

THE JEYPORE SUGAR COMPANY LIMITED
(INCORPORATED IN 1936)

BOARD OF DIRECTORS

WHOLETIME DIRECTORS

Smt.Rajeswary Ramakrishnan, B.A.,

- Chairman - cum - Managing Director

Smt.Anita Prabhu,B.COM

- Executive Director

NON-EXECUTIVE PROMOTOR DIRECTORS:

Sri.R.Prabhu, B.E (HONS), S.M.(MIT)

- Promoter Director

Dr.S.R.K.Prasad, D.SC., (USA)

- Promoter Director

NON-EXECUTIVE INDEPENDENT DIRECTORS:

Smt.M.A.Vedavalli

- Independent Director

Sri.Boppana Ramalingeswara Rao, M.A., L.L.B.

- Independent Director

Sri.K.Muneswara Rao

- Independent Director

Sri.R.Kannan, M.TECH.

- Independent Director

Sri.K.Subramanian, M.A. B.L.

- Independent Director

G. M. FINANCE & COMPANY SECRETARY

Sri.P.S.Krishnamoorthy

AUDITORS

M/s.Brahmayya & Co.
Chartered Accountants
33-25-33/B, Govindarajulu Naidu Street
Suryaraopeta
Vijayawada - 520 003
Krishna Dist. A.P

COST AUDITOR

M/s.Aruna Prasad
Cost Accountant
Plot No.802/2, 64th Street
10th Sector, K.K.Nagar
Chennai - 600 078.

BANKERS

Bank of India, Indian Overseas Bank
Bank of Baroda, The South Indian Bank Ltd.,
Andhra Bank
The District Co-Op Central Bank Ltd.,
Industrial Development Bank of India Ltd.,
State Bank of Hyderabad

REGISTERED & CORPORATE OFFICE

"Ramakrishna Buildings"
No.239, Anna Salai,
Chennai - 600 006

**REGISTRARS & SHARE TRANSFER AGENT &
DEPOSITORY REGISTRARS**

M/s.Cameo Corporate Services Limited
'Subramanian Building'
No.1, Club House Road
Chennai - 600 002.

THE JEYPORE SUGAR COMPANY LIMITED

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Seventy seventh Annual General Meeting of the Members of the Company will be held at "Sathguru Gnanananda Hall", Narada Gana Sabha, 314, T.T.K. Road, Alwarpet, Chennai - 600 018 on Thursday the 24th of October 2013 at 11.15 a.m to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 the profit and Loss Account for the Accounting period ended on that date, and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director Sri.R.Prabhu, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director Sri.R.Kannan, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director Sri.K.Muneswara Rao, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, on such remuneration as shall be fixed by the Board of Directors.

Place : Chennai
Date : 30-05-2013.

(By Order of the Board)
for THE JEYPORE SUGAR COMPANY LIMITED
(Sd.) RAJESWARY RAMAKRISHNAN
Chairman cum Managing Director



NOTES :

- a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The Proxy form, in order to be effective must be duly completed, stamped and lodged with the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.

- b. The Register of Members, Register of Beneficial Owners and Share Transfer Books of the Company will remain closed from 16th October 2013 to 24th October 2013 (both days inclusive).
- c. M/s.Cameo Corporate Services Limited, 'Subramanian Building', No.1, Club House Road, Chennai - 600 002 are the Registrar and Transfer Agent and Depository Participants of the Company for physical / electronic shares and all correspondences with regard to transfer of shares etc may be addressed to them directly.
- d. Securities and Exchange Board of India has made **trading** in the shares of the company **compulsory in dematerialized form** for all the investors. Members are requested to open a Beneficiary owner account with a Depository Participant, if not done so far.
- e. In order to provide protection against fraudulent encashment of dividend warrants, members who hold shares in physical form are requested to intimate the Company's Registrars and Transfer Agents, M/s.Cameo Corporate Services Limited, Chennai, under the signature of the sole / first joint holder, the following information to be incorporated on dividend warrants.
- i. Name of the Sole / First joint holder and the Folio Number
- ii. Particulars of Bank Account, viz. Name of the Bank, Name of the Branch, Complete address of the Bank with PIN code, Account type and the Bank Account Number.
- f. **Members holding shares in dematerialized form**, may please note that while opening a depository account with participants they might have given **their bank account details**, which will be printed on their dividend warrants. However, if members want to change/correct the Bank details, they should send the same immediately to the concerned Depository Participant. Members are also requested to give MICR code of their bank to their Depository Participant. **The Company will not entertain any direct request from members for addition / deletion / change in bank account details furnished by Depository Participants to the Company.**
- g. Members who are holding Shares in identical order of names in more than one folio are requested to send to the Registrar the details of all such folios together with the Share Certificates for consolidation of their holdings into a single folio.

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- h. **Members who hold shares in the physical form** can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the **nomination facility** by filling **Form 2B** which can be obtained from the company. Members holding shares in dematerialized form may please contact their Depository Participants for recording nomination in respect of their shares.
- i. As required under the provisions of the Section 205A(5) of the Companies Act, 1956, dividend for the financial year ended 31st March, 2006 and thereafter, which remain unclaimed for a period of seven years will be transferred to the **Investor Education and Protection Fund (IEPF)** established by the Central Government pursuant to Section 205C of the Companies Act, 1956.
- j. Members are informed that the Final dividend for the financial year 2005-2006 shall become due for transfer to IEPF on 16-10-2013. Any member who has not claimed dividend in respect of the said financial year is requested to approach the Company / Registrar and Share Transfer Agents of the Company for claiming the same as early as possible but not later than 10-10-2013.

Shareholders are requested to **encash their Dividend Warrants on receipt** as Dividend remaining **unclaimed for seven years** are required to be **transferred to the Investor Education and Protection Fund** established by the Central Government under Section 205C of the Companies Act, 1956. Once unclaimed dividends are transferred to this fund, shareholders **will not be entitled to claim** these dividends.

The Unclaimed Dividend for the year(s) 2005-2006 (final), 2006-2007 (Interim), 2006-2007 (Final), 2007-2008, 2008-2009, 2009-2010, and 2011-2012 are held in separate Bank Accounts and Shareholders who have not received the dividend / encashed the said warrants, are in their own interest advised to write to the Registrar immediately with complete details for encashment of those dividends.

