

# 22nd ANNUAL REPORT

2014-15



**PICCADILY SUGAR &  
ALLIED INDUSTRIES LTD.**

**Board of Directors**

Sh. Devinder Sharma, Wholetime Director  
 Sh. Harvinder Chopra, Independent Director  
 Sh. Jai Parkash Kaushik, Independent Director  
 Ms. Madhu Sharma, Director

**Auditors**

M/s Jain & Associates  
 SCO: 819-820, Sector-22-A, Chandigarh.

**Registered Office & Factories**

Registered Office: Jakhal Road, Patran, Distt. Patiala, Punjab

**Corporate Office**

DLF Building, D Block, 3rd Floor  
 IT Park Chandigarh

**Company Secaraterary**

Nikhilesh Verma

CIN No. : L15424PB1993PLC013137

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**NOTICE**

Notice is hereby given that the Twenty second Annual General Meeting of the members of Piccadilly Sugar & Allied Industries Limited will be held on Wednesday, 30<sup>th</sup> September 2015 at 11.00 A M at its Registered office. i.e. Jakhla Road, Patran, Distt. Patiala, Punjab to transact the following business:-

**ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - a. the audited Financial Statements of the company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon; and
  - b. The audited consolidated financial statement of the company for the financial year ended March 31, 2015.
2. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution

"Resolved that M/s Jain & Associates, Chartered Accountants (Registration no 001361N), be and are hereby appointed as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the company at such remuneration as shall be fixed by the Board of Directors of the company."

**SPECIAL BUSINESS:**

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

"RESOLVED that pursuant to the provisions of section 149 & 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms. Madhu Sharma (DIN : 07149078), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who hold office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

By Order of the Board of Directors  
Sd/- Devinder Sharma  
Wholtime director  
DIN No. 03264719

Dated: 30/05/2015

Place: Gurgaon

Notes:-

**1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy so appointed need not be a member of the company. The instrument appointing Proxy should however be deposited at the Registered office of the company not less than 48 hours before the time and date fixed for the meeting.**

**A person can act as a Proxy on behalf of members not exceeding Fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as a proxy and such person shall not act as a Proxy for any other member.**

**A proxy form is attached to the Annual Report**

2. The company has already notified closure of Register of members and Share Transfer Books from Wednesday, 23<sup>rd</sup> September to Wednesday, 30<sup>th</sup> September 2015 (both days inclusive) for purpose of Annual General Meeting

3. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their depository participants with whom they are maintaining demat accounts. Members holding shares in physical form are requested to advise any change of address to the Company/Registrar and Share Transfer Agent.

4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.

5. Members are requested to bring their attendance slip along with their copy of Annual report to the meeting.

**6. Members who have not registered their email addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars etc from the company electronically.**

7. Members desiring of any information as regards to accounts are requested to write to the company at least ten days in advance to enable the management to keep the information ready

8. 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 PAN to their Depository participants with whom they are maintaining their Demat Accounts. Members holding their shares in physical form can submit details to the company /Registrars and Transfer Agents Abhipra Capital Ltd., Ground Floor, Abhipra Complex, Dilkhush Industrial Area, A-387, GT Karnal Road, Azadpur, Delhi-110033.

9. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management.

10. The relevant Explanatory Statement pursuant to section 102 of the Companies Act 2013 in respect of Special Business in the notice annexed hereto.

11. During the e voting period, members of the company holding shares either in physical form or dematerialised form as on cut-off-date i.e. 23<sup>rd</sup> September 2015 may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the company as on the cut of date. As per explanation (ii) of rule 20 of the Companies (management and Administration) rules 2014, cut-off-date means a date not earlier than 7 days before the date of General meeting.

12. The company has paid the initial listing fees to Bombay Stock Exchange (BSE Ltd.)

### 13. E-voting

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 & clause 35B of Listing Agreement and any other applicable provisions, the Company is pleased to provide its members facility to exercise their right to vote at the 22<sup>nd</sup> Annual General Meeting (AGM) on the items mentioned in the notice by electronic means through e-voting Services provided by National Securities Depository Ltd (NSDL).

The instructions for remote voting are as under:

A. In case a member receives e-mail from NSDL (For members whose email addresses are registered with the company /Depository Participant) the member should open the PDF file attached with the email . The said PDF file contains his /her user ID and pass word for e-voting . Please note that the password is an initial password

B. In case member receives AGM Notice in physical form (for members whose e-mail addresses are not registered with the company /Depository participants) the user ID and initial password for remote e-voting is provided on the covering letter enclosed with the Annual report.

C. The following steps should be followed for casting the vote through remote e-voting (in both the cases mentioned at 13(A) & 13(B) above):

i) Open the internet browser and type the following URL:<http://www.evoting.nsdl.com>

ii) Click on Shareholder-Login

iii) If you are already registered with NSDL for e voting then you can use your existing user ID and password.

iv) If you are logging for the first time, please enter your user ID and password provided through e-mail(as per serial No 13(A) above) or in physical form (as per Sr No 13(B) above) as the case may be.

v) The pass word change menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.

vi) Home page of remote e-voting opens. Click on remote e-voting >active voting cycles.

vii) Select "EVEN" (E –Voting Event number) of Piccadilly Sugar & Allied Industries Limited for the purpose of voting in AGM as mentioned in the covering letter enclosed with the Annual report. Now you are ready for remote e-voting as caste vote page opens.

viii) The voting rights of the shareholder shall be reckoned in proportion to their shares in the total paid up equity share capital of the company as on 23<sup>rd</sup> September 2015.

ix) Cast your vote by selecting appropriate option and Click on "submit" and also confirm when prompted.

x) Upon confirmation, the message "Vote Caste Successfully" will be displayed.

xi) You can similarly vote in respect of all the resolutions forming part of the Notice of AGM. The members can login any number of times during the voting period, till they have voted on all the resolutions.

xii) Once the vote on the resolution is caste, the member shall not be allowed to change it subsequently.

xiii) Corporate/ Institutional shareholders (i.e. other than individuals , HUF, NRI etc.) are also required to send scanned certified true copy(PDF format) of the Board resolution/Authority letter ,etc, together with attested specimen signature(s) of the duly authorised representatives to the scrutinizer through email with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

D. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.

E. The company has appointed Mr. Kanwaljit Singh, a practising Company Secretary (Membership no FCS 5901) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

F. The remote e voting period shall commence on (Sunday) 27<sup>th</sup> September (9.00 A.M.) 2015 to Tuesday 29<sup>th</sup> September 2015 (5.00p.m.) . The remote e voting module shall be disabled by NSDL for voting thereafter.

G. In case of any queries , you may refer the frequently asked questions (FAQs) for shareholders & remote e voting user manual for shareholder , available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

H. You can also update your mobile number & e mail iD in the user profile details of the foilo which may be used for sending future communication(s)

I. Any person who acquires shares of the company and become member of the company after despatch of the notice and holding shares as of the cut-off date may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA



However, if you are already registered with NSDL, for remote e voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details/ Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no: 1800-222-990

J. A person, whose name is recorded in the register of members or in the register beneficial owners maintained by the Depositories as on the cut of date only shall be entitled to avail the facility of remote e voting /voting at the AGM through ballot paper.

K. 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.

L. The Scrutinizer shall after the conclusion of voting the Annual 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 may , not later than 3 days of the conclusion of the AGM, a consolidated scrutinizer report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same & declare the result of the voting forthwith.

M. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.psailpatran.com](http://www.psailpatran.com) and on the website of NSDL immediately after the declaration of result by the chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchange.

During the e-voting period, members of the company holding shares either in physical form or dematerialised form as on the cut of date i.e. 23<sup>rd</sup> September 2015 may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the company as on cut off date. As per Explanation (ii) of Rule 20 of the Companies (Management and Administration) Rules 2014, cut off date means a date not earlier than 7 days before the date of meeting.

By Order of the Board of Directors

Sd/-

Devinder Sharma

Wholtime Director

DIN No. 03264719

Dated: 30/05/2015

Place: Gurgaon

### **EXPLANATORY STATEMENT**

Explanatory Statement for resolutions mentioned under item no. 3 pursuant to section 102 of the Companies Act 2013 (hereinafter referred to as the "Act")

#### **Item no 3.**

The Board of Directors of the company at its meeting held on 31/03/2015 has appointed Ms Madhu Sharma as additional Director of the company under the provisions of section 149 and 152 of Companies Act 2013. Ms Madhu Sharma is graduate in Arts. She has got 18 years experience in teaching & has vast knowledge in computers. She is also participating in activates of various NGO's and is very concerned for the weaker & downtrodden society.

The resolution seeks approval of members for the appointment Ms Madhu Sharma as woman Director . In the opinion of Board of Directors her appointment will be beneficial for the company.

The Board recommends the Ordinary Resolution as set out in Item No. 3 of the Notice for approval of the members. None of the Directors and Key Managerial Personnel of the Company and their relatives except Ms Madhu Sharma and Sh. Devinder Sharma are concerned or interested, financially or otherwise, in the ordinary Resolution set out at Item No.3 of the Notice.

**DIRECTOR'S REPORT**

Dear Share Holders,

Your Directors have the pleasure in presenting their 22<sup>nd</sup> Annual Report together with Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2015

**FINANCIAL RESULTS:****(Rs. In lacs)**

Particulars	31 <sup>st</sup> March 15	31 <sup>st</sup> March 14
Total Income	1367.69	1526.71
Increase/(decrease) of Stock in trade	47.97	13.09
Profit before Interest & Depreciation	487.77	460.55
Less : Interest	258.49	244.70
Depreciation	248.67	213.77
Profit/(Loss) before Tax	(19.39)	2.08
Provision for Tax/Deferred Tax	-	-
Net Profit / Loss	(19.39)	2.08
Transfer to General Reserve	-	2.08

**Review of the operations of Sugar Mill****1) Sugar Mill**

Sugar Mill did not commence the crushing operations during the season 2014-15 due to adverse conditions prevailing in the entire country. The Sugar Mill has recorded turn over of Rs. 107.24 Lacs

**2) Distillery**

The Distillery has produced 348579 cases of Punjab Medium Liquor (PML), 77626 (Bulk Liters) Extra Neutral Alcohol (ENA) , 6460 (Bulk Liters) Denature Spirit

The Distillery recorded a turnover of Rs.1260.45 Lacs.

**Share Capital**

During the period under review the company has not issued any sweat equity, ESOP , Bonus shares, and/or Convertible debenture during the year.

**Dividend**

Your Directors have not recommended any dividend on the equity shares for the financial year ended March 31, 2015, due to accumulated Losses.

**Directors & Key Managerial Personnel**

During the year, The Board of Directors of the company at its meeting held on 31/03/2015 has appointed Ms Madhu Sharma as additional Director of the company under the provisions of section 149 and 152 of Companies Act 2013 and Sh. Ashok Sharma has ceased to be Director of the company.

