



Prudential Sugar Corporation Limited

Regd. Office : "Akash Ganga" Plot No. 144, Srinagar Colony, Hyderabad - 500 073. T.S. INDIA
Tel : +91-40-67334412, Fax : +91-40-67334433 | Email : pscl.secretarial@gmail.com | www.prudentialsugar.com

Ref: PSCL/AR/BSE/2019-20/0024

CIN : L15432TG1990PLC032731

Date: 06/08/2019.

To
Dy.General Manager
BSE Ltd.,
Phiroje Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

Sub: Submission of Annual Report of the Company
For the Financial Year 2018-19.

Scrip Code: 500342

Dear Sir/Madam,

Pursuant to Regulation 34 (1) of SEBP (Listing Obligations and Disclosure Requirements) Regulations, 2015. Please find enclosed herewith Annual Report 2018-19 of Prudential Sugar Corporation Limited

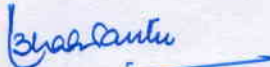
This is for your reference and records.

Kindly acknowledge receipt.

Thanking Your,

Yours faithfully,

For Prudential Sugar Corporation Ltd.,


Authorised Signatory

Encl.:a/a

**28th Annual Report
2018-19**



Prudential Sugar Corporation Limited

Prudential Sugar Corporation Limited



Prudential Sugar Corporation Limited



BOARD OF DIRECTORS

Mr. Vinod Baid — *Chairman*
Mr. Kishore Jhunjunwala — *Independent Director*
Mr. K. Subba Rao — *Whole Time Director*
Ms. Sadhana Bhansali — *Independent Director*
Mr. Y. Ravinder Reddy — *Independent Director*

AUDIT COMMITTEE

Mr. Y. Ravinder Reddy — *Chairman*
Mr. Kishore Jhunjunwala — *Member*
Mr. K. Subba Rao — *Member*
Ms. Sadhana Bhansali — *Member*

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Y. Ravinder Reddy — *Chairman*
Mr. Kishore Jhunjunwala — *Member*
Mr. K. Subba Rao — *Member*
Ms. Sadhana Bhansali — *Member*

STATUTORY AUDITORS

M/s. R. Pugalia & Co.
Chartered Accountants
20E, Lake Road
Kolkata - 700 029.

REGISTRAR & SHARE TRANSFER AGENTS

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

REGISTERED OFFICE

“Akash Ganga”
Plot No.144, 4th Floor
Srinagar Colony, Hyderabad - 500 073.

REMUNERATION AND NOMINATION COMMITTEE

Mr. Y. Ravinder Reddy — *Chairman*
Mr. Kishore Jhunjunwala — *Member*
Ms. Sadhana Bhansali — *Member*

EXECUTIVE OFFICERS

Mr. Vinod Baid — *Chairman*
Mr. Anit Surana — *Chief Financial Officer*
Mr. Sandeep Daga — *Company Secretary*

SECRETARIAL AUDITOR

RBM & Associates
Company Secretaries

COST AUDITOR

M/s. N.S.V. Krishna Rao & Co.
Cost Accountant

BANKERS

Bank of Maharashtra
IndusInd Bank
Bank of India



NOTICE

Notice is hereby given that the 28th Annual General Meeting of the Members of Prudential Sugar Corporation Limited will be held on Monday, September 30, 2019 at 12:30 pm at “Akash Ganga”, Plot No.144, Srinagar Colony, Hyderabad-500073, Telangana to transact the following business:

ORDINARY BUSINESS:

- 1 To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements for the Financial Year ended March 31, 2019 together with the Reports of the Directors and Auditors thereon.
- 2 To appoint a director in the place of Shri Kurra Subba Rao (DIN:02552019), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- 3 Ratification of Remuneration payable to the Cost Auditors

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies the remuneration of Rs.75,000 excluding reimbursement of actual travel and out of pocket expenses and applicable taxes payable to M/s. N.S.V. KRISHNA RAO & Co., Cost Accountants, Hyderabad, the Cost Auditors (Firm Registration No. 101516), to conduct the audit of cost records of the company for the financial year ending March 31, 2020.”

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

- 4 **Re-appointment of Shri Y. Ravinder Reddy (DIN: 00011040) as an Independent Director of the Company.**

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

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors at their respective meeting held on August 26, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of Shri Y. Ravinder Reddy (DIN:00011040) whose current period of office is expiring on September 30, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non Executive Director



of the Company, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company for a term w.e.f. October 1, 2019 upto September 30, 2024.”

“**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things and give such directions as may be necessary, in the best interest of the Company, for giving effect to the aforesaid Resolution, including but not limited to signing and execution of necessary forms and documents as may be deemed necessary and expedient in its discretion.”

5 Re-appointment of Shri Kishore Jhunjunwala (DIN: 00035091) as an Independent Director of the Company.

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

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors at their respective meeting held on August 26, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of Shri Kishore Jhunjunwala (DIN:00035091) whose current period of office is expiring on September 30, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non Executive Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company for a term w.e.f. October 1, 2019 upto September 30, 2024.”

“**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things and give such directions as may be necessary, in the best interest of the Company, for giving effect to the aforesaid Resolution, including but not limited to signing and execution of necessary forms and documents as may be deemed necessary and expedient in its discretion.”

6 Re-appointment of Smt. Sadhana Bhansali (DIN:06962425) as an Independent Director of the Company.

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

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors at their respective meeting held on August 26, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of Listing Regulations



(including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of Smt. Sadhana Bhansali (DIN:06962425) whose current period of office is expiring on September 30, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non Executive Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company for a term w.e.f. October 1, 2019 upto September 30, 2024.”

“**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things and give such directions as may be necessary, in the best interest of the Company, for giving effect to the aforesaid Resolution, including but not limited to signing and execution of necessary forms and documents as may be deemed necessary and expedient in its discretion.”

- 7 Re-appointment of Shri Kurra Subba Rao (DIN 02552019), as Whole Time Director of the Company
To consider, and, if thought fit, to pass with or without modification, the following resolution as **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions 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), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to approvals, if any, as may be required from the Financial Institutions and other authorities concerned, Shri Kurra Subba Rao (DIN 02552019) be and is hereby re-appointed as Whole Time Director of the Company for a further period of three years with effect from August 13, 2019, on the following remuneration:

Salary: Rs.110,000 Per Month in the scale of Rs.110,000-150,000

Perquisites: As mutually agreed between the Whole Time Director and the Company, but restricted to 75% of the salary. In addition to this, and subject to the ceiling on the overall remuneration mentioned below, Mr. Kurra Subba Rao, Whole Time Director will be entitled to the reimbursement of actual medical expenses incurred in India or abroad including hospitalization, nursing home and surgical charges for himself and his family.

Commission: At 2 % of the net profit of the Company.

“**FURTHER RESOLVED THAT** in addition to the above remuneration, Mr. Kurra Subba Rao, Whole Time Director will be eligible for contribution to PF, Superannuation Fund or Annuity to the extent these are not taxable, gratuity at a rate not exceeding half a month’s salary for each completed year of service and encashment of leave at the end of his tenure.”

“**FURTHER RESOLVED THAT** the overall remuneration i.e. the aggregate of salary, perquisites and commission payable to Mr. Kurra Subba Rao, Whole Time Director in any one financial year shall not exceed the limits prescribed under Section 196, 197 and other applicable provision of the Companies Act, 2013 read with its Schedule V as in force from time to time.”

Prudential Sugar Corporation Limited



“FURTHER RESOLVED THAT where in any financial year during Mr. Kurra Subba Rao’s tenure as the Whole Time Director, the Company has no profits or its profits are inadequate, the remuneration payable to him for the said financial year will be restricted to the limits prescribed in Section II of Part II of the Schedule V to the Companies Act, 2013 or amendments, if any, thereof for the time being in force.”

“FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Kurra Subba Rao, Whole Time Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.”

“FURTHER RESOLVED THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to the above resolutions.”

By Order of the Board
for **Prudential Sugar Corporation Limited**

Place : Hyderabad
Date : 26.08.2019

Sandeep Daga
Company Secretary



NOTES

1. The statements pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business set out in the notice and Secretarial Standard on General Meetings (SS-2), wherever applicable, are annexed hereto.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll in the meeting instead of such member. The proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty (50) members and holding in aggregate not more than ten (10) percent of the total share capital of the Company. A member holding more than ten (10) percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member or shareholder.
3. A member of a company registered under Section 8 of the Companies Act, 2013 shall not be entitled to appoint any other person as its proxy unless such other person is also a member of such company.
4. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for this Annual General Meeting is enclosed.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged with the Company at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company by such intending person.
7. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
8. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of Listing Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from September 26, 2019 to September 30, 2019 (both days inclusive).
10. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide Notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on March 31, 2018 for a period of 5 years.
11. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Pursuant to Secretarial Standard on General Meeting (SS- 2) in respect of the Directors seeking appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in



electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar.

SEBI has also mandated that for registration of transfer of securities, the transferee as well as transferor shall furnish a copy of their PAN card to the Company.

13. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members who are holding shares in physical forms are requested to notify changes in their respective address/ Bank Mandate/ National Electronic Clearing Service (NECS) details, if any, to Company's Registrar i.e. R&D Infotech (P) Ltd., 1st Floor, 7A, Beltala Road, Kolkata-700 026. Beneficial owners holding shares in electronic form are requested to intimate change in address/ Bank Mandate/ National Electronic Clearing Service (NECS) details, if any, to their respective Depository Participants (DP). Members are requested to register/ update their e mail addresses with the Registrar in case of shares held in physical form and with their respective Depository Participants in case shares are held in electronic form
14. Electronic copy of the Annual Report for the financial year 2018-19 along with the Notice of the 28th Annual General Meeting of the Company (including Attendance Slip and Proxy Form) is being sent to all the members whose email IDs are registered with the Registrar/Depository Participants(s) unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2018-19 along with Notice of the 28th Annual General Meeting of the Company inter alia indicating the process and manner of e voting along with Attendance Slip and Proxy Form is being sent by other permissible modes.
15. Members may also note that the Notice of the 28th Annual General Meeting and the Annual Report for the financial year 2018-19 will also be available on the Company's website www.prudentialsugar.com and on the website of the Registrar www.rdinfotech.org for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Hyderabad for inspection during normal business hours on all working days. Even after registering for e communication, members are entitled to receive such communication in physical form, upon making a request for the same, by any permissible mode free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: pscl.secretarial@gmail.com.
16. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
17. With a view to using natural resources responsibly, we request the shareholders to update respective email addresses with your Depository Participants, if not already done, to enable the Company to send communications electronically.
18. All documents referred to in the Notice and explanatory statement are open for inspection at the registered office of the Company during normal business hours on all working day.
19. To support the 'Green Initiative' the members who have not registered their e-mail addresses are requested to register the same with M/s R&D Infotech (P) Ltd
20. The Register of Director and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and Register of Contracts or Arrangements in which



directors are interested under section 189 will be made available for inspection by members of the Company at the meeting.

21. Pursuant to Section 108 of the Companies Act, 2013, read with Rules 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services (India) Limited. The facility for voting, through ballot paper, will also be made available at the Annual General Meeting and the members attending the Annual General Meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the Annual General Meeting through ballot paper. Members who have casted their votes by remote e-voting prior to the Annual General Meeting may attend the Annual General Meeting but shall not be entitled to cast their votes again.

Voting through electronics means:

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e voting") will be provided by National Securities Depository Limited (NSDL).

The Company has approached NSDL for providing e voting services through our e voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e voting on resolutions placed by the Company on e Voting system.

The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or www.prudentialsugar.com

The facility for voting through Polling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e voting shall be able to exercise their right at the meeting through ballot paper.

The procedure to login to e Voting website is given below:

1. Open the attached PDF file "e Voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e voting
2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
3. Click on "Shareholder Login".
4. Put User ID and password as initial password noted in step (1) above and Click Login. If you are already registered with NSDL for e voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com
5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof
6. Home page of remote "e Voting" opens. Click on **e Voting: Active Voting Cycles**



7. Select EVEN (E Voting Event Number) of **PRUDENTIAL SUGAR CORPORATION LIMITED**. Members can cast their vote online from September 27, 2019 (9:00 am) till September 29, 2019 (5:00 pm).
8. Now you are ready for “e Voting” as “Cast Vote” page opens.
9. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm”, when prompted
10. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also 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 through e mail sweetykapoor2000@gmail.com with a copy marked to evoting@nsdl.co.in

General instructions:

11. The e-voting period commences on September 27, 2019 (9:00 am) till September 29, 2019 (5:00 pm). During this period shareholders’ of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - a. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. August 30, 2019 may obtain the login ID and password by sending a request at evoting@nsdl.co.in
 - b. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 - c. 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - d. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 20, 2019.
 - e. Ms. Sweety Kapoor, Practicing Company Secretary has been appointed by the Company to act as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner
 - f. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - g. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - h. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website viz., www.prudentialsugar.com and on the website of NSDL after AGM.

All the documents referred to in the accompanying Notice and the Statement pursuant to Section 102 (1) of the Companies Act, 2013, will be available for inspection at the Registered Office of the Company during business hours on all working days up to date of declaration of the result of the 28th Annual General Meeting of the Company.



Other information:

- * Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
- * Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- * It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- * In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: **1800 222 990**.

MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM AND PROXIES THEREOF,
ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

APPEAL TO MEMBERS

The Company would like to appeal and encourage its members to hold their shares in Dematerialized (Demat) form. Managing your investment in securities is simple and easy in Demat/Electronic form and it has many advantages over managing it in physical form as there is no scope of loss, misplacement, theft or deterioration of securities in Demat mode. The detailed procedure of Dematerialization of Shares is also given on the website of the Company under Investor Relations Section. The members may also get in touch with M/s. R&D Infotech (P) Ltd., our Registrar and Share Transfer Agent.

By Order of the Board
for **Prudential Sugar Corporation Limited**

Place : Hyderabad
Date : 26.08.2019

Sandeep Daga
Company Secretary

Prudential Sugar Corporation Limited**Additional information on directors recommended for appointment/re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosures requirements) Regulations, 2015 and Secretarial Standard - 2**

Name of the Director	Kurra Subba Rao	Y. Ravinder Reddy
DIN	02552019	00011040
Date of Birth	05.06.1949	15.03.1967
Age	70 years	52 years
Qualification	B.Tech. (Mech.), B.O.E.	B.A.
Experience	He has vast experience in sugar business and various other Industries	He has vast experience in executing Civil Works, i.e. Roads, Buildings, Bridges, Canals in Government and Private Sectors. Cultivating Agriculture and Poultry Business
Relationship with other director/ Manager and other KMP	No relationship	No relationship
No. of Shares held	101	101
Directorships of other Board	1	3
Membership/Chairmanship of Committees of other Board	1	2

Name of the Director	Sadhana Bhansali	Kishor Jhunjunwala
DIN	06962425	00035091
Date of Birth	10.12.1988	01.03.1954
Age	31 years	65 years
Qualification	Pursuing CA and CS Final	.
Experience	Has extensive experience in Company and Taxation Laws	
Relationship with other director/ Manager and other KMP	No relationship	No relationship
No. of Shares held	101	101
Directorships of other Board	2	NIL
Membership/Chairmanship of Committees of other Board	2	NIL

Note: Pursuant to Regulation 26 of the SEBI Listing Regulations, for the purpose of determination of limit, chairpersonship and membership of the Audit Committee and the Stakeholders Relationship Committee alone has been considered.

Except Mr. Y Ravinder Reddy, Mr. Kishore Jhunjunwala and Ms. Sadhana Bhansali and their relatives, none of the other Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at item No. 4, 5,6 & 7 of the notice.

By Order of the Board
for **Prudential Sugar Corporation Limited**

Sandeep Daga
Company Secretary

Place : Hyderabad
Date : 26.08.2019



EXPLANATORY STATEMENT

THE FOLLOWING EXPLANATORY STATEMENT, PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (“ACT”), SETS OUT ALL MATERIAL FACTS RELATING TO THE BUSINESS MENTIONED AT ITEM NO 4:

Item No. 3:

The Board, on the recommendation of its Audit Committee, has approved the appointment of M/s. N. S. V. KRISHNARAO & Co., Cost Accountants, Hyderabad as the Cost Auditors for the Financial Year 2019-20 and payment of remuneration to the said Cost Auditors as mentioned in the resolution.

In accordance with the provisions of Section 148 of the Act, 2013 and the Rules made there under, the remuneration payable to the Cost Auditors needs to be ratified by the shareholders of the company.

Accordingly, an Ordinary Resolution as set out at Item No.3 of the Notice containing the remuneration approved for Cost Auditors is submitted for ratification by the members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested, financially or otherwise in the said Resolution.

Your directors recommend the resolution for approval of the shareholders.

Item No. 4

The shareholders of the Company at their 23rd Annual General Meeting held on September 30, 2014 have appointed Mr. Y Ravinder Reddy (DIN: 01235041) as an Independent Director of the Company for a period of 5 years and the term of Mr. Y Ravinder Reddy ended on September 30, 2019. The company proposes to re-appoint Mr. Y. Ravinder Reddy as Independent Director for another term of 5 years. The Company has received from Mr. Y. Ravinder Reddy, consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and Intimation in Form DIR-8 pursuant to terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified as per Section 164(2) of the Companies Act, 2013; and a declaration to the effect that he meets the criteria of independence as provided under Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration Committee and Board of Directors at their meetings held on August 26, 2019 on the basis of the report of performance evaluation of Independent Directors have recommended the re-appointment of Mr. Y Ravinder Reddy as an Independent Director for a further period of 5 years effective from October 1, 2019 to September 30, 2024.

In the opinion of the Board, Mr. Y Ravinder Reddy fulfills the conditions specified in the Companies Act, 2013 and the Rules framed there under and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for re-appointment as an Independent Director and he is independent of the management.

He is not holding any equity shares of the Company and he is not related to any Director of the Company. As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall be eligible for re-appointment subject to approval of shareholders by way of a Special Resolution.

The Resolution set out at Item No.4 of the notice is put forth for consideration of the members as a Special Resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for re-appointment of Mr. Y. Ravinder Reddy as an Independent Director. The terms and conditions of re-appointment of Mr. Y. Ravinder Reddy shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.



None of the Directors or Key Managerial Personnel of the Company and / or their relatives except Mr. Y. Ravinder Reddy, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors of the Company recommend's the resolution at Item No.4 for approval of the members as Special Resolution.

Item No. 5

The shareholders of the Company at their 23rd Annual General Meeting held on September 30, 2014 have appointed Mr. Kishore Jhunjunwala (DIN:00035091) as an Independent Director of the Company for a period of 5 years and the term of Mr. Kishore Jhunjunwala ended on September 30, 2019. The company proposes to re-appoint Mr. Kishore Jhunjunwala as Independent Director for another term of 5 years. The Company has received from Mr. Kishore Jhunjunwala, consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and Intimation in Form DIR-8 pursuant to terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified as per Section 164(2) of the Companies Act, 2013; and a declaration to the effect that he meets the criteria of independence as provided under Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration Committee and Board of Directors at their meetings held on August 26, 2019 on the basis of the report of performance evaluation of Independent Directors have recommended the re-appointment of Mr. Kishore Jhunjunwala as an Independent Director for a further period of 5 years effective from October 1, 2019 to September 30, 2024.