- k. Members / proxy holders must bring the **Attendance Slip duly filled and signed**, the meeting and hand it over at the entrance. Xerox copy / torn attendance slips will not be accepted at the entrance of the Meeting Hall. Members are requested **to bring their copy of the Annual Report to the Meeting**, as copies will not be distributed at the Meeting hall, as measure of austerity. Corporate Members are requested to send to the Company's Registrar and Transfer Agents, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM.
- l. **Members desirous of obtaining any information** concerning the accounts and operations of the Company are requested to **address their queries in writing** to the Secretarial Division at least Ten Days **before the Meeting** so that the information may be made available at the meeting.
- m. The members are requested to register their e-mail address / any change in the already registered e-mail address, to the Company / Registrar and Transfer Agents to enable service of documents through electronic mode, in line with the Green Initiatives in Corporate Governance taken by the Ministry of Corporate Affairs, allowing paperless compliance by the Companies.



- n. Information required under Clause 49 of the Listing Agreement (relating to Corporate Governance) with respect to the Directors retiring by rotation at the Seventy Seventh Annual General Meeting and being eligible seeking re-appointment is as under.

Sri.R.Prabhu

He is Hons Graduate in Mechanical Engineering from Massachusetts Institute of Technology, USA. He has management and administrative experience for more than 3 decades. He was a Minister for Fertiliser & Chemicals in the Government of India.

Sri.R.Kannan

Shri. R. Kannan is a Post Graduate degree holder in Chemical Engineering from the Indian Institute of Technology, Mumbai and a Chartered Financial Analyst (ICFAI). He is also an alumnus of Sloan School of Management, Massachusetts Institute of Technology, Boston.

Experience

He served in ICICI Ltd (subsequently named ICICI Bank) for 26 years and retired as General Manager. During this stint, he headed the oil and gas, infrastructure, structured finance and technology finance divisions. Key projects he was involved included large petrochemical, refinery complexes and fertiliser projects as the General Manager representing Lead Institution. Prior to this, he was a Manager of the Project Finance and operations department. In addition to his routine duties of project appraisals, monitoring of projects and restructuring of projects / companies, he was also involved in negotiating agreements for financing energy and environment related projects with Asian Development Bank, Manila and operationalizing schemes of multilateral institutions like IBRD, KFW, ADB. He was also deputed overseas to train professionals in the Uganda Development Bank.

Subsequent to his retirement from ICICI Bank, he joined Institute for Financial Management and Research (IFMR) as its Director for 4 years and presently serves as Adjunct Professor at the same institute. He teaches currently 'Project Finance' and 'Corporate Credit Analysis' courses at IFMR.

Management Development Programmes

He carries out 1 week training programme for working professionals on 'Project and Infrastructure Financing', 4 times a year for Indian Institute of Banking and Finance, the apex institute of Indian Banking industry. So far 20 programmes have been conducted successfully and included teams from Consulting institutions from India and Middle East, Corporations, Private and Nationalised Banks. This programme was also extended to institutions such as Industrial Finance Corporation of India and ICICI Securities Ltd.

Directorships

Mr. Kannan has been a Member of Board of Directors / Audit Committees of more than 30 companies, both in the capacity of an independent director as well as nominee of ICICI Bank. These include Haldia Petrochemicals Ltd, Bharat Oman Refineries Ltd, Supreme Group, Essar Oil Ltd, National Organic Chemicals Industries (NOCIL), SPIC Petrochemicals Ltd, and many others. Presently he is in the Board of 5 companies dealing with Petrochemicals, Sugar, Consultancy and Infrastructure.

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Other memberships

Earlier, Shri. R. Kannan has served as a member in the following:

- Indian Chemicals Council - Permanent invitee of the National Executive Board. (Formerly Indian Chemical Manufacturer's Association)
- All India Council for Technical Education (Southern Region) - Member of the Advisory Committee.
- Indian Institute of Chemical Engineers - Member of the Management Committee (Western Region).
- Technology Development Board (Government of India) - Appraisal of Projects.
- Madras Management Association - Member of the Management Committee.
- Indian Institute of Chemical Engineers / Indian Institute of Technology, Mumbai - External Examiner.
- Confederation of Indian Industry - Member of the Cost Management Committee and; Member of Finance and Taxation Committee (Southern Region).
- Development Council for Man Made Fibre Industry - Member.
- Member, High Level Committee on Disinvestment of Shares - Government of Tamil Nadu

Others

He has lectured widely in Project Financing and Chemical industry in several forums, such as National Institute of Bank Management, Bankers Training College, Senior Credit Workshops of MNC Banks and National Productivity Council etc. He also serves as a visiting faculty in Great Lakes Institute of Management, Chennai.

He has attended several programmes conducted by Arthur D. Little and Euromoney plc.

Sri.K.Muneswara Rao

He belongs to a prominent Agricultural Family and studied up to Graduation Level. Since then, he has held several posts in Public Institutions like Samisragudem Co-operative Society as well as in other public institutions. He was also Gram Panchyat Sarpanch for a long period of 11 years. He is one of the largest cane growers in this area and represents cane growers Community. He is working as our Director for the last 12 years. He is now 81 years old and is fully capable of attending to duties as Director.



SEVENTY SEVENTH ANNUAL REPORT 2012-2013
REPORT OF THE DIRECTORS FOR THE FINANCIAL PERIOD ENDED
31st MARCH 2013

1. Your Directors have pleasure in presenting their report for the 6 months period ended 31st March, 2013, together with the Balance Sheet as at 31st March, 2013 and the Profit & Loss Account for the period ended on that date.

	Rs.	Rs.
2. PROFIT & LOSS APPROPRIATIONS	Profit before interest, Depreciation And extraordinary items	26,58,28,746
	Less: Interest	12,39,35,482
	Depreciation	5,05,66,632
		<hr/>
	Profit before tax	9,13,26,632
	Add :	
	Deffered tax (Credit)	9,56,700
		<hr/>
		9,22,83,332
	Less: Provision for Current Tax	3,75,00,000
Profit after Tax	5,47,83,332	
Add:		
Balance of profit brought forward From Last year	2,07,87,255	
	<hr/>	
Balance Surplus taken to Balance sheet	7,55,70,587	

3. CAPITAL & RESERVES

The paid up capital at the end of the Period stood at Rs.4,53,45,280/- and Reserves at Rs.69,78,55,972/- as against Rs.4,53,45,280/- and 64,30,72,640/- respectively at the beginning of the Period.

4. FIXED DEPOSITS

As on 31st March, 2013, the deposits remaining unclaimed of Rs.4,46,000/-. Out of this Rs.2,46,000/- is paid and Rs.2,00,000/- is still pending for renewal repayment.

5. MANAGEMENT AND DISCUSSION ANALYSIS

Recently Government of India has partially decontrolled sugar i.e. removal of levy quota and abolition of monthly releases. This will partially help the Sugar Sector to recover but still there are strict State controls on the sugarcane price and the zonal restrictions. If the State Government also follows in removal of controls, then the cyclical nature of sugarcane and sugar production will be brought under control and follow supply and demand situation. This partial decontrol is in pressures on sugar price as the sugar mills are more sugar to meet the cane price payments in short term. But ultimately we hope it will settle down at a reasonable level.

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In this connection, ICRA has studied and has come to a conclusion that a marginal increase of Rs.1,000/- to Rs.2,000/- per M.T. in price of sugar may be expected from second half of 2013. But there is an expectation of reduced cane plantations which will help the sugar industry to get remunerative price in the market provided the imports are controlled by the Govt. of India. At present the imports will attract only 10% duty. If the duty is not increased to a reasonable level of 30%, Indian Sugar Industry may not be able to face the competition because of international sugar surplus situation.

Now coming to the picture of international sugar production, the white sugar prices are under great pressure and declining from year to year for the last three years. The white sugar is currently ruling around 500 dollars whereas earlier it was above 600 dollars. Raw sugar prices are also coming down very fast and now currently are very close to 16 cents per pound compared to earlier 20 cents per pound. The international traders will try to dump their sugar in Indian market if Govt. of India does not impose a reasonable import duty to protect indigenous industry. For the next few years atleast sugar surplus situation will prevail in the international market.

Now coming to the Indian market, the sugar price tend is being determined by three factors i.e. domestic sugar balance, international crude oil prices and raw sugar rates. Basically Brazil, the World's largest producer and exporter of sugar control the world market by increasing or decreasing the production of Ethanol vis-à-vis sugar. The price of bagasse and molasses also affect the health of the sugar industry to some extent. ICRA observes that total revenue and profits of sugar mills from bi-products will play very significant role in the well being of the sugar industry.

Finally, though the sugar industry is benefited by the partial decontrol, full decontrol has to be implemented for the survival of the sugar sector. The sugar industry directly supports 5 crores of cane growers and their families and indirectly benefits another 25 crores. It is the major contributor to the welfare of the rural economy being a rural based agro industry.

6. REVIEW OF OPERATIONS

NEW SUGAR UNIT AT POTHAVARAM

The unit is complete in all respects, however it could not be made fully operational due to the non availability of the cane

VVS SUGARS, CHAGALLU

Our Company - The Jeypore Sugar Co Ltd., with its two units has the largest crushing capacity in A.P. In the present globalised context the size of the factory is most important, but the capacity is being under utilized due to competition from cash crops like maize, tobacco, paddy which give a profitable return in a shorter time. Besides it is having sizable co-gen facility and distillation facilities.



A.SUGAR SEASON

Sugar	2012-2013	2011-2012
Unit: Chagallu		
a) Duration	20-11-2012 to 21-02-2013	28-11-2011 to 23-03-2012
b) No of days	94	116
c) Cane crushed (Tons)	5,65,820	7,79,068
d) Sugar Produced (Qtls)	5,60,700	8,28,810
e) Recovery (%)	9.90	10.53

B.FINANCIAL YEAR

1) Duration	20-11-2012 to 21-02-2013	28-11.2011 to 23-03-2012
2) No of days	94	116
3) Cane crushed (Tons)	5,65,820	7,79,068
4) Sugar Produced (Qtls)	5,60,700	8,28,810
5) Recovery (%)	9.90	10.53
6) Turnover (Rs. In Lakhs)	14,176.94	38,949.06

DISTILLERY DIVISION, CHAGALLU AND JANGAREDDYGUDEM

Both the Distilleries at Chagallu and Jangareddigudem operated at near optimum level of capacity. The capacity of utilization of Jangareddigudem Distillery has been enhanced during the year under review and the benefit of higher capacity will be reaped in the coming years.

We had purchased molasses from the market to keep both the Distilleries to operating continuously. We expect the distilleries to perform better this year as the demand for Ethanol and RS is encouraging.

CO-GENERATION

The Co-generation project has worked continuously and successfully during the season and generated 20519 MW of power. We have offered to generate power using coal as raw material to A.P. Government. (who are very short of power and buying from other states). The Government is not willing to increase the price for the units generated by using coal. Since we will be losing we are keeping our generation capacity idle for almost six months.

Form A (Rule 2) enclosed.

7. CONSERVATION OF ENERGY

THE JEYPORE SUGAR COMPANY LIMITED

8. SAFETY & POLLUTION CONTROL

SAFETY :

The Safety record has improved considerably by taking appropriate steps to reduce the accidents, hazards and other unwanted incidents

AIR & WATER POLLUTION :

In both air and water all the norms as stipulated by Pollution control Board have been achieved. BOD & COD levels of our effluent are much below the prescribed norms. Similarly the air emissions are maintained within the stipulated standards.

9. SUBSIDIARY COMPANY

a. Name of the Subsidiary

JEYPORE SUGAR FINANCE AND INVESTMENT CORPORATION LTD.,

b. Financial year

Year ended 31-03-2013

c. Holding Company's Interest

4,10,000 Equity Shares of Rs.10/- each (99.88 % of capital)

d. Net Amount of Profit / Loss

Net Profit for the current financial year is Rs.27,478/- and adding against the loss in profit & loss account of previous year of Rs.79,74,733/- the balance of loss comes to Rs.79,47,255/- is taken as deficit in profit and loss account.

e. Profit / Loss of subsidiary dealt with in Holding Company's A/c

Nil

10. DIRECTORS

The following Directors retire at the conclusion of the Annual General Meeting and being eligible, offer themselves for re-election.

1.Sri.R.Prabhu

2.Sri.R.Kannan

3.Sri.K.Muneswara Rao

11. MANAGEMENT STAFF

Information as required under section 217 (2A) of the Companies Act, 1956 read with the relevant rules thereunder, in respect of particulars of Employees, is given in a separate annexure to this Board of Directors Report.

12. STAFF RELATIONS

The relationship with the staff and workers continued to be cordial during the year. The Directors wish to place on record their appreciation of the valuable work done and co-operation extended by them at all levels.

13. AUDITORS

a) M/s.Brahmayya & Co, Chartered Accountants, Vijayawada retire at the conclusion of the forthcoming Annual General Meeting and being



**14. AUDITORS
OBSERVATION**

eligible, offer themselves for re-appointment.

b) Aruna Prasad , Cost Accountants, Chennai has been appointed as Statutory Cost Auditor for the sugar unit of the Company

The Directors offer the following explanations with reference to the observations made by the auditors in their report.

- 1) With regard to the demerger of Pothavaram Unit, the company has taken steps to file the necessary scheme of demerger and the petition in the High Court of Madras for necessary court approval. Further the transfer of assets on account of demerger is to be effected at the book value only, the question of short fall and the consequential provision does not arise.
- 2) During the accounting period under review the internal audit could not be completed due to some internal rearrangement. The company has already taken steps for appointing for changing the new internal auditors for the current financial year onwards.
- 3) The remittance of Rs.2770/- in the unclaimed dividend account into Investors Protection Fund was not done due to the reconciliation of the account and the same will be remitted shortly.
- 4) With regard to the observations of the auditors in respect of amounts outstanding of Rs.88.91 lakhs due to the bank as overdue, the company has made arrangements to settle the same immediately.
- 5) As far as the observations of the auditors regarding the utilization of short term funds for long term purposes over a period of time the same had to be resorted to in view of the business exigencies and circumstances. The company has taken note of the same.

**15. DIRECTORS'
RESPONSIBILITY
STATEMENT**

As required under Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that.

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures ;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period ;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities ; and
- d) the Directors have prepared the annual accounts on a going concern basis.

THE JEYPORE SUGAR COMPANY LIMITED

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| 16. CORPORATE GOVERNANCE | The Corporate Governance and Management Discussion and analysis Reports form an integral part of this Report and are set out as separate to this Report. The Certificate from the Auditors of the Company certifying compliance of the Listing Agreement with Madras Stock Exchange Ltd is also annexed to the Report on Corporate Governance. |
| 17. CONSOLIDATED FINANCIAL STATEMENT | Consolidated Financial statement has been prepared as required in AS21 and attached with Annual Report. |
| 18. LISTING OF STOCK EXCHANGES | Your Company's shares are listed on the Madras Stock Exchange Ltd., and the annual listing fees for the financial year 2013-2014 was paid. Indo next segment trading of shares in Bombay Stock Exchange Ltd. |
| 19. DEMAT ISIN NUMBER | INEI80E01014 |
| 20. ACKNOWLEDGEMENT | The Directors wish to place on record their appreciation and thank the Company's Bankers, Financial Institutions and various departments of Central and State Governments and the shareholders for the valuable support received from them. The Board also places on record their appreciation for the co-operation being extended by the cane growers in the Chagallu area to increase the sugarcane supply to the factory to meet the requirements of the expanded capacity. |

Place : Chennai
Date : 30.05.2013

(By Order of the Board)
for THE JEYPORE SUGAR CO.LTD.,
(Sd.) RAJESWARY RAMAKRISHNAN
Chairman cum Managing Director



PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES 1988

A. CONSERVATION OF ENERGY

ANNEXURE

FORM "A"

(See Rule 2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO

CONSUMPTION OF ENERGY

POWER & FUEL CONSUMPTION		
	CURRENT YEAR	PREVIOUS YEAR
A. Electricity		
Purchased Units K W H	7,28,890	16,08,286
Total Amount Rs.	56,06,118	86,70,701
Rate / per Unit Rs.	7.69	5.39
B. Purchased from Co-generation		
No. of units	65,36,985	68,44,960
Total amount Rs.	2,06,20,912	2,38,68,002
Unit Rate	3.15	3.49
C. Own Generation Unit K W H		
Through Diesel Generator	1,06,390	43,973
Total Amount Rs.	25,58,124	10,33,551
Rate / per Unit Rs.	24.04	23.5
Average purchase cost of HSD Oil per lit	47.66	43.74
D. Through steam no. of units	76,93,140	1,18,80,725
1. FURNACE OIL		
i) Quantity - lits	NIL	NIL
ii) Total cost (Rs.)	-	-
iii) Average rate per lit (Rs.)	-	-
2. Consumption per unit of production		
Electricity per M.T / Cane	26.62	24.90
Cane crushed - M.T	5,65,883	8,18,127
Electricity units per qtl	26.87	23.25
Sugar bagged - qtls	5,60,700	8,76,330

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B. TECHNOLOGY ABSORPTION

Form 'B - Form of disclosure of particular with respect to Research and Development (R&D)

1. SPECIFIC AREAS IN WHICH R&D IS CARRIED OUT BY THE COMPANY

Some experiments have been done for improving colour of our sugar by modifying melt clarification process. Definitely, there will be some improvement in the colour.

2. BENEFITS DERIVED FROM THE ABOVE R & D EFFORTS:

With the above research the sugar colour will improve. Because of the above process, pan boiling efficiency will increase due to improvement in the melt clarification.

3. FUTURE COURSE OF ACTION:

The present super heater coils are being modified to improve the capacity and thereby 15 Degrees enhancement will be achieved which will reduce the specific steam consumption per unit of power generation.

Purchase of one 120 Tonne boiler of 66 ata with multi-fuel firing system is being considered. But the Govt.'s policy is not conducive for enhancement of co-generation capacity as the tariff that is being given is not attractive. After the Government policy changes, this will be immediately taken up.

4. SPECIFIC AREAS:

The new proposal to reduce the sulphur in the sugar and also consequent reduction in the steam is being studied. This new process will be implemented if found to be suitable. If the same succeeds, our sugar will be equal to refined sugar in sugar quality.

5. RESEARCH AND DEVELOPMENT IN AGRICULTURE:

49 lakhs numbers of Single bud seedlings were given to cane growers for direct plantation and gap filling in ratoon crop. Cane growers are developing the seedlings themselves and utilizing this technique, which helps in reducing the cost of cultivation by Rs.4,000/- per acre and improves yield by 2.5 tonnes per acre.

NEW SUGAR RICH VARIETIES TESTING AND EVALUATION

Under Institute - Industry interface programme, with the guidance of Sugarcane Breeding Institute, Coimbatore we are conducting location specific varietal development of new sugar rich varieties. We have evaluated and tested in our Research farm. Around fifteen new varieties were evaluated out of 64 clones. The varieties under pipe line are

1) Co9044 2) Co9447 3) Co9058 4) Co9062 5) Co9067 6) Co.9078 7) Co9071 8) Co90105
9) Co90201 10) Co90927

These sugar rich varieties are now developed for seed purpose in the same farm. We will encourage the farmers to take up seed plantations in the month of June and July 2013. New sugar rich varieties which will survive in our climatic zone will be promoted further for development and multiplication.



BIO-CONTROL LABORATORY:

We have covered an area of 1000 acres during the month of February 2013 and we are proposing to release *Trichogramma* spp for another 4000 acres during October 2013. Every year we are targeting 5000 acres for release of *Trichogramma* for control of ESB and INB pests in sugarcane in our factory area.

6. MECHANISED CANE CULTIVATION :

Implements like sub - soiler, rotator, cane planter, power tillers and whole cane harvester are being utilised in our research form and some of the enthusiastic farmers are utilizing these implements in their farms. The cane harvester is resisted for two reasons. Spacing between the rows planted and ratoonability of the crop being damaged due to uprooting of the clumps by the machine causing yield loss.

TECHNICAL UPGRADATION:

We are conducting training sessions with scientists from sugarcane Research station for our field staff to update the knowledge.

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Annexure to Directors Report

MANAGEMENT STAFF

ANNEXURE I TO DIRECTORS REPORT

Statement under sub section 2(A) of section 217 of the Companies Act, 1956

S.No.	Name of the Employee	Designation	Remuneration For the 6 months Period ended 31-03-2013	Qualification & Experience	Date of commencement of Employment	Age	Last employment
1	Smt.Rajeswary Ramakrishnan	Chairman Cum Managing Director	26,88,000	B.A. 51 Years	03-09-1967	85	R.S Industrial Corpn P Ltd Director
2	Smt.Anita Prabhu	Executive Director	13,44,000	B.Com 8 years	01-08-2005	58	-

(Sd.) Dr. S.R.K. PRASAD
(Sd.) K. MUNESWAR RAO
Directors

(Sd.) P.S. KRISHNAMOORTHY
Secretary

for and on behalf of the Board.
(Sd.) RAJESWARY RAMAKRISHNAN
Chairman cum Managing Director

Place : Chennai
Date : 30-05-2013



STATEMENT REGARDING SUBSIDIARY COMPANY

STATEMENT PURSUANT TO SECTION 212(1) & (3) OF THE COMPANIES ACT, 1956

JEYPORE SUGAR FINANCE & INVESTMENT CORPORATION LIMITED

Holding company's interest : 4,10,000/- Equity Shares of Rs.10/- each fully paid up, being 99.89% of total subscribed and paid up Share Capital of the company.

Net aggregate amount of the subsidiary profit not dealt within the Holding Company's accounts for the subsidiary's financial year ended 31st March,2013 of Rs.27,478/-.

Net aggregate amount of the Subsidiary's Profit / (Losses) dealt within the Holding Company's accounts
– Nil –

(Sd.) Dr. S.R.K. PRASAD
(Sd.) K. MUNESWAR RAO
Directors

(Sd.) P.S. KRISHNAMOORTHY
Secretary

for and on behalf of the Board.
(Sd.) RAJESWARY RAMAKRISHNAN
Chairman cum Managing Director

Place : Chennai
Date : 30-05-2013

THE JEYPORE SUGAR COMPANY LIMITED

**AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE
UNDER CLAUSE 49 OF THE LISTING AGREEMENT.**

The Members

The Jeypore Sugar Company Limited

Ramakrishna Buildings

No.239, Anna Salai

Chennai - 600 006.

We have examined the compliance of conditions of Corporate Governance by The Jeypore Sugar Company Limited for six months period ended March 31, 2013 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchange(s).

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to 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 statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by The Institute of Chartered Accountants of India, we have to state that as per the records maintained by the company, there were no investor grievances remaining unattended pending for more than 30 days.

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

FOR BRAHMAYYA & CO

Chartered Accountants

Firm Regd. No.000513S

Place : Camp : Chennai

Date : 30-5-2013

(Sd.) P.LAKSHMANA RAO

Partner

(ICAI Memb No.13254)

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL
WITH THE COMPANY'S CODE OF CONDUCT.**

I, Rajeswary Ramakrishnan, Chairman - cum- Managing Director of the Company hereby confirm that all the members of your Board and the Senior Management personnel of your Company have confirmed the compliance to the Code of Conduct of the Company for the accounting period ended 31-03-2013.

Place: Chennai

Date : 30-5-2013

(Sd.) RAJESWARY RAMAKRISHNAN

Chairman -cum- Managing Director



REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is the set of rules, customs, policies and laws affecting the way the company is Directed, Administered or Managed.

The Company believes in the philosophy on code of corporate governance, which provides a structure by which the rights and responsibility of different constituents, such as the Board, Employees and Shareholders are carved out.

1. Effective Corporate Governance is an essential component for a successful enterprise in a globalised economy.
2. Value addition through wider consultations and compliance of standards, sharpens the organizational skills to achieve results better than before.
3. Appropriate disclosures to shareholders, ensure adequate information to assess and match risk of and reward from the enterprise.
4. Consequently, Corporate Governance delivers a cohesive group of shareholders who cherish similar values, share similar perspectives and expect similar returns.

The Company reviews its Corporate Governance practices to ensure that they reflect the latest developments in the corporate arena and thus position itself to confirm to the best Corporate Governance practices.

The Report on Corporate Governance is divided into four parts:

- I. Board of Directors
- II. Committees of the Board
- III. Shareholders' information
- IV. Other disclosures

1. BOARD OF DIRECTORS

The Company is being managed by Smt.Rajeswary Ramakrishnan, Chairman & Managing Director, Smt.Anita Prabhu, Executive Director under the overall supervision, control and guidance of the Board of Directors.

a) COMPOSITION OF BOARD AND ATTENDANCE PARTICULARS:

As at 31st March, 2013 the strength of the Board of Directors is nine (9), its composition being as given below:

Executive Promoter Directors	2
Non Executive Promoter Directors	2
Non Executive Independent Directors	5

THE JEYPORE SUGAR COMPANY LIMITED

The Composition of the Board of Directors meets with the requirements of clause 49(1) (A) of the listing agreement.

The Independent directors are persons of eminence and bring a wide range of expertise and experience to the board thereby ensuring best interest of stakeholders and the company.

The Independent directors have confirmed that they satisfy the 'criteria of independence' as stipulated in Clause 49 of the listing agreement.

b) BOARD MEETINGS

During the accounting period from 1-10-2012 to 31-3-2013 (6Months) three meetings of the Board of Directors were held on the following dates:

27/11/2012, 14/02/2013, and 18/03/2013.

Details of Board members and attendance details of each Director at the Board Meetings and at the last Annual General Meeting (AGM)

Directors	No of Board Meetings Attended out of 3 meetings held during 6 months	Attendance At last AGM (18-3-2013)	No of other Directorships		No of other Board Committee in Which Director is a Member/Chairman		No of shares held by Directors (Equity Shares of Rs.10/- each)
			Chairman	Member	Chairman	Member	
Non-Executive Independent Director							
Sri.B.Ramalin - geswara Rao	3	P	-	-	-	-	3000
Smt.M.A.Vedavalli	-	-	-	-	-	-	31000
Sri.K.Muneswara Rao	3	P	-	-	-	-	500
Sri.R.Kannan	3	P	-	4	-	2	500
Sri.K.Subramanian	3	P	-	3	-	6	500
Non-Executive Promoter Directors							
Sri.R.Prabhu	3	P	-	3	-	-	425332
Dr.S.R.K.Prasad	2	-	-	7	-	-	59230
Executive Promoter Director							
Smt.Rajeswary - Ramakrishnan	3	P	1	7	-	-	419664
Smt.Anita Prabhu	3	P	-	2	-	-	324718

- 1) Directors Sri.R.Prabhu and Dr.S.R.K.Prasad are related to Smt.Rajeswary Ramakrishnan, Chairman-cum-Managing Director of the Company as Sons.



2) Director Sri.R.Prabhu is husband of Smt.Anita Prabhu, Executive Director of the Company. Brief resumes of the Directors coming up for appointment / re-appointment at the Annual General Meeting are circulated along with the Notice of the ensuing Annual General Meeting.

c) Code of Conduct

The Board of Directors has laid down a code of conduct (Code) to be generally followed by the Directors and other senior officers of the Company. The Managing Director has confirmed and declared that all the members of the Board as well of the employees in the Senior Management have affirmed compliance with the Code of Conduct.

In terms of company's corporate governance policy, all statutory and other significant and material information, annual operating plans and budgets, related party transactions and such other information as and when applicable has been placed before the board for its consideration.

A certificate duly signed by the Chairman Cum Managing Director and G.M Finance and Company Secretary relating to financial statements and internal controls and internal control systems for financial reporting as per the format provided in amended Clause 49 of the Listing Agreement was placed before the Board, who took the same on record.

None of the independent non-executive directors have any pecuniary relationship or transactions with the company.

d) Remuneration policy of Directors

i) Remuneration to Non-Executive Directors.

Non Executive Directors are paid sitting fee for the meetings of the Board and Committees, if any, attended by them.

During the year non-executive Directors of the Company were paid sitting fees of Rs.20,000/- (Rupees twenty thousand only) each for every meeting of the Board, Audit Committee, Remuneration Committee, Share Transfer Committee and Shareholders / Investors Grievance Committee Meetings and other special committee meeting conducted.

The details of Sitting fees paid to Non-Executive Directors for 6 months period ending 31.3.2013 (for attending the Board Meetings, Audit Committee meetings, share transfer committee meeting) and special committee meeting are given below:

Directors	Sitting fees paid
Sri.R.Prabhu, Non-Executive Promoter Director	Rs.80,000/-
Dr.S.R.K.Prasad, Non-Executive Promoter Director	Rs.80,000/-
Sri.Boppana Ramalingeswara Rao, Independent Non-Executive Director	Rs.1,00,000/-
Sri.K.Muneswara Rao, Independent Non-Executive Director	Rs.60,000/-
Sri.R.Kannan, Independent Non-Executive Director	Rs.1,40,000/-
Sri.K.Subramanian, Independent Non-Executive Director	Rs.1,40,000/-

THE JEYPORE SUGAR COMPANY LIMITED

ii) Remuneration to Executive Directors

Remuneration to all the Executive Directors is paid within the limits prescribed under the provisions of the Companies Act, 1956, and is approved by the Board of Directors based on the recommendations of the Remuneration Committee and sanctioned by the Shareholders at their meeting.

Particulars of their remuneration for 6 months period ending 31st March 2013 are given below:

Directors	Salary & Perquisites (Rs.)	Commission (Rs.)	Total (Rs.)
Smt.Rajeswary Ramakrishnan Chairman & Managing Director	26,88,000	-	26,88,000
Smt.Anita Prabhu Executive Director	13,44,000	-	13,44,000

Due to inadequate profits, the executive directors are not drawn any commission.

Smt.Rajeswary Ramakrishnan and Smt.Anita Prabhu are not in receipt of any other amount other than the remuneration mentioned as above.



II. COMMITTEES OF THE BOARD

The Board has set up the following Committees as per the requirements of the Listing Agreement entered with the Stock exchanges.

A) AUDIT COMMITTEE

The Audit Committee provides direction to the audit and risk management function in the Company and monitors the quality of internal audit. The responsibilities of the Audit Committee include among other things overseeing the financial reporting process to ensure proper disclosure of financial statements, recommending appointment and remuneration of internal auditors, external auditors and cost auditors, reviewing the periodical interim and annual financial statements before submission to the Board, reviewing adequacy of internal control systems and discussing the scope of audit with external auditors.

The Audit Committee met two times during the period on 28-11-2012 and 14-2-2013.

The Audit Committee comprises 3 Non-Executive Independent Directors and one Non-Executive Promoter Director. The Committee was chaired by an Independent Director Sri.R.Kannan who chaired the committee and Sri.R.Kannan was a former senior executive in a Public Financial Institution and has considerable accounting and financial Management expertise. All the other members are financially literates.

The Committee also meets the requirements Section 292A of the Companies Act, 1956.

The composition of the Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Members	Number of Meetings held	Number of Meetings Attended
Sri.R.Kannan, Independent Non- Executive Director	2	2
Dr.S.R.K.Prasad, Non-Executive Promoter Director	2	2
Sri.Boppana Ramalingeswara Rao, Independent Non-Executive Director	2	2
Sri.K.Subramanian, Independent Non-Executive Director	2	2

Smt.Anita Prabhu was invited to attend Audit committee meetings as an Executive Director of the Company. The Company secretary is the Secretary to the Committee. Statutory Auditors have also attended the audit committee meetings, when invited by the Committee. The Committee also invites Business and Functional Heads to discuss matters concerning their Business / Departments as and when it deems necessary.

The terms of reference of the Audit committee are in accordance with Section 292A of the Companies Act, 1956 read with clause 49(II) of the listing agreement entered with the stock exchange and these broadly includes overseeing the financial reporting process, review the quarterly, half yearly and annual financial

THE JEYPORE SUGAR COMPANY LIMITED

statements by focusing primarily on compliance with the accounting standards, consistence follow up of accounting policies and practices, noting and review of significant related party transactions, review, discussion and interaction with the Statutory auditors, internal auditors and cost auditors, review of the internal control system, review of the company's financial and risk management policies etc.,

Sri.R.Kannan, the Chairman of the Audit Committee, attended the Annual General Meeting of the Company held on 18-3-2013.

B. REMUNERATION COMMITTEE

The Committee evaluates the financial position and state of affairs of the Company vis-à-vis the prevailing comparable remuneration structure of managerial personnel in other Companies and determines the remuneration and benefits for Board Members. The Committee did not have an occasion to meet during the period of 6 months ended 31.3.2013.

The Remuneration Committee comprises the following Independent Non-Executive Directors.

Name of the Director	Chairman / Member
1. Sri.Boppana Ramalingeswara Rao, Independent Non-Executive Director	Chairman
2. Smt.M.A.Vedavalli, Independent Non-Executive Director	Member
3. Sri.K.Muneswara Rao, Independent Non-Executive Director	Member

The Remuneration Policy and the details of the remuneration paid to the Directors are furnished in the section relating to the Board of Directors herein before.

C. SHARE TRANSFER COMMITTEE

This Committee is constituted to approve transfer, transmission of shares and to issue duplicate share certificates, consolidation / spilt of share certificates and confirmation of dematerialization of shares as and when required.

During the period, 1 meeting of share transfer Committee was held on 7-1-2013.

The Committee comprises and attendance of the following executive and non executive Directors of the Company:

Name of the Director	Chairman/ Member	Attendance
1. Smt.Anita Prabhu Executive Director	Chairman	Yes
2. Sri.R.Kannan, Independent Non-Executive Director	Member	Yes
3. Sri.K.Subramanian, Independent Non-Executive Director	Member	Yes

D) SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievances Committee specifically looks into redressing of Shareholders' and Investors' compliances / grievances pertaining to transfer / transmission of shares, non-receipt of annual reports, dividend payments, issue of duplicate certificates and other miscellaneous complaints.



The Committee comprising of the following directors of the Company.

Name of the Director	Chairman / Member
1. Smt.M.A.Vedavalli, Independent Non- Executive Director	Chairman
2. Smt.Anita Prabhu, Executive Director	Member
3. Sri.Boppana Ramalingeswara Rao, Independent Non-Executive Director	Member
4. Sri.K.Muneswara Rao, Independent Non-Executive Director	Member

As per the confirmation received from M/s.Cameo Corporate Services Limited, the Company's Registrar and Share Transfer Agents, no complaints are pending as on 31-3-2013. The Board has designated Sri.P.S.Krishnamoorthy, Company Secretary as the Compliance Officer of the Company.

E. OTHER GENERAL COMMITTEE MEETING

For considering the proposal of demerger of VRK Sugars unit at Pothavaram into a separate company and for placing the final scheme of demerger before the Board of Directors for their consideration a meeting was conducted on 12.12.2012.

Attendance particulars of the Committee members met on 12-12-2012.

Name of the Director	Chairman / Member
1. Smt.Rajeswary Ramakrishnan, Executive Promoter Director	Chairman
2. Sri.R. Prabhu, Non-Executive Promoter Director	Member
3. Sri. R.Kannan, Independent Non-Executive Director	Member
4. Sri.K.Subramanian, Independent Non-Executive Director	Member

III) GENERAL SHAREHOLDER INFORMATION

1. Date, Time and Venue of the Annual General Meeting.

Date	24-10-2013
Time	11.15 a.m
Venue	Sri Gnanananda Hall, Narada Gana Sabha, 314, T.T.K. Road, Chennai - 18.

2. Financial Calendar:

Key Financial Reporting Dates for the Financial year 2013-2014.

First Quarter ending 30th June, 2013	Within Forty Five days from the end of the Quarter
Second Quarter ending 30th September 2013	Within Forty Five days from the end of the Quarter
Third Quarter ending 31st December 2013	Within Forty Five days from the end of the Quarter
Fourth Quarter ending 31st March, 2014	Within Sixty Days from the end of the Quarter.

THE JEYPORE SUGAR COMPANY LIMITED

3. Date of Book Closure : 16-10-2013 to 24-10-2013 (both days inclusive)

4. Listing of Stock Exchanges

Name of the Stock Exchange	Stock Code
Madras Stock Exchange Limited Exchange Building Post Box No.183 New No.30, Second Line Beach Chennai - 600 001.	"JEYSUG"

The Equity shares of the Company are listed on the Madras Stock Exchange Limited. The Shares also traded in BSE under Indonext. Further the equity shares of the Company is allowed in NSE trading platform as per the MSE-NSE arrangement. The prescribed listing fees has been paid to Madras Stock Exchange Limited.

5. Share Price Date

BOMBAY STOCK EXCHANGE LIMITED (BSE)

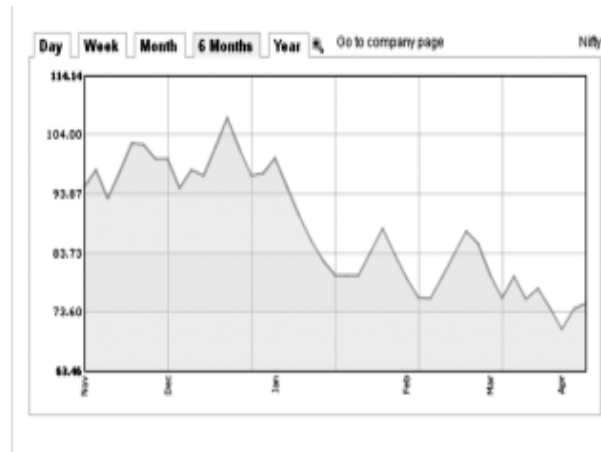
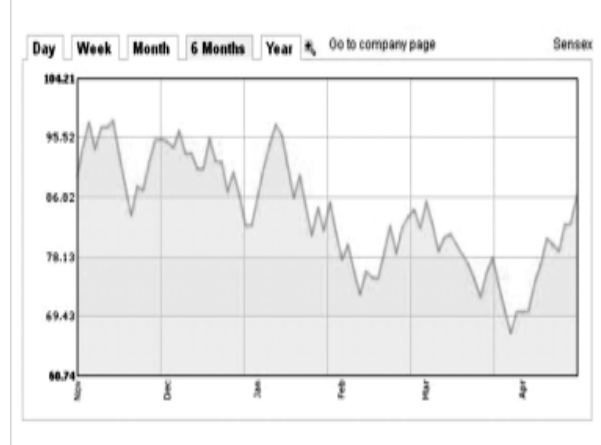
S.No.	Month		High Price (Rs.)	Low Price (Rs.)	Close Price (Rs.)
1	OCTOBER	2012	96.30	78.10	85.55
2	NOVEMBER	2012	98.95	83.45	95.35
3	DECEMBER	2012	97.00	82.70	82.75
4	JANUARY	2013	97.45	81.25	81.80
5	FEBRUARY	2013	86.75	72.65	82.35
6	MARCH	2013	86.20	66.95	70.05

6. Relative Stock Performance Chart:

The Chart below gives the relative movement of the closing price of the Company's share and the BSE Nifty relative to the closing price.



The Jeypore sugar company limited



7. Registrar & Share Transfer Agents

For demat & Physical shares

M/s.Cameo Corporate Services Limited

Subramanian Building

No.1, Club House Road

Chennai - 600 002

Phone: 044-2846 0390

Fax No: 044-2846 0129

E-mail: Investor@cameoindia.com

Website:www.cameoindia.com

THE JEYPORE SUGAR COMPANY LIMITED

8. Share Transfer System :

The shares for transfer received in physical form are transferred expeditiously, provided the documents are complete and the share transfer is not under any dispute. A summary of transfer/ transmission of securities so approved by the share transfer and transmission committee are placed at Meetings. The share certificates duly endorsed are sent to the shareholders by Registrar and Share Transfer Agent. Confirmation in respect to the requests for dematerialization of shares is sent to the respective depositories i.e. NSDL and CDSL, expeditiously.

Pursuant to the Clause 47-C of the Listing Agreement, certificates on quarterly basis confirming due compliance of share transfer formalities by the Company, certificate for timely dematerialization of the shares as per SEBI (Depositories and Participants) Regulations, 1996 are sent to the stock exchanges.

In addition, a Reconciliation of Share Capital Audit Report for reconciliation of the share capital confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL, is placed before the Board on a quarterly basis. A copy of the Audit Report is submitted to the stock exchanges.

9. Distribution of the Shareholding as on 31st March, 2013 by number of shares.

No of Equity Shares held	No of Share holders	% of share holders	No of shares	%Share holding
Upto 5000	4018	93.05	35,18,890	7.76
5001 - 10000	153	3.54	10,85,670	2.39
10001 - 20000	64	1.48	8,95,890	1.97
20001 - 30000	22	0.51	5,52,490	1.22
30001 - 40000	12	0.28	4,20,880	0.93
40001 - 50000	6	0.14	2,79,660	0.62
50001 - 100001	13	0.30	8,78,350	1.94
Above 100001	30	0.70	3,77,13,450	83.17
Total	4318	100.00	4,53,45,280	100.00

10. Shareholding as on 31st March, 2013 by category.

Category	No.of Share holders	No.of Shares	% share holding
Clearing Member	1	31	0.0006
Indian Financial Institutions	4	29,486	0.6502
Indian Promoters	16	20,31,133	44.7926
NRI / OCBs	15	15,03,003	33.1456
Private Corporate Bodies	95	1,19,207	2.6288
Indian Public	4187	8,51,668	18.7822
Total	4318	45,34,528	100.0000



11. Top ten Equity Shareholders of the Company (Excluding Promoters) as on 31st March, 2013.

S.No.	Name of the Shareholder	Number of shares held	Percentage of holding
1	Eugenia Securities Limited	6,25,500	13.7941
2	Gosforth Investments Limited	5,17,733	11.4175
3	Humayun Holdings Limited	2,47,496	5.4580
4	Gosforth Investments Limited	1,08,000	2.3817
5	Durgamba Investments Limited	51,786	1.1420
6	M.A.Vedavalli	31,000	0.6836
7	Life Insurance Corporation of India	28,985	0.6392
8	Devineni Bhakta Priya	22,712	0.5008
9	V.Sarojini	19,346	0.4266
10	K.C.P.Sugar And Industries Corpn. Ltd.,	16,580	0.3656

12. Dematerialization of Shares and Liquidity

Out of the total paid-up Equity Capital 25,75,713 Equity shares at the percentage of 56.80 are held in dematerialized form with NSDL and CDSL as on March 31st, 2013.

ISIN Number of the Company for dematerialization is : INE180E01014.

13. The Company has not issued any GDRs / ADRs / Warrants or any other convertible instruments that are outstanding.

14. Plant Locations :

Location	Product
VVS Sugars, Chagallu, W.G.Dist. A.P.	Sugar
VRK Sugars, Pothavaram, W.G.Dist. A.P.Unit II (Under erection and not commenced commercial production)	Sugar
Distillery Division, Chagallu, W.G.Dist. A.P.	Rectified Spirit and Ethanol
Distillery Unit, Jangareddygudem	Rectified Spirit, Extra Neutral Alcohol
Distillery Unit, Rayagada, Orissa	Rectified Spirit and IMFL
Co-Generation unit at VRK Sugars, Pothavaram W.G.Dist. A.P.	Power under erection and commissioning
Co-Generation unit, Chagallu, W.G.Dist. A.P.	Power
EM Division, Rayagada, Orissa	Ferro Chrome / Ferro Manganese

THE JEYPORE SUGAR COMPANY LIMITED

- 15. Corporate Operations Office** : "Ramakrishna Buildings"
No.239, Anna Salai
Chennai - 600 006
Tel: 044-28523065, 044-28411724
Fax: 044- 28527978
Email Id: jeyporesugar@gmail.com
- 16. Investor Contact** : M/s. Cameo Corporate Services Limited
'Subramanian Building'
No.1, Club House Road
Chennai - 600 002
Tel: 044- 28460390
Fax: 044-28460129
Email id: investor@cameoindia.com
- 17. Name and Designation and E-mail id of Compliance Officer** : Mr.P.S.Krishnamoorthy
Company Secretary and Compliance Officer
Tel (Direct): 044-28588666
Mobile: 9962592129
Email id: kmoorthy48@hotmail.com

18. Investors Information

a) Shareholders Reference

A shareholders reference guide covering various aspects such as investor services and grievance handling mechanism, recommendations of the Company to the shareholders, Dividend, unclaimed / unpaid dividend, unclaimed shares, dematerialization/Rematerialisation of shares, Transfer / Transmission / Transposition / Duplicate Certificates etc.

b) Dividend