u> | 3,870.40 | 4,071.19 |
| (ii) Capital work-in-progress | | 24.88 | 24.88 |
| (c) Deferred tax assets (net) | <u>I</u> | 1,488.25 | 1,431.44 |
| (d) Long-term loans and advances | <u>J</u> | 103.69 | 230.66 |
| (e) Other non-current assets | | - | - |
| | | <u>5,487.22</u> | <u>5,758.18</u> |
| (2) Current assets | | | |
| (a) Current investments | | - | - |
| (b) Inventories | <u>K</u> | 571.59 | 5,593.25 |
| (c) Trade receivables | <u>L</u> | 17.39 | 39.55 |
| (d) Cash and cash equivalents | <u>M</u> | 84.69 | 68.04 |
| (e) Short-term loans and advances | <u>N</u> | 270.66 | 406.91 |
| (f) Other current assets | <u>O</u> | 98.34 | 275.22 |
| | | <u>1,042.67</u> | <u>6,382.98</u> |
| TOTAL | | <u>6,529.89</u> | <u>12,141.16</u> |

See accompanying notes to the financial statements

As per our report of even date

For **Srikishen & Co.**

Chartered Accountants

Registration No: 004009S

K Murali Mohan

Membership No. 14328

Auditors, Proprietor

Place: Coimbatore

Date : 3rd April 2017

For **S Krishnamoorthy & Co**

Chartered Accountants

Registration No: 001496S

K N Sreedharan

Membership No: 012026

Partner

V B Gopal krishnan

Chief Financial Officer

Rajshree Pathy

Managing Director

(DIN:00001614)

R Varadarajan

Director (DIN:0001738)

M Ponraj

Company Secretary

TRIDENT SUGARS LIMITED**Statement of Profit & Loss for the year ended 31.03.2017**

Rupees in Lacs

| Particulars | Note No. | 31.03.2017 | 31.03.2016 |
|--|----------|------------------|---------------|
| INCOME | | | |
| I. Revenue from operations | <u>P</u> | 11,045.58 | 14,301.26 |
| II. Other income | <u>Q</u> | 12.79 | 144.28 |
| III. Total Revenue (I + II) | | 11,058.37 | 14,445.55 |
| IV. Expenses: | | | |
| Cost of materials consumed | <u>R</u> | 3,170.70 | 9,042.18 |
| Purchase of Stock in trade - Sugar | | 1,438.00 | - |
| Changes in inventories of finished goods work-in-progress ar | <u>S</u> | 4,668.27 | 3,337.47 |
| Employee benefits expense | <u>T</u> | 566.78 | 592.16 |
| Finance costs | <u>U</u> | 707.49 | 836.15 |
| Depreciation and amortization expense | | 196.91 | 205.71 |
| Other expenses | <u>V</u> | 617.26 | 1,151.02 |
| Total expenses | | 11,365.41 | 15,164.69 |
| V. Profit / (Loss) before exceptional and extraordinary items and tax (III-IV) | | (307.04) | (719.14) |
| VI. Exceptional items | | - | - |
| VII. Profit / (Loss) before extraordinary items and tax (V - VI) | | (307.04) | (719.14) |
| VIII. Extraordinary Items | | - | - |
| IX. Profit / (Loss) before tax (VII- VIII) | | (307.04) | (719.14) |
| X Tax expense: | | | |
| (1) Income tax provision of earlier year reversed | | (170.19) | - |
| (1) Income tax provision | | - | - |
| (2) Deferred tax liability / (Asset) | | (56.80) | (222.21) |
| XI Profit / (Loss) for the period from continuing operations (IX-X) | | (80.05) | (496.93) |
| XII Profit / (Loss) for the period | | (80.05) | (496.93) |
| XIII Earnings per equity share: | | | |
| (1) Basic | | (0.25) | (1.88) |
| (2) Diluted | | (0.25) | (1.88) |

See accompanying notes to the financial statements

As per our report of even date

For Srikishen & Co.

Chartered Accountants

Registration No: 004009S

For S Krishnamoorthy & Co

Chartered Accountants

Registration No: 001496S

Rajshree PathyManaging Director
(DIN:00001614)**K Murali Mohan**

Membership No. 14328

Auditors, Proprietor

K N Sreedharan

Membership No: 012026

Partner

R VaradarajanDirector
(DIN:0001738)

Place: Coimbatore

Date : 3rd April 2017

V B Gopal krishnan

Chief Financial Officer

M Ponraj

Company Secretary

TRIDENT SUGARS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017**

Rupees in Lacs

| PARTICULARS | 31.03.2017 | 31.03.2016 |
|---|--------------------------|--------------------------|
| A. SHARE CAPITAL | | |
| AUTHORISED | | |
| 35,000,000 Equity Shares of Rs.10/- each | <u>3,500.00</u> | <u>3,000.00</u> |
| <i>Previous year 30,000,000 Equity shares of Rs 10/- each</i> | | |
| ISSUED SUBSCRIBED & PAID UP: | | |
| 33,494,924 Equity Shares of Rs.10/- each fully paid-up in cash | <u>3,349.49</u> | <u>2,649.49</u> |
| <i>Previous year 26,494,924 Equity shares of Rs 10/- each</i> | | |
| i) <i>No of Equity Shares outstanding</i> | | |
| <i>at the beginning of the year</i> | 26,494,924 | 14,494,924 |
| <i>Changes during the year</i> | 7,000,000 | 12,000,000 |
| <i>at the end of the year.</i> | 33,494,924 | 26,494,924 |
| ii) <i>Shareholder holding more than 5 percent shares:</i> | | |
| <i>M/s. Rajshree Sugars & Chemicals Limited</i> | 33,494,924 | 26,494,924 |
| iii) <i>Shares held by the holding company:</i> | | |
| <i>M/s. Rajshree Sugars & Chemicals Limited</i> | 33,494,924 | 26,494,924 |
| B RESERVES & SURPLUS | | |
| RESERVES | | |
| i) General Reserve | | |
| Opening Balance | 569.67 | 569.67 |
| Additions / (Deletions) during the year | <u>-</u> | <u>-</u> |
| Closing Balance | 569.67 | 569.67 |
| SURPLUS | | |
| ii) Surplus / (Deficit) in Profit & Loss statement: | | |
| Opening Balance | (3,558.66) | (3,061.73) |
| Add: Profit / (Loss) after tax | <u>(80.05)</u> | <u>(496.93)</u> |
| Closing Balance | <u>(3,638.71)</u> | <u>(3,558.66)</u> |
| TOTAL | <u>(3,069.04)</u> | <u>(2,988.99)</u> |
| C LONG - TERM BORROWINGS | | |
| i) SECURED LOANS | | |
| Term Loans | | |
| a) From Banks | 1,496.00 | 2,028.25 |
| b) From Other parties | | |
| Sugar Development Fund | <u>-</u> | <u>159.86</u> |
| | <u>1,496.00</u> | <u>2,188.11</u> |
| D SHORT - TERM BORROWINGS | | |
| i) SECURED LOANS | | |
| Loans repayable on demand from Banks | | |
| Cash Credit | - | 5,840.93 |

TRIDENTSUGARSLIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

NOTE "H"
FIXED ASSETS

Rs in Lakhs

| ASSET HEADS | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|----------------------------|---------------------|--------------------------------|--------------------------------|---------------------|---------------------|-----------------|-----------------|---------------------|---------------------|---------------------|
| | AS ON 31.03.2016 | ADDITIONS FOR THE PERIOD | DELETIONS FOR THE PERIOD | AS ON 31.03.2017 | UP TO 31.03.2016 | FOR THE YEAR | WRITTEN BACK | UP TO 31.03.2017 | AS ON 31.03.2017 | AS ON 31.03.2016 |
| LAND | 70.32 | - | - | 70.32 | - | - | - | - | 70.32 | 70.32 |
| BUILDINGS | 981.46 | - | - | 981.46 | 259.39 | 26.76 | - | 286.15 | 695.31 | 722.07 |
| PLANT & MACHINERY | 5,476.16 | 0.18 | - | 5,476.34 | 2,215.64 | 165.63 | - | 2,381.28 | 3,095.06 | 3,260.52 |
| DATA PROCESSING EQUIPMENTS | 34.18 | - | - | 34.18 | 31.46 | 1.03 | - | 32.49 | 1.70 | 2.72 |
| OFFICE EQUIPMENTS | 4.79 | 0.47 | - | 5.26 | 3.80 | 0.37 | - | 4.17 | 1.09 | 0.99 |
| FURNITURE | 19.01 | - | 0.37 | 18.64 | 16.71 | 0.32 | 0.35 | 16.68 | 1.96 | 2.30 |
| VEHICLES | 45.02 | - | 18.51 | 26.51 | 32.74 | 2.80 | 14.01 | 21.54 | 4.96 | 12.27 |
| TOTAL | 6,630.94 | 0.65 | 18.88 | 6,612.71 | 2,559.75 | 196.91 | 14.36 | 2,742.31 | 3,870.40 | 4,071.19 |
| WORK IN PROGRESS | | | | | | | | | 24.88 | 24.88 |
| 2015-16 | 6,604.97 | 25.97 | - | 6,630.94 | 2,354.04 | 205.71 | - | 2,559.75 | 4,071.19 | 4,250.92 |

TRIDENT SUGARS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017**

Rupees in Lacs

| PARTICULARS | 31.03.2017 | 31.03.2016 |
|---|-----------------|-----------------|
| ii) UNSECURED LOAN | | |
| Loans and Advances from related parties | | |
| M/s. Rajshree Sugars & Chemicals Limited - Holding Company | - | 531.73 |
| M/s Natems Sugar Pvt Limited | 3,120.69 | - |
| | 3,120.69 | 6,372.67 |
| E TRADE PAYABLES | | |
| Due to Micro,Small & Medium Enterprises | - | - |
| Due to Others | 134.49 | 1,931.16 |
| | 134.49 | 1,931.16 |
| F OTHER CURRENT LIABILITIES | | |
| i) Current maturities of long term debt | 1,199.44 | 879.33 |
| ii) Interest accrued and due on borrowings | 176.62 | 80.88 |
| ii) Interest accrued but not due on borrowings | - | - |
| iii) Statutory Payables: | 66.36 | 477.96 |
| iv) Advance received from Customers | 35.62 | 527.47 |
| Creditors for Capital expenditure | - | - |
| | 1,478.04 | 1,965.64 |
| G SHORT- TERM PROVISIONS | | |
| i) Provisions for employee benefits: | 20.22 | 23.09 |
| | 20.22 | 23.09 |
| I DEFERRED TAX ASSETS (Net) | | |
| Opening balance | 1,431.44 | 1,209.23 |
| Addition during the year | 56.80 | 222.21 |
| | 1,488.25 | 1,431.44 |
| J LONG TERM LOANS & ADVANCES : | | |
| (Unsecured, considered good) | | |
| i) Capital Advance | - | - |
| ii) Ryot Advance | - | 216.25 |
| iii) Security Deposits | 103.69 | 14.41 |
| | 103.69 | 230.66 |
| K INVENTORIES | | |
| Work-in-progress at cost | 54.33 | 48.73 |
| Finished Goods at cost / realisable value | 211.71 | 5,254.41 |
| Stores & Spares at cost | 305.56 | 290.11 |
| | 571.59 | 5,593.25 |
| L TRADE RECEIVABLES: | | |
| (Unsecured, considered good) | | |
| Outstanding for a period exceeding six months | 11.51 | 7.67 |
| Others | 5.88 | 31.89 |
| | 17.39 | 39.55 |

TRIDENT SUGARS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017**

Rupees in Lacs

| PARTICULARS | 31.03.2017 | 31.03.2016 |
|---|------------------|------------------|
| M CASH AND CASH EQUIVALENTS: | | |
| Balance with Banks : | 44.99 | 11.76 |
| Cash on hand | 4.23 | 0.31 |
| Margin money deposits | 35.48 | 55.98 |
| | <u>84.69</u> | <u>68.04</u> |
| N SHORT TERM LOANS AND ADVANCES: | | |
| (Unsecured, considered good) | | |
| i) Others: | | |
| Staff and other advance | 13.70 | 195.15 |
| Advance to Ryots | 8.65 | 82.69 |
| Income Tax Advance | 227.94 | 88.99 |
| Prepaid Expenses | 14.22 | 18.98 |
| Excise Duty Deposits | 6.13 | 21.09 |
| | <u>270.66</u> | <u>406.91</u> |
| O OTHER CURRENT ASSETS: | | |
| i) Interest accrued on investment: | | |
| Interest receivable | 98.18 | 139.77 |
| Income receivable | 0.16 | 135.45 |
| | <u>98.34</u> | <u>275.22</u> |
| P REVENUE FROM OPERATIONS | | |
| Sales | 11,587.45 | 14,970.20 |
| Other Operating Revenues : | | |
| Sale of Scrap | 29.14 | 9.55 |
| | <u>11,616.59</u> | <u>14,979.75</u> |
| LESS: Excise Duty | 571.01 | 678.49 |
| Net Sales | <u>11,045.58</u> | <u>14,301.26</u> |
| Q OTHER INCOME | | |
| Interest Income | 9.02 | 5.03 |
| Other non- operating Income: | | |
| Other Miscellaneous Income | 0.04 | 134.10 |
| Miscellaneous Sales | 0.04 | 0.62 |
| Clearing gai-Exchange rate translation | - | 1.63 |
| Profit On Sale Of Assets | 0.87 | - |
| Insurance claim receipts | 2.83 | 2.91 |
| | <u>3.78</u> | <u>139.25</u> |
| | <u>12.79</u> | <u>144.28</u> |
| R COST OF MATERIALS CONSUMED: | | |
| Raw material - Sugar cane | <u>3,170.70</u> | <u>9,042.18</u> |
| S CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS: | | |
| Opening Inventories: | | |
| Finished Goods | 5,254.41 | 8,434.15 |
| Work in progress | 48.73 | 187.66 |
| | <u>5,303.14</u> | <u>8,621.81</u> |
| Less : Closing Inventories: | | |
| Finished Goods | 211.71 | 5,254.41 |
| Work in progress | 54.33 | 48.73 |
| | <u>266.03</u> | <u>5,303.14</u> |
| | <u>5,037.11</u> | <u>3,318.66</u> |
| Less: Excise duty on Increase / (Decrease) in stock of Finished Goods | 368.84 | (18.80) |
| | <u>4,668.27</u> | <u>3,337.47</u> |

TRIDENT SUGARS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017**

Rupees in Lacs

| PARTICULARS | 31.03.2017 | 31.03.2016 |
|-------------------------------------|---------------|-----------------|
| T EMPLOYEE BENEFIT EXPENSES: | | |
| Salaries, Wages & Bonus | 505.64 | 518.31 |
| Contribution to P F & Other funds | 49.78 | 43.69 |
| Welfare Expenses | 11.35 | 30.16 |
| | 566.78 | 592.16 |
| U FINANCE COST: | | |
| i) Interest expense | 692.30 | 810.96 |
| ii) Other borrowing costs | 15.19 | 25.19 |
| | 707.49 | 836.15 |
| V OTHER EXPENSES: | | |
| Consumption of Stores & spares | 76.57 | 149.10 |
| Consumption of Packing Materials | 31.98 | 129.51 |
| | 108.55 | 278.61 |
| Power & Fuel | 47.53 | 45.74 |
| Building rent | 2.11 | 15.06 |
| Repairs & Maintenance | | |
| Building | 2.14 | 3.05 |
| Machinery | 175.27 | 309.46 |
| | 177.41 | 312.51 |
| Insurance Premium | 24.56 | 28.01 |
| Licence Fees & Tax | 4.04 | 23.97 |
| Freight outwards | 1.42 | 193.61 |
| Payment to Auditor's : | | |
| - Statutory Audit fees | 2.00 | 2.00 |
| - Taxation matters | 0.50 | 1.80 |
| - Certification | 0.03 | - |
| | 2.53 | 3.80 |
| Cost Audit fees | 0.25 | 0.25 |
| Miscellaneous Expenses | 248.86 | 249.47 |
| | 617.26 | 1,151.02 |

As per our report of even date

For Srikishen & Co.

Chartered Accountants

Registration No: 004009S

For S Krishnamoorthy & Co

Chartered Accountants

Registration No: 001496S

Rajshree Pathy

Managing Director

(DIN:00001614)

K Murali Mohan

Membership No. 14328

Auditors, Proprietor

K N Sreedharan

Membership No: 012026

Partner

R Varadarajan

Director (DIN:0001738)

Place: Coimbatore

Date : 3rd April 2017

V B Gopal krishnan

Chief Financial Officer

M Ponraj

Company Secretary

TRIDENT SUGARS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

W) SIGNIFICANT ACCOUNTING POLICIES:

(a) Accounting Convention

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

(b) Fixed Assets

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

(c) Preoperative expenses

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

(d) Depreciation

Depreciation of fixed assets has been provided on straight-line method in terms of Schedule II to the Companies Act 2013 adopting the useful life and residual value as stated therein for the respective assets. In respect of additions during the year, depreciation has been provided on pro-rata basis.

(e) Inventories

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

- a) Raw material is valued at cost on FIFO basis.
- b) In respect of sugar, cost is arrived at on historical cost basis after deducting the realisable value of the by-products. In respect of manufactured finished goods, excise duty and cess payable are added to the cost, wherever applicable.
- c) In respect of semi-finished goods (in process) cost is taken as cost of input raw materials and estimated cost of manufacture upto the various stages of completion.
- d) Stores and spares are valued at Weighted Average cost.

(f) Employee Benefits

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

TRIDENT SUGARS LIMITED

NOTES TO FINANCIAL STATEMENTS

(g) Excise Duty

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

(h) Taxation

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

(i) Earnings Per Share

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

(j) Impairment of Assets

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

(k) Provision and Contingent Liability

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

(l) Income and Expenditure Recognition

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

TRIDENT SUGARS LIMITED

NOTES TO FINANCIAL STATEMENTS

X) OTHER ADDITIONAL INFORMATION

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

Rs in lakhs

| Rate of Interest | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | Total |
|------------------|----------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| 4%/7.5% | 639.44 | - | - | - | - | - | 639.44 |
| 3.90% | 427.00 | 299.00 | - | - | - | - | 726.00 |
| 12%/12.5% | 133.00 | 266.00 | 266.00 | 266.00 | 266.00 | 133.00 | 1,330.00 |
| Total | 1199.44 | 565.00 | 266.00 | 266.00 | 266.00 | 133.00 | 2,695.44 |

Security Details for long-term borrowings:

- Term loan Rs.639.44 lakhs (Rs.639.44 lakhs) secured by exclusive 2nd Charge on all immovable and movable properties (save and except book debts) of company's sugar factory situated at Medak District, Andhra Pradesh.
- Term loan Rs.222 lakhs (Rs.306 Lakhs) secured by 1st pari passu charge on the current assets of sugar factory at Madhunagar, Medak District and 3rd paripassu charge on immovable properties and fixed assets at Madhunagar, Medak District and personally guaranteed by the Managing Director.
- Term loan Rs.504 lakhs(Rs.792 Lakhs) secured by 1st pari passu charge on the current assets of sugar factory at Madhunagar, Medak District and 3rd paripassu charge on immovable properties and fixed assets at Madhunagar, Medak District and personally guaranteed by the Managing Director
- Soft loans aggregating to Rs.1330 lakhs (Rs.1330 lakhs) secured by 1st pari passu charge on the current assets of sugar factory at Madhunagar, Medak District and 1st paripassu charge on immovable properties and fixed assets at Madhunagar, Medak District and personally guaranteed by the Managing Director
- Aggregate amount of loan guaranteed by others is Nil.
- Period and amount of continuing default in respect of the aforesaid loans is Nil except as detailed below :

Term loan installment each of Rs.159.86 lakhs due in March 2015, March 2016 and March 2017 & interest outstanding thereon Rs.154.91 lakhs payable to Sugar Development Fund (SDF), Government of India, is yet to be paid.

Term loan installment of Rs.28 lakhs due in March 2017 payable to UCO Bank and interest outstanding thereon Rs. 21.71 lakhs payable to SBI & UCO Bank, is yet to be paid

TRIDENT SUGARS LIMITED

NOTES TO FINANCIAL STATEMENTS

- 2) The details of amounts outstanding to Micro and Small Enterprises based on available information with the Company is as under:

| | 31.03.2017 | 31.03.2016 |
|--|------------|------------|
| Principal amount due and remaining unpaid | - | - |
| Interest due on above and the unpaid interest | - | - |
| Interest paid | - | - |
| Payment made beyond the appointed day during the year | - | - |
| Interest due and payable for the period of delay | - | - |
| Interest accrued and remaining unpaid | - | - |
| Amount of further interest remaining due and payable in succeeding years | - | - |

- 3) Contingent Liabilities not provided for: Nil
- 4) Income tax assessment up to assessment year 2014-15 has been completed. There are neither pending demands payable nor any disputes affecting tax liability of the company.
- 5) The Company had taken certain properties on lease for operating purposes and the future minimum lease payments are as under: (Rs. In Lakhs)

| | 31.3.2017 | 31.3.2016 |
|---|-----------|-----------|
| Not later than one year | - | - |
| Later than 1 year and not later than 5 years | | |
| Lease payments recognized in the Statement of Profit & Loss | - | 3.42 |

- 6) The disclosures required under Accounting Standard 15 "Employee Benefits" are as follows:

Defined Contribution Plan:

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

| | | |
|---|-------|-------|
| Employer's contribution to Provident Fund | 38.56 | 36.40 |
|---|-------|-------|

Defined Benefit Plan:

The employee's gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service

TRIDENT SUGARS LIMITED

NOTES TO FINANCIAL STATEMENTS

as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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

(Rs. In lakhs)

| | 31.3.2017 | 31.3.2016 |
|---|-----------|-----------|
| Defined benefit obligation at the beginning of the year | 99.01 | 94.38 |
| Current service cost | 7.92 | 7.55 |
| Interest Cost | 5.90 | 5.90 |
| Actuarial (gain)/loss | 22.57 | 7.89 |
| Benefits paid | (12.84) | (16.71) |
| Defined benefit obligation at end of the year | 122.56 | 99.01 |

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

| | | |
|--|---------|---------|
| Fair value of plan assets at beginning of the year | 88.33 | 90.96 |
| Expected return on plan assets | 6.98 | 7.42 |
| Employer contribution | 3.47 | 6.65 |
| Benefits paid | (12.84) | (16.71) |
| Fair value of plan assets at year end | 85.95 | 88.33 |

c. Reconciliation of fair value of assets and obligations

| | | |
|------------------------------------|---------|---------|
| Fair value of plan assets | 85.95 | 88.33 |
| Present value of obligation | 122.56 | 99.01 |
| Amount recognized in Balance Sheet | (36.61) | (10.68) |

d. Expenses during the year

| | | |
|--------------------------------|--------|--------|
| Current service cost | 5.90 | 5.90 |
| Interest cost | 7.92 | 7.55 |
| Expected return on plan assets | (6.98) | (7.42) |
| Actuarial (gain)/loss | 22.57 | 7.89 |
| Net cost | 29.41 | 13.91 |

e. Investment details:

L.I.C. Group gratuity policy

f. Actuarial assumptions

| | |
|--|---------|
| Mortality table (L.I.C) | 1994-96 |
| Discount rate (per annum) | 8% |
| Expected rate of return on plan assets (p.a) | 8% |
| Rate of escalation in salary (p.a) | 3% |

TRIDENT SUGARS LIMITED

NOTES TO FINANCIAL STATEMENTS

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

7) Related Party Disclosures

- (i) Key Managerial Personnel - Ms. Rajshree Pathy, Managing Director
Mr.V.B.Gopal Krishnan, Chief Financial Officer
Mr.M.Ponraj, Company Secretary
- (ii) Holding Company - Rajshree Sugars & Chemicals Ltd
- (iii) Other related parties - Lavik Food works LLP
- Lakshmi Mills Company Ltd.
- Rajshree Bio solutions LLP
- Aishwarya Pathy

The following transactions were carried out with the related parties in the ordinary course of business: (Rs. In lakhs)

| Nature of Transaction | Holding Company | | Other Related parties | |
|--|-----------------|-----------|-----------------------|-----------|
| | 31.3.2017 | 31.3.2016 | 31.3.2017 | 31.3.2016 |
| Sale of Assets / Accessories | | 16.96 | | - |
| Purchase of Stores & Consumables | | - | | - |
| Purchase of goods | | | | |
| - Rajshree Sugars & Chemicals Ltd. | 1,509.90 | - | - | 12.11 |
| - Rajshree Biosolutions LLP | - | - | 3.95 | - |
| - The Lakshmi Mills Company Ltd. | - | - | 1.57 | - |
| Sale of goods | 1,666.90 | - | | - |
| Commission paid | | - | | 22.51 |
| Remuneration paid | | - | | 11.09 |
| Finance: | | | | - |
| Loan repaid | | 1,110.00 | | - |
| Interest paid | 122.35 | 161.09 | | - |
| Corporate Guarantee from holding company | 3,340.92 | 3,340.92 | | - |
| Equity Contribution Received | 700.00 | - | | - |
| Payable | - | 531.73 | | 21.94 |
| Receivable | - | - | | - |

TRIDENT SUGARS LIMITED

NOTES TO FINANCIAL STATEMENTS

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

(Rs. In lakhs)

| Particulars | Opening balance | Additions / (Reversal) | Closing Balance |
|---|-----------------|------------------------|-----------------|
| Deferred tax Assets | | | |
| Unabsorbed Depreciation/losses | 1,763.72 | - | 1,763.72 |
| Expenses charged to Profit & Loss account but allowable in Income Tax on payment basis | 104.8 | 79.07 | 183.87 |
| Total A | 1,868.51 | 79.07 | 1,947.59 |
| Deferred tax Liability | | | |
| Tax impact of difference between amount of fixed assets in the financial statements and the Income Tax Return | 650.23 | 22.27 | 672.50 |
| Total B | 650.23 | 22.27 | 672.50 |
| Add: MAT Credit C | 213.15 | - | 213.15 |
| Total A-B+C | 1,431.44 | 56.80 | 1,488.24 |

- 9) Earnings / (loss) per share:

(Rs. In lakhs)

| | 31.3.2017 | 31.3.2016 |
|---|-------------|-------------|
| a) Weighted average number of equity shares of Rs.10/- each at the end of the year. | 3,24,01,773 | 2,64,94,924 |
| b) Profit/(Loss) before exceptional/extraordinary items & tax. | (307.03) | (719.14) |
| Basic/Diluted earnings per share of Rs.10/- each | (1.06) | (2.71) |
| c) Profit/(Loss) after exceptional/extraordinary items & tax. | (80.04) | (496.92) |
| Basic/Diluted earnings per share of Rs.10/- each. | (0.25) | (1.88) |

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

- 10) Cost of material Consumed

(Rs. In lakhs)

| | | |
|-----------|----------|----------|
| Sugarcane | 3,170.69 | 9,042.18 |
|-----------|----------|----------|

TRIDENT SUGARS LIMITED

NOTES TO FINANCIAL STATEMENTS

11) Capital and other commitments:

| | | |
|--|---|---|
| Estimated amount of contracts remaining to be executed on capital account and not provided for | - | - |
|--|---|---|

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

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

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

15) Earnings in Foreign Exchange : Nil

16) Expenditure in Foreign Currency: Nil

17) Disclosures regarding Specified Bank Notes: (Amount in Rs.)

| Particulars | SBN | Other Notes | Total |
|----------------------------------|-----|-------------|--------|
| Opening balance as on 08.11.2016 | - | 22,337 | 22,337 |
| Add: Permitted receipts | - | - | - |
| Less: Permitted Payments | - | - | - |
| Less: Amount deposited | - | - | - |
| Closing balance as on 30.12.2016 | - | 29,734 | 29,734 |

TRIDENT SUGARS LIMITED

NOTES TO FINANCIAL STATEMENTS

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

As per our report of even date

For Srikishen & Co.
Registration No. 004009 S
Chartered Accountant

For S.Krishnamoorthy & Co
Registration No.001496S
Chartered Accountants

Rajshree Pathy
Managing Director
DIN 00001614

K.Murali Mohan
Membership No.14328
Auditor, Proprietor

K.N.Sreedharan
Membership No.012026
Auditor, Partner

R Varadarajan
Director
DIN 00001738

Place: Coimbatore
Date: 3rd April 2017

V B Gopal Krishnan
Chief Financial Officer

M Ponraj
Company Secretary

TRIDENT SUGARS LIMITED

Rupees in Lacs

| Cash Flow Statement for the Year ended | 31.03.2017 | 31.03.2016 |
|--|------------|------------|
| A. Cash Flow from Operating activities: | | |
| Net Profit before taxation & extraordinary items | (307.04) | (719.14) |
| Adjustment for: | | |
| Depreciation | 196.91 | 205.71 |
| Interest paid | 707.49 | 836.15 |
| Profit on Sale of assets | 0.87 | - |
| Interest received | (9.02) | (5.03) |
| Operating profit before working capital changes | 589.22 | 317.68 |
| Adjustments for: | | |
| Trade and other receivables | 536.31 | 1,200.22 |
| Inventories | 5,021.66 | 3,382.03 |
| Trade payables | (2,512.27) | (5,922.52) |
| Cash generated from Operations | 3,634.92 | (1,022.60) |
| Direct taxes (paid) / Refund | - | - |
| Cashflow before extraordinary items | 3,634.92 | (1,022.60) |
| Extraordinary items | - | - |
| Net cash from operating activities | 3,634.92 | (1,022.60) |
| B. Cash flow from investing Activities | | |
| Purchase of Fixed Assets | 0.65 | (23.97) |
| Sale of Fixed Assets | 3.53 | - |
| Interest received | 9.02 | 5.03 |
| Net Cash used in Investing Activities | 13.19 | (18.93) |
| C. Cash Flow from Financing Activities | | |
| Proceeds from issue of Share Capital | 700.00 | - |
| Proceeds from / (Repayment of) long term borrowings | (372.00) | 569.00 |
| Proceeds from / (Repayment of) short term borrowings | (3,251.98) | 1,265.86 |
| Interest paid | (707.49) | (836.15) |
| Dividend paid including tax on dividend | - | - |
| Net Cash from in Financing Activities | (3,631.47) | 998.71 |
| Net Increase / (Decrease) in Cash and Cash Equivalents | 16.65 | (42.82) |
| Cash and cash equivalent as at the beginning of the Year | 68.04 | 110.86 |
| Cash and cash equivalent as at the close of the Year | 84.69 | 68.04 |

As per our report of even date

For Srikishen & Co.
Chartered Accountants
Registration No: 004009S

For S Krishnamoorthy & Co
Chartered Accountants
Registration No: 001496S

Rajshree Pathy
Managing Director
(DIN:00001614)

K Murali Mohan
Membership No. 14328
Auditors, Proprietor

K N Sreedharan
Membership No: 012026
Partner

R Varadarajan
Director (DIN:0001738)

Place: Coimbatore
Date : 3rd April 2017

V B Gopalakrishnan
Chief Financial Officer

M Ponraj
Company Secretary