In the opinion of the Board, Mr. Kishore Jhunjunwala fulfills the conditions specified in the Companies Act, 2013 and the Rules framed there under and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for re-appointment as an Independent Director and he is independent of the management.

He is not holding any equity shares of the Company and he is not related to any Director of the Company. As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall be eligible for re-appointment subject to approval of shareholders by way of a Special Resolution.

The Resolution set out at Item No.5 of the notice is put forth for consideration of the members as a Special Resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for re-appointment of Mr. Kishore Jhunjunwala as an Independent Director. The terms and conditions of re-appointment of Mr. Kishore Jhunjunwala shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

None of the Directors or Key Managerial Personnel of the Company and / or their relatives except Mr. Kishore Jhunjunwala, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors of the Company recommend's the resolution at Item No.5 for approval of the members as Special Resolution.

Item No. 6

The shareholders of the Company at their 23rd Annual General Meeting held on September 30, 2014 have appointed Ms. Sadhana Bhansali (DIN:06962425) as an Independent Director of the Company for a period of 5 years and the term of Ms. Sadhana Bhansali ended on September 30, 2019. The company proposes to re-appoint Ms. Sadhana Bhansali as Independent Director for another term of 5 years. The Company has received from Ms. Sadhana Bhansali, consent in writing to act as a



Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and Intimation in Form DIR-8 pursuant to terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified as per Section 164(2) of the Companies Act, 2013; and a declaration to the effect that she meets the criteria of independence as provided under Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration Committee and Board of Directors at their meetings held on August 26, 2019 on the basis of the report of performance evaluation of Independent Directors have recommended the re-appointment of Ms. Sadhana Bhansali as an Independent Director for a further period of 5 years effective from October 1, 2019 to September 30, 2024.

In the opinion of the Board, Ms.Sadhana Bhansali the conditions specified in the Companies Act, 2013 and the Rules framed there under and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for re-appointment as an Independent Director and she is independent of the management.

She is not holding any equity shares of the Company and she is not related to any Director of the Company. As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall be eligible for re-appointment subject to approval of shareholders by way of a Special Resolution.

The Resolution set out at Item No.6 of the notice is put forth for consideration of the members as a Special Resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for re-appointment of Ms.Sadhana Bhansali as an Independent Director. The terms and conditions of re-appointment of Ms.Sadhana Bhansali shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

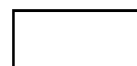
None of the Directors or Key Managerial Personnel of the Company and / or their relatives except Ms.Sadhana Bhansali, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors of the Company recommend's the resolution at Item No.6 for approval of the members as Special Resolution.

Item No. 7

Mr. Kurra Subba Rao was re appointed as the Whole Time Director of the Company for a period of three (3) years with effect from 13/08/2016 on the terms and conditions and remuneration as approved by the Members at the Annual General Meeting held on December 30, 2016. As such, the present term of office of Mr. Kurra Subba Rao expired on 12/08/2019. Mr. Kurra Subba Rao has been associated with the Company since 2013 and currently holds overall responsibility for the working of the Company. Keeping in view the contribution made by Mr. Kurra Subba Rao for the growth of the Company, the Board of Directors in their meeting on May 30, 2019 has been re-appointed Mr. Kurra Subba Rao for a period of three (3) years effective from August 13, 2019, who shall be liable to retire by rotation, with terms and conditions as mentioned in the above Resolution No 7.

Except Mr. Kurra Subba Rao none of Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP is concerned or interested in the Resolution at Item No. 7 of the accompanying Notice. The board recommends this resolution for your approval.



DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the 28th Annual Report and the Audited Financial Statements for the Financial Year ended March 31, 2019.

Financial Results

The performance for the Financial Year ended March 31, 2019 is as under: **(Rs. in Lakhs)**

	Standalone		Consolidated	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Total Income	—	3217.43	—	3217.43
Profit/(Loss) before Interest & Depreciation	150.27	5098.95	350.47	5401.79
Less: Interest	0.10	0.64	0.10	0.64
Profit/(Loss) after Interest but before Depreciation & Tax	150.17	5298.31	350.37	5401.15
Less: Depreciation	2.09	—	2.09	—
Profit/(Loss) before tax	148.08	5298.31	348.28	5401.15
Provision for Tax:				
- Taxation for earlier years	—	—	—	—
- Current Tax	38.49	—	90.55	26.48
- Deferred Tax Assets	—	—	—	—
Profit/(Loss) after Tax and Dividend	109.59	5298.31	257.73	5374.67
Add: Balance brought from previous year	3304.09	(1994.22)	3247.61	(2121.78)
Surplus/(Loss) carried to Balance Sheet	3413.67	3304.09	3505.34	3247.61

State of the Affairs of the Company

After the transfer of business and assets of the Company to Natems Sugars Private Limited in May, 2017 pursuant to the approval of the shareholders of the Company through postal ballot held during October/November 2014, the Board of Directors of the Company has proposed to embark upon a Bio-organic Jaggery manufacturing project with state-of-the-art technology in Telangana state. The project study is being carried-out in consultation with experts in this field with regard to technology, process, viability, state incentives etc., and an appropriate decision will be taken based on the study report.

Share Capital:

Authorized Share Capital

During the year under review, there was no change in authorized share capital of the Company. Authorized share capital of the company as on March 31, 2019 was Rs.75,00,00,000, comprising of 5,00,00,000 equity shares of Rs.10 each and 50,00,000 No of 16% Cum Redeemable Preference shares of Rs.50.

Paid-up Share Capital

During the Financial Year 2018-19, there was no change in paid up share capital of the Company. Paid up share capital of the company as on March 31, 2019 was Rs.37,20,70,000, comprising of the following:

Prudential Sugar Corporation Limited



1,54,06,400 equity shares of Rs.10 each

1,03,45,600 Equity shares of Rs.10 each

(Converted from 2586400 Equity to preference Shares of Rs.40 each)

20,000 16% Cum. Redeemable Pref. Shares of Rs.40 each

(Rs.10 converted into Equity)

65,000,00 Equity shares of Rs.10 each

Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

Bonus Shares

The Company has not issued any bonus shares during the year under review.

Employees Stock Option

The Company has not provided any Stock Option Scheme to the employees.

Dividend

Your Directors have not recommended any dividend on Equity Shares for the year under review.

Transfers to Reserves

Your Board of Directors does not appropriate any amount to be transferred to General Reserves during the year under review.

Fixed Deposits

During the year under review, your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 read with rules made there under.

Listing of Equity Shares

The Company's Equity shares are listed at the following Recognized Stock Exchanges:

BSE Limited, Phiroze JeeJeebhoy Towers, Dalal Street, Mumbai - 400 001; However the listing of the Company's shares on the Exchange is under suspension as on 31.03.2019.

NSE Ltd, Exchange Plaza, G Block, Bandra Kurla Complex, Bandra, Mumbai - 400 051.

Calcutta Stock Exchange, 7, Lyons Range, Kolkata - 700 001.

Madras Stock Exchange - Exchange has been closed down and is not operational now.

Ahmedabad Stock Exchange - Exchange has been closed down and is not operational now.

The Company has paid the Annual Listing Fees to the said Stock Exchanges for the financial year 2018-19.



Subsidiaries, Associates and Joint venture

During the financial year 2017-18, your company had acquired the Equity Shares in Prudential Ammana Sugars Limited, which has become subsidiary of the Company.

Statement containing salient features of the financial statement of the above mentioned subsidiary has been given in Form AOC-1 in the **Annexure-VII** to this report.

Your Company does not have any Joint Ventures or Associate Companies.

Number of Meetings of the Board of Directors

The Board of Directors duly met 6 times during the financial year from April 1, 2018 to March 31, 2019, the details of which are given in the Corporate Governance Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013 and Secretarial Standard -1.

Independent Directors' Meeting

The Independent Directors met on February 14, 2019, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

INDIAN ACCOUNTING STANDARDS (IND-AS)

Your Company has adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2017 pursuant to the Companies (Indian Accounting Standard) Rules, 2015 as notified by the Ministry of Corporate Affairs on February 16, 2015. Accordingly, your Company has prepared financial results on standalone basis as per Ind-AS, the formats for Unaudited/Audited quarterly financial results i.e. Statement of Profit and Loss and the Unaudited/Audited Half-Yearly Balance Sheet are to be submitted to the stock exchanges, shall be as per the formats for revised Balance Sheet and Statement of Profit and Loss as prescribed in Schedule III to the Companies Act, 2013.

Extract of Annual Return

As required by Section 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of the Annual Return in Form MGT-9 is available on the Company's website at <http://www.prudentialsugar.com/shareholders information>.

Directors Responsibility Statement as required under Section 134 of the Companies Act, 2013

Pursuant to the requirement under Sec 134 (3)(C) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms that:

- i. in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- ii. 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 at March 31, 2019 and Statement of Profit and Loss of the Company for that period;



- iii. 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;
- iv. the Directors have prepared the Annual Accounts for the Financial Year ended March 31, 2019 on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Statement on Declaration given by Independent Directors under Sub-Section (6) of Section 149

The independent directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6).

Management Discussion and Analysis

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis discusses the key issues concerning the business and carried on by the Company and the same is enclosed as **Annexure - V** to this Report.

Corporate Social Responsibility (CSR) Initiatives:

Section 135 of the Companies Act, 2013 provides the threshold limit for applicability of the CSR to a Company ie. (a) net worth of the Company to be Rs.500 crore or more; or (b) turnover of the company to be Rs. 1,000 crore or more; or (c) net profit of the company to be Rs. 5 crore or more. As the Company does not fall under any of the threshold limits given above, the provisions of section 135 are not applicable to the Company.

Audit Committee

The Composition of the Audit Committee is provided in the Corporate Governance Report forming part of this report. All the recommendations made by the Audit Committee were accepted by the Board.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of the following Directors namely Mr. Y. Ravinder Reddy, Chairman, Ms. Sadhana Bhansali and Mr. Kishore Jhunjhunwala.

- * Brief description of terms of reference:
- * Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board for their appointment and removal;
- * carry on the evaluation of every director's performance;
- * formulation of the criteria for determining qualifications, positive attributes and independence of a director;



- * recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- * formulation of criteria for evaluation of Independent Directors and the Board;
- * devising a policy on Board diversity; and
- * any other matter as the Board may decide from time to time.

Nomination and Remuneration policy

In compliance to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has recommended to the Board a Nomination and Remuneration policy with respect to appointment / nomination and remuneration payable for the Directors, Key Managerial Personnel and senior level employees of the Company. The said policy has been adopted by the Board and the same was discussed in the Corporate Governance Report. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

Particulars of Loans, Guarantees or Investments under Section 186

The company has not given any Loans, Guarantees, and made Investments during the Financial Year ended on March 31, 2019 in compliance with the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

Particulars of Contracts or Arrangements with Related Parties Referred to in Sub-Section (1) of Section 188

All transactions entered by the Company with Related Parties were in the Ordinary course of Business and are at Arm's Length pricing basis. The Audit Committee granted approvals for the transactions and the same were reviewed by the Committee and the Board of Directors.

There were no materially significant transactions with Related Parties during the financial year 2017-18 which were in conflict with the interest of the Company. The details of contracts and arrangements with related parties as referred to in Section 188(1) of the Companies Act, 2013 were given as **Annexure - I** to the Board's Report in form No: AOC-2 pursuant to Section 134 (3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules 2014.

During the year under review there are no contracts / arrangements / transactions entered by the Company during the financial year with related parties and do not attract the provisions of Section 188 of the Companies Act, 2013.

The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to provisions of Section 134(3)(m) of the Companies Act, 2013 (Act) read with the Companies (Accounts) Rules, 2014

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is prepared and the same is enclosed as **Annexure - II** to this Report.

Mechanism for Evaluation of Board

Pursuant to section Sec 134 (3)(q) read with Rule 8 (5) (viii) of Cos (Accounts) Rules Evaluation of all Board members is done on an annual basis. The evaluation is done by the Board, Nomination



and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

A. Criteria for evaluation of Board of Directors as a whole

- i. The frequency of meetings;
- ii. The length of meetings;
- iii. The administration of meeting;
- iv. The number of committees and their roles;
- v. The flow of information to board members and between board members;
- vi. The quality and quantity of information; and
- vii. The Disclosure of Information to the stakeholders.

B. Criteria for evaluation of the Individual Directors

- i. Ability to contribute and monitor corporate governance practices;
- ii. Ability to contribute by introducing best practices to address top management issues;
- iii. Participation in long term strategic planning;
- iv. Commitment to the fulfillment of director obligations and fiduciary responsibilities;
- v. Guiding strategy;
- vi. Monitoring management performance and development;
- vii. Statutory compliance & Corporate governance;
- viii. Attendance and contribution at Board /Committee meetings;
- ix. Time spent by each of the member; and
- x. Core competencies.

Details of Directors or Key Managerial Personnel who were appointed or have resigned during the Year

In terms of Section 152 of the Companies Act, 2013, Mr. Kurra Subba Rao, Director would retire by rotation at the forthcoming AGM and is eligible for re-appointment. Mr. Kurra Subba Rao has offered himself for re-appointment.

Based on the confirmations received from Director, none of the Directors are disqualified from appointment under Section 164 of the Companies Act, 2013.

Mr. Y Ravinder Reddy, Ms. Sadhana Bhansali and Mr. Kishore Jhunjhunwala were reappointed as independent directors for a further period of 5 years subject to approval of the shareholders.

Mr. Kurra Subba Rao was reappointed as whole time director for a further period of 3 years from August 16, 2019 subject to approval of shareholders.

Based on the confirmations received from Director, none of the Directors are disqualified from appointment under Section 164 of the Companies Act, 2013.

Deposits

The Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013.



Statutory Auditors

M/s. R Pugalia & Co., Chartered Accountants, (Firm Registration No.318188S) were appointed as Statutory Auditors of your Company to hold office from the conclusion of the 26th AGM until the conclusion of the 31st AGM to be held in the year 2022. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide Notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on March 31, 2018.

Qualification by Statutory Auditors

Information & Explanation in respect of Qualification/Reservation or Adverse remarks contained in Independent Auditors Report under Paras: Basis for Qualified opinion:

- A. Regarding Business Transfer Agreement with Natems Sugar Limited the execution is pending due to legal order and other conditions, Refer Note No. 23 (d) - impact of the same on Assets/ Liabilities and Loss of the company is unascertained.
- B. In spite of continues erosion of networth, position of excess of current liabilities over current assets and uncertainty associated with operations of the company, the Accounts of the Company are prepared on going concern basis.
- C. Since all the shares of the Company were converted into equity Share the Company did not redeem the 16% Redeemable Cumulative Preference Shares and did not provide for arrears of dividend thereon.
- D. In view of very limited strength of employees, presently working with the Company, the requirements of AS-15 Employee Benefits in respect of gratuity could not be complied with. However provision for gratuity as required under Payment of Gratuity Act has been provided for.
- E. The company could not get confirmation of balances in respect of Trade Receivables and Trade Payables other than due from/to related parties as most of them are very old and presently no transactions are being taken place with them.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed M/s. RBM & Associates, Practicing Company Secretaries for conducting Secretarial Audit of the Company for the financial year 2018-19.

Board Response:

Due to the management dispute marked by the ROC the Company could not file certain forms.

However, the Company had been in the process to file all the Forms with ROC.

Cost Auditors

M/s. N.S.V. Krishna Rao & Co., Cost Accountants, Hyderabad, the Cost Auditors (Firm Registration No. 101516) have been appointed as Cost Auditors of the company for the year ending March 31, 2020. A resolution seeking shareholders' ratification of the remuneration payable to the said Cost Auditors has been included in the notice of the AGM.



Internal Auditors

In pursuance of Section 138 of the Companies Act, 2013 read with rules made there under, the Board of Directors of the Company has assigned the function of Internal Audit to an independent firm of Chartered Accountants to carryout Internal Auditing of books of accounts periodically which are placed before the Audit Committee for review at its meetings.

Internal financial control and its adequacy

The Board of your Company has laid down internal financial controls which comply with the provisions of the Companies Act, 2013 and Listing Regulation with Stock Exchange and that such internal financial controls are adequate and operating effectively. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

Corporate Governance

The Company is committed to good corporate governance in line with the SEBI (LODR) Regulations, 2015 and Provisions, Rules and Regulations of the Companies Act, 2013. The Company is in compliance with the provisions on corporate governance specified in the Listing Agreement with BSE. A certificate of compliance from M/s. R. Pugalia & Co., Chartered Accountants and the report on Corporate Governance form part of this Directors' Report.

Vigil Mechanism

The Board of Directors have adopted Whistle Blower Policy. The Whistle Blower Policy aims at conducting the affairs of the company in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the Whistle Blower Policy.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases.

Secretarial Auditor Report

As per the provisions of Section 204 of the Companies Act, 2013, the Board of Directors have appointed M/s.RBM & Associates, Company Secretaries as Secretarial Auditors to conduct Secretarial audit of the company for the Financial year ended on March 31, 2019.

Secretarial Audit Report issued by RBM & Associates, Company Secretaries in form MR-3 is enclosed as **Annexure – III** to this Annual Report.

Statement of particulars of appointment and remuneration of managerial personnel

The Statement of particulars of Appointment and Remuneration of Managerial personnel as per Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure - IV** to this Annual Report.

There are no employees whose particulars need to be furnished pursuant to Rule 5(2) The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.



Details in respect of adequacy of internal financial controls with reference to the Financial Statements

1. The Company has set internal control systems to maintain accurate and complete accounting records, to safeguard its assets, to prevent and detect any frauds and errors.
2. The Company has appointed Internal Auditors to observe the Internal Controls, whether the workflow of organization is being done through the approved policies of the Company. In every Quarter during the approval of Financial Statements, Internal Auditors will present the Internal Audit Report and Management Comments on the Internal Audit observations; and
3. The Board of Directors of the Company have adopted various policies like Related Party Transactions Policy, Fixed Assets Policy, Whistle Blower Policy, Policy to determine Material Subsidiaries and such other procedures for ensuring the orderly and efficient conduct of its business for 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.

Change in the nature of business

Pursuant to the sale of the business and assets of the Company, the Board of Directors of the Company is exploring opportunities in diversified areas of business like, putting up a modern Bio-organic Jaggery manufacturing plant in the state of Telangana. Besides, the Company is also planning to venture in to import/export of raw-sugar and white sugar depending upon the opportunities public policies from time to time.

The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

As disclosed in the Directors' Report in the Balance Sheet for the previous Financial Year ended March 31, 2018, a few legal cases which were filed by Mr. Ch. Krishna Murthy against the Company and by the Company against him, though not significant and would in any manner impact the going concern status and the Company's operations in future, are pending at various stages before the respective Courts/Tribunals.



The details of the cases filed:

S.No. Case No. Status of case

i. against the Company

- 1 OS 821/2014 The Suit filed by Mr. Ch. Krishna Murthy and Sri Venkateshwara Sugar Industries Private Limited against Mr. Vinod Baid and the Company before the II Additional Chief Judge, City Civil Court, Hyderabad along with Interim Application IA No. 2074 by 2014) seeking injunction on the Postal Ballot conducted by the Company for sale/transfer of the Company's Sugar business and other consequential acts relating to the postal ballot. While the IA 2074 was disposed off in favor of the Company, the Main Suit is presently pending disposal before the Hon'ble Court.
- 2 OP 2956/2014 Mr. Ch. Krishna Murthy filed a petition u/s 9 of Arbitration Act before the XXV Additional Chief Judge, City Civil Court, Hyderabad, seeking direction from the Hon'ble Court to appoint a Receiver/Auditor to protect his alleged investment in the Company. The matter is pending before the Hon'ble Court.
3. CP 184/241/ Mr. Ch. Krishna Murthy filed a Company Petition against the Company and the Directors of the Company before the National Company Law Tribunal, Hyderabad for multiple interim reliefs relating to the operations of the Company and the transfer of assets of the Company executed in favor of Natems Sugar Private Limited. Pursuant to the Hon'ble Supreme Court's Order the Company has filed its counter and the matter is pending adjudication before the Tribunal as on date.

ii. by the Company

- 1 OS 384/2013 The Company had filed a Suit against Mr. Ch. Krishna Murthy and six Additional Directors illegally inducted on the Board of the Company by Mr. Ch. Krishna Murthy seeking a direction from the Hon'ble Court to restrain the Respondents from claiming to be the Directors of the Company and also illegally representing the Company. The matter is pending before the Hon'ble Court.
 - 2 OS 4715/2015 The Company has filed the said Suit against Teja Charities, Tirupati in which Mr. Ch. Krishna Murthy is interested, before the Hon'ble Chief Judge, City Civil Court, Hyderabad seeking decree for a sum of Rs.1.00 crore being the loan given by the Company to Teja Charities along with interest. The Hon'ble Court was pleased to issue decree in favour of the Company.
 - 3 WP 23442/2015 The Company filed the said WP against IFCI and Sri Venkateshwara Sugar Industries Private Limited before the Hon'ble High Court of Judicature at Hyderabad, seeking direction to IFCI to release the original Title documents of the Company in terms of IFCI's letter of settlement of dues cleared by Sri Venkateshwara Sugar Industries Private Limited, as the Assignee of the said debt. The case is presently pending before the Hon'ble Court.
 - 4.WP22515/2015 The Company filed Writ Petition No. 22515/2015 against the Registrar of Companies, Hyderabad before the Hon'ble High Court of Judicature at Hyderabad seeking direction to the RoC to demark the Company "as having management dispute" as it was arbitrary and illegal and against natural justice. The said Petition has been heard by the Hon'ble Court and the Orders are reserved as on date.
-



Material changes and commitments affecting the financial position of the Company

There were no material changes and commitments affecting the financial position of the Company during the year.

Policy on Sexual Harassment

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year ended March 31, 2019, the Company has not received any Complaints pertaining to Sexual Harassment.

Policies

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

i. Whistleblower Policy (Policy on vigil mechanism)

The Company has adopted the whistleblower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct and ethics. There has been no change to the Whistleblower Policy adopted by the Company during fiscal 2019.

ii. Policy for Determining Materiality for Disclosures

This policy applies to disclosures of material events affecting PSCL. This policy is in addition to the Company's corporate policy statement on investor relations, which deals with the dissemination of unpublished, price-sensitive information.

iii. Policy on Document Retention

The policy deals with the retention and preservation of corporate records of the Company.

Human Resources

The company believes that the quality of its employees is the key to its success in the long run and is committed to provide necessary human resource development and training opportunity to equip them with skills, which would enable them to adapt contemporary technological advances.

Acknowledgement

The Directors take this opportunity to place on record their sincere thanks to the Banks and Financial Institutions, Insurance Companies, Central and State Government Departments and the shareholders for their support and co-operation extended to the Company from time to time. Directors are pleased to record their appreciation of the sincere and dedicated services of the employees and workmen at all levels.

On behalf of the Board of Directors
for **Prudential Sugar Corporation Limited**

Place : Hyderabad
Date : 26.08.2019

K. Subba Rao
Whole Time Director
(DIN 02552019)

Y. Ravinder Reddy
Director
(DIN 00011040)



ANNEXURE - I

Particulars of contracts / arrangements made with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013,
and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2019, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis

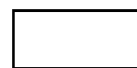
There were no material contracts or arrangements or transactions with related parties during the financial year 2018-19 which were at arm's length.

On behalf of the Board of Directors
for **Prudential Sugar Corporation Limited**

Place : Hyderabad
Date : 26.08.2019

K. Subba Rao
Whole Time Director
(DIN 02552019)

Y. Ravinder Reddy
Director
(DIN 00011040)



ANNEXURE - II

The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to the provisions of section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014:

A. CONSERVATION OF ENERGY:

1. The steps taken or impact on conservation of energy: -N.A.-
2. The steps taken by the Company for utilizing alternate sources of energy: -N.A.-
3. The Capital investment on energy conservation equipments: -N.A.-

B. TECHNOLOGY ABSORPTION:

- i. The Efforts made towards technology absorption: NIL
- ii. The Benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- iii. Details of technology imported during the past 3 years: No technology has been imported during the past 3 years.
 - a. The details of technology import: -NIL-
 - b. The year of import: -NIL-
 - c. Whether the technology has been fully absorbed: -NIL-
 - d. If not fully absorbed, areas where absorption has not taken place and the reasons thereof: -NIL-
- iv. The expenditure incurred on Research and Development: -N.A.-

C. FOREIGN EXCHANGE EARNINGS AND OUT GO:

1. The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

(Rs. in Thousands)

Particulars	March 31, 2019
Used	NIL
Earned	NIL

On behalf of the Board of Directors
for **Prudential Sugar Corporation Limited**

Place : Hyderabad
Date : 26.08.2019

K. Subba Rao
Whole Time Director
(DIN 02552019)

Y. Ravinder Reddy
Director
(DIN 00011040)



ANNEXURE – III

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Prudential Sugar Corporation Limited
CIN: L15432TG1990PLC032731
“Akash Ganga”
Plot No.144, 4th Floor,
Srinagar Colony, Hyderabad - 500 073

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S Prudential Sugar Corporation Limited** (hereinafter called the 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 the 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 audit period covering the period **April 1, 2018 to March 31, 2019**, we hereby report that in our opinion, the Company has, complied with the statutory provisions listed here under (In some cases returns are submitted after due date) 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, **March 31, 2019** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- 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. The Sick Industrial Companies Act, 1985.
- v. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

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, 2015;
- c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2016;
- d. 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;

Prudential Sugar Corporation Limited



We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned below before the Ministry of Corporate Affairs and SEBI or Stock exchanges.

Nature of Forms	Due date of Submission/ Date of AGM	Date of submission	Authority before which submitted
MGT 7 (Annual Return for 2016-17)	31.03.2018 (AGM)	29.05.2018 (late filing)	ROC
AOC-4 XBRL (Balance Sheet for 2016-17)	31.03.2018 (AGM)	30/04/2018	ROC
GNL 1	purpose not available	20.04.2018	ROC
GNL 1	purpose not available	20.04.2018	ROC
GNL 1	purpose not available	20.04.2018	ROC
MGT 14 (approval of draft Financial Statement for 2017-18)	30.06.2018	03.07.2018 (late filed)	ROC
GNL 1	31.03.2019 (AGM)	24.09.2018	ROC
MGT-14 (appointment of the secretarial auditor for 2017-18)	13.12.2018	27.11.2018	ROC
AOC-4 XBRL (Balance Sheet for 2017-18)	30.03.2019 (AGM)	28.05.2019 (late filed)	ROC
MGT- 7 (Annual Return for 2017-18)	30.03.2019 (AGM)	11.06.2019 (late filed)	ROC
ADT- 1 (Auditor appointment)	31.03.2018 (AGM)	21.05.2019 (late filed)	ROC
MGT- 14 (appointment of internal auditors and appointment of secretarial auditor for 2018-19)	22/09/2018	06.06.2019 (late filed)	ROC
MGT- 14 (approval of draft directors report for 2017-18)	30.04.2019	06.06.2019 (late filed)	ROC
MGT-15 (Report on AGM for 2017 -18)	30.03.2019 (AGM)	03.06.2019 (late filed)	ROC
JUNE QUARTER 2018			
Statement of Investors Complain as per Regulation 13(3)	21 days from the quarter ended on 30.06.2018	10.07.2018	Stock Exchange through Email Id
Corporate Governance as per Regulation 27 (2)	15 days from the quarter ended on 30.06.2018	13.07.2018	Stock Exchange through Email Id

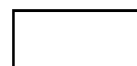
Prudential Sugar Corporation Limited



Reconciliation of Share Capital as per Regulation 55A	30 days from the quarter ended on 30.06.2018	24.09.2018	Stock Exchange through XBRL
Share Holding pattern as per Regulation 31	21 days from the quarter ended on 30.06.2018	18.09.2018	Stock Exchange through XBRL
Financial Results with Limited Review Report	Within 45 days from quarter ended on 30.06.2018	07.09.2019	Stock Exchange through Email Id
Financial Results (XBRL)	Within 45 days from quarter ended on 30.06.2018	Not filed	
Intimation of Board Meeting to be held on 30.05.2018	Before 5 working days of Board Meeting	21.05.2018	Stock Exchange through Email Id
Outcome of Board Meeting held on 30.05.2018	Within 30 minutes of conclusion of Board Meeting	21.06.2018 (late filed)	Stock Exchange through Email Id

SEPTEMBER QUARTER 2018

Statement of Investors Complain as per Regulation 13(3)	21 days from the quarter ended on 30.09.2018	05.10.2018	Stock Exchange through Email Id
Corporate Governance as per Regulation 27 (2)	15 days from the quarter ended on 30.09.2018	15.10.2018	Stock Exchange through XBRL
Reconciliation of Share Capital as per Regulation 55A	30 days from the quarter ended on 30.09.2018	31.10.2018	Stock Exchange through XBRL
Share Holding pattern as per Regulation 31	21 days from the quarter ended on 30.09.2018	22.10.2018	Stock Exchange through XBRL
Compliance Certificate issued under Rule 7(3)	Within one month from the half year ended on 30.09.2018	30.10.2018	Stock Exchange through Email Id
Certificate from PCS as per Regulation 40(9)	Within one month from the Half Year ended on 30.09.2018	30.10.2018	Stock Exchange through Email
Financial Results with Limited Review Report	Within 45 days from quarter ended on 30.09.2018	07.09.2019	Stock Exchange through Email Id
Financial Results (XBRL)	Within 45 days from quarter ended on 30.09.2018	Not filed	
Intimation of Board Meeting to be held on 14.08.2018	Before 5 working days of Board Meeting	04.08.2018	Stock Exchange through Email Id
Outcome of Board Meeting held on 14.08.2018	Within 30 minutes of conclusion of Board Meeting	Not filed	
Intimation of Board Meeting to be held on 22.08.2018	Before 5 working days of Board Meeting	14.08.2018	Stock Exchange through Email Id
Outcome of Board Meeting held on 22.08.2018	Within 30 minutes of conclusion of Board Meeting	Not filed	



DECEMBER QUARTER 2018

Statement of Investors Complain as per Regulation 13(3)	21 days from the quarter ended on 31.12.2018	08.01.2019	Stock Exchange through Email Id
Corporate Governance as per Regulation 27 (2)	15 days from the quarter ended on 31.12.2018	17.01.2019	Stock Exchange through XBRL
Reconciliation of Share Capital as per Regulation 55A	30 days from the quarter ended on 31.12.2018	31.01.2019	Stock Exchange through XBRL
Share Holding pattern as per Regulation 31	21 days from the quarter ended on 31.12.2018	31.01.2019	Stock Exchange through XBRL
Financial Results with Limited Review Report	Within 45 days from quarter ended on 31.12.2018	07.09.2019	Stock Exchange through Email Id
Financial Results (XBRL)	Within 45 days from quarter ended on 31.12.2018	Not filed	
Intimation of Board Meeting to be held on 14.11.2018	Before 5 working days of Board Meeting	06.11.2018	Stock Exchange through Email Id
Outcome of Board Meeting held on 14.11.2018	Within 30 minutes of conclusion of Board Meeting	Not filed	

MARCH QUARTER 2019

Statement of Investors Complain as per Regulation 13(3)	21 days from the quarter ended on 31.03.2019	20.04.2019	Stock Exchange through Email Id
Compliance Certificate issued under Rule 7(3)	Within one month from the Half year ended on 31.03.2019	30.04.2019	Stock Exchange through Email Id
Annual Disclosure 2014 SAST Regulation 30(1) and 30(2)	Within one month from the year ended 31.03.2019	12.04.2019	Stock Exchange through Email Id
Share Holding pattern as per Regulation 31	21 days from the quarter ended on 31.03.2019	20.04.2019	Stock Exchange through XBRL
Certificate from PCS as per Regulation 40(9)	Within one month from the Half Yearly ended on 31.03.2019	13.05.2019	Stock Exchange through Email
Reconciliation of Share Capital as per Regulation 55A	30 days from the quarter ended on 31.03.2019	30.04.2019 & 13.05.2019	Stock Exchange through XBRL
Corporate Governance as per Regulation 27 (2)	15 days from the quarter ended on 31.03.2019	15.04.2019	Stock Exchange through XBRL
Audited Financial Results with Independent Auditor's Report	Within 60 days from year ended 31.03.2019	07.09.2019	Stock Exchange through Email Id
Financial Results (XBRL)	Within 60 days from quarter ended on 31.03.2019	Not filed	

Prudential Sugar Corporation Limited

Intimation of Board Meeting to be held on 14.02.2019	Before 5 working days of Board Meeting	04.02.2019	Stock Exchange through Email Id
Outcome of Board Meeting held on 14.02.2019	Within 30 minutes of conclusion of Board Meeting	Not filed	
Intimation of Board Meeting to be held on 1.03.2019	Before 5 working days of Board Meeting	21.02.2019	Stock Exchange through Email Id
Outcome of Board Meeting held on 01.03.2019	Within 30 minutes of conclusion of Board Meeting	06.03.2019 (late filed)	Stock Exchange through Email Id

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals

We further report that the provisions of the following regulations/guidelines/standards were not applicable to the Company for the Financial Year ended 31.03.2019:

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- c. SEBI (Share Based Employee Benefits) Regulations, 2014;
- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- I. Secretarial Standards (SS-1 and SS-2) as issued by The Institute of Company Secretaries of India and which became effective from 01.07.2015
- II. The Listing Agreements entered by the Company with The Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

We further report that:

- a. The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors.
- b. 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.
- c. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- d. 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.



Management Responsibility

1. Maintenance of secretarial records 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 practice and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practice, 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 or verified the compliance of Laws other than those mentioned above.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
5. 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.

We further report that during the Audit period, the company has not incurred any specific event/ action that can have a major bearing on the company's compliance responsibilities in pursuance of the above referred laws, Rules, regulations, guidelines, standards etc.

This Report is to be read with our letter of even date which is annexed "ANNEXURE - A" and forms an Integral Part of this Report.

For **RBM & Associates**
Company Secretaries

Radhaballav Mandal
M.No.F8182

Date : Hyderabad
Place: 26.08.2019

Prudential Sugar Corporation Limited



“ANNEXURE - A”

(TO THE SECRETARIAL AUDIT REPORT OF M/S PRUDENTIAL SUGAR CORPORATION LIMITED FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019)

To,
The Members,
Prudential Sugar Corporation Limited
CIN: L15432TG1990PLC032731
“Akash Ganga”
Plot No.144, 4th Floor,
Srinagar Colony, Hyderabad - 500 073

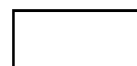
Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records 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 where 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. Wherever 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, and regulations and 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 **RBM & Associates**
Company Secretaries

Date : Hyderabad
Place: 26.08.2019

Radhallav Mandal
M.No.F8182



ANNEXURE – IV

Statement of particulars as per Rule 5 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

- i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year: 2018-19 : NA*

* The Company does not have any employees on rolls except Directors and KMPs

- ii. The percentage increase in remuneration of each director, Chief Financial Officer, and Company Secretary in the financial year 2018-19

S.No.	Name of the Director	Percentage increase in remuneration
1	Mr. K. Subba Rao, Whole Time Director	NIL
2	Mr. Vinod Baid, Director	NIL
3	Mr. Y. Ravinder Reddy	NA
4	Mr. Kishore Jhunjunwala	NA
5	Ms. Sadhana Bhansali	NA
6	Mr. Anit Kumar Surana, CFO	NIL
7	Mr. Sandeep Kumar Daga, Company Secretary	NIL

* Mr. Y. Ravinder Reddy, Ms. Sadhana Bhansali, and Mr. Kishore Jhunjunwala were paid sitting fees for attending the Meetings.

** There was no increase in Remuneration paid to Whole Time Director, Chief Financial Officer, and Company Secretary during the Financial Year ended March 31, 2019.

- iii. The percentage increase in the median remuneration of employees in the financial year: **NA**

- iv. The number of permanent employees on the rolls of company:

There are 2 permanent employees on the rolls of the Company as on March 31, 2019.

- v. 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 point out if there are any exceptional circumstances for increase in the managerial remuneration: **NA**

Prudential Sugar Corporation Limited



Statement of Particulars of Employees Pursuant to the Provisions of Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. No.	Name & Designation	Remuneration Received	Nature of Employment	Qualifications and experience of the employee	Date of commencement of employment	Age	Last employment held before joining the company	% of Equity Shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) of Rule 5	Whether is a relative of any director or manager of the company
1	Mr. K. Subba Rao Whole Time Director	Rs.1,351,600	Contractual	B.Tech. (Mech.), BOE 39 years	17.05.1995	68 years	Nizam Sugars Ltd.	Nil	None
2	Mr. Anit Kumar Surana Chief Financial Officer	Rs.394,800	Permanent	B.Com., 18 years	01.09.2017	46 years	Falma Lab	Nil	None
3	Mr. Sandeep Kumar Daga Company Secretary	Rs.1,200,000	Permanent	B.Com., ACS 24 years	20.04.2013	46 years	Prudential Management and Advisors Ltd.	Nil	None

On behalf of the Board of Directors
for **Prudential Sugar Corporation Limited**
K. Subba Rao
Whole Time Director
(DIN 02552019)

Y. Ravinder Reddy
Director
(DIN 00011040)

Place : Hyderabad
Date : 26.08.2019



ANNEXURE – V

MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2018-19

The Company since its inception had been engaged, in the business of manufacture of sugar and allied products at its manufacturing facility of 2500 TCD situated at Prudential Nagar, PO Koppedu, Nindra Mandal, Dist: Chittoor, AP - 517 587.

However, the Company for reasons elaborately discussed in the Explanatory Statement to the Notice of Postal Ballot dated 26.08.2014 hived off its sugar business to Natems Sugar Private Limited and since then, the Company has been out of sugar manufacturing business. The Company is now enthusiastically planning to venture into new areas of business, primarily, manufacture of Agri based products by establishing a new manufacturing facility and/or acquiring or taking over an existing facility. Simultaneously, the Company has also been exploring potential opportunities for joint ventures with prospective and experienced industrialists and entrepreneurs in other profitable business segments. Also, the Company is engaged itself in carrying out due diligence for a few such proposals on hand so as to ascertain and determine the viability of the entire business proposition.

The Company with its experienced and eminent Board of Directors, hopes to zero in on some or other project related to Agri, pharmaceuticals/bulk drugs business etc., to make profitable use of its financial health.

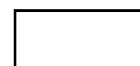
The Company firmly believes that Human Resources are the most important organ of an organization and need to be used effectively and as success, and stability and growth of the organisation depends on its ability in best nurturing and developing such Human Resources. As your Company goes forward with enriching its Human Resources and pursuing new goals, we are confident to succeed in identifying and venturing into a profitable business in the ensuing Financial Year.

On behalf of the Board of Directors
for **Prudential Sugar Corporation Limited**

Place : Hyderabad
Date : 26.08.2019

K. Subba Rao
Whole Time Director
(DIN 02552019)

Y. Ravinder Reddy
Director
(DIN 00011040)



ANNEXURE - VI

REPORT ON CORPORATE GOVERNANCE

In India, the Securities and Exchange Board of India (SEBI) regulates Corporate Governance for Listed Companies through SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. Company's compliance with the requirements of Corporate Governance is set out below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

PRUDENTIAL SUGAR CORPORATION LIMITED ("PSCL"/the "Company") is committed to implement sound corporate governance practices with a view to bring about transparency in its operations and maximize shareholder value. The Company's core philosophy on the code of Corporate Governance is to ensure:

- Fair and transparent business practices;
- Accountability for performance;
- Compliance of applicable statute;
- Transparent and timely disclosure of financial and management information;
- Effective management control and monitoring of executive performance by the Board; and
- Adequate representation of promoter, executive and independent directors on the Board.

2. BOARD OF DIRECTORS :

The Board of Directors along with its Committees provides leadership and guidance to the Company's management and supervises the Company's performance. As at March 31, 2019, the Board of Directors ("Board") comprises of Five Directors, of which 1 is Executive, 1 is Non-Executive Director, and remaining 3 (Three) are independent directors. The Chairman of the Board is Non Executive Director (promoter).

The composition and category of the Board of Directors is as follows:

S.No.	Name of the Director	Designation	Category
1.	Mr. Vinod Kumar Baid	Chairman	Non Executive Director (Promoter)
2.	Mr. Kurra Subba Rao	Whole Time Director	Executive Director (Non Promoter)
3.	Mr. Y. Ravinder Reddy	Director	Independent Director
4.	Ms. Sadhana Bhansali	Director	Independent Director (Woman Director)
5.	Mr. Kishore Jhunjunwala	Director	Independent Director

All independent directors possess the requisite qualifications and are very experienced in their own fields. All Directors except Independent Directors were liable to retire by rotation. None of the directors are members of more than seven committees or chairman of more than five committees in public limited companies in which they are directors. Necessary disclosures have been obtained from all the directors regarding their directorship and have been taken on record by the Board.

Prudential Sugar Corporation Limited



The names of the Directors and the details of other chairmanship / directorship / committee membership of each Director as on March 31, 2019 is given below:

Name of the Director	No. of other Directorships*	In other Public Companies**	
		Membership	Chairmanship
Mr. Vinod Baid	2	NIL	NIL
Mr. Kurra Subba Rao	1	1	NIL
Mr. Y. Ravinder Reddy	3	1	2
Ms. Sadhana Bhansali	2	2	NIL
Mr. Kishore Jhunjunwala	7	NIL	NIL

Notes:

- a. Other Directorships exclude foreign companies, private limited companies and alternate directorships.
- b. Only membership in Audit Committee and Stakeholders' Relationship Committee has been reckoned for other Companies Memberships.

b) Board Procedure:

During the year under review Board met Six times on 30.05.2018, 14.08.2018, 22.08.2018, 14.11.2018, 14.02.2019 and 01.03.2019. The Board meets at least once in every quarter to review the Company's operations and the maximum time gap between any two meetings is not more than 120 days.

The attendance of each Director at the Board Meetings and last Annual General Meeting held during the year under review are as under:

Name of the Director	Number of Board Meetings		Attendance at AGM held on March 31, 2019
	Held	Attended	
Mr. Vinod Kumar Baid	6	—	Yes
Mr. Kurra Subba Rao	6	5	Yes
Mr. Y. Ravinder Reddy	6	6	Yes
Ms. Sadhana Bhansali	6	3	No
Mr. Kishore Jhunjunwala	6	3	No

The company places before the Board all those details as required under Schedule-V of the listing Regulation. The dates for the board meetings are fixed after taking into account the convenience of all the directors and sufficient notice is given to them. Detailed agenda notes are sent to the directors. All the information required for decision making are incorporated in the agenda. Those that cannot be included in the agenda are tabled at the meeting. The chairman appraises the Board on the overall performance of the company at every board meeting. Legal issues, write-offs, provisions, purchase and disposal of capital assets are all brought to the notice of the Board. The Board reviews performance, approves capital expenditures, sets the strategy the company should follow and ensures financial stability. The Board takes on record the actions taken by the company on all its decisions periodically.



c. **Disclosure of relationship between Directors inter-se: -NA-**

Independent Directors meeting

Schedule IV of the Companies Act, 2013 and the Rules under it mandate that the independent directors of the Company hold at least one meeting in a year, without the attendance of non-independent directors and members of the Management. It is recommended that all the independent directors of the Company be present at such meetings. These meetings are expected to review the performance of the non-independent directors and the Board as a whole, as well as the performance of the chairman of the Board, taking into account the views of the executive directors and non-executive directors; assess the quality, quantity and timeliness of the flow of information between the Management and the Board that is necessary for it to effectively and reasonably perform its duties.

Even before the Companies Act, 2013 came into effect, our Board's policy required our independent directors to hold quarterly meetings attended exclusively by the independent directors. At such meetings, the independent directors discuss, among other matters, the performance of the Company and risks faced by it, the flow of information to the Board, competition, strategy, leadership strengths and weaknesses, governance, compliance, Board movements, human resource matters and performance of the executive members of the Board, including the Chairman

3. COMMITTEES OF THE BOARD:

The Company currently has the following Committees of the Board:

- a. Audit Committee;
- b. Nomination and Remuneration Committee; and
- c. Stakeholders Relationship, Grievance and Share Transfer Committee.

a. Audit Committee

The audit committee assists the board in the dissemination of financial information and in overseeing the financial and accounting processes in the company. The terms of reference of the audit committee covers all matters specified in and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also those specified in section 177 of the Companies Act 2013. The terms of reference broadly include review of internal audit reports and action taken reports, assessment of the efficacy of the internal control systems/ financial reporting systems and reviewing the adequacy of the financial policies and practices followed by the company. The audit committee reviews the compliance with legal and statutory requirements, the quarterly and annual financial statements and related party transactions and reports its findings to the Board. The committee also recommends the appointment of internal auditor, statutory auditor. The audit committee takes note of any default in the payments to creditors and shareholders. The committee also looks into those matters specifically referred to it by the Board. The statutory auditors were present at all audit committee meetings.

As on 31st March 2019 the committee comprised of three independent directors and one executive director, all of whom are financially literate and have relevant finance / audit exposure. The chief financial officer is permanent invitee to the meetings of the committee. The other



directors are invited to attend the audit committee meetings as and when required. The composition of the audit committee is as per and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Chairman of the Audit Committee was present at the previous Annual General Meeting of the company held on March 30, 2019.

* Audit Committee meetings :

- Four Audit Committee Meetings were held during the year ended March 31, 2019. The maximum time gap between any of the two meetings was not more than four months.
- The Audit Committee meetings were held on May 30, 2018, August 14, 2018, November 14, 2018 and February 14, 2019.

Composition of the Audit Committee and the details of meetings held and attended by its members are given below:

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Mr. Y. Ravinder Reddy	Chairman	4	4
Mr. Kurra Subba Rao	Member	4	4
Mr. Kishore Jhunjunwala	Member	4	2
Ms. Sadhana Bhansali	Member	4	2

b. Nomination and Remuneration Committee

* Composition:

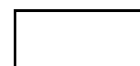
- The Nomination and Remuneration Committee was constituted by the Board with 3 Independent Directors with Independent Director as its Chairman.
- The Minutes of the Meetings of the Nomination and Remuneration Committee are circulated to all the members of the Board.

* Composition of the Committee is given below:

Name of the Director	Designation
Mr. Y. Ravinder Reddy	Chairman
Ms. Sadhana Bhansali	Member
Mr. Kishore Jhunjunwala	Member

* Brief description of terms of reference

- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- carry on the evaluation of every director's performance;



- formulation of the criteria for determining qualifications, positive attributes and independence of a director;
 - recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
 - formulation of criteria for evaluation of Independent Directors and the Board;
 - devising a policy on Board diversity; and
 - any other matter as the Board may decide from time to time.
- * Nomination and Remuneration Committee meetings
- During the period from April 1, 2018 to March 31, 2019, Nomination and Remuneration Committee Meetings were held on May 30, 2018, August 14, 2018, November 14, 2018 and February 14, 2019

Composition of the Nomination and Remuneration Committee and the details of meetings held and attended by its members are given below:

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Mr. Y. Ravinder Reddy	Chairman	4	4
Ms. Sadhana Bhansali	Member	4	2
Mr. Kishore Jhunjunwala	Member	4	2

- * Nomination and Remuneration policy
- The compensation of the executive directors comprises of fixed component and commission. The compensation is determined based on the remuneration prevailing in the industry and the performance of the Company. The remuneration package of the executive directors is periodically reviewed and suitable revision is recommended to the Board by the committee.
 - The Non-executive directors are paid sitting fees for attending meetings of Board/Committee.
- * Details of remuneration to all the Directors

Following are the details of sitting fees paid to the Directors for attending Board and Committee Meetings for the year ended March 31, 2019.

Name of the Director	Amount Rs.
Mr. Vinod Kumar Baid	—
Mr. Kurra Subba Rao	—
Mr. Y. Ravinder Reddy	20,000
Ms. Sadhana Bhansali	10,000
Mr. Kishore Jhunjunwala	10,000

Prudential Sugar Corporation Limited



The Remuneration paid to the Managing Director and Whole-time Directors during the year is as follows:

Name of the Director and Designation	Salary Rs.	Benefits Rs.	Bonuses Rs.	Pension Rs.	Commission Rs.	Service Contracts	Notice Period	Total Rs.
K. Subba Rao	13,20,000	22,100	9,500	-	-	-	As per the Rules of the Company	13,51,600

There were no severance fees, stock option plan or performance linked incentive for the Executive/Non-Executive Directors. The appointment of Whole Time Director is made for a period of 3 years on the terms and conditions contained in the respective resolutions passed by the Members in the General Meetings.

* Shares held by Non-Executive Directors

The number of equity shares of the Company held by Non-Executive Directors, as on March 31, 2019 are as follows:

Name of the Director	No. of Equity Shares (face value of Rs.1 each) held in the Company
Mr. Y. Ravinder Reddy	NIL
Ms. Sadhana Bhansali	NIL
Mr. Kishore Jhunjhunwala	NIL

c. Stake Holders Relationship, Grievance and Share Transfer Committee

* Composition

The Committee consists of the following Directors:

Name of the Director	Designation
Mr. Y. Ravinder Reddy	Chairman
Ms. Sadhana Bhansali	Member
Mr. Kishore Jhunjhunwala	Member
Mr. K. Subba Rao	Member

Stakeholders Relationship Committee meetings during the year were held on May 30, 2018, August 14, 2018, November 14, 2018 and February 14, 2019.

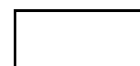
* Terms of Reference

- Stake Holders Relationship, Grievance and Share Transfer Committee oversees and reviews all matters connected with the securities transfers and also looks into redressing of shareholders complaints like transfer of shares, non-receipt of annual reports/dividends etc.
- The Committee oversees the performance of the Registrar and Transfer agents and recommends measures for overall improvement in the quality of investor services.

* Name and designation of Compliance Officer:

Mr. Sandeep Kumar Daga, Company Secretary & Compliance Officer

Email-id for Investor Grievances: pscl.secretarial@gmail.com



* Number of Shareholders complaints received so far.:

- During the year ended March 31, 2019 the Company has received 4 complaints and the company is process to resolve, the same were pending before court.
- Number of complaints not resolved to the satisfaction of shareholders is Nil.

Attendance of each Director at Stakeholders' Relationship Committee Meeting

Name of the Director	Category	Number of Meetings	
		Held	Attended
Mr. Y. Ravinder Reddy	Independent & Non-Executive Director	4	4
Ms. Sadhana Bhansali	Independent & Non-Executive Director	4	2
Mr. Kishore Jhunjunwala	Independent & Non-Executive Director	4	2
Mr. Kurra Subba Rao	Executive Director	4	4

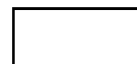
SEBI vide Circular Ref: CIR/OIAE/2/2011 dated June 3, 2011 informed the company that they had commenced processing of investor complaints in a web based complaints redress system "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES

4. GENERAL BODY MEETINGS:

- The details of date, location and time of the last three Annual General Meetings held are as under:

Financial Year ended	Date	Time	Venue
31.03.2018	30.03.2019	11.30 AM	at its Registered Office at "Akash Ganga", Plot No. 144 4th Floor, Srinagar Colony Hyderabad - 500 073
31.03.2017	31.03.2018	11.30 AM	HMT Bearings Officers' Colony Community Function Hall, IV Avenue Road, Sainikpuri, Hyderabad - 500 094
31.03.2016	30.12.2016	11.00 AM	HMT Bearings Officers' Colony Community Function Hall, IV Avenue Road, Sainikpuri, Hyderabad - 500 094

- Special Resolutions passed during the previous three Annual General Meetings:
 - 27th Annual General Meeting - March 30, 2019 - Nil -
 - 26th Annual General Meeting – March 31, 2018 - Nil-
 - 25th Annual General Meeting – December 30, 2016



Appointment of Whole Time Director:

Special Resolution was passed pursuant to the provisions of Sections 196, 197, 203, 310 and read with Schedule V and appointed Mr. Kurra Subba Rao as Whole Time Director of the company w.e.f. 13.08.2016 for the period of 3 Years.

iv. Special resolution passed last year through postal ballot.

5. DISCLOSURES:

a. Related party transactions

During the year ended March 31, 2019, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. The transactions with related parties are disclosed in the Notes to the Annual Accounts.

b. Details of non-compliance, etc.,

A Statement of Compliance with all Laws and Regulations as certified by the Director and Whole Time Director is placed at periodic intervals for review by the Board.

There were non compliances due to suspension of trading by stock exchanges and removal of name from the listing portal.

c. Disclosure of Accounting Treatment:

The Company has followed the accounting standards in the preparation of its financial statements.

d. Whistle Blower policy

The Board of Directors of the Company had adopted the Whistle Blower Policy. Employees can report to the Management concerned unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct policy.

The Audit Committee reviews periodically the functioning of whistle blower mechanism.

No employee has been denied access to the Audit Committee. A copy of the Whistle Blower Policy is also hosted on the website of the Company www.prudentialsugar.com

The chairman of the Audit Committee had not received any complaint during the Financial Year ended March 31, 2019.

e. Board Disclosures - Risk Management

The Company has constituted Risk Management Committee and Risk Management Policy which has been adopted by the Board of Directors. Currently, the Company's risk management approach comprises of the following:

- Governance of Risk
- Identification of Risk
- Assessment and control of Risk

The risks have been prioritized through a company-wide exercise. Members of Senior Management have undertaken the ownership and are working on mitigating the same through



co-ordination among the various departments, insurance coverage, security policy and personal accident coverage for lives of all employees.

The Company had appointed a Risk Officer and also put in place the risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

The details of Risks identified and mitigation measures undertaken are presented to the Board of Directors and the Audit Committee on a quarterly basis. The Board and the Audit Committee provides oversight and review the risk management policy periodically.

A detailed note on the risks is included in the Management Discussion and Analysis annexed to the Directors' Report.

f. Code of Conduct

The Board has laid down a Code of Conduct covering the ethical requirements to be complied with covering all the Board members and Senior Management Personnel of the Company. An affirmation of compliance with the code is received from them on an annual basis.

g. CEO and CFO Certification

The Whole Time Director and the CFO have furnished a Certificate to the Board for the year ended 31.03.2019 as required by SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, and is separately annexed.

h. Proceeds from public issues, rights issues, preferential issues, etc.

During the year ended March 31, 2019, there were no proceeds from public issues, rights issues, preferential issues, etc.

i. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.

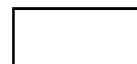
The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year 2018-19. Separate persons to the post of Chairman and Executive Director and Reporting of Internal Auditors to the Audit Committee have been adopted from non-mandatory requirements.

j. Reconciliation of Share Capital Audit

A quarterly audit was conducted by a Practicing Company Secretary, reconciling the issued and listed capital of the company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit. As on March 31, 2019 there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories. 1,86,35,389 equity shares representing 52.12% of the paid up equity capital have been dematerialized as on March 31, 2019.

k. Details about familiarization of programme.

Senior management personnel of the Company make presentations to the Board Members on a periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, etc. and seek their opinions and suggestions on the same. Also, the



Directors are briefed on their specific responsibilities and duties that may arise from time to time. Any new Director who joins the Board is presented with a brief background of the Company, its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct for Prevention of Insider Trading, Policy on Related Party Transactions, Policy on Remuneration, Policy on material events as per Listing Regulation, Whistle blower policy, and Risk Management Policy.

The Statutory Auditors and Internal Auditors of the Company have made a presentation to the Board of Directors with regard to provisions of Companies Act, 2013 and Listing Regulation, 2015 and its impact on the Company. Further Statutory Auditors and Senior Management will make a presentation to the Board of Directors on regulatory changes while approving the Quarterly Financial Results.

Website: www.prudentialsugar.com Investor Relations

j. Related Party Transactions policy.

In terms of the listing Regulation, 2015, the Board of Directors of the Company have adopted a policy to determine Related Party Transactions.

The policy is placed on the website of the company www.prudentialsugar.com

6. MEANS OF COMMUNICATION

- a. Quarterly results: Quarterly financial results have been submitted with Stock exchanges
- b. Official news releases along with quarterly results are displayed on the Company's website: www.prudentialsugar.com

The Company presentations made to the investors/ analysts are placed on the Company's website: www.prudentialsugar.com

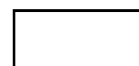
- c. Management Discussion and Analysis (MDA) Report

The report on MDA is annexed to the Directors' Report and forms part of this Annual Report.

7. GENERAL SHAREHOLDER INFORMATION

- a. Annual General Meeting : 28th Annual General Meeting
 - Date : 30.09.2019
 - Time : 11:30 a.m.
 - Venue : "Akash Ganga", Plot No.144, 4th Floor, Srinagar Colony, Hyderabad - 500 073
- b. Dates of Book Closures : September 26, 2019 to September 30, 2019 (both days inclusive)
- c. Dividend Payment Date : -NIL-

Prudential Sugar Corporation Limited



- d. Listing on Stock Exchange: Company's equity shares are listed at:
- | | |
|--|------------|
| Name and Address of the Stock Exchange | Scrip Code |
| BSE Limited,
Phiroze JeeJeebhoy Towers, Dalal Street, Mumbai - 400 001. | 500342 |
- The listing fee for the year 2019-20 has been paid to the above stock exchanges.
- e. Market Price Data: High and low during each month from April 1, 2018 to March 31, 2019. :
Not Applicable since the company under suspension of trading.
- f. Registrar & Share Transfer Agents:
(for Shares held in both Physical and Demat mode)
M/s.R&D Infotech Private Limited
1st Floor, 7A, Beltala Road,
Kolkata - 700 026. West Bengal.
Phone No. 033 - 2419 2641/2642
- g. Share transfer System and Dematerialization of Shares:
SEBI vide its Circular No. CIR/MIRSD/8 /2012, dated July 5, 2012 has reduced the time-line for registering the transfer of shares to 15 days, the Physical share transfers are processed and the share certificates are returned to the shareholders within a maximum period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Any transferee who wishes to dematerialize the shares may approach a Depository participant along with a duly filled Demat Request Form, who shall, on the basis of the Share Certificate, generate a demat request and send the same to the Registrar and Share transfer Agents (RTA). On receipt, the Depository Registrar confirms the request.
All requests for Dematerialization of shares are processed and the confirmation is given to the respective Depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), within 21 days of receipt.
- h. Distribution of Share holding

Table - I (Distribution of holdings)

Share holding of Nominal value of		Shareholders		Share Amount	
Rs.	Rs.	Number	% to Total	(in Rs.)	% to Total
Upto	5,000	10355	89.31	20815150	5.82
5,001 —	10,000	547	4.71	4629900	1.30
10,001 —	20,000	312	2.69	4825290	1.35
20,001 —	30,000	79	0.68	2008560	0.56
30,001 —	40,000	81	0.69	3087500	0.86
40,001 —	50,000	35	0.30	1683990	0.47
50,001 —	1,00,000	89	0.76	7082460	1.98
1,00,001	and above	97	0.83	313387150	87.66
Grand Total		11595	100.00	357520000	100.00

**i. Shareholding Pattern**

Category	No. of shares held	Percentage of shareholding
1 Promoters/Directors/ Associates	21102599	59.02
2 Mutual Funds and UTI	341500	0.96
3 Banks, Financial Institutions, Insurance Companies (Central/State Government Institutions/ Non-Government Institutions)	12900	0.04
4 FII's	—	—
5 Private Corporate Bodies	7280864	20.36
6 Indian Public	7014137	19.62
7 NRIs / OCBs	—	—
8 Others	—	—
Total	35752000	100.00

j. Dematerialization of Shares & Liquidity

The Company's shares are available for dematerialization with both the Depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 18632389 equity shares were dematerialized representing 52.12% of the total paid up equity share capital of the Company as on March 31, 2019.

ISIN: INE024D01016

k. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity.

The Company has not issued any GDRs/ADRs and there are no outstanding warrants or any Convertible instruments.

l. Address for Correspondence:

"AKASH GANGA"
Plot No. 144, 4th Floor
Srinagar Colony,
Hyderabad - 500 073
040-23746451 & Fax No. 040-66822871
E-mail: pscl.secretarial@gmail.com
Website: www.prudentialsugar.com

On behalf of the Board of Directors
for **Prudential Sugar Corporation Limited**

Place : Hyderabad
Date : 26.08.2019

K. Subba Rao
Whole Time Director
(DIN 02552019)

Y. Ravinder Reddy
Director
(DIN 00011040)



ANNEXURE - VII

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries (Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Prudential Ammana Sugars Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees
4.	Share capital	51,000,000
5.	Reserves & surplus	109,726,640
6.	Total assets	682,993,212
7.	Total Liabilities	682,993,212
8.	Investments	Nil
9.	Turnover	58,870,461
10.	Profit / (Loss) before taxation	Nil
11.	Provision for taxation	5,205,382
12.	Profit / (Loss) after taxation	14,815,321
13.	Proposed Dividend	Nil
14.	Extent of shareholding (In percentage)	99.99%

1. Names of subsidiaries which are yet to commence operations - Nil
2. Names of subsidiaries which have been liquidated or sold during the year - Nil

Part "B": Associates and Joint Ventures: Nil

1. Names of associates or joint ventures which are yet to commence operations. – Nil.
2. Names of associates or joint venture

Declaration regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

To

The Members

I, hereby declare that to the best of my knowledge and information, all the Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the year ended March 31, 2019.

By Order of the Board
for **Prudential Sugar Corporation Limited**

K. Subba Rao

Whole Time Director
(DIN 02552019)

Place : Hyderabad
Date : 26.08.2019



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
PRUDENTIAL SUGAR CORPORATION LIMITED

We have examined all the relevant records of Prudential Sugar Corporation Limited ("the Company") for the purpose of certifying compliance of the conditions of the Corporate Governance as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2019. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate 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.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in Schedule II of the said Regulations/Listing Agreement. As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has complied.

For R Pugalia & Company
Chartered Accountants
Firm Registration No. 318188E

Rajeev Kumar Pugalia
Proprietor
M.No. 053972

Place : Hyderabad
Date : 26.08.2019

CEO AND CFO CERTIFICATE

We hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the Financial Year ended March 31, 2019 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee that there are no:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For **Prudential Sugar Corporation Limited**

Place : Hyderabad
Date : 26.08.2019

K. Subba Rao
Whole Time Director

Anit Surana
Chief Financial Officer



INDEPENDENT AUDITORS' REPORT

To
The Members,
PRUDENTIAL SUGAR CORPORATION LIMITED
Hyderabad

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Prudential Sugar Corporation Ltd** ("the Company"), which comprise the balance sheet as at March 31, 2019, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



Based on the work we have performed, we conclude that we have nothing to report that there is a material misstatement of this other information

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- * Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- * Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- * Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- * Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- * Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 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 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 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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 A.



- 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 the to the best of our information and according to the explanations given to us we report that:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 26 to the financial statements;
 - ii. The Company is not required to transfer, to the Investor Education and Protection Fund by the Company.
 - iii. As per the Directives of the XXV Additional Chief Justice City Civil Court Hyderabad the Company has deposited a sum of Rs.25,00,00,000 with them as security against till the settlement of a case filed by a Shareholder against the company opposing the sale of Fixed Assets..
 - iv. The Company did not redeem the 16% Redeemable Cumulative Preference Shares as per the terms of issue and did not provide for arrears of dividend thereon Refer Note No.26 , The impact of which is that the Current Liabilites are understated by Rs.8.00 lacs and the Capital is overstated by the same amount.
 - v. The Company has not accounted for the provisions for retirement benefits as per AS-46
 - vi. Non Current Assets and Non Current Liabilities during the year have shown a quantum increase during the year and we are unable to comment upon their actual realisation or payment.
 - vii. The Company has given Loans to its Subsidiary M/s Prudential Ammana Sugar Ltd for non banking financial purposes.(Outstanding Balance as on 31.03.2019 is Rs.51,13,82,600)
2. As required by the Companies (Auditor's Report) Order 2016 (the Order) issued by the Central Government in terms of Section 143(1) of the Act, we give in Annexure 'B' a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place : Hyderabad
Date : 30.05.2019

For R Pugalia & Company
Chartered Accountants
Firm Registration No. 318188E

Rajeev Kumar Pugalia
Proprietor
M.No. 053972



Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under ‘Report on other legal and regulatory requirements’ section of our report to the members of **Prudential Sugar Corporation Limited** of even date)

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- 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. Not Applicable
- iii. The Company has granted loans to its Subsidiary M/s Prudential Ammana Sugars Ltd. covered in the register maintained under section 189 of the Companies Act, 2013 (‘the Act’) aggregating Rs. 51,13,82,600.
 - a. In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company
 - b. In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
 - c. there is no overdue amount in respect of loans granted to such Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees’ state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax,



cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable subject to the details mentioned hereunder:

Income Tax Claim of Rs.70.76 Lacs for A.Y 2013-14 against which appeal is pending with Appellate Authority. The company has paid Rs.10.62 Lacs against above claim.

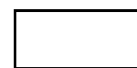
Sales Tax claim of Rs.22.80 Lacs (P.Y. Rs.22.80 Lacs) for which an appeal is pending with High Court of Andhra Pradesh . The Company has paid Rs. 11.65 Lacs (P.Y Rs.11.65 lacs) against above claim which is shown as deposit receivable in the books of accounts

- viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material 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. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 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. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place : Hyderabad
Date : 30.05.2019

For R Pugalia & Company
Chartered Accountants
Firm Registration No. 318188E

Rajeev Kumar Pugalia
Proprietor
M.No. 053972



Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of Prudential Sugar Corporation Limited of even date)

We have audited the internal financial controls over financial reporting of Prudential Sugar Corporation Limited (“the Company”) as at March 31, 2019, 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 board of directors of the Company 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. 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, 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 internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were 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 judgement, including the assessment of the risks of material misstatement in 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 control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 R Pugalia & Company
Chartered Accountants
Firm Registration No. 318188E

Rajeev Kumar Pugalia
Proprietor
M.No. 053972

Place : Hyderabad
Date : 30.05.2019

Prudential Sugar Corporation Limited

CIN: L15432TG1990PLC032731



STANDALONE

BALANCE SHEET AS AT MARCH 31, 2019

PARTICULARS	Notes	As at 31.03.2019 In Rupees	As at 31.03.2018 In Rupees
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
Share capital	1	372,070,000	372,070,000
Reserves and surplus	2	<u>407,867,175</u>	<u>396,909,496</u>
		<u>779,937,175</u>	<u>768,979,496</u>
2. Non-current liabilities			
Long-term borrowings	3	1,127,000	1,127,000
Other Long term liabilities	4	35,841,054	—
Long-term provisions	5	—	—
		<u>36,968,054</u>	<u>1,127,000</u>
3. Current liabilities			
Short-term borrowings	6	—	59,372,731
Trade payables	7	—	—
Other current liabilities	8	2,045,302	208,500,039
Provisions	9	<u>3,849,996</u>	—
		<u>5,895,298</u>	<u>267,872,770</u>
TOTAL (of 1,2,3)		<u>822,800,526</u>	<u>1,037,979,266</u>
II. ASSETS			
Non-current assets			
1. Fixed assets			
10			
Tangible assets			
Gross Block		2,400,000	—
Less: Depreciation		209,141	—
Net Block		<u>2,190,859</u>	—
Intangible assets			
Capital work-in-progress		—	—
Non-current investments	11	31,527,305	31,527,305
Other Non-current assets	12	<u>87,747,080</u>	—
Deferred tax assets (net)		<u>152,594,001</u>	<u>152,594,001</u>
		<u>274,059,245</u>	<u>184,121,306</u>
2. Current assets			
Inventories	13	—	—
Trade receivables	14	—	—
Cash and cash equivalents	15	2,612,663	12,972,469
Short-term loans and advances	16	<u>546,128,618</u>	<u>840,885,491</u>
		<u>548,741,281</u>	<u>853,857,960</u>
TOTAL (of 1,2)		<u>822,800,526</u>	<u>1,037,979,266</u>
III. SIGNIFICANT ACCOUNTING POLICIES			
25			
NOTES TO ACCOUNTS			
26			

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

For and on behalf of the Board

K. Subba Rao **Y. Ravinder Reddy**
 Whole Time Director Director
 DIN:02552019 DIN: 00011040

As per our report of even date

For R Pugalia & Company
 Chartered Accountants
 Firm Regn. No. 318188E
Rajeev Kumar Pugalia
 Proprietor
 Membership No. 053972

Place : Hyderabad
Date : 30.05.2019

Anit Surana
 Chief Financial Officer

Prudential Sugar Corporation Limited



CIN: L15432TG1990PLC032731

STANDALONE

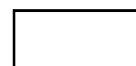
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

PARTICULARS	Notes	Year ended 31.03.2019 In Rupees	Year ended 31.03.2018 In Rupees
I. Income			
Revenue from operations	17	—	321,743,573
Less: Excise Duty		—	16,481,658
		—	305,261,915
Other income	18	38,000,107	469,089,342
Total Revenue (I)		38,000,107	774,351,257
II. Expenses:			
Cost of materials consumed	19	—	—
[Increase]/Decrease in inventories of finished goods work-in-progress and Stock-in-Trade	20	—	306,649,881
Employee benefits expense	21	6,986,850	17,115,605
Finance costs	22	10,581	64,379
Depreciation and amortization expense	23	209,141	—
Other expenses	24	15,985,860	205,418,566
Total Expenses (II)		23,192,432	529,248,431
Profit before Exceptional, Extraordinary items & Taxation		14,807,675	245,102,826
Add: Exceptional Items		—	284,728,399
Tax of Earlier Years		—	—
Tax Current Year		3,849,996	—
Less: Deferred Tax Assets		—	—
Profit / (Loss) for the year from continuing operations		10,957,679	529,831,225
Earnings per equity share:			
Basic		0.33	15.98
Diluted		0.33	15.98
III. SIGNIFICANT ACCOUNTING POLICIES	25		
NOTES TO ACCOUNTS	26		

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

	For and on behalf of the Board	As per our report of even date
	K. Subba Rao	For R Pugalia & Company
	Whole Time Director	Chartered Accountants
	DIN:02552019	Firm Regn. No. 318188E
	Y. Ravinder Reddy	Rajeev Kumar Pugalia
	Director	Proprietor
	DIN: 00011040	Membership No. 053972
Place : Hyderabad	Anit Surana	
Date : 30.05.2019	Chief Financial Officer	

Prudential Sugar Corporation Limited



CIN: L15432TG1990PLC032731

STANDALONE

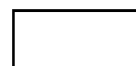
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

	31.03.2019 <i>(Rs. in lakhs)</i>	31.03.2018 <i>(Rs. in lakhs)</i>
<u>Cash flow from Operating activities</u>		
Net Profit before Tax and Extraordinary items	109.58	5,298.31
Adjustments for :		
Depreciation	2.09	—
Interest paid	0.11	0.64
Other Income	<u>(380.00)</u>	<u>(4,690.89)</u>
Operating Profit before working capital changes	(268.22)	608.06
Adjustments for:		
Increase/(Decrease) in Trade Payables	—	(2,192.17)
(Increase)/Decrease in Inventories	—	3,758.30
(Increase)/Decrease in Trade Receivables	—	361.08
Increase/(Decrease) in Current Liabilities	(2,619.77)	(7,178.52)
Increase/(Decrease) in Non-Current Liabilities	358.41	—
(Increase)/Decrease in Current Assets	2,947.57	—
Cash generation from operation	<u>417.98</u>	<u>(4,643.25)</u>
<u>Cash flow from Investing Activities</u>		
(Purchase)/Sale of Fixed Assets	(24.00)	2,203.78
Capital Work in Progress	—	2,418.00
Other Income	380.00	<u>4,690.89</u>
Net Cash Flow from Investing Activities	<u>356.00</u>	<u>9,312.67</u>
<u>Cash flow from Financing activities</u>		
Payment of Short Term Borrowings	—	(1,306.32)
Long Term Loans & Advances Given	(877.47)	(6,122.06)
Interest paid	(0.11)	(0.64)
Sale of Investments	—	<u>2,240.00</u>
Net Cash flow from Financing Activities	<u>(877.58)</u>	<u>(5,189.02)</u>
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES	(103.60)	(519.60)
Add: Opening Cash and Bank balance	129.73	649.33
Cash and Bank balance at the end of period	26.13	129.73

	For and on behalf of the Board	As per our report of even date
	K. Subba Rao	Y. Ravinder Reddy
	Whole Time Director	Director
	DIN:02552019	DIN: 00011040
Place : Hyderabad	Anit Surana	Rajeev Kumar Pugalia
Date : 30.05.2019	Chief Financial Officer	Proprietor
		Membership No. 053972

Prudential Sugar Corporation Limited

CIN: L15432TG1990PLC032731



STANDALONE

**As at 31.03.19
In Rupees**

**As at 31.03.18
In Rupees**

1. SHARE CAPITAL

Authorised

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

Issued

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

Subscribed & Fully Paid up

1,54,06,400 Equity shares of Rs.10 each	154,064,000	154,064,000
1,03,45,600 Equity shares of Rs.10 each (Converted from 2586400 Equipref Shares of Rs.40 each)	103,456,000	103,456,000
20,000 16% Cum.Redemable Pref. Shares of Rs.40 each (Rs.10 converted into Equity)	800,000	800,000
65,000,00 Equity shares of Rs.10 each		
	<u>65,000,000</u>	<u>65,000,000</u>
	<u>323,320,000</u>	<u>323,320,000</u>

Subscribed but not fully Paid up

35,000,00 Equity shares of Rs.10 each issued at a premium of Rs.10 each called up and paid up @ Rs.2.50	8,750,000	8,750,000
1000000 16% Cum.Redemable Pref.Shares of Rs.50 each Rs.40 per share each called up and paid up		
	<u>40,000,000</u>	<u>40,000,000</u>
Total	<u>48,750,000</u>	<u>48,750,000</u>

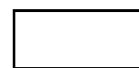
1.1. The Opening and Closing balance of the Subscribed and Paid-up equity shares of the company are same, hence, the reconciliation between opening number and closing number of shares does not arise.

1.2. Details of Shareholders holding more than 5% fully paid shares in the company

S. Name of Shareholder No.	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1. Vab Ventures Limited	10,477,599	29.31	10,477,599	29.31
2. Premier Fiscal Services Pvt. Ltd.	3,400,500	9.51	3,400,500	9.51
3. Chadalavada Krishna Moorthy	2,125,000	5.94	2,125,000	5.94
4. Sucharitha Manda	2,000,000	5.59	2,000,000	5.59

Prudential Sugar Corporation Limited

CIN: L15432TG1990PLC032731

**STANDALONE****As at 31.03.19
In Rupees****As at 31.03.18
In Rupees****2. RESERVES AND SURPLUS****A. Capital Reserves**

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

B. Securities Premium Account

Premium @ Rs.10/- on 65,00,000 Equity Shares	65,000,000	65,000,000
--	------------	------------

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

Opening balance	330,409,496	(199,421,729)
(+) Net Profit/(Net Loss) For the current year	10,957,679	529,831,225
Closing Balance	406,367,175	395,409,496
Total	407,867,175	396,909,496

3. LONG TERM BORROWINGS**a. Term loans**

Rupee loan from banks - IIBI Limited	1,127,000	1,127,000
Total	1,127,000	1,127,000

Notes

3.1 Loan from IIBI is Secured by 1st Charge on the Fixed Assets of the company and guaranteed by one of the director and one former director

4. OTHER LONG TERM LIABILITIES

Advances

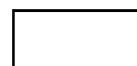
From Related Parties	24,540,054	—
From Others	11,200,000	—
Audit Fee Payable	101,000	—
Total	35,841,054	—

5. PROVISIONS (Long Term)**a. Provision for employee benefits**

Superannuation (unfunded)	—	—
Total	—	—

Prudential Sugar Corporation Limited

CIN: L15432TG1990PLC032731

**STANDALONE****As at 31.03.19
In Rupees****As at 31.03.18
In Rupees****6. SHORT TERM BORROWINGS****a. Loans and advances**

From Others	—	11,200,000
From Corporate	—	48,172,731
Total	—	59,372,731

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

7. TRADE PAYABLES

Trade Payables	—	—
Total	—	—

8. OTHER CURRENT LIABILITIES

a. Statutory Dues	492,160	—
b. Audit Fee Payable	40,000	101,000
d. Others	1,513,142	208,399,039
Total	2,045,302	208,500,039

9. PROVISIONS

Provision for Income tax	3,849,996	—
Total	3,849,996	—



CIN: L15432TG1990PLC032731

STANDALONE

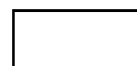
(In Rupees)

10. FIXED ASSETS

Name of the Asset	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2018	Additions/ Adj. during the year	As at 31.03.2019	As at 01.04.2018	During the year	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
A. Tangible Assets								
Building	—	2,050,000	2,050,000	—	99,836	99,836	1,950,164	—
Vehicles	—	350,000	350,000	—	109,305	109,305	240,695	—
Total (A)	—	2,400,000	2,400,000	—	209,141	209,141	2,190,859	—
B Intangible Assets								
C Capital Work in Progress	—	—	—	—	—	—	—	—
Total	—	2,400,000	2,400,000	—	209,141	209,141	2,190,859	—
Previous Year	955,873,955	(955,873,955)	—	—	—	—	—	462,179,280

Prudential Sugar Corporation Limited

CIN: L15432TG1990PLC032731



As at 31.03.19
In Rupees

STANDALONE
As at 31.03.18
In Rupees

11. NON-CURRENT INVESTMENTS

Trade Investments (Valued at cost unless stated otherwise)

Equity Shares (quoted)

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

Equity Shares (Unquoted)

a. 5,50,000 Equity Shares of Rs.10/- each fully paid up in Prudential Spinners Ltd.	5,500,000	5,500,000
b. 25,00,000 Preference Shares @ Rs 50/- each paid up in Prudential Ammana Sugars Limited	—	—
c. 12,50,000 Preference Shares @ Rs 100/- each paid up in Discovery Infoways Limited	—	—
d. Prudential Ammana Sugars Limited - Equity Shares	25,999,300	25,999,300

Other Investments

National Savings Certificate (Deposited with Forest Department)	11,000	11,000
Total	31,527,305	31,527,305

12. OTHER NON-CURRENT ASSETS

Loans and Advances

Unsecured, considered good	87,747,080	—
----------------------------	------------	---

Total	87,747,080	—
--------------	-------------------	----------

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

a. Work-in-progress	—	—
b. Finished Goods	—	—
c. Stores and spares	—	—
d. Loose Tools	—	—
Total	—	—

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

Unsecured, considered good for a period exceeding 6 months

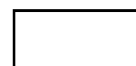
Others	—	—
Total	—	—

15. CASH AND BANK BALANCES

a. Balances with banks*		
On Current accounts	2,561,130	472,469
b. Cheques in Hand	—	12,500,000
c. Cash on hand*	51,333	—
Total	2,612,663	12,972,469

Prudential Sugar Corporation Limited

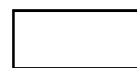
CIN: L15432TG1990PLC032731



	For the year ended 31.03.19 In Rupees	STANDALONE For the year ended 31.03.18 In Rupees
16. SHORT TERM LOANS AND ADVANCES		
a. Loans and advances		
Unsecured, considered good	—	148,948,973
	—	148,948,973
b. Others		
Prepaid Expenses	559,975	559,975
Balances with Statutory/Government Authorities and Judicial Courts	284,896,839	281,714,682
Others	260,671,804	409,661,861
	546,128,618	691,936,518
Total	546,128,618	840,885,491
17. REVENUE FROM OPERATIONS		
Sale of products	—	320,516,504
Other operating revenues		
Scrap sales	—	1,227,069
Less: Excise duty	—	16,481,658
	—	305,261,915
Total	—	305,261,915
18. OTHER INCOME		
Interest Income	38,000,107	19,544,333
Claims Received from Insurance	—	1,399,899
Reimbursement of Expenses	—	448,100,000
Misc & Others	—	45,110
	38,000,107	469,089,342
19. COST OF RAW MATERIALS AND COMPONENTS CONSUMED		
Inventory at the beginning of the year	—	—
Add: Purchases	—	—
Cost of Raw materials and Components Consumed	—	—
20. (INCREASE) / DECREASE IN INVENTORIES		
Inventories at the end of the year		
Work in Progress	—	—
Finished Goods	—	—
	—	—
Inventories at the beginning of the year		
Work in Progress	—	2,590,000
Finished Goods	—	304,059,881
	—	306,649,881
Total	—	(306,649,881)

Prudential Sugar Corporation Limited

CIN: L15432TG1990PLC032731



STANDALONE

For the year ended 31.03.19 In Rupees	For the year ended 31.03.18 In Rupees
--	--

21. EMPLOYEE BENEFIT EXPENSES

a. Salaries, Wages and Bonus	6,936,850	15,021,525
b. Contributions to Provident and other funds	—	895,548
c. Gratuity expenses	—	123,466
d. Staff welfare expenses	50,000	1,075,066
Total	6,986,850	17,115,605

22. FINANCE COST

Interest expense	10,581	64,379
Total	10,581	64,379

23. DEPRECIATION

Depreciation of Tangible Assets	209,141	—
Total	209,141	—

24. OTHER EXPENSES

Consumption of Stores & Spares	—	—
Power & Fuel	278,524	907,251
Handling charges	—	403,454
Repairs and maintenance		
To Plant & Machinery	—	3,216,914
To Buildings	—	18,812
To Others	63,979	1,022,713
Insurance	—	867,996
Rates & taxes	491,452	422,735
Legal & Professional Fees	3,494,840	3,560,965
Packing Materials	—	—
Bank charges	9,491	32,519
Printing & Stationery	406,869	117,018
Telephone & Internet Charges	123,493	186,567
Travelling Expense	2,237,537	1,947,100
Sales commission & Brokerage	2,350,000	350,275
Compensation Expenses	—	189,304,657
Business Promotion	2,610,000	4,000
Rent	1,462,474	905,791
Miscellaneous Expense	2,417,200	2,048,798
Total	15,945,860	205,317,566
Auditors Remuneration		
Audit Fee	25,000	51,000
Tax Audit Fee	15,000	50,000
Total	40,000	101,000



Note No. 25

1. SIGNIFICANT ACCOUNTING POLICIES ON FINANCIALS

1.2 Basis of Preparation

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, read together with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

1.3 Use of Estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected

shown under the head 'Reserves and Surplus', in the financial statements.

1.4 Fixed Assets, Intangible Assets and Depreciation / Amortization

Fixed assets are stated at their original cost of acquisition including taxes, duties, freight, and other incidental expenses related to acquisition and installation of the concerned asset less accumulated depreciation and impairment losses, if any. Fixed assets are further adjusted by the amount of Cenvat and Vat credit wherever applicable and subsidy directly attributable to the cost of fixed assets. Interest and other borrowing costs are capitalized only if capitalization criteria are met.

The cost and the accumulated depreciation for the fixed assets sold or otherwise disposed off are removed from the stated values and resulting gain and losses are recognized in statement of profit & loss.

Depreciation has not been provided by the Company as the Company has sold its entire Fixed Assets during the year.

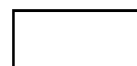
1.7 Investments

Investments are stated at cost and provision for diminution in the value of investments is made only if such a decline is other than temporary.

1.8 Inventories

Items of inventories are valued at lower of cost or net estimated realizable value after providing for obsolescence, if any.

Cost of inventories comprises of cost of purchase, cost of transport, cost of conversion and other costs including manufacturing /other overheads incurred in bringing them to their respective present location and condition. Inter-unit goods transfers are valued at lower of cost / net estimated realizable value.



1.9 Revenue Recognition

Revenue is recognized on transfer of significant risk and rewards only if, it can be reliably measured and it is reasonable to expect ultimate collection and there exists no significant uncertainty in its ultimate realizations.

Claims: All sorts of claims by or against the company are recognized as and when acknowledged / accepted / settled / received.

1.10 Employee Benefits

Short-term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the related service is rendered.

Contribution to defined schemes such as Provident Fund and ESI is recognized on accrual basis.

Leave encashment is accounted for on accrual basis.

No Actuarial Valuation has been done by the Company hand hence no provision has been made by the Company towards its Gratuity Liability.

Performance based declared ex-gratia & accretion thereto is provided in the Statement of Profit and Loss and to be disbursed as per the policy framed by the management.

1.11 Borrowing Costs

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

All other borrowing costs are charged to Statement of Profit and Loss account in the year in which they are incurred.

1.12 Provision for Current and Deferred Tax

Income Tax liability is ascertained on the basis of assessable income computed in accordance with the Provisions of Income Tax Act, 1961 enacted in India & tax laws prevailing in the respective tax jurisdictions where the Group operates.

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

1.13 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized when there is a present obligation as a result of a past event and it is possible that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

No provision is made for contingent liabilities, which are contingent in nature, but if material, these are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Prudential Sugar Corporation Limited

CIN: L15432TG1990PLC032731



STANDALONE

Note No. 26

Notes To The Account

Contingent Liabilities

1. Company has entered into a Settled Agreement with Ashok Leyland Finance Ltd for Rs. 28.52 Lacs payable in 3 instalments . Out of the said settled amount company has already paid a sum of Rs. 20.00 Lacs. The Company has requested further time for payment of balance amount and the same is under consideration of M/s Ashok Leyland Finance Ltd . On receipt of the full amount the cases will be withdrawn by M/s Ashok Leyland Finance Ltd . In case of failure an additional amount of Rs. 17.05Lacs(P.Y 17.05 Lacs) to be further provided in the Books of Account.(as on date status to be ascertained)
2. Claims of Rs. 22.08 Lacs(P.Y. Rs. 22.08 Lacs) by Sobhagya Advertising Associates for services for which an appeal is pending with High Court of Andhra Pradesh.(as on date status to be ascertained)
3. Sales Tax claim of Rs. 22.80 Lacs (P.Y. Rs. 22.80 Lacs) for which an appeal is pending with High Court of Andhra Pradesh . The Company has paid Rs. 11.65 Lacs(P.YRs. 11.65 lacs) against above claim which is shown as deposit receivable in the books of accounts. (as on date status to be ascertained)
4. The Company has issued 16% Cumulating Redeemable Preference Shares to promoters in the year 1995-96 redeemable on or before 12.01.2005 which is pending redeemable to the tune of Rs. 8.0 Lacs. The company has also issued 16% Cumulative Redeemable Preference Shares for Rs. 400.0 Lacs in the year 1996-97 redeemable on or before 10.02.2006. The Company could not redeem the above shares in time as it was registered with BIFR. If redeemed with accumulative dividend the liability is to be ascertained in terms of the modified SEBI rules.
5. Disputed claim of penal charges on delayed payment of Provident Fund Rs. 9.87 Lacs (P.Y Rs.9.87 Lacs) (as on date status to be ascertained)
6. Income Tax Claim of Rs. 70.76 Las for A.Y 2013-14 against which appeal is pending with Appellate Authority . The company has paid Rs. 10.62 Lacs against above claim. (as on date status to be ascertained)

Balance in Trade Receivables , Trade Payables, Secured Loans, Unsecured, Loans, Loans and Advances , other Current Assets and Current Liabilities are subject to reconciliation/ confirmation. In the opinion of the management these are stated at the realizable / payable amount.

Actuarial Valuation of Gratuity has not been done by the Company and hence no Gratuity Liability has been provided in the Books of Account.

Auditors Remuneration Represents:	31.3.2019	31.3.2018
	Rupees	Rupees
Statutory Audit Fees	25,000	50,000
Tax Audit Fees	15,000	51,000

There are no Micro and Small Enterprises to whom the Company owes any amount which are outstanding as at March 31, 2019

The Company operates in only one Segment Sugar and therefore the figures given relates to one Segment.

Prudential Sugar Corporation Limited



Disclosures in respect of Accounting Standard (AS)-18 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule 2014 (as amended):

Related Party Disclosures

Key managerial Personnel

Sri Vinod Baid.

Name of the Party

Nature of Relationship

Sri Venkateswara Sugar & Industries Pvt Ltd

Common Director

Previous Year figures have been regrouped / rearranged wherever found necessary.

For and on behalf of the Board

As per our report of even date

K. Subba Rao
Whole Time Director
DIN:02552019

Y. Ravinder Reddy
Director
DIN: 00011040

For R Pugalia & Company
Chartered Accountants
Firm Regn. No. 318188E

Place : Hyderabad
Date : 30.05.2019

Anit Surana
Chief Financial Officer

Rajeev Kumar Pugalia
Proprietor
Membership No. 053972



INDEPENDENT AUDITORS' REPORT

To
The Members,
PRUDENTIAL AMMANA SUGARS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Prudential Ammana Sugars Limited** ("the Company"), which comprise the balance sheet as at 31 March 2019, 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 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 and presentation of these standalone 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 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.

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,

- a. In case of Balance Sheet of the state of affairs of the Company as at 31 March 2019 and its profit and its cash flows for the year ended on that date.
- b. In case of Statement of Profit and Loss of the Profit of the Company as at 31st March 2019
- c. In case of Cash Flow Statement of the Cash Flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2019 ("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 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 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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 is not required to transfer, to the Investor Education and Protection Fund by the Company.

For R Pugalia & Company
Chartered Accountants
Firm Registration No. 318188E

Rajeev Kumar Pugalia
Proprietor
M.No. 053972

Place : Kolkata
Date : 30.05.2019



Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- 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. a. The management has conducted physical verification of inventory at reasonable intervals during the year.
- b. The procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company is maintaining proper records of inventory and no material discrepancy between physical and book records were noticed by us during on physical verification.
- iii. The Company has not granted loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - a. In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company
 - b. In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
 - c. There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits from the public.
- vi. We have broadly reviewed the books of accounts pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, for the services rendered by the Company and are of the opinion that they have been properly maintained.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been



regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise .

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable, However the company has failed to deposit tax deducted at source on interest payable to its holding company amounting to Rs. 30 Lacs with the Income tax Department.

- b. According to the information and explanations given to us, there are no material dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute.
- viii. During the year the company has not defaulted in repayment of dues or interest to banks financial institution.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material 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. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 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 during the year
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place : Kolkata
Date : 30.05.2019

For R Pugalia & Company
Chartered Accountants
Firm Registration No. 318188E

Rajeev Kumar Pugalia
Proprietor
M.No. 053972



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 Prudential Ammana Sugars Ltd. ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone 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 applicable to an audit of Internal Financial Controls and, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 2019, 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 R Pugalia & Company
Chartered Accountants
Firm Registration No. 318188E

Rajeev Kumar Pugalia
Proprietor
M.No. 053972

Place : Kolkata
Date : 30.05.2019

Prudential Ammana Sugars Limited

PRUDENTIAL AMMANA SUGARS LIMITED

CIN: U21020AP1988PLC008729

Balance Sheet as at March 31, 2019

Particulars	Notes	March 31, 2019	March 31, 2018
1. EQUITY AND LIABILITIES			
1. Shareholder's Fund			
a. Share Capital	2	51,000,000	51,000,000
b. Reserve & Surplus	3	109,726,640	94,911,319
		<u>160,726,640</u>	<u>145,911,319</u>
2. Non Current Liabilities			
a. Other Non Current Liabilities	4	1,100	1,100
		<u>1,100</u>	<u>1,100</u>
3. Current Liabilities & Provisions			
a. Other Current Liabilities	5	514,407,600	451,808,591
b. Provisions	6	7,857,872	2,652,490
		<u>522,265,472</u>	<u>454,461,081</u>
Total		<u>682,993,212</u>	<u>600,373,500</u>
2. ASSETS			
1. Non Current assets			
a. Fixed Assets			
i. Tangible Assets			
Gross Block	7	24,300,000	24,300,000
Less: Depreciation		—	—
Net Block		<u>24,300,000</u>	<u>24,300,000</u>
ii. Intangible Assets			
		<u>—</u>	<u>—</u>
		<u>24,300,000</u>	<u>24,300,000</u>
2. Current Assets			
a. Cash and Cash Equivalents	8	497,955	12,019
b. Other Current Assets	9	658,195,257	576,061,481
		<u>658,693,212</u>	<u>576,073,500</u>
Total		<u>682,993,212</u>	<u>600,373,500</u>

Significant Accounting Policies and Notes 1-13

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

For **R Pugalia & Company**
Chartered Accountants
FRN : 318188E

For and on behalf of the Board

Rajeev Kumar Pugalia
Proprietor
Membership No. 053972
Place : Kolkata
Date : 30.05.2019

Navin Kumar Banthia
Director
DIN: 02053118

Subhas Banerjee
Director
DIN: 05163789

Prudential Ammana Sugars Limited

PRUDENTIAL AMMANA SUGARS LIMITED

CIN: U21020AP1988PLC008729

Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Notes	March 31, 2019	March 31, 2018
Income			
Interest received on Loan		58,657,385	39,951,809
Interest Received on FDR		213,076	—
Total Income (1)		58,870,461	39,951,809
Expenses			
Operational Expenses	10	38,849,758	29,667,608
Total Expenses (2)		38,849,758	29,667,608
Earnings before interest, depreciation and tax (EBIDT) (1)-(2)		20,020,703	10,284,201
Less: Depreciation		—	—
Profit/Loss before tax		20,020,703	10,284,201
Less: Provision for Tax		5,205,382	2,648,182
Profit/Loss after tax		14,815,321	7,636,019
Earning per equity shares	11	5.70	2.94

Significant Accounting Policies and Notes 1-13

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

For **R Pugalia & Company**
Chartered Accountants
FRN : 318188E

For and on behalf of the Board

Rajeev Kumar Pugalia
Proprietor
Membership No. 053972
Place : Kolkata
Date : 30.05.2019

Navin Kumar Banthia
Director
DIN: 02053118

Subhas Banerjee
Director
DIN: 05163789

Prudential Ammana Sugars Limited

PRUDENTIAL AMMANA SUGARS LIMITED

CIN: U21020AP1988PLC008729

Cash Flow Statement for the year ended March 31, 2019**(Rs. in Lakhs)**

	As at March 31, 2019	As at March 31, 2018
Cash Flow from Operating Activities		
Net Profit before Tax and Extraordinary Items	148.15	71.09
Adjustments for:		
Depreciation	—	—
Interest paid	—	—
Other Income	(588.70)	(399.52)
Operating Profit before working capital changes	(440.55)	(328.43)
Adjustments for:		
Increase/(Decrease) in Current Liabilities	678.04	4,549.65
(Increase)/Decrease in Current Assets	(821.33)	(4,622.14)
Increase/(Decrease) in Non-Current Liabilities	—	—
Increase/(Decrease) in Non-Current Assets	—	—
Cash generation from operation	(583.84)	(400.92)
Cash Flow from Investing Activities		
(Purchase)/Sale of Fixed Assets	—	—
Other Income	588.70	399.52
Net Cash Flow from Investing Activities	588.70	399.52
Cash Flow from Financing Activities		
Interest paid	—	—
Investments	—	—
Net Cash Flow from Financing Activities		
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCE	4.86	(1.40)
Add: Opening Cash and Bank balance	0.12	1.52
Cash and Bank balance at end of period	4.98	0.12

For **R Pugalia & Company**

For and on behalf of the Board

Chartered Accountants

FRN : 318188E

Rajeev Kumar Pugalia**Navin Kumar Banthia****Subhas Banerjee**

Proprietor

Director

Director

Membership No. 053972

DIN: 02053118

DIN: 05163789

Place : Kolkata

Date : 30.05.2019

Prudential Ammana Sugars Limited



PRUDENTIAL AMMANA SUGARS LIMITED

CIN: U21020AP1988PLC008729

Notes on Financial Statement for the year ended March 31, 2019

March 31, 2019 March 31, 2018

2. Share Capital

Equity Shares Capital:

Authorised Share capital (35,00,000 equity shares of Rs.10/- each)	35,000,000	35,000,000
(25,00,000 Pref. Shares of Rs.10/- each)	25,000,000	25,000,000
	60,000,000	60,000,000

Issued, subscribed & fully paid

(26,00,000 equity shares of Rs.10/- each)	26,000,000	26,000,000
(25,00,000 Pref. Shares of Rs.10/- each)	25,000,000	25,000,000
	51,000,000	51,000,000

2a.Reconciliation of Number of Share

	Nos.	Amount	Nos.	Amount
Equity Share:				
Balance at the end of the last year	2,600,000	26,000,000	2,600,000	26,000,000
Add : Addition during the year	—	—	—	—
Deletion during the year	—	—	—	—
Balance as at end of the year	2,600,000	2,60,00,000	2,600,000	2,60,00,000
Preference Shares				
Balance at the end of the last year	2,500,000	2,50,00,000	2,500,000	2,50,00,000
Add; Addition/(Deletion) during the year	—	—	—	—
Balance at the end of the year	2,500,000	25,00,00,000	2,500,000	25,00,00,000

3 Reserve & Surplus

Share Premium	100,000,000		100,000,000
General Reserve	32,299		32,299
Surplus/(deficit)			
Balance as per last account	(5,120,980)	(12,756,999)	
Add: Profit/ (loss) during the year	14,815,321	9,694,341	7,636,019
		109,726,640	94,911,319

Non Current Liabilities

4. Other Non Current Liabilities

Audit Fees Payable	1,100	1,100
	1,100	1,100

Prudential Ammana Sugars Limited

PRUDENTIAL AMMANA SUGARS LIMITED



CIN: U21020AP1988PLC008729

March 31, 2019 March 31, 2018

Current Liabilities

5 Other Current Liabilities

Audit Fees Payable	25,000	15,000
Other Liabilities	3,000,000	451,793,591
Loans Taken from Holding Company	511,382,600	—
	514,407,600	451,808,591

6 Provisions

Provision for Income Tax	7,857,872	2,652,490
Total	7,857,872	2,652,490

7. Tangible Assets

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 01.04.2018	Addition/ (Deduction) During the Year	As on 31.03.2019	As on 01.04.2018	During the Year	As on 31.03.2019	As on 31.03.2019	As on 31.03.2018
Land	24,300,000	—	24,300,000	—	—	—	24,300,000	24,300,000
TOTAL	24,300,000	—	24,300,000	—	—	—	24,300,000	24,300,000
Previous Year	24,300,000	—	24,300,000	—	—	—	24,300,000	24,300,000

Current Assets

8. Cash And cash Equivalents

Balance with Scheduled Banks On Current Accounts	497,886	11,950
Cash in Hand	69	69
	497,955	12,019

9. Other Current Assets

Loans Given	517,834,850	572,017,237
Advances	130,429,109	—
Tax Deducted at Source	9,931,298	4,044,244
	658,195,257	576,061,481

Prudential Ammana Sugars Limited

PRUDENTIAL AMMANA SUGARS LIMITED



CIN: U21020AP1988PLC008729

March 31, 2019 March 31, 2018

10. Operational Expenses

Auditors Remuneration	25,000	15,000
Bank Charges	3,973	2,765
Business Promotion Expenses	1,153,136	324,000
Advances Written Off	—	26,524,000
Traveling & Conveyance Expenses	1,706,075	259,700
Salary	1,800,000	724,500
Donation	—	100,000
Miscellaneous Expenses	696,040	325,000
ROC Filing Fees	30,000	56,580
Interest Paid	30,000,000	—
Legal & Consultancy Charges	1,214,531	367,663
Professional & Retainerships	1,250,307	466,800
Commission & Brokerage	970,696	356,000
General Expenses	—	145,600
	38,849,758	29,667,608

11. Earning Per Share

Net Profit after Profit & Loss Account (after tax)	14,815,321	7,636,019
Provision for Taxation for earlier years	—	—
Net Profit available for equity shareholder (Numerator used for calculation)	14,815,321	7,636,019
Weighted Average number of equity shares used as denominator for calculating EPS	2,600,000	2,600,000
Basic and Diluted Earnings per share of Rs.10 each	5.70	2.94

12. The Company has failed to deposit tax deducted at source amounting to Rs.30 Lacs on interest with the Income tax Department.

13. Previous year figures regrouped/rearranged wherever necessary.

For **R Pugalia & Company**
Chartered Accountants
FRN : 318188E

For and on behalf of the Board

Rajeev Kumar Pugalia
Proprietor
Membership No. 053972
Place : Kolkata
Date : 30.05.2019

Navin Kumar Banthia
Director
DIN: 02053118

Subhas Banerjee
Director
DIN: 05163789



NOTES ON BALANCE SHEET AND THE STATEMENT OF PROFIT & LOSS

Note – 1

Significant Accounting Policies:

I. GENERAL

The Accounts of the Company are prepared on Going Concern Concept under the Historical Cost of Convention following the Mercantile System of accounting.

II. FIXED ASSETS

Fixed assets are stated at historical cost plus other expenses incidental to putting such assets in use. Major expenditure incurred in enhancing the useful lives of the assets are capitalized. Borrowing costs directly attributable to acquisition, construction or addition of fixed assets are capitalized.

III. DEPRECIATION

No depreciation has been provided as the company did not have any depreciable fixed assets during the year.

IV. REVENUE RECOGNITION

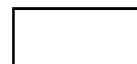
Revenue is recognized when it can be reliably measured.

V. CASH AND CASH EQUIVALENTS

Cash & Cash Equivalents are included cash in hand.

VI. EARNINGS PER SHARE

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.



INDEPENDENT AUDITORS' REPORT

To
The Members,
PRUDENTIAL SUGAR CORPORATION LIMITED
Hyderabad

Report on the Consolidated Financial Statements

Opinion We have audited the accompanying consolidated financial statements of Prudential Sugar Corporation Limited ("hereinafter referred to as the Holding Company") and its subsidiary Prudential Ammana Sugar Ltd (the Holding Company and its subsidiaries together referred to as "the Group") the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (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 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group including its joint ventures in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated financial statements. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint ventures respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

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



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Based on the work we have performed, we conclude that we have nothing to report that there is a material misstatement of this other information



Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- * Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- * Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- * Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- * Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to



events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- * Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 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 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 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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 A



- 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 the to the best of our information and according to the explanations given to us we report that:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 to the financial statements;
 - ii. The Company is not required to transfer, to the Investor Education and Protection Fund by the Company.
 - iii. As per the Directives of the XXV Additional Chief Justice City Civil Court Hyderabad the Company has deposited a sum of Rs.25,00,00,000 with them as security against till the settlement of a case filed by a Shareholder against the company opposing the sale of Fixed Assets..
 - iv. The Company did not redeem the 16% Redeemable Cumulative Preference Shares as per the terms of issue and did not provide for arrears of dividend thereon Refer Note No.26, The impact of which is that the Current Liabilites are understated by Rs. 80.00 lacs and the Capital is overstated by the same amount.
 - v. The Company has not accounted for the provisions for retirement benefits as per AS-46.
 - vi. Unexplained advances aggregating Rs 96,84,410 have been made with 7 parties which are prejudicial to the interest of the Company.
 - vii. Non Current Assets and Non Current Liabilities during the year have shown a quantum increase during the year and we are unable to comment upon their actual realisation or payment.
 - viii. The Company has given Loans to its Subsidiary M/s Prudential Ammana Sugar Ltd for non banking financial purposes in violation of S 185 of the Companies Act 2013.
2. As required by the companies (Auditor's Report) Order 2016 (the Order) issued by the Central Government in terms of Section 143(1) of the Act, we give in Annexure 'B' a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place : Hyderabad
Date : 30.05.2019

For R Pugalia & Company
Chartered Accountants
Firm Registration No. 318188E

Rajeev Kumar Pugalia
Proprietor
M.No. 053972

Prudential Sugar Corporation Limited



CONSOLIDATED

CIN: L15432TG1990PLC032731

BALANCE SHEET AS AT MARCH 31, 2019

PARTICULARS	Notes	As at 31.03.2019 In Rupees	As at 31.03.2018 In Rupees
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
Share capital	1	372,070,000	372,070,000
Reserves and surplus	2	<u>517,593,815</u>	<u>491,820,815</u>
		<u>889,663,815</u>	<u>863,890,815</u>
2. Non-current liabilities			
Long-term borrowings	3	1,127,000	1,127,000
Other Long term liabilities	4	60,842,854	25,001,800
Long-term provisions	5	<u>—</u>	<u>—</u>
		<u>61,969,854</u>	<u>26,128,800</u>
3. Current liabilities			
Short-term borrowings	6	—	59,372,731
Trade payables	7	—	—
Other current liabilities	8	255,771,098	250,646,769
Provisions	9	<u>11,707,686</u>	<u>2,652,490</u>
		<u>267,478,966</u>	<u>312,671,990</u>
TOTAL (of 1,2,3)		<u>1,219,112,635</u>	<u>1,202,691,605</u>
II. ASSETS			
Non-current assets			
1. Fixed assets			
Tangible assets	10	26,490,859	24,300,000
Intangible assets		—	—
Capital work-in-progress		—	—
Non-current investments	11	5,528,005	5,528,005
Other Non-current Assets	12	87,747,080	—
Deferred tax assets (net)		<u>152,594,001</u>	<u>152,594,001</u>
		<u>272,359,945</u>	<u>182,422,006</u>
2. Current assets			
Inventories	13	—	—
Trade receivables	14	—	—
Cash and cash equivalents	15	3,110,618	12,984,488
Short-term loans and advances	16	<u>943,642,072</u>	<u>1,007,285,111</u>
		<u>946,752,690</u>	<u>1,020,269,599</u>
TOTAL (of 1, 2)		<u>1,219,112,635</u>	<u>1,202,691,605</u>
III. SIGNIFICANT ACCOUNTING POLICIES			
NOTES TO ACCOUNTS	25 26		

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

For and on behalf of the Board

K. Subba Rao
Whole Time Director
DIN:02552019

Y. Ravinder Reddy
Director
DIN: 00011040

As per our report of even date

For R Pugalia & Company
Chartered Accountants
Firm Regn. No. 318188E

Place : Hyderabad
Date : 30.05.2019

Anit Surana
Chief Financial Officer

Rajeev Kumar Pugalia
Proprietor
Membership No. 053972

Prudential Sugar Corporation Limited



CIN: L15432TG1990PLC032731

CONSOLIDATED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2019

PARTICULARS	Notes	Year ended 31.03.2019 In Rupees	Year ended 31.03.2018 In Rupees
I. Income			
Revenue from operations	17	—	321,743,573
Less: Excise Duty		—	16,481,658
			305,261,915
Other income	18	66,870,568	509,041,151
Total Revenue		66,870,568	814,303,066
II. Expenses:			
Cost of materials consumed	19	—	—
[Increase]/Decrease in inventories of finished goods work-in-progress and Stock-in-Trade	20	—	306,649,881
Employee benefits expense	21	8,786,850	17,840,105
Finance costs	22	10,581	64,379
Depreciation and amortization expense	23	209,141	—
Other expenses	24	23,035,618	234,361,674
Total Expenses		32,042,190	558,916,039
Profit before Exceptional, Extraordinary items & Tax		34,828,378	255,387,027
Add: Exceptional Items		—	284,728,399
Less: Deferred Tax Assets (Loss)		—	—
Less: Provision for Tax		9,055,378	2,648,182
Profit after Taxation		25,773,000	537,467,244
Earnings per equity share:			
Basic		0.78	16.21
Diluted		0.78	16.21
III. SIGNIFICANT ACCOUNTING POLICIES	25		
NOTES TO ACCOUNTS	26		

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

For and on behalf of the Board

As per our report of even date

K. Subba Rao **Y. Ravinder Reddy**
Whole Time Director Director
DIN:02552019 DIN: 00011040

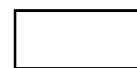
For R Pugalia & Company
Chartered Accountants
Firm Regn. No. 318188E

Place : Hyderabad
Date : 30.05.2019

Anit Surana
Chief Financial Officer

Rajeev Kumar Pugalia
Proprietor
Membership No. 053972

Prudential Sugar Corporation Limited



CIN: L15432TG1990PLC032731

CONSOLIDATED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

	31.03.2019 (Rs. in lakhs)	31.03.2018 (Rs. in lakhs)
<u>Cash flow from Operating activities</u>		
Net Profit before Tax and Extraordinary items	257.73	5,369.40
Adjustments for :		
Depreciation	2.09	—
Interest paid	0.11	0.64
Other Income	(668.71)	(5,090.41)
Operating Profit before working capital changes	(408.78)	279.63
Adjustments for:		
Increase/(Decrease) in Trade Payables	—	(2,192.17)
(Increase)/Decrease in Inventories	—	3,758.30
(Increase)/Decrease in Trade Receivables	—	361.08
Increase/(Decrease) in Current Liabilities	(451.93)	(2,628.87)
Increase/(Decrease) in Non-Current Liabilities	358.41	—
(Increase)/Decrease in Current Assets	636.43	(10,744.20)
(Increase)/Decrease in Non-Current Assets	(877.47)	—
Cash generation from operation	(743.34)	(11,166.23)
<u>Cash flow from Investing Activities</u>		
(Purchase)/Sale of Fixed Assets	(24.00)	2,203.78
Capital Work in Progress	—	2,418.00
Other Income	668.71	5,090.41
Sale of Investments	—	2,240.00
Net Cash Flow from Investing Activities	644.71	11,952.19
<u>Cash flow from Financing activities</u>		
Payment of Short Term Borrowings	—	(1,306.32)
Interest paid	(0.11)	(0.64)
Net Cash flow from Financing Activities	(0.11)	(1,306.96)
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES	(98.74)	(521.00)
Add: Opening Cash and Bank balance	129.85	650.85
Cash and Bank balance at the end of period	31.11	129.85

For and on behalf of the Board
K. Subba Rao **Y. Ravinder Reddy**
 Whole Time Director Director
 DIN:02552019 DIN: 00011040

As per our report of even date
For R Pugalia & Company
 Chartered Accountants
 Firm Regn. No. 318188E

Place : Hyderabad
 Date : 30.05.2019

Anit Surana
 Chief Financial Officer

Rajeev Kumar Pugalia
 Proprietor
 Membership No. 053972

Prudential Sugar Corporation Limited

CIN: L15432TG1990PLC032731



CONSOLIDATED

As at 31.03.19 **As at 31.03.18**
In Rupees **In Rupees**

1. SHARE CAPITAL

Authorised

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

Issued

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

Subscribed & Fully Paid up

1,54,06,400 Equity shares of Rs.10 each	154,064,000	154,064,000
1,03,45,600 Equity shares of Rs.10 each (Converted from 2586400 Equipref Shares of Rs.40 each)	103,456,000	103,456,000
20,000 16% Cum.Redeemable Pref. Shares of Rs.40 each (Rs.10 converted into Equity)	800,000	800,000
65,000,00 Equity shares of Rs.10 each		
	<u>65,000,000</u>	<u>65,000,000</u>
	<u>323,320,000</u>	<u>323,320,000</u>

Subscribed but not fully Paid up

35,000,00 Equity shares of Rs.10 each issued at a premium of Rs.10 each called up and paid up @ Rs.2.50	8,750,000	8,750,000
1000000 16% Cum.Redeemable Pref.Shares of Rs.50 each Rs.40 per share each called up and paid up		
	<u>40,000,000</u>	<u>40,000,000</u>
Total	<u>48,750,000</u>	<u>48,750,000</u>

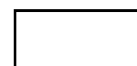
1.1. The Opening and Closing balance of the Subscribed and Paid-up equity shares of the company are same, hence, the reconciliation between opening number and closing number of shares does not arise.

1.2. Details of Shareholders holding more than 5% fully paid shares in the company

S. Name of Shareholder No.	As at 31 March 2019		As at 31 March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1. Vab Ventures Limited	10,477,599	29.31	10,477,599	29.31
2. Premier Fiscal Services Pvt. Ltd.	3,400,500	9.51	3,400,500	9.51
3. Chadalavada Krishna Moorthy	2,125,000	5.94	2,125,000	5.94
4. Sucharitha Manda	2,000,000	5.59	2,000,000	5.59

Prudential Sugar Corporation Limited

CIN: L15432TG1990PLC032731



CONSOLIDATED

As at 31.03.19
In RupeesAs at 31.03.18
In Rupees

2. RESERVES AND SURPLUS

A. Capital Reserves

Opening Balance 1,500,000 1,500,000

B. Securities Premium Account

Premium @ Rs.10/- on 65,00,000 Equity Shares 65,000,000 65,000,000

Premium @ Rs.40/- on 25,00,000 Pref. Shares 100,000,000 100,000,000

165,000,000 **165,000,000**

C. General Reserves

32,299 **32,299**

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

Opening balance 325,288,516 (212,178,728)

(+) Net Profit/(Net Loss) For the current year 25,733,000 537,467,244

Closing Balance **351,061,516** **325,288,516**

Total **517,593,815** **491,820,815**

3. LONG TERM BORROWINGS

a. Term loans

Rupee loan from banks - IIBI Limited **1,127,000** **1,127,000**

Total **1,127,000** **1,127,000**

Notes

3.1 Loan from IIBI is Secured by 1st Charge on the Fixed Assets of the company and guaranteed by one of the director and one former director

4. OTHER LONG TERM LIABILITIES

Advances

From Related Parties 24,540,054 —

From Others 11,200,000 —

Audit Fees payable 102,100 1,100

Minority Interest 25,000,700 25,000,700

Total **60,842,854** **25,001,800**

5. PROVISIONS (Long Term)

a. Provision for employee benefits

Superannuation (unfunded) — —

Total — —

Prudential Sugar Corporation Limited

CIN: L15432TG1990PLC032731

**CONSOLIDATED**

As at 31.03.19 In Rupees	As at 31.03.18 In Rupees
-----------------------------	-----------------------------

6. SHORT TERM BORROWINGS**a. Loans and advances**

From Others	—	11,200,000
From Corporate	—	48,172,731
Total	—	59,372,731

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

7. TRADE PAYABLES

Trade Payables	—	—
Total	—	—

8. OTHER CURRENT LIABILITIES

a. Audit Fee Payable	65,000	116,000
b. Statutory Dues	3,492,160	—
d. Other Liabilities	252,213,938	250,530,769
Total	255,771,098	250,646,769

8. PROVISIONS

Provision for Income Tax	11,707,868	2,652,490
Total	11,707,868	2,652,490



CONSOLIDATED

CIN: L15432TG1990PLC032731

(In Rupees)

10. FIXED ASSETS

Name of the Asset	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2018	Additions/ Adj. during the year	As at 31.03.2019	As at 01.04.2018	During the year	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
A. Tangible Assets								
Land	24,300,000	—	24,300,000	—	—	—	24,300,000	24,300,000
Building	—	2,050,000	2,050,000	—	99,836	99,836	1,950,164	—
Vehicles	—	350,000	350,000	—	109,305	109,305	240,695	—
Total (A)	24,300,000	2,400,000	26,700,000	—	209,141	209,141	26,490,859	24,300,000
B Intangible Assets								
C Capital Work in Progress	—	—	—	—	—	—	—	—
Total	24,300,000	2,400,000	26,700,000	—	209,141	209,141	26,490,859	24,300,000
Previous Year	955,873,955	(931,573,955)	24,300,000	—	—	—	24,300,000	462,179,280

Prudential Sugar Corporation Limited

CIN: L15432TG1990PLC032731



CONSOLIDATED

As at 31.03.19
In Rupees

As at 31.03.18
In Rupees

11. NON-CURRENT INVESTMENTS

Trade Investments (Valued at cost unless stated otherwise)

Equity Shares (quoted)

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

Equity Shares (Unquoted)

a. 5,50,000 Equity Shares of Rs.10/- each fully paid up in Prudential Spinners Ltd.	5,500,000	5,500,000
b. 12,50,000 Preference Shares @ Rs 100/- each paid up in Discovery Infoways Limited	—	—
c. 125,00,000 Preference Shares @ Rs 50/- each paid up in Prudential Ammana Sugars Limited	—	—

Other Investments

National Savings Certificate (Deposited with Forest Department)	11,000	11,000
Total	5,528,005	5,528,005

12. OTHER NON-CURRENT ASSETS

Unsecured Loans	87,747,080	—
Total	87,747,080	—

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

a. Work-in-progress	—	—
b. Finished Goods	—	—
c. Stores and spares	—	—
d. Loose Tools	—	—
Total	—	—

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

Unsecured, considered good for a period exceeding 6 months		
Others	—	—
Total	—	—

15. CASH AND BANK BALANCES

a. Balances with banks*		
On Current accounts	3,059,016	484,419
b. Cheques in Hand	—	12,500,000
c. Cash on hand*	51,602	69
Total	3,110,618	12,984,488

Prudential Sugar Corporation Limited

CIN: L15432TG1990PLC032731



CONSOLIDATED

For the year ended 31.03.19
In Rupees

For the year ended 31.03.18
In Rupees

16. SHORT TERM LOANS AND ADVANCES		
a. Loans and advances		
Unsecured, considered good	517,834,850	720,966,210
b. Others		
Prepaid Expenses	559,975	559,975
Balances with Statutory/Govt Authorities/Judicial Courts	294,828,138	285,758,926
Others	130,419,109	—
	<u>425,807,222</u>	<u>286,318,901</u>
Total	<u>943,642,072</u>	<u>1,007,285,111</u>
17. REVENUE FROM OPERATIONS		
Sale of products	—	320,516,504
Other operating revenues		
Scrap sales	—	1,227,069
Less: Excise duty	—	16,481,658
Total	<u>—</u>	<u>305,261,915</u>
18. OTHER INCOME		
Interest Income	8,213,183	19,544,333
Claims Received from Insurance	—	1,399,899
Reimbursement of Expenses	—	448,100,000
Misc & Others	—	45,110
Interest received on Loan	58,657,385	39,951,809
Total	<u>66,870,568</u>	<u>509,041,151</u>
19. COST OF RAW MATERIALS AND COMPONENTS CONSUMED		
Inventory at the beginning of the year	—	—
Add: Purchases	—	—
Cost of Raw materials and Components Consumed	—	—
20. (INCREASE) / DECREASE IN INVENTORIES		
Inventories at the end of the year		
Work in Progress	—	—
Finished Goods	—	—
Inventories at the beginning of the year		
Work in Progress	—	2,590,000
Finished Goods	—	304,059,881
Total	<u>—</u>	<u>306,649,881</u>
Total	<u>—</u>	<u>(306,649,881)</u>
21. EMPLOYEE BENEFIT EXPENSES		
a. Salaries, Wages and Bonus	8,736,850	15,746,025
b. Contributions to Provident and other funds	—	895,548
c. Gratuity expenses	—	123,466
d. Staff welfare expenses	50,000	1,075,066
Total	<u>8,786,850</u>	<u>17,840,105</u>

Prudential Sugar Corporation Limited

CIN: L15432TG1990PLC032731



CONSOLIDATED

	For the year ended 31.03.19 In Rupees	For the year ended 31.03.18 In Rupees
22. FINANCE COST		
Interest expense	10,581	64,379
Total	10,581	64,379
23. DEPRECIATION		
Depreciation of Tangible Assets	209,141	—
Total	209,141	—
24. OTHER EXPENSES		
Consumption of Stores & Spares	—	—
Power & Fuel	278,524	907,251
Handling charges	—	403,454
Repairs and maintenance		
To Plant & Machinery	—	3,216,914
To Buildings	—	18,812
To Others	63,979	1,022,713
Insurance	—	867,996
Rates & taxes	476,437	422,735
Legal & Professional Fees	4,719,371	3,928,628
Professional and Retainership	1,250,307	466,800
ROC Filing fees	45,015	56,580
Donation	—	100,000
Commission and Brokerage	3,320,696	356,000
Packing Materials	—	—
Bank charges	13,465	35,284
Printing & Stationery	406,869	117,018
Telephone & Internet Charges	123,493	186,568
Travelling & Conveyance Expense	3,943,612	2,206,800
Sales commission	—	350,275
Compensation Expenses	—	189,304,657
Business Promotion	3,753,136	328,000
Rent	1,462,474	905,791
Advances written off	—	26,524,000
Miscellaneous Expense	3,113,240	2,519,398
Auditors Remuneration		
Audit Fee	65,000	116,000
Total	23,035,618	234,361,674



Note No. 25

1. SIGNIFICANT ACCOUNTING POLICIES ON FINANCIALS

1.2 Basis of Preparation

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, read together with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

1.3 Use of Estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. .

shown under the head 'Reserves and Surplus', in the financial statements.

1.4 Fixed Assets, Intangible Assets and Depreciation/Amortization

Fixed assets are stated at their original cost of acquisition including taxes, duties, freight, and other incidental expenses related to acquisition and installation of the concerned asset less accumulated depreciation and impairment losses, if any. Fixed assets are further adjusted by the amount of Cenvat and Vat credit wherever applicable and subsidy directly attributable to the cost of fixed assets. Interest and other borrowing costs are capitalized only if capitalization criteria are met.

The cost and the accumulated depreciation for the fixed assets sold or otherwise disposed off are removed from the stated values and resulting gain and losses are recognized in statement of profit & loss.

Depreciation has not been provided by the Company as the Company has sold its entire Fixed Assets during the year.

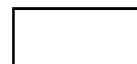
1.7 Investments

Investments are stated at cost and provision for diminution in the value of investments is made only if such a decline is other than temporary.

1.8 Inventories

Items of inventories are valued at lower of cost or net estimated realizable value after providing for obsolescence, if any.

Cost of inventories comprises of cost of purchase, cost of transport, cost of conversion and other costs including manufacturing /other overheads incurred in bringing them to their respective present location and condition. Inter-unit goods transfers are valued at lower of cost / net estimated realizable value.



1.9 Revenue Recognition

Revenue is recognized on transfer of significant risk and rewards only if, it can be reliably measured and it is reasonable to expect ultimate collection and there exists no significant uncertainty in its ultimate realizations.

Claims: All sorts of claims by or against the company are recognized as and when acknowledged / accepted / settled / received.

1.10 Employee Benefits

Short-term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the related service is rendered.

Contribution to defined schemes such as Provident Fund and ESI is recognized on accrual basis.

Leave encashment is accounted for on accrual basis.

No Actuarial Valuation has been done by the Company hand hence no provision has been made by the Company towards its Gratuity Liability.

Performance based declared ex-gratia & accretion thereto is provided in the Statement of Profit and Loss and to be disbursed as per the policy framed by the management.

1.11 Borrowing Costs

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

All other borrowing costs are charged to Statement of Profit and Loss account in the year in which they are incurred.

1.12 Provision for Current and Deferred Tax

Income Tax liability is ascertained on the basis of assessable income computed in accordance with the Provisions of Income Tax Act, 1961 enacted in India & tax laws prevailing in the respective tax jurisdictions where the Group operates.

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

1.13 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized when there is a present obligation as a result of a past event and it is possible that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

No provision is made for contingent liabilities, which are contingent in nature, but if material, these are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Prudential Sugar Corporation Limited



CONSOLIDATED

CIN: L15432TG1990PLC032731

Note No. 26

Notes To The Account

Contingent Liabilities

1. Company has entered into a Settled Agreement with Ashok Leyland Finance Ltd for Rs. 28.52 Lacs payable in 3 instalments . Out of the said settled amount company has already paid a sum of Rs. 20.00 Lacs. The Company has requested further time for payment of balance amount and the same is under consideration of M/s Ashok Leyland Finance Ltd . On receipt of the full amount the cases will be withdrawn by M/s Ashok Leyland Finance Ltd . In case of failure an additional amount of Rs. 17.05Lacs(P.Y 17.05 Lacs) to be further provided in the Books of Account. (as on date status to be ascertained)
2. Claims of Rs. 22.08 Lacs(P.Y. Rs. 22.08 Lacs) by Sobhagya Advertising Associates for services for which an appeal is pending with High Court of Andhra Pradesh. (as on date status to be ascertained)
3. Sales Tax claim of Rs. 22.80 Lacs (P.Y. Rs. 22.80 Lacs) for which an appeal is pending with High Court of Andhra Pradesh . The Company has paid Rs. 11.65 Lacs(P.YRs. 11.65 lacs) against above claim which is shown as deposit receivable in the books of accounts. (as on date status to be ascertained)
4. The Company has issued 16% Cumulating Redeemable Preference Shares to promoters in the year 1995-96 redeemable on or before 12.01.2005 which is pending redeemable to the tune of Rs. 8.0 Lacs. The company has also issued 16% Cumulative Redeemable Preference Shares for Rs. 400.0 Lacs in the year 1996-97 redeemable on or before 10.02.2006. The Company could not redeem the above shares in time as it was registered with BIFR. If redeemed with accumulative dividend the liability is to be ascertained in terms of the modified SEBI rules.
5. Disputed claim of penal charges on delayed payment of Provident Fund Rs. 9.87 Lacs (P.Y Rs.9.87 Lacs) (as on date status to be ascertained)
6. Income Tax Claim of Rs. 70.76 Las for A.Y 2013-14 against which appeal is pending with Appellate Authority . The company has paid Rs. 10.62 Lacs against above claim. (as on date status to be ascertained)
7. The company has failed to deposit tax deducted at source on interest paid by it amounting to Rs.30.00 lacs.

Balance in Trade Receivables , Trade Payables, Secured Loans, Unsecured, Loans, Loans and Advances , other Current Assets and Current Liabilities are subject to reconciliation/ confirmation. In the opinion of the management these are stated at the realizable / payable amount.

Actuarial Valuation of Gratuity has not been done by the Company and hence no Gratuity Liability has been provided in the Books of Account.

Auditors Remuneration Represents:	31.3.2019	31.3.2018
	Rupees	Rupees
Statutory Audit Fees	40,000	61,000
Tax Audit Fees	25,000	55,000

There are no Micro and Small Enterprises to whom the Company owes any amount which are outstanding as at March 31, 2019

The Company operates in only one Segment Sugar and therefore the figures given relates to one Segment.

Prudential Sugar Corporation Limited



Disclosures in respect of Accounting Standard (AS)-18 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule 2014 (as amended):

Related Party Disclosures

Key managerial Personnel

Sri Vinod Baid.

Name of the Party

Sri Venkateswara Sugar & Industries Pvt Ltd

Nature of Relationship

Common Director

Previous Year figures have been regrouped / rearranged wherever found necessary.

For and on behalf of the Board

As per our report of even date

K. Subba Rao
Whole Time Director
DIN:02552019

Y. Ravinder Reddy
Director
DIN: 00011040

For R Pugalia & Company
Chartered Accountants
Firm Regn. No. 318188E

Place : Hyderabad
Date :

Anit Surana
Chief Financial Officer

Rajeev Kumar Pugalia
Proprietor
Membership No. 053972

Prudential Sugar Corporation Limited





Go Green Initiative

Dear Shareholder,

As you may be aware, the Ministry of Corporate Affairs, Govt. of India, as part of its "Green Initiative in Corporate Governance" has issued Circular no.17/2011 dated 21/04/2011 and Circular no.18/2011 dated 29/04/2011 permitting service of documents by Companies, to its shareholders, through electronic mode instead of physical mode.

Accordingly, as per the Company's "GO GREEN" initiative, the Company shall send documents, including Notice of General Meetings and Annual Report of the Company, in electronic form to Email ID of the shareholders registered with Company, instead of physical mode.

However, shareholders may note that as a member of the Company, shareholders opting to receive documents in electronic mode will be entitled to receive all such communication in physical form, upon request made by them to the Company.

Shareholders having shares in physical form should provide their Email Id to the Company for opting to receive notices / documents electronically. To Register the E-mail ID with the Company shareholders are requested to submit the following Form duly filled & signed by the shareholders at the forthcoming AGM or send it by post at the registered office of the Company.

GO GREEN FORM

To
PRUDENTIAL SUGAR CORPORATION LIMITED

As per the "Green initiative in the Corporate Governance" of the Ministry of Corporate Affairs, I / We hereby opt to receive service of documents by company, including Annual Report, in electronic mode, and request you to register my Email ID as stated below for the same.

Fields marked with * are compulsory

Name of Shareholder(s)* : _____

Folio No.* : _____

No. of Shares held as on Date* : _____

E-mail ID (Permanent)* : _____

E-mail ID (Alternative) : _____

Contact No. (Mobile)* : _____

Contact No. (Fixed Line)* : _____

✂ Signature : _____

Prudential Sugar Corporation Limited



Prudential Sugar Corporation Limited



PRUDENTIAL SUGAR CORPORATION LIMITED

Regd. Office: "Akash Ganga", Plot No. 144, 4th Floor, Srinagar Colony, Hyderabad - 500 073. Telangana

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]

Name of the member(s) : _____
Registered address : _____
E-mail Id : _____
Folio No/ Client Id : _____
DP ID : _____

I/ We, being the member (s) of _____ shares of the above named company, hereby appoint

1. Name : _____
E-mail Id : _____
Address : _____
Signature : _____ or failing him

2. Name : _____
E-mail Id : _____
Address : _____
Signature : _____ or failing him

3. Name : _____
E-mail Id : _____
Address : _____
Signature : _____

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 28th Annual General Meeting of the Company, to be held on Monday, September 30, 2019 at 11.30 am at "Akash Ganga", Plot No. 144, 4th Floor, Srinagar Colony, Hyderabad - 500 073 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. To receive, consider and adopt the Standalone & Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2019 and the Reports of the Board of Directors and Auditors thereon.
2. To Appoint a Director in the place of Mr. Kurra Subba Rao (DIN: 02552019) who retires by rotation and being eligible, offers himself for re-appointment.
3. Ratification of remuneration payable to Cost Auditor of the Company for the year 2019-20 .
4. Re-appointment of Shri Y. Ravinder Reddy (DIN: 00011040) as an Independent Director of the Company.
5. Re-appointment of Shri Kishore Jhunjunwala (DIN:00035091) as an Independent Director of the Company.
6. Re-appointment of Smt. Sadhana Bhansali (DIN:06962425) as an Independent Director of the Company.
7. Re-appointment of Shri. Kurra Subba Rao (DIN 02552019), as Whole Time Director of the Company

Signed this _____ day of _____ 2019

Signature of shareholder _____ Signature of Proxy holder(s) _____

Affix ₹ 1
Revenue
Stamp

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

Prudential Sugar Corporation Limited



PRUDENTIAL SUGAR CORPORATION LIMITED

Regd. Office: "Akash Ganga", Plot No. 144, 4th Floor, Srinagar Colony, Hyderabad - 500 073. Telangana

ATTENDANCE SLIP

TWENTY EIGHTH ANNUAL GENERAL MEETING

Day: Saturday, March 30, 2019 at 11.30 a.m.

Regd. Folio No.	No. of Shares		
Client ID	DP ID No.		
Name of the Member/Proxy (Please tick the appropriate box)			
Attendance by <input type="checkbox"/>	Member <input type="checkbox"/>	Proxy <input type="checkbox"/>	Authorised Representative <input type="checkbox"/>

I state that I am a member / proxy for the member of the Company. I hereby record my presence at the 27th Annual General Meeting at "Akash Ganga", Plot No. 144, 4th Floor, Srinagar Colony, Hyderabad - 500 073

.....

Signature of Attending Member / Proxy

Applicable for investors holding shares in Electronic Form.

Note: Please complete and sign this Attendance Slip and hand it over at the entrance of the hall.



Prudential Sugar Corporation Limited



PRUDENTIAL SUGAR CORPORATION LIMITED

Regd. Office: "Akash Ganga", Plot No. 144, 4th Floor, Srinagar Colony, Hyderabad - 500 073. Telangana

Registration of e-mail address for future communication

Name of the Shareholder : _____
Folio No. _____ DP. ID No. _____ Client ID. _____
Registered Address : _____
Signature : _____
E-mail ID : _____

CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC MODE

(Pursuant to circulars no. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011)

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

Dear Sir,

I/We shareholder (s) of PRUDENTIAL SUGAR CORPORATION LIMITED, agree to receive all notices and documents including the Annual Report, Notice for General Meetings and other Shareholders Communication in electronic mode (through email). I/We request you to kindly register my / our below mentioned email id in the Company's records for sending such communication through email.

Folio No. _____ DP ID No.* _____ and Client ID No.* _____

*Applicable for members holding shares in electronic form.

Name of the Sole / First Shareholder : _____
Name of the Joint Shareholders (if any) : _____
No. of Shares held : _____
E-mail id for receipt of documents in : _____
Electronic mode : _____

Date:

Place:

Signature: _____
(Sole / First Shareholder)

Note:

1. Shareholders are requested to inform the Company's Registrar and Share Transfer Agent R&D Infotech (P) Ltd, as and when there is change in their registered email-id.
2. for shares held in demat form, shareholders are also requested to inform /update their email-ids to their respective Depository Participants.

Prudential Sugar Corporation Limited



Prudential Sugar Corporation Limited



In terms of the requirements of the Secretarial Standard on General Meetings (SS-2) issued by the Institute of the Company Secretaries of India, route map for the location of the venue of the 28th Annual General Meeting is given below.

Google Maps Prudential Sugar Corporation Limited



PRINTED MATTER

If undelivered, please return to:



Prudential Sugar Corporation Limited

Regd. Office: "Akash Ganga", Plot No. 144, 4th Floor
Srinagar Colony, Hyderabad - 500 073. Telangana State