The Independent Directors have submitted their disclosure to the Board that they fulfill all the requirements as to qualify as an independent director under section 149 (6) of the companies Act 2013 as well as clause 49 of the Listing agreement.

**Board Meetings**

During the year under review 5 (five) meetings of the Board of Directors were held to transact the business of the company. The time gap between the two consecutive meetings was not exceeding 120 days. Details of the Board meetings including attendance of Directors at these meetings are provided in the Corporate Governance Report annexed to this report.

**Board evolution**

In a separate meeting of independent Directors, performance of non –independent directors, performance of Board as a whole and performance of Chairman was evaluated. Based on such report of the meeting of independent Directors and taking into account the views of executive director and non executive director the Board had evaluated its performance on various perimeters such as Board composition and structure, effectiveness of board processes, effectiveness of flow of information, contributions from each directors etc.

**Deposits**

Your company has not accepted any deposits from the public during the year.

**Risk Management**

Your company carries out a periodical exercise to identify various risks involved in the business & operations of the company. After identification, such risks are assessed for the degree of risks involved and accordingly steps are taken to mitigate those risks. The objective of such exercise is to mitigate the probable adverse impact on business operations and thus enhance the competitiveness. The risk assessment process of the company defines the risk management approach at all levels across the organization including determination of the degree of risks and proper

steps to be taken to avoid the probable harm. The Board is updated periodically on the risks identified and steps taken for mitigating them.

### **Auditors & Audit report**

#### **Statutory Auditors**

M/s. Jain & Associates, Chartered Accountants Chandigarh, the Statutory Auditors of the Company, retiring at the conclusion of this Annual General Meeting and are eligible for e-appointment. Pursuant to the provisions section 139 of the Companies Act 2013 and rules framed there under, it is proposed to appoint M/s. Jain & Associates, Chartered Accountants Chandigarh as Statutory Auditors of the Company from the conclusion of this Annual General meeting till the conclusion of next Annual General Meeting

The company has received letter from M/s. Jain & Associates, Chartered Accountants to the effect that their appointment, if made would be within the prescribed limits under section 141(3) (g) of the Companies Act 2013 and they are not disqualified for reappointment.

The Notes on Financial statements referred to in the Auditors report are self explanatory and do not call for any further comments.

#### **Secretarial Audit**

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with the Companies (Appointment and remuneration of Managerial Personnel) Rules 2014 the Board has appointed Mr. Kanwaljit Singh , Practising Company Secretary as Secretarial Auditors of your company for the financial year 2014-2015. The Secretarial Audit report for the financial year 2014-15 is annexed to this report as Annexure-A

#### **Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo:**

As required under Section 134 (3)(m) of the Companies Act 2013 read with rule 8 of the Companies (Accounts) Rules 2014, the information relating to the conservation of the energy, technology absorption and foreign exchange earnings and outgo, is annexed and forms part of the report as per Annexure- B.

#### **Subsidiary**

There are no Subsidiary company & Associates of the company.

#### **Contracts or Arrangements with related Parties**

Particulars of contracts /arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act 2013 were in ordinary course of business and on arms length basis are provided to this report in Form no. AOC-2 as per Annexure –C

#### **Particulars of Loans, Guarantees or Investments**

Details of Loans, Guarantees and investments covered under the provisions of Section 186 of the Companies Act , 2013 are given in the notes to the Financial Statements.

#### **Internal Controls**

The company's internal Control system is commensurate with its size, scale and complexities of its operations. The Audit committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same. It also reviews the quarterly Internal Audit reports.

#### **Remuneration Policy**

The Board has , on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. High lights of remuneration policy are stated in the corporate Governance report.

#### **Significant and material orders passed by the Regulators or Courts**

There are no significant material orders passed by the regulators/ Courts which would impact the going concern status of the company and its future operations. However in line with the requirement of clause 36 of the Listing Agreement read with guidance note issued by the Stock Exchange , the company has reported all the major cases/litigation matters etc from time to time to the Stock exchanges.

#### **Extract of Annual Return**

The details forming part of the extract of the Annual return is given in Annexure –D of this report.

#### **Corporate Social Responsibility**

Your company has transferred necessary funds to M/s Pt. Kedar Nath Sharma Hospital & Charitable Trust for undertaking CSR activities. CSR Details are given in Annexure -E

Pursuant to the provisions of Section 135 of the Companies Act 2013 and rules thereto, a Corporate Social Responsibility committee of the Board has been constituted to monitor CSR activities.

#### **Corporate Governance & Policies**

Pursuant to clause 49 of the Listing Agreement with BSE Ltd (BSE), Management discussion and Analysis, Corporate Governance Report and Auditors certificate regarding compliance of conditions of corporate governance are made part of the Annual Report.

Your board has in accordance with the requirements of Companies Act 2013 & Clause 49 of Listing Agreement has adopted new policies such as Related Party Transaction, Corporate Social Responsibility Policy, Whistle Blower and vigil Mechanism policy. These policies are available on the website of the company and can be viewed on [www.psailpatran.com](http://www.psailpatran.com).

Your board in accordance with the requirements of Companies Act 2013 & Clause 49 of Listing Agreement has formed Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Audit Committee, Stakeholders



relationship Committee & business risk Management Committee as per Annexure- F.

**Particulars of Employees**

The information required pursuant to section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 in respect of employees of the company, will be provided on request, in terms of section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to date ensuing Annual General Meeting, if any member is interested in inspecting the same, such member may write to the company Secretary in advance.

**Director's Responsibility Statement**

Pursuant to the requirement under section 134(5) of the Companies Act 2013, with respect to Directors Responsibility Statement, it is hereby confirmed that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures .
2. The Directors had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable & prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit & Loss of the Company for the said period.
3. 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
4. The Directors have prepared the Annual Account ongoing concern basis.
5. The Directors in the case of a listed company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

For Piccadilly Sugar & Allied Industries Limited

Place : Gurgaon  
Date : 30/5/2015

Sd/-  
(Madhu Sharma)  
Director  
DIN No. 07149078

Sd/-  
(Devinder Sharma )  
Wholetime Director.  
DIN No. 03264719

Form No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

[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,  
Piccadilly Sugar & Allied Industries Limited  
Jakhall Road, Patran  
Distt.: Patiala,  
Punjab- 147001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PICCADILY SUGAR & ALLIED INDUSTRIES LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by PICCADILY SUGAR & ALLIED INDUSTRIES LIMITED ("the Company") for the financial year ended on March 31, 2015 according to the provisions of:

- a) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - d) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - e) 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 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013.
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- Not applicable as the company has not granted any options to its employees during the financial year under review.
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- Not applicable as the company has not issued any debt securities during the financial year under review.
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- Not applicable as the company has not delisted any securities from any stock exchange during the financial year under review.
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- Not applicable as the company has not bought back any of its securities during the financial year under review.
- I have also examined compliance with the applicable clauses of the following:
- a) Secretarial Standards issued by The Institute of Company Secretaries of India- Not notified hence not applicable for the audit period.
  - b) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited;
- During the period under review the Company has generally complied with the provisions of the act, rules, regulations, guidelines, standards, etc. mentioned above.

Based on our examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
  2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well 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.
  3. All decision is carried through majority while the dissenting members' views, if any, are captured and recorded as part of the minutes.
  4. The company has proper board processes.
- Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s)

issued by the Company Secretary/ Officers and taken on record by the board of directors in their meeting(s), I am of an opinion that:

1. There are adequate systems and processes in the company to commensurate with the size and operations of the company and to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
2. On examination of the relevant documents and records, on test check basis, the company has complied with the following laws specifically applicable to the company:

Sugar Cess Act, 1982

- a) Food Safety and Standards Act, 2006
- b) Essential Commodities Act, 1955
- c) Sugar Development Fund Act, 1982
- d) Levy Sugar Price Equalization Fund Act, 1976

Reliance has been placed on the compliance system prevailing in the company and Legal compliance Certificates received from the unit heads and taken on record by the board, as regards compliance of laws specifically applicable to the industry to which the company belongs.

I further report that:

1. The company has not filed the necessary return in Form MGT-14 in respect of appointment of Chief Financial Officer of the company, Approval of Unaudited Quarterly Results for the quarter ending September 30, 2014 and December 31, 2014.

During the audit period:

1. The company passed a Special Resolution under Section 180(1)(a) of Companies Act, 2013 to authorise the directors to create a charge or mortgage on the property of the company.
2. The company passed a special resolution under Section 180(1)(c) of Companies Act, 2013 to authorise the directors to exercise borrowing powers upto a limit of Rs. 100.00 Crores
3. The company passed a special resolution under Section 180(1)(a) of the Companies Act, 2013 for sale of Land & Building, Plant & Machinery, movable and immovable assets of Sugar Mill (Division).

Apart from the business stated above, there were no instances of:

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction etc.
- (v) Foreign technical collaborations.

Place: Gurgaon

Date : 30.5.2015

Sd/-  
KANWALJIT SINGH THANEWAL  
FCS: 5901  
C.P. No. 5870



To,

The Members,  
Piccadilly Sugar & Allied Industries Limited  
Jakhhal Road, Patran  
Distt.: Patiala,  
Punjab- 147001

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 were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that the 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, regulations, standards is the responsibility of the management. Our examination was limited to the extent of 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.

Place: Gurgaon  
Date : 30.5.2015

Sd/-  
KANWALJIT SINGH THANEWAL  
FCS: 5901  
C.P. No. 5870

Annexure to the Directors Report for the year 2014-2015

Information as per section 217(1) (e) read with Companies (Disclosure of particulars in the report of Board of Director's) Rules 1988 and forming part of the Directors Report for the year ended 31<sup>st</sup> March 2015

1. CONSERVATION OF ENERGY

- a) As regard energy conservation your company is giving prime consideration for energy saving since beginning with the result, steam consumption and power consumption has been reduced considerably. The data achieved with regards to conservation of energy is furnished below:-

The sugar unit of the company did not commence the crushing operations during the year and distillery unit remained operational throughout the financial year, all the necessary steps have been taken by the company to conserve the energy at all the levels by optimum utilization.

A. Power & Fuel Consumption

1	ELECTRICITY	2014-15	2013-14
A	Purchased		
	Unit	KWH	KWH
	Total Units	240348	515514
	Total Amount(Rs.)	3357250	5156417
	Rate per unit(Rs.)	13.97	10.00
B.	OWN GENERATION		
i)	Through Diesel Generator		
	Unit	KWH	KWH
	Total Unit	43209.90	70932
	Units per Liter of Diesel Oil	4.69	3.94
	Cost Per Unit (Rs.)	11.45	13.41
ii)	Through stream Turbine/Generator		
	Unit	KWH	KWH
	Total Units	0	0
	Units per Ton of fuel(Bagasse)	0	0
	Cost per Unit(Rs.)	0	0
2	Coal/Furnace Oil	N.A	N.A
3	Other	N.A	N.A
4	Consumption of Per Unit of Production		
	Sugar (Qtls)	0	0
	Electricity (Units)	0	0
	Distillery (cases)	348579	463422
	Rectified Spirit / ENA in BL	77626	1023630
	Electricity(Units) in cases	0.81	1.27
	Other(Specify) Rectified Spirit /ENA in BL	3.65	0.57

B. Technology Absorptioni) Research and Development

No research and development work has been carried out by the company therefore; there is no expenditure under this head.

ii) Technology Adaptation & Innovation.

The company is using well-proved indigenous technology for its Distillery Unit

C. FOREIGN EXCHANGE EARNING AND OUTGO

Foreign Exchange Earning	Rs	Nil
Foreign Exchange Outgo		Nil

For Piccadilly Sugar & Allied Industries Limited

Place : Gurgaon  
Date : 30/5/2015

(Madhu Sharma)  
Director  
DIN No. 07149078

(Devinder Sharma )  
Wholtime Director.  
DIN No. 03264719

Form No.AOC -2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereof

1.Details of Contracts or arrangements or transactions not at arm's length basis		NIL
2. Details of contacts at arms length basis are as under :-		
(a) Name(s) of the related party and nature of relationship	Sh.Devinder Sharma	Harvinder & Associates
(b) Nature of contracts / arrangements / transactions	Salary	Professional (Internal Auditor)
(c) Duration of the contracts / arrangements / transactions	Three years	
(d) Salient terms of contracts / arrangements / transactions	--	--
(f) Date of approval by the Board	02/08/2013	30.6.2015
(g) Amount paid as advance	---	---

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

for JAIN & ASSOCIATES	Sd/-	Sd/-	Sd/-
CHARTERED ACCOUNTANTS	Madhu Sharma	Devinder Sharma	Nikhilesh Verma
FRN : 001361 N	Director	(Whole Time Director)	(Company Secretary)
Sd/- Krishan Mangawa	DIN No. 7149078	DIN No. 03264719	
(Partner)			
M. No. : 513236			Sd/-
DATE: 30.05.2015			Jatinder Singh
PLACE : Gurgaon			(CFO)



FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:

CIN No.	L15424PB1993PLC013137
Registration Date	15.3.1993
Name of the Company	PICCADILY SUGAR & ALLIED INDUSTRIES LTD
Category/Sub-category of the Company	Company Limited by shares/Non Government Company
Address of the Registered office & contact details	Jakhal Road ,Patran,Distt. Patiala(Punjab)-147001
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Abhipra Capital Ltd. A-387,Dilkhush Industrial Area, G.T Karnal Road Azadpur,Delhi-110033 011-41411130 Fax:11-42390930
Email Id of the Company	piccadilygroup34@rediffmail.com
Website	www.psailpatran.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Distillery	11011 & 11012	100%

III.PARTICULARS OF HOLDING ,SUBSIDIARY AND ASSOCIATE COMPANIES-

S.no.	Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Application Section
1	-	-	-	-	-
2	-	-	-	-	-

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

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				Changes during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									NIL
a) Individual/ HUF	3485263	0	3485263	14.99	3485263	0	3485263	14.99	NIL
b) Central Govt	0	0	0	0	0	0	0	0	NIL
c) State Govt(s)	0	0	0	0	0	0	0	0	NIL
d) Bodies Corp.	12300291	1650000	13950291	59.98	13950291		13950291	59.98	NIL
e) Banks / FI	0	0	0	0	0	0	0	0	NIL
f) Any other	0	0	0	0	0	0	0	0	NIL
Total shareholding of Promoter (A)	15785554	1650000	17435554	74.97	17435554		17435554	74.97	NIL

B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	NIL
a) Mutual Funds	0	0	0	0	0	0	0	0	NIL
b) Banks / FI	0	0	0	0	0	0	0	0	NIL
c) Central Govt	0	0	0	0	0	0	0	0	NIL
d) State Govt(s)			0	0	0	0	0	0	NIL
e) Venture Capital Funds	0	0	0	0	0	0	0	0	NIL
f) Insurance Companies	0	0	0	0	0	0	0	0	NIL
g) FIs	0	0	0	0	0	0	0	0	NIL
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	NIL
i) Others (specify)	0	0	0	0	0	0	0	0	NIL
Sub-total (B) (1):-	0	0	0	0	0	0	0	0	NIL
2. Non-Institutions									
a) Bodies Corp.	442486	5900	448386	1.93	229985	5900	235885	1.02	NIL
i) Indian	0	0	0	0	0	0	0	0	NIL
ii) Overseas	0	0	0	0	0	0	0	0	NIL
b) Individuals	0	0	0	0	0	0	0	0	NIL
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2017731	2142992	4160723	17.89	2130611	2120492	4251103	18.28	NIL
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	514218	10350	524568	2.26	635292	10350	645642	2.78	NIL
c) Others (specify) (HUF)	33987	0	33987	0.15	49326	0	49326	0.21	NIL
Non Resident Indians	164719	470550	635269	2.73	169665	467050	636715	2.74	NIL
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	NIL
Foreign Nationals	0	0	0	0	0	0	0	0	NIL
Clearing Members	16040		16040	0.07	302	-	302	0.00	NIL
Trusts	0	0	0	0	0	0	0	0	NIL
Foreign Bodies - D R	0	0	0	0	0	0	0	0	NIL
Sub-total (B) (2):-	3189181	2629792	5818973	25.03	3215181	2603792	5818973	25.03	NIL
Total Public Shareholding (B)=(B)(1)+(B)(2)	3189181	2629792	5818973	25.03	3215181	2603792	5818973	25.03	NIL

C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	NIL
Grand Total (A+B+C)	18974735	4279792	23254527	100.00	20650735	2603792	23254527	100.00	NIL

## B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	SIDDHARTHA VASHISHTA	3457763	14.87	-	3457763	14.87	-	NIL
2	PRACHI SETTY	10000	0.04	-	10000	0.04	-	NIL
3	VENOD KUMAR & SONS	17500	0.08	-	17500	0.08	-	NIL
4	PICCADILY AGRO IND. LTD.	6691936	28.78	-	8341936	35.87	-	7.09
5	SOON-N-SURE HOLDINGS LTD.	5569702	23.95	-	5569702	23.95	-	NIL
6	PICCADILY HOTELS PRIVATE LTD.	38653	0.16	-	38653	0.16	-	NIL
7	PUNJAB STATE IND. DEV. CORPN. LTD.	1650000	7.09	-	-	-	-	-7.09
	TOTAL	17435554	74.97		17435554	74.97		

## C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1650000	7.09	1650000	7.09
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	Shares of Punjab State Ind. Dev. Corp. Ltd. (Promoter) were Purchased by Piccadily Agro Ind. Ltd. (Promoter) Under the Buy Back Agreement on 18/12/2014.			
	At the end of the year	0	0	0	0

## D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year 01/4/2014				
SNO.					
1	NAVDISHA REAL ESTATE PVT. LTD.	281559	1.21	281559	1.21
2	RAJNEESH KUMAR SHARMA	155000	0.67	155000	0.67
3	PRAFUL MEHTA	98119	0.42	98119	0.42
4	JITENDER MITTAL	82473	0.35	82473	0.35
5	PRAKASH SAJANDAS LACHHWANI	44614	0.19	44614	0.19
6	SUDESH BALA BHASIN	23400	0.10	23400	0.10

7	NAIR PRASANT GOPINATH	22625	0.10	22625	0.10
8	JYOTI PRAKASHCHAND LACHHWANI	16978	0.07	16978	0.07
9	MASTER CAPITAL SERVICES LTD.	16024	0.07	16024	0.07
10	SHRI PARASRAM HOLDINGS PVT. LTD.	15859	0.07	15859	0.07
	Total	756651	3.25	756651	3.25
	At the end of the year 31/03/2015				
1	RAJNEESH KUMAR SHARMA	155000	0.67	155000	0.67
2	NAVDISHA REAL ESTATE PVT. LTD.	103091	0.44	103091	0.44
3	PRAFUL MEHTA	98000	0.42	98000	0.42
4	JITENDER MITTAL	82473	0.35	82473	0.35
5	ALKA JINDAL	60415	0.26	60415	0.26
6	NAIR PRASANT GOPINATH	34396	0.15	34396	0.15
7	DILIP HUNDRAJMAL	26354	0.11	26354	0.11
8	PATEL PARESHKUMAR	25000	0.11	25000	0.11
9	SUDESH BALA BHASIN	23400	0.10	23400	0.10
10	NARENDRA AMBALAL	22664	0.10	22664	0.10
	Total	630793	2.71	630793	2.71

## E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

## V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	250000000	0	0	250000000
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	7262877	0	0	7262877
Total (i+ii+iii)	32262877	0	0	32262877
Change in Indebtedness during the financial year				
* Addition	2150000	0	0	2150000
* Reduction	284275	0	0	284275
Net Change	1865725	0	0	1865725
Indebtedness at the end of the financial year				
i) Principal Amount	251399308	0	0	251399308
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	9681627	0	0	9681627
Total (i+ii+iii)	261080935	0	0	261080935

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

## A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of the WTD	Total Amount
		Devinder Sharma	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	600000	600000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-

4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	Total (A)	600000	600000
	Ceiling as per the Act	-	-

## B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	----	
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	390396	390396
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	390396	390396

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment	NIL				
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment	NIL				
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment	NIL				
Compounding					



**REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**  
**CSR Report for the financial year ended March 31, 2015**  
(Pursuant to Section 135 of the Companies Act 2013)

1	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	(i) To develop a long-term vision and strategy for PSAIL's CSR objectives. (ii) Establish relevance of potential CSR activities to PSAIL's core business and create an overview of activities to be undertaken, in line with Schedule VII of the Companies Act, 2013. (iii) PSAIL shall promote projects that are : (a) Sustainable and create a long term change; (b) Have specific and measurable goals in alignment with PSAIL philosophy; (c) Address the most deserving cause or beneficiaries. (iv) To establish process and mechanism for the implementation and monitoring of the CSR activities for PSAIL.
2	The composition of the CSR Committee	We have a board committee namely CSR Committee comprising of the following three directors : 1.Sh. Madhu Sharma, Director– Chairman 2. Sh. Harvinder Chopra, Member 3. Sh. Devinder Sharma,- Member
3	Average Net Profit of the Company for last three years	Rs. 148.25 Lacs
4	Prescribed CSR expenditure ( 2% of the amount as in item 3 above	Rs. 2.96 Lacs
5	Details of expenditure spent for the financial year	
a	Total amount spent for the financial year	Rs. 2.96 Lacs
b	Amount unspent , if any	Nil
c	Manner in which the amount spent during the financial year	Amount already given to the Implementing Agency

1	2	3	4	5	6	7	8
Sr.	CSR Projects / Activities identified	Sector in which the project is covered	Location of the project or programs 1.Local area or other 2. Specify the state and District where project or programs was undertaken	Amount Outlay (Budget) of Project or programs Wise	Amount spent on the Project or programs. Sub Heads : 1. Direct Expenditure on projects or programs 2. Overheads :	Cumulative Expenditure upto reporting period	Amount Spent - Direct or through Implementing agency
1	The Implementing agency is in the advanced stage of identifying the projects / programs as per CSR policy of the Company.						

Management Discussion and Analysis Report

India is world's largest consumer of sugar having more than 600 sugar factories and families of 5 crore cane growers are dependent on this industry. The sugar so produced is usually consumed domestically and per capita consumption of sugar is around 19.5 kilo. The bulk users consume 62-65% of total production & only 35% is consumed by households. The annual consumption is estimated at 24.5 million tons against sugar production of 28.00 million tons in 2014-15. This is the fifth consecutive year of surplus sugar production in a row. The details of previous production is as under :

Year	Production in lakh tonnes
2010-11	24.4
2011-12	26.3
2012-13	25.1
2013-14	24.4

For the sugar industry this excess production is a cause of huge concern. The sugar production for the current season is expected to exceed 28.00 million tones and total exports are expected at 7 lakh tone. So with the total off take at 255 lakh tones the closing balance in the current season is expected to be 100 lakh tones, this leaves an extra surplus of 40 lakh tones, as normative carry forward sugar stock on 1<sup>st</sup> October (for new season) is around 60 lakh tons every year.

This huge extra stockpile of 40 lakh tones of sugar is extremely bad news for the already financially ailing sugar industry. With ex-mill sugar prices trading at 6 year lows, this surplus stock will continue to keep prices low and much below the cost of production. In the last 6 years cost of cane has increased by 70% whereas price of sugar has fallen drastically. The retail sugar prices which was Rs. 40 per kg in September 2012, is now Rs. 26 per kg i.e. reduction of 35%, whereas cost of all food commodities has increased by at least 25% for the last three years.

Sugar cane prices are fixed by Government of India, which is called Fair & Remunerative Price (FRP) and that becomes minimum price for purchase of sugar cane which is at present Rs.220.54 at a recovery rate of 9.5%. Moreover 5 states have fixed their own State Advised Prices (SAP) which is Rs.295/- for purchase of early variety, Rs.285/- for mid variety and Rs.280/- for purchase of sugar cane, these are much more than the Fair & Remunerative Price (FRP). This dual prices system should be done away with and instead cane price formula as suggested by the Rangrajan Committee should be implemented whereby cost of cane is linked to the cost of sugar and its primary by-products. Some States mainly Karnataka and Maharashtra have implemented this formula for fixing the price of sugar cane. (Source –ISMA journal) Along with this, thrust should be given to sugar exports, so that surplus stock could also earn foreign exchange for the country, without depressing the domestic need.

**Distillery**

The Excise & Taxation Department of Punjab, in its Excise Policy for the year 2015-2016 has fixed the sale price of country Liquour (Ex Distillery issue price) Rs. 269.60 for Pints and Rs. 314.02 for Nips per case. The Company has plans to enter into 75 degree of Punjab Medium Liquour (PML)

**Ethanol**

For a permanent solution to tackle surplus sugar stock & dwindling prices of sugar, so that it doesn't affect the price of sugar , the compulsory ethanol blending programme which is mandatory at 5%, should be raised to 10 % with adequate incentives of higher ethanol procurement prices. This will divert the surplus sugar stock into ethanol production and also give better returns to farmers.

**Out Look / Projection :**

The company's projection on crushing of sugarcane for the current year 2015-16 is dependent on the prices of sugarcane & finished sugar , which are not viable in the present scenario. The company will supply the entire quota of Punjab Medium Liquour allotted to the distillery by the Government of Punjab and it will endeavour to sell free quota also.

**Risk and Concern**

The steep escalation in the prices of sugarcane & raw materials will adversely affect profitability of sugar mill & other products of the company.

In spite of surplus for the last 5 years, imports were allowed under the grab of advance license, which further flooded the domestic market.

Competition from the other distilleries in the state of Haryana may affect the sale of Country Liquor.

**Internal Control System & their Adequacy**

The auditor have felt that the company has a reasonable system of authorization at proper levels with necessary controls on the purchase of sugar cane, issue of materials and components & other related system of Internal control is commensurate with the size of the company. They also felt that the company has a reasonable system of recording receipts of raw materials and components and the company is recording the sales and purchase through the software. The Software engineers regularly check software programme.

**Material Development in HRD/IR**

The company has appointed regular staff, technical staff etc. along with contractual & seasonal staff for the efficient working of all the units of the company.

**CORPORATE GOVERNANCE REPORT**

In compliance with the Corporate Governance as stipulated in clause 49 of the Listing Agreement with the Stock Exchange (BSE Ltd.) the Company has been incorporating for the past few years, a separate section on Corporate Governance, in its Annual report. The shareholders and investors would have found the information informative and useful. Company's policies on the Corporate Governance and due compliance report on specific areas where ever applicable for the financial year ended 31<sup>st</sup> March 2015 are given here under divided into following areas :

## 1. Company's philosophy on Corporate Governance

The Company adheres to good corporate practices and is constantly striving to better them and adopt the best practices. It is believed that adherence to business ethics and commitment to social corporate responsibility would help the company achieve its goal of maximizing value of its stakeholders.

## 2. Board of Directors

The Board consists of five Directors. The Directors on our board are highly qualified and experienced individuals who are active participants in the decision-making process and provide guidance and objective judgment to the company. The names of the directors are as following:

## I. Composition of the Board

	Name of Directors	Executive or non-executive director	Nature	No of Directorship held in other companies	Committee position in other companies	
					Chairman	Member
1	Sh. Harvinder Chopra	Non-executive	Independent Director	9	-	4
2	Sh. Devinder Sharma	Executive Director	Wholetime Director	1	-	-
3	Sh. Jai Parkash Kaushik	Non-executive	Professional Director	1	-	1
4	Ms Madhu Sharma (Appointed on 31/3/2015)	Non-executive	Woman Director	-	-	-
5	Sh. Ashok Sharma*	Non-executive	Nominee Director	-	-	-

\*Vacated on 15/4/2015

## II. Directors interest in the company and attendance records

Attendance of each director at Board meeting, last Annual General Meeting and number of other directorship of each Director in various companies.

Name of Directors	Attendance Particulars		No. of Shares held
	No. of Board meetings attended	Last AGM	
Sh. Harvinder Chopra	5	Yes	Nil
Sh. Devinder Sharma	5	Yes	Nil
Sh. Jai Parkash Kaushik	5	Yes	Nil
Ms Madhu Sharma (Appointed on 31/3/2015)	0	No	Nil
Sh. Ashok Sharma	0	No	Nil

During the financial year 2014-15, five Board meetings were held on 30<sup>th</sup> May 2014, 14<sup>th</sup> August 2014, 14<sup>th</sup> November 2014, 14<sup>th</sup> February 2015 and 31<sup>st</sup> March 2015.

**3. Board Committees – Meetings and Procedures**

## 1. Audit Committee

The Board of company has reconstituted an Audit Committee as per requirements of Companies Act 2013. As on 31<sup>st</sup> March 2015, the Audit Committee comprises of three Directors one Executive & two non executive directors. The Audit committee met four times during the year and attendance of members at the meetings was as under :

Name of Member	Status	No. of meetings attended
Sh. Jai Parkash Kaushik	Chairman	4
Sh. Harvinder Chopra	Member	4
Sh. Devinder Sharma	Member	4

The Chief Financial Officer and Statutory Auditors are invitees. The Group Secretary is the Secretary of the Committee. Powers of the Audit Committee

- To investigate any activity within terms of reference
- To seek information from any employee
- To obtain outside Legal or other professional advice

To secure attendance of outsiders with relevant expertise, if it considers necessary.

## Terms of Reference

The terms of reference stipulated by the Board to the Audit Committee are following

- » Company's financial reporting process and the disclosure of its Financial information to ensure that the Financial statement is correct, sufficient & credible
- » Recommending the Board, the appointment., reappointment and, if required OR removal of Statutory Auditors,

including cost auditors and fixation of Audit Fees and other terms of appointment.

- » The Audit Committee should have discussion with the auditors periodically about internal control system, the scope of Audit including the observations of the Auditors and review the half yearly and annual financial statement before submission to the Board and also ensure compliance of internal control systems.
- » The Audit Committee should have authority to investigate into any matter in relation to the items specified in section 292 A of the Companies Act 1956/Companies Act 2013 or referred to it by the Board and for this purpose, shall have full access to the information contained in the records of the company and external professional advice, if necessary.
- » To secure attendance of outsiders with relevant expertise, if it considers necessary.
- » Discussion with the internal auditors any significant findings and follow up thereon.
- » The Chairman of the Audit Committee shall attend the Annual General Meeting of the company to provide any clarification on matters relating to audit sought by the members of the company.
- » Reviewing with the management, annual financial statements and Auditors report thereon before submission to Board for approval with particular reference to
  - » . Matters required to be included in the Directors responsibility statement to be included in the Director report in terms of Companies Act 2013
  - » . Changes if any, in accounting policies and practices and reason for the same.
  - » . Major accounting entries involving estimates based on the exercise of judgment by the management.
  - » . Compliance with listing and other legal requirements relating to financial statements.
  - » . Qualifications in draft audit report
- » To review quarterly financial statements before submission to board for approval
- » To review the functioning of Whistle Blower mechanism

## II. Nomination and Remuneration Committee

The board has constituted a Nomination & remuneration Committee as per the requirements of Companies Act 2013 and formulates the terms of reference in conformity with the Clause 49 of the listing Agreement.

The committee comprises of two non executive Directors and one executive director. The committee met once during the year on 20<sup>th</sup> March 2015 and the attendance of the meeting is as follows:

Name of Member	Status	No. of meetings attended
Sh. Harvinder Chopra	Chairman	1
Sh. Jai Parkash Kaushik	Member	1
Sh. Devinder Sharma	Member	1

The role of the Committee shall, inter alia, include the following:

- Laying down the criteria, to identify the persons who are qualified to become Directors and who can be appointed in the senior management.
- Recommending to the Board, appointment and removal of Directors and senior management.
- Carrying out evaluation of every Directors performance.
- Formulating criteria for determining qualification, positive attributes and independence of directors.
- Recommending to Board, a policy relating to remuneration of Directors, Key managerial personnel and other employees.
- Devising a policy on Board diversity.

Details of Directors remuneration paid for the year 2014-2015

a) Wholetime Director Rs.6,00,000

No sitting fees have been paid to any Director for attending the Board meeting or Committee meeting.

## III Stakeholders Relationship Committee

The Share transfer committee was renamed by the Board of Directors held on 31<sup>st</sup> March 2015 as stakeholders Relationship Committee as per the requirements of Companies Act 2013.

Terms of reference

- To monitor share transfer process
- To oversee the performance of company's Registrar & Transfer Agents.
- Recommend methods to upgrade the standard of services to investors
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable
- Monitor implementation of the code of conduct for prohibition of insider Trading
- To look into the redressing of shareholders and investors complaints like transfer of shares, non receipt of shares, non receipt of Balance sheet, non receipt of dividend etc.
- To do all other acts or deeds as may be necessary or incidental thereto. The main object of the committee is to strengthen the investor relations

The Board requested the committees to follow the revised terms of reference in conducting the proceedings and authorizes Group Secretary to necessary steps for implementing the terms of reference. During the committee met 12 times

During the years all Complaints received from the shareholders were resolved. As on date, no requests involving transfer of shares is pending.

In order to expedite the process of share transfer & demat of shares, Board has appointed M/s Abhipra Capital Limited, Registrar & Share transfer agent of the company to look into the work of Share Transfer, Share Demat work, & liaison with National Securities & Depository Limited (NSDL) & Central Depository services Ltd.

**IV. Risk Management Committee**

In compliance with the provisions of clause 49(iv) of the Listing Agreement read with other applicable provisions, if any, the Board has constituted the Risk Management committee. The Risk management committee consists of Sh. Harvinder Chopra, Chairman, Sh Devinder Sharma , Wholetime Director & Sh. Jatinder Singh , Chief Financial Officer as member of the committee.

**V. Corporate Social Responsibility Committee**

In compliance with the requirements of section 135 read with schedule VII of the Companies Act 2013, the Board had constituted Corporate Social Responsibility Committee comprising of Sh. Harvinder Chopra , Director as Chairman, Sh . Devinder Sharma, Whole time Director as Member. & Sh. Jatinder Singh, Chief Financial Officer as Member.

**4. (A) General Body Meeting****Location and time for last 3 Annual General Meetings:**

Year	Meeting	Location	Date	Time
2012	Annual General Meeting	Piccadilly Sugar & Allied Industries Limited, Jakhal Road, Patran, Distt. Patiala, Punjab	Saturday 29/9/2012	10.30 A.M
2013	Annual General Meeting	Piccadilly Sugar & Allied Industries Limited, Jakhal Road, Patran, Distt. Patiala, Punjab	Monday 30/9/2013	10.30 A.M
2014	Annual General Meeting	Piccadilly Sugar & Allied Industries Limited , Jakhal Road, Patran, Distt. Patiala, Punjab	Tuesday 30/9/2014	10.30 A.M.

During the year one postal ballot were invited for the sale of sugar mill unit

**(B) Book Closure Date**

Wednesday 23<sup>rd</sup> September to Wednesday 30<sup>th</sup> September 2015 for the purpose of Annual General Meeting.

**(C) Means of Communication**

The quarterly results are published in the Business Standard (English) & Desh Sevak (Punjabi)

**6. Listing of Stock Exchange & Stock Code**

The shares of the company continue to be listed on BSE Limited. (BSE) & Stock code of the company is 507498

Note: Company has already made the payment of Annual listing Fees for the year 2015-2016

**7. Stock Market Data**

The details of monthly highest and lowest closing quotations of the equity shares of the company and number of shares traded during the each calendar month at BSE Limited during the year ended 31<sup>st</sup> March 2015 as are under:

Month	High (Rs.)	Low (Rs)	Total no shares traded
April 2014	4.68	3.9	95209
May 2014	4.93	3.75	109822
June 2014	7.17	4.45	261839
July 2014	7.24	4.85	65982
August 2014	5.56	4.5	30228
September 2014	5.00	4.18	48193
October 2014	5.15	4.15	30125
November 2014	4.84	4.21	27397
December 2014	4.75	3.58	34456
January 2015	4.47	3.68	65572
February 2015	4.47	3.7	35743
March 2015	4.34	3.34	24703

**Distribution of Shareholding as at 31<sup>st</sup> March 2015**

Shares holding of nominal value of Rs.10/- each	Share holders		Number of Shares	Amount	(in %)
	Number of holders	(in %)			
Upto 2500	46342	96.18	3294341	32943410	14.17
2501-5000	1042	2.16	437564	4375640	1.88
5001-10000	421	0.87	330800	3308000	1.42
10001-20000	188	0.39	274407	2744070	1.18
20001-30000	81	0.17	203347	2033470	0.88
30001-40000	26	0.05	91084	910840	0.39
40001-50000	18	0.04	82243	822430	0.35
50001-100000	37	0.08	274081	2740810	1.18
100001 & above	29	0.06	18266660	182666600	78.55
Total	48184	100	23254527	232545270	100



Share Holding Pattern at 31<sup>st</sup> March 2015

	Number of Equity Shares	Percentage
Promoters	17435554	74.97
Bodies Corporate	235885	1.02
Individuals	4896745	21.06
NRI	636715	2.74
Clearing Members	302	0.0
HUF	49326	0.21
Total	23254527	100

9. Outstanding GDRs/ ADRs warrants or convertible instruments, conversion data and likely impact on equity. N. A.

10. Demat of Shares as on 31/03/2015 The detail of demat of shares is as under:

	Number of equity Shares	Percentage
NSDL	16273613	69.98
CDSL	4377122	18.82
PHYSICAL	2603792	11.20
TOTAL	23254527	100.00

Company has already made the Annual Payment Fees of both NSDL & CDSL

### 11. DISCLOSURES

a) Disclosure on materially significant related party transaction i.e. transactions of the company of material nature, with its promoters the directors or the management their subsidiaries or relatives etc., that may have potential conflict with the interest of the company at large.

There are no transactions with any of the related Parties were in conflict with the interests of the company.

b) Details of non-compliance by the company, penalties and stricture imposed on the company by Stock Exchange or SEBI or any statutory Authority, on any matter related to capital markets, during the last three years.

No penalties, strictures were imposed on the company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.

**12. WEBSITE:** The company's website [www.psailpatran.com](http://www.psailpatran.com) which contains all the Necessary information as required by clause 54 of the Listing Agreement with The BSE Limited (BSE).

### 13. Registrar for Demat & Transfer of Shares

Abhipra Capital Ltd.,  
Ground Floor, Abhipra Complex, Dilkhush Industrial Area,  
A-387, GT Karnal Road, Azadpur, Delhi-110033

### 14. Address for Correspondence

Piccadilly Sugar & Allied Industries limited  
Jakhhal Road, Patran , Distt. Patiala Punjab.

### 15. Plant Location

Piccadilly Sugar & Allied Industries limited  
Jakhhal Road, Patran , Distt. Patiala Punjab.

### 16. Annual General Meeting Date, Time & Venue

Date: 30<sup>th</sup> September 2015(Wednesday)  
Time: 11.00 A..M.  
Venue: Jakhhal Road, Patran , Distt. Patiala Punjab.

### 17. Detail of the special resolution passed during the last three years.

2011-12 Nil  
2012-13 Nil  
2013-14 as under

i) The company passed a Special Resolution under Section 180(1)(a) of Companies Act, 2013 to authorise the directors to create a charge or mortgage on the property of the company

ii) The company passed a special resolution under Section 180(1)(c) of Companies Act, 2013 to authorise the directors to exercise borrowing powers upto a limit of Rs. 100.00 Crores

ii) The company passed a special resolution under Section 180(1)(a) of the Companies Act, 2013 for sale of Land & Building, Plant & Machinery, movable and immovable assets of Sugar Mill (Division).

### 18. Certificate on Compliance of Code of Conduct

I hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Directors and Senior Management Personnel as Approved by the Board for the Financial Year ended 31<sup>st</sup> March,2015 in terms of clause 49(ID)(ii) of the Listing Agreement entered with the Stock Exchanges.

Place :Gurgaon  
Date:30/05/2015

Sd/-  
(Devinder Sharma)  
Wholetime Director  
DIN No. 03264719

**19. CEO/ CFO Certification under clause 49 (V) of Listing Agreement**

To,  
The Board of Directors  
Piccadilly Sugar & Allied Industries limited,  
Jakhal Road, Patran, Distt. Patiala Punjab.

Sirs,

1. We have reviewed financial statements and the cash flow statement of Piccadilly Sugar & Allied Industries limited for the year ended 31<sup>st</sup> March, 2015 and 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.

2. 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 violate the Company's Code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting.

We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee:

(i) That there are no significant changes in internal control over financial reporting during the year;

(ii) That there are no significant changes in accounting policies during the year; and

(iii) That there are no instances of significant fraud of which we have become aware.

Sd/-

Place : Gurgaon

Date : 30/5/2015

Jatinder Singh

(Chief Financial Officer)

**AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

We have examined the compliance of the conditions of Corporate Governance by Piccadilly Sugar & Allied Industries Ltd. for the year ended 31<sup>st</sup> March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with BSE, Limited.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and explanations given to us, we certify that company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

On the basis of representation received from company, we state that during the year ended 31<sup>st</sup> March, 2015 no investor grievances were pending for a period exceeding one month except where dispute or for want of completion of legal formalities. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place : Gurgaon

Dated : 30.5.2015

Sd/-

for Jain & Associates

Chartered Accountants

Sd/- (Krishan Mangawa)

(Partner) M.No.513236

Firm Regd.No.01361N

## Independent Auditors' Report

The Members,

M/s Piccadilly Sugar & Allied Industries Limited,

Report on the Financial Statements

1. We have audited the accompanying financial statements of M/s Piccadilly Sugar & Allied Industries Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit & Loss account, the Cash Flow Statement of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

### **Management's Responsibility for the Financial Statements**

2. The Company's Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 flow of the Company in accordance with 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) Rule, 2014. The 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 the design; and 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**

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

4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal financial control relevant to the Company's preparation and fair presentation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of financial statements.

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

### **Opinion**

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

In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;

In the case of the Statement of Profit and Loss, of the Loss of the year ended on that date; and

In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

7. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of Section 143 (11) of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

8. 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 purpose 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid Financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014;

e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

PLACE: GURGAON

DATE: 30.05.2015

FOR JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Regd No.:001361N)

Sd/-  
(KRISHAN MANGAWA)  
PARTNER  
Membership No.513236

ANNEXURE TO THE AUDITORS' REPORT  
(Referred to in paragraph 1 of our report of even date)

1. In respect of its fixed assets:

a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) According to the information and explanations given to us, the company has a system of physical verification of all its fixed assets over a period of three years. In our opinion having regard to the size of the company and the nature of its assets, the program of verification is reasonable. No material discrepancies have been noticed in respect of assets physically verified.

2. In respect of its inventories:

a) The inventory was physically verified during the year by the management. In our opinion, frequency of verification is reasonable.

b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of its inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.

3. (a) According to the information and explanations given to us, the company has not granted any loan to body corporate covered in the register maintained under section 189 of the Companies Act 2013. Accordingly paragraph III (b) and (c) of the Order is not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in Internal Control System.

5. The company has not accepted any deposits from the public.

6. The Company is required to maintain cost records under section 148(1) of the Act for the products of the company and according to the information and explanation given to us, the company has maintained proper records as prescribed by the central government.

7. According to the information and explanations given to us in respect of Statutory and other dues:

a) The company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Value Added Tax, wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other statutory dues with the appropriate authorities during the year.

b) As per the information and explanation given to us, there is no amount of Income tax/sales tax/ custom duty/ wealth tax/excise duty/Value Added Tax/service tax/Cess which have not been deposited on account of any dispute.

c) As per our verification, we have not come across any amount to be transferred to investor education and protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made there under.

8. The Company have accumulated losses of Rs.857.39 Lacs and its paid up capital is Rs.2322.10 Lacs. The company has incurred no cash losses during the current financial year and in preceding financial year.

9. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions and banks.

10. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.

11. To the best of our knowledge and belief and according to the information and explanation given to us, term loans have been availed by the company, were prima facie, and applied by the company during the year for the purposes for which the loans were obtained.

XII. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

FOR JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Regd No.:001361N)

Sd/-  
(KRISHAN MANGAWA)  
PARTNER  
Membership No.513236

PLACE: GURGAON

DATE: 30.05.2015

**BALANCE SHEET AS ON 31st March, 2015**

(Amount in Rs)

S No.	Particulars	NOTES	As At 31.03.2015	As At 31.03.2014
I.	<b>EQUITY AND LIABILITIES</b>			
	(1) Shareholder's funds			
	(a) Share Capital	1	232,209,520	232,209,520
	(b) Reserves & Surplus	2	(82,739,226)	(80,140,124)
	(2) Non- current liabilities			
	(a) Long-term borrowings	3	36,011,320	33,435,465
	(b) Long- term provisions	4	2,605,194	2,584,055
	(3) Current Liabilities			
	(a) Short term borrowings	5	44,940,011	36,689,473
	(b) Trade Payables	6	169,470,894	196,788,581
	(c) Other current liabilities	7	9,028,447	16,193,078
	(d) Short term provisions	8	342,677	318,631
	<b>TOTAL</b>		<b>411,868,837</b>	<b>438,078,679</b>
II.	<b>ASSETS</b>			
	(1) Non-Current assets			
	(a) Fixed assets			
	(i) Tangible assets	9	316,529,353	329,999,941
	(ii) Capital work-in-progress		35,523,122	34,198,897
	(b) Deferred tax assets (net)	10	11,276,711	11,936,955
	(c) Long term loans and advances	11	5,904,268	5,904,268
	(2) Current assets			
	(a) Inventories	12	19,399,116	30,873,152
	(b) Trade receivables	13	126,934	-
	(c) Cash & cash equivalents	14	2,218,399	4,458,199
	(d) Other current assets	15	20,890,934	20,707,267
	(e) Inter unit balances		-	-
	<b>TOTAL</b>		<b>411,868,837</b>	<b>438,078,679</b>
Notes on Financial Statements & Significant Accounting Policies		1-32		
AUDITORS REPORT				
As per our separate report of even date.				
for JAIN & ASSOCIATES	Sd/-	Sd/-	Sd/-	
CHARTERED ACCOUNTANTS	Madhu Sharma	Devinder Sharma	Nikhilesh Verma	
FRN : 001361 N	Director	(Whole Time Director)	(Company Secretary)	
Sd/- Krishan Mangawa	DIN No. 7149078	DIN No. 03264719		
(Partner)				
M. No. : 513236			Sd/-	
DATE: 30.05.2015			Jatinder Singh	
PLACE : Gurgaon			(CFO)	



**Profit and Loss Statement for the year ended 31/03/2015**

(Amount in Rs)

S No.	Particulars	NOTES	As At	As At
			31.03.2015	31.03.2014
I.	Revenue from operations	16	121,993,558	143,034,659
II.	Other Income	17	14,775,852	9,636,197
III.	<b>Total Revenue</b>		<b>136,769,410</b>	<b>152,670,856</b>
IV.	Expenses:			
	Cost of materials consumed	18	42,002,141	41,834,343
	Change in F.G, WIP, and Stock-in-Trade	19	4,796,563	1,369,072
	Employee benefit expense	20	7,332,110	8,272,401
	Finance costs	21	3,001,414	2,963,615
	Depreciation and amortization expense	9	24,866,595	21,377,058
	Other expenses	22	56,709,482	76,646,848
	<b>Total expenses</b>		<b>138,708,305</b>	<b>152,463,337</b>
V.	Profit before exceptional and extraordinary items and tax ( III - IV )		(1,938,895)	207,519
VI.	Exceptional items Previous year Expenses		-	-
VII.	Profit before tax ( V - VI )		(1,938,895)	207,519
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		(660,244)	(827,407 )
	Income tax of last years		-	-
	Deferred tax assets		-	-
IX	Profit (Loss) for the period ( VII + VIII )		(2,599,139)	(619,888)
X	Earnings per equity share:			
	(1) Basic		(0.11)	(0.03)
	(2) Diluted		-	-
	Nominal Value of each share		10.00	10.00

**AUDITORS REPORT**

As per our separate report of even date.

for JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN : 001361 N

Sd/- Krishan Mangawa  
(Partner)

M. No. : 513236  
DATE: 30.05.2015  
PLACE : Gurgaon

Sd/-  
Madhu Sharma  
Director  
DIN No. 7149078

Sd/-  
Devinder Sharma  
(Whole Time Director)  
DIN No. 03264719

Sd/-  
Nikhilesh Verma  
(Company Secretary)

Sd/-  
Jatinder Singh  
(CFO)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015**

Particulars	For the year ended	For the year ended	
	2014-2015 (Amount in Rs.)	2013-2014 (Amount in Rs.)	
<b>A</b>			
Cash Flow from operating Activities			
Net profit after taxation	(2,599,139)	(619,888)	
Adjustment for:			
Depreciation	24,866,595	21,377,058	
Interest Received	(79,972)	(77,695)	
Provision for taxation	-	-	
Interest on Loans	2,900,631	2,869,909	
Gratuity Expense	21,139	10,385	
Deffered Tax Liability/Asset Provision	660,244	827,407	
Net Loss on Sale of Fixed Asset	343,181	-	
<b>Operating profit before working capital change</b>	<b>26,112,679</b>	<b>24,387,176</b>	
Adjustment for:			
Trade and other receivables	(310,601)	3,859,655	
Inventories	11,474,036	(2,113,036)	
Long term Loans & Advances	-	1,009,941	
Trade Payables & short term borrowings	(26,231,780)	6,557,790	
Short term provision	24,046	27,321	
Cash generated from operations	11,068,380	33,728,847	
Direct Taxes Paid	-	-	
<b>Net Cash Flow from Operating Activities</b>	<b>11,068,380</b>	<b>33,728,847</b>	
<b>B</b>			
Cash flow from investing activities			
Net (Purchase)/sale of fixed assets (including capital work in progress)	(13,063,376)	(33,459,243)	
Interest Received	79,972	77,695	
<b>Net Cash Flow from Investing Activities</b>	<b>(12,983,404)</b>	<b>(33,381,548)</b>	
<b>C</b>			
Cash flow from financing activities			
Receipt/Repayment of Term Loans	-	1,172,588	
Interest on Loans Paid during the year	(324,776)	(451,159)	
<b>Net cash Flow From Financing Activities</b>	<b>(324,776)</b>	<b>721,429</b>	
<b>D</b>			
Net increase in cash & cash equivalents	(2,239,800)	1,068,728	
Opening Balance of Cash & cash Equivalents	4,458,199	3,389,471	
Closing Balance of Cash & cash Equivalents	2,218,399	4,458,199	
for JAIN & ASSOCIATES	Sd/-	Sd/-	Sd/-
CHARTERED ACCOUNTANTS	Madhu Sharma	Devinder Sharma	Nikhilesh Verma
FRN : 001361 N	Director	(Whole Time Director)	(Company Secretary)
Sd/- Krishan Mangawa	DIN No. 7149078	DIN No. 03264719	
(Partner)			
M. No. : 513236			Sd/-
DATE: 30.05.2015			Jatinder Singh
PLACE : Gurgaon			(CFO)

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2015**

NOTE	1	<b><u>SHARE CAPITAL</u></b>	Amount	Amount
			As At 31.03.2015	As At 31.03.2014
1. A)		<b><u>AUTHORISED</u></b>		
		30000000 Equity shares of Rs. 10/-each	300,000,000	300,000,000
			-----	-----
B)		<b>ISSUED SUBSCRIBED &amp; PAID UP</b>		
		23254527 Equity Shares of Rs. 10/- each fully called up and paid up.	232,545,270	232,545,270
		LESS: Unpaid Calls	(335,750 )	(335,750 )
		67150 Equity Shares of Rs.5 each Unpaid		
			<u>232,209,520</u>	<u>232,209,520</u>
2.		<b><u>RIGHT OF SHAREHOLDERS</u></b>		
A)		Each Shareholder is entitled to one vote per share.		
B)		Each Shareholder has the right in profit/surplus in proportion to amount paid up with respect to share holding.		
C)		In the event of winding up, the equity shareholders will be entitled to receive the remaining balance of assets, if any, in proportionate to their individual shareholding in the paid up equity capital of the company.		
D)		There is no change in the Number of Share outstanding at the beginning and at the end of the Financial year.		
3.		<b><u>DETAIL SHAREHOLDERS HOLDING MORE THAN 5% SHARES</u></b>		
			No. of Shares held	
		1. Mr. Siddhartha Vashishta	3,457,763	
		2. Soon-N-Sure Holdings Ltd.	5,569,702	
		3. Piccadilly Agro Ind. Ltd.	8,341,936	
NOTE	2	<b><u>RESERVES &amp; SURPLUS</u></b>		
		Capital subsidy (A)	3,000,000	3,000,000
		Profit & Loss Account As per last Balance Sheet	(83,140,124)	(82,520,236)
		Less: Depreciation Adjustment As per profit & Loss Account	37	-
			<u>(2,599,139)</u>	<u>(619,888)</u>
		Grand Total (B)	<u>(85,739,226)</u>	<u>(83,140,124)</u>
		Grand Total (A+B)	<u>(82,739,226)</u>	<u>(80,140,124)</u>
NOTE	3	<b><u>LONG TERM BORROWINGS</u></b>		
		Loans and Advances from Related Parties SECURED	25,000,000	25,000,000
		(Term loan of Rs.250.00 Lacs from Piccadilly Agro Industries Ltd. is secured against Plant & Machinery. Rate of interest is 10.75%) It is rescheduled for a period of 5 years till FY 2017.		
		TATA Capital Financial Services Ltd.	1,073,352	1,172,588
		Tata Capital Financial Services Ltd(Ertiga)	256,341	-
		Interest accrued on term loan	9,681,627	7,262,877
		Repayable along with the principal amount.		
		<b>Total</b>	<b><u>36,011,320</u></b>	<b><u>33,435,465</u></b>

	As At 31.03.2015	As At 31.03.2014
Amount in Rs.		
<b>NOTE 4 LONG TERM PROVISIONS</b>		
1. Gratuity Provision	2,605,194	2,584,055
<b>Total</b>	<b>2,605,194</b>	<b>2,584,055</b>
<b>NOTE 5 SHORT TERM BORROWINGS</b>		
Piccadilly Agro Industries Ltd.	44,940,011	36,689,473
<b>Total</b>	<b>44,940,011</b>	<b>36,689,473</b>
<b>NOTE 6 TRADE PAYABLES</b>		
1. Sundry Creditors	169,470,894	196,788,581
<b>Total</b>	<b>169,470,894</b>	<b>196,788,581</b>
<b>NOTE 7 OTHER CURRENT LIABILITIES</b>		
1. Statutory Liabilities	2,109,321	2,578,980
2. Creditors for capital expenditure	1,030,419	4,441,319
3. Expenses Payable	1,599,057	5,858,543
4. Others	3,753,617	3,314,236
5. Current Maturities of long term debts.	536,033	-
<b>Total</b>	<b>9,028,447</b>	<b>16,193,078</b>
<b>NOTE 8 DETAILS OF SHORT TERM PROVISION</b>		
1. Bonus Payable	342,677	318,631
<b>Total</b>	<b>342,677</b>	<b>318,631</b>

## NOTE 9 FORMING PART OF BALANCE SHEET AS ON 31/03/2015

## GROSS BLOCK AT C D E P R E C I A T I O N

## N E T B L O C K

	Rate	O S T		GROSS BLOCK AT C				D E P R E C I A T I O N				N E T B L O C K		
		As on 4/1/2014	ADDITIONS during the year	Less : Sale/Tfr.	Total Cost as 3/31/2015	Depreciation upto 31/03/2014	Depreciation during the year	Adjustment with Opening Reserves	Dep. W/back	Total	W.D.V. AS ON 3/31/2015	W.D.V. AS ON 3/31/2014		
1	0.0	37210568	13599705	0	50810273	0	0	0	0	0	50810273	37210568		
2	1.6	122076160	0	0	122076160	32522556	6532133	0	0	39054689	83021471	89553603		
3	5.3	522111617	0	3358400	518753217	325087585	17377557	-652284	0	341812859	176940359	197024032		
4	6.3	2164007	0	0	2164007	1706129	179316	-135766	0	1749679	414328	457878		
5	4.8	3116953	4560	0	3121513	2173072	45975	662190	0	2881237	240276	943881		
6	4.8	1111004	0	0	1111004	753703	39717	4002	0	797422	313582	357301		
7	9.5	9215852	3492690	4573253	8135289	4911121	652135	147968	2224668	3486557	4648732	4304730		
8	11.3	459974	0	0	459974	436975	0	0	0	436975	22999	22999		
9	16.2	1922013	6000	0	1928013	1797064	39761	-26146	0	1810679	117333	124948		
TOTAL		699388148	17102955	7931653	708559450	369388207	24866595	-37	2224668	392030097	316529353	329999941		
Previous Year		691877853	8510295	1000000	699388148	348011148	21377058	21593613	216555	369388207	3299999941	343866704		
1		772361	0	0	772361	0	0	0	0	0	772361	772361		
2		3268601	0	0	3268601	0	0	0	0	0	3268601	3268601		
3		30157935	1324225	0	31482160						31482160	2375282		
Total		34198897	1324225	0	35523122	0	0	0	0	0	35523122	6416244		
Previous Year		8249948	27782653	1833704	34198897						34198897	8249948		
Grand Total		733587045	18427180	7931653	744082572	369388207	24866595	-37	2224668	392030097	352052475	336416185		
Previous Year		700127801	36292948	2833704	733587045	348011148	21377058	21593613	216555	369388207	364198838	352116652		



		Amount As At 31.03.2015	Amount As At 31.03.2015
<b>NOTE</b>	<b>10 DEFERRED TAX</b>		<b>Amount in Rs.</b>
A.	<b>Deferred Tax Asset</b>		
	On Account of Disallowance under section 43B of Income Tax Act	910,892	896,930
	On Account of Carried Forward Losses	54,454,340	56,712,368
	<b>Total:</b>	<b>5,53,65,232</b>	<b>5,76,09,298</b>
B.	<b>Deferred Tax Liability</b>		
	On Account of Timing Difference due to Depreciation	44,088,521	45,672,343
	<b>Net Deferred Tax Assets (A-B)</b>	1,12,76,711	11936955
	Last Year Balance in Deferred Tax Assets	11936955	12,764,362
	Charged Through P&L Account	(660244)	(-8,27,407)
<b>NOTE</b>	<b>11 LONG TERM LOAN &amp; ADVANCES</b>		
	PSEB. Security Deposit	454,640	454,640
	PSEB. Security Deposit	5,449,628	5,449,628
		-	-
	<b>Total</b>	<b>5904268</b>	<b>5904268</b>
<b>NOTE</b>	<b>12 INVENTORIES</b>		
	(As per inventories taken ,valued & certified by the management)		
	Raw Materials	186,120	2,941,542
	Finished Goods	10,655,525	15,452,088
	Stores Chemicals and Packing Material	8,557,471	12,479,522
	<b>Total</b>	<b>19,399,116</b>	<b>30,873,152</b>
<b>NOTE</b>	<b>13 TRADE RECEIVABLES</b>		
	SUNDRY DEBTORS (Unsecured but considered good)		
	a) debts outstanding for a period exceeding six months	-	-
	b) Other Debts	126,934	-
	<b>Total</b>	<b>126,934</b>	<b>-</b>
<b>NOTE</b>	<b>14 CASH &amp; CASH EQUIVALENTS</b>		
	a) Cash in Hand	28,000	232,306
	b) Balance with Schedule Banks		
	in Current Accounts	1,191,474	3,378,200
	in Fixed Deposits		
	Maturing within 12 months	-	-
	Maturing after 12 months	379,680	379,680
	c) Interest accrued on FDR	619,245	468,013
	<b>Total</b>	<b>2,218,399</b>	<b>4,458,199</b>
	* Fixed Deposit with the Bank Rs. 3.80 lacs (Rs. 3.80 lacs) , are under lien with Sales Tax Department		
<b>NOTE</b>	<b>15 OTHER CURRENT ASSETS</b>		
	B. LOANS & ADVANCES		
	( Unsecured but considered good)	-	-
	Advances recoverable in cash or in kind or for value to be received		
	Recoverable from Government Authorities & Others	20,890,934	20,707,267
	<b>Total</b>	<b>20,890,934</b>	<b>20,707,267</b>
<b>NOTE</b>	<b>16 DETAIL OF REVENUE FROM OPERATIONS</b>		
	Sale of Product		
	Gross Sales	122,021,368	143,466,270
	Less: Excise Duty	27,810	431,611
	<b>Net Sales</b>	<b>121,993,558</b>	<b>143,034,659</b>

	As at 31st March, 2015	As at 31st March, 2014
	Amount in Rs.	
<b>NOTE 17 OTHER INCOME</b>		
Interest Income		
INTEREST ON FDR (SUGAR)	62,637	62,617
INTEREST on FDR (DISTILLERY)	17,335	15,077
INTEREST(PSEB)	441,496	-
Other non-operative Income		
Other Misc Income	14,254,384	9,558,503
<b>Total</b>	<b>14,775,852</b>	<b>9,636,197</b>
<b>NOTE 18 COST OF RAW MATERIAL CONSUMED</b>		
Opening Stock of Raw Materials (Molasses)	2,941,542	177,420
Purchases during the year (Molasses)	-	39,015,465
Purchases during the year (ENA)	39,246,719	5,583,000
	42,188,261	44,775,885
Less Closing Stock (Molasses)	186,120	2,941,542
<b>Total</b>	<b>42,002,141</b>	<b>41,834,343</b>
<b>NOTE 19 DETAILS OF CHANGES IN FG, WIP, STOCK IN TRADE</b>		
Opening Stock		
FG. Stock	15,452,088	16,821,160
<b>Total - A</b>	<b>15,452,088</b>	<b>16,821,160</b>
Closing Stock		
FG. Stock	10,655,525	15,452,088
	-	-
<b>Total - B</b>	<b>10,655,525</b>	<b>15,452,088</b>
<b>Total - (A-B)</b>	<b>4,796,563</b>	<b>1,369,072</b>
<b>NOTE 20 EMPLOYEE BENEFIT EXPENSE</b>		
Provident Fund	84,391	92,672
Staff & Labour Welfare	264,242	534,265
Salaries Wages & Bonus	6,962,338	7,635,079
Gratuity	21,139	10,385
<b>Total</b>	<b>7,332,110</b>	<b>8,272,401</b>
<b>NOTE 21 FINANCIAL EXPENSES</b>		
Interest Expense		
Interest-other	2,900,631	2,869,909
Other Borrowing Cost		
Bank Charges	100,783	93,706
<b>Total</b>	<b>3,001,414</b>	<b>2,963,615</b>
<b>NOTE 22 DETAIL OF OTHER EXPENSES</b>		
<b><u>Manufacturing Expenses</u></b>		
Electrical Repair	389,086	321,194
Chemicals	1,245,023	1,896,483
Packing Material	27,542,898	34,156,364
Env. & ETP Expenses	1,059,010	1,478,001
Power & Fuel	5,216,146	12,732,283
Machinery Repair	160,922	932,950
Lab Expenses	340	24,877
<b>Total - A</b>	<b>35,613,425</b>	<b>51,542,152</b>
<b><u>Selling Expenses</u></b>		
Advertisement	164,654	86,699
Freight/Carriage Outwards	3,923,040	4,316,470
L-13 Operating Expenses	2,828,296	3,638,718
Loading Charges	347,511	478,318
<b>Total - B</b>	<b>7,263,501</b>	<b>8,520,205</b>
<b><u>Administrative &amp; Other Expenses</u></b>		
Insurance	58,964	64,848
Professional / Legal Fees	1,987,126	1,800,305
Fee & Taxes	6,087,614	5,311,968
Misc. Expenses	159,674	-

	As at 31st March, 2015	As at 31st March, 2014
Amount in Rs.		
Printing & Stationery	313,486	314,471
Audit Fee	100,000	100,000
Tax Audit Fee	25,000	25,000
Postage, Telephone & Telegram	428,296	482,021
Travelling & Conveyance	315,063	562,928
Rent	941,500	3,936,020
News Paper & Periodicals	7,253	5,211
Running & Maintenance of Vehicles	474,019	518,083
Repair & Maintenance	-	-
Computer	88,950	69,590
Building	40,402	127,513
Other	1,500	1,300
Donation	505,900	513,700
Corporate Social Responsibility	296,542	-
Service Tax Paid	-	204,278
Farm expenses	1,058,086	972,795
Director Remuneration	600,000	600,000
Sundry Balances W/o	-	974,460
Loss on Sale of Assets	343,181	-
	<b>Total - C</b>	<b>16,584,491</b>
	<b>Grand Total - (A+B+C)</b>	<b>76,646,848</b>

**NOTE 23 CONTINGENT LIABILITIES**

		Rs. In Lacs
a)	Additional demand raised by Sales tax authorities pending in appeals	NIL
b)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances).	NIL
c)	Contingent Liability in respect of Interest on cane cess, if any.	NIL
d)	Contingent Liability in respect of Unassessed cases of Income Tax, Sales Tax, Excise duty.	NIL

**NOTE 24 REMUNERATION PAID TO DIRECTORS**

		Rs. In Lacs
The remuneration paid to directors is as follows :		
	Whole time director	6.00
The Remuneration to Directors is paid in accordance with Part II of Schedule V of Companies Act, 2013.		

**NOTE 25 DISCLOSURE AS PER AS-17 SEGMENT REPORTING**

Segment Reporting : - As per the Accounting standard No. 17 issued by the Institute of Chartered Accountants of India, New Delhi, segment reporting is applicable to the company as the company has two profit centers i.e. Sugar Unit & Distillery Unit. The main financials of the reporting is given as under: -

a)	<b>Segment Revenue</b>		
	Sales & other Income	1,367.69	1,526.71
	Inter Segment Revenue	-	-
	<b>TOTAL</b>	<b>1,367.69</b>	<b>1,526.71</b>
b)	<b>Segment Results</b>		
	Profit /Loss before Interest, Dep. & Taxation	258.28	244.54
	Depreciation	248.67	213.77
	Profit /Loss After Depreciation	9.61	30.77
	Interest Expenses	29.01	28.70
	Profit / (Loss) Before Tax	(19.40)	2.08
	Provision for Taxation		
	Deffered Tax Liability	(6.60)	8.27
	<b>Net Profit/Loss</b>	<b>(12.80)</b>	<b>(6.20)</b>
	Other information		
	Segment Assets	4,005.92	4,261.41
	Segment Liabilities	2,263.87	2,516.47
	Capital Employed	1,742.05	1,744.94
	Capital Expenditure Depreciation debited to P&L A/c	248.67	213.77

**Notes:**

- a) The Company has identified Business Segments as primary Segments. The reportable business Segments are "Sugar" and "Distillery".
- b) The type of products in each business segments are as under:  
Sugar : Sugar, Molasses and Bagasse  
Distillery: Punjab Made Liquor, ENA and Denatured Spirit
- c) Inter-divisional transfers have been valued at prevailing market price.
- d) There is no unallocated amount of revenue /expenses

**NOTE 26 PAYABLES & RECEIVABLES**

Balance of certain sundry debtors, loans & advances (including capital advances), creditors and other process of confirmation/reconciliation. The management is of the opinion that adjustment, in liabilities if any, arising out of such reconciliation would not be material.

**NOTE 27 ADVANCES RECOVERABLE**

In the opinion of the Board, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business. The provision for known liabilities is adequate and not in excess of amount reasonably necessary.

**NOTE 28 DISCLOSURE AS PER AS-20 EARNING PER SHARE**

**As at 31st March, 2015**      **As at 31st March, 2014**

Profit During the Year ( In Rs.)	(2,599,139)	(619,888)
No. of Shares	23,254,527	23,254,527
Face Value	10	10
Basic/Diluted Earning Per Shares	(0.11)	(0.03)

**NOTE 29 DISCLOSURE AS PER AS-18 RELATED PARTY DISCLOSURE**

Rs. In Lacs

## (a) List of Related Parties and Relationships:

Piccadilly Agro Industries Limited  
Piccadilly Hotels Private Limited

## (b) Related Party Transactions:

## Interest Expense:

Piccadilly Agro Industries Limited      24.19      24.19

## TOTAL

## Office Rent Expense:

Piccadilly Hotels Private Limited      -      12.00

## TOTAL

## Professional Charges

Harvinder & Associates      1.80      1.80

## TOTAL

**NOTE 30 FOREIGN EXCHANGE TRANSACTION**

## (a) Value of imports calculated on CIF basis by the company during the financial year in respect of :

1. Raw Materials	NIL	NIL
2. Components and Spare Parts	NIL	NIL
3. Capital Goods	NIL	NIL

## (b) Expenditure in Foreign Travelling

NIL      NIL

## (c) Earning in Foreign Currency

NIL      NIL

**NOTE 31 MICRO SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

The company has not received intimation from suppliers regarding the status under Micro Small and Medium Enterprises Act 2006 and hence disclosures if any, relating to amounts unpaid as at the year end together with Development interest paid/payable as required under the said Act have not been given.

**NOTE 32 REGROUPING OF FIGURES**

The previous year figures have been recast/ regrouped whenever considered necessary to facilitate comparison.

**AUDITORS REPORT**

As per our separate report of even date.

for JAIN &amp; ASSOCIATES

Sd/-

Sd/-

Sd/-

CHARTERED ACCOUNTANTS

Madhu Sharma

Devinder Sharma

Nikhilesh Verma

FRN : 001361 N

Director

(Whole Time Director)

(Company Secretary)

Sd/- Krishan Mangawa

DIN No. 7149078

DIN No. 03264719

(Partner)

M. No. : 513236

Sd/-

DATE: 30.05.2015

Jatinder Singh

PLACE : Gurgaon

(CFO)

**NOTE 33 SIGNIFICANT ACCOUNTING POLICIES**

- 1 The financial statements have been prepared in accordance with generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards, notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.
- 2 **Fixed Assets & Depreciation :**  
Due to application of schedule II to the Companies Act, 2013 with effect from April 1, 2014, the management has re-estimated useful life and residual values of all its fixed assets and determined separate useful life for each major asset, if they have useful life i.e. materially different from that of remaining asset. The management believes that the depreciation rates currently used fairly reflect its estimate of the useful life and residual value of fixed asset. If asset has zero remaining useful life on the date of Schedule II becoming effective, i.e. April 01, 2014, its carrying amount, after retaining any residual value, is charged to the opening balance of retained earnings. The carrying amount of other assets i.e., whose remaining useful life is not nil on April 01, 2014, is depreciated over their remaining useful life. Upto March 2014, the assets are depreciated on Straight Line Method as per Schedule XIV of the Companies Act, 1956
- 3 **Inventories:**
- |                   |   |   |
|-------------------|---|---|
| Raw Material      | : | At cost on FIFO basis   |
| Work in Process   | : | At estimated cost including expenses attributable to production on percentage completion basis/ Net Realizable value, whichever is low. |
| Finished Goods    | : | At weighted average cost/net realizable value which ever is low, including Excise duty and all expenses attributable to production.     |
| By Products       | : | At Net realisable value inclusive of Excise Duty.   |
| Stores and spares | : | At cost   |
- 4 Sales are inclusive of Excise Duty.
- 5 Long term investments are carried at cost.
- 6 Contingent liabilities are not provided for and are disclosed by way of notes.
- 7 Accounting policies not specifically referred to are in consistent with generally accepted accounting principles.

**AUDITORS REPORT**

As per our separate report of even date.

for JAIN & ASSOCIATES  
 CHARTERED ACCOUNTANTS  
 FRN : 001361 N  
 Sd/- Krishan Mangawa  
 (Partner)  
 M. No. : 513236  
 DATE: 30.05.2015  
 PLACE : Gurgaon

Sd/-  
 Madhu Sharma  
 Director  
 DIN No. 7149078

Sd/-  
 Devinder Sharma  
 (Whole Time Director)  
 DIN No. 03264719

Sd/-  
 Nikhilesh Verma  
 (Company Secretary)

Sd/-  
 Jatinder Singh  
 (CFO)

**PICCADILY SUGAR & ALLIED INDUSTRIES LIMITED  
L15424PB1993PLC013137  
Registered Office: Jakhal Road, Patran, Distt. Patiala, Punjab**

Name of the member(s): \_\_\_\_\_ e-mail id: \_\_\_\_\_  
Registered address: \_\_\_\_\_ Folio No/\*Client id: \_\_\_\_\_  
\*DP ID: \_\_\_\_\_

I/WE, BEING THE MEMBER(S) OF \_\_\_\_\_ shares of Piccadily Sugar & Allied Industries Limited, hereby appoint::

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or falling him.  
2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or falling him.  
3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or falling him.

& whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 22nd ANNUAL GENERAL MEETING of the Company, to be held on Wednesday, September 30, 2015 at 11.00 A.M at Registered Office: Jakhal Road, Patran, Distt. Patiala, Punjab and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\*I wish my above Proxy to vote in the manner as indicated in the box below:

Sr. No.	Resolutions	For	Against
1.	Consider and adopt:		
a)	Audited Financial Statement, Reports of the Board of Directors and Auditors		
b)	Audited Consolidated Financial Statement		
2	Appointment of Auditors and fixing their remuneration		
3	Appointment of Ms Madhu Sharma as Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of shareholder                      Affix a Revenue Stamp

\_\_\_\_\_  
Signature of First proxy holder                      Signature of second proxy holder                      Signature of third proxy holder

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company not less than 48 hours before the commencement of the meeting.  
(2) A proxy need not be member of the Company.  
(3) A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the capital of the Company carrying voting rights. member holding more than 10% of the total share capital of the Company carrying voting right may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.  
\*\*(4) this is only optional. Please put a 'X' in the appropriate column against the resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions your Proxy will be entitled to vote in the manner as he/she thinks appropriate.  
(5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.  
(6) In the case of joint holders, the signature of any one holder will be sufficient, but names of the joint holders should be stated.

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**PICCADILY SUGAR & ALLIED INDUSTRIES LIMITED  
L15424PB1993PLC013137  
Registered Office: Jakhal Road, Patran, Distt. Patiala, Punjab**  
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**ATTENDANCE SLIP**

Folio No. / DP ID & Client ID : ..... Shares Held : .....

Please tick whether Member / Joint holder / Proxy .....

I certify that I am a Member / Proxy / authorised representative for the member of the Company.

I hereby record my presence at the 22nd Annual General Meeting at 11.00 a.m. on September 30, 2015 at Registered Office: Jakhal Road, Patran, Distt. Patiala, Punjab

Name of the Member / Proxy  
(in BLOCK Letters)

**Member's or Proxy's Signature**

Note : Shareholder / Proxy must bring the admission Slip to the Meeting and hand it over at the entrance duly signed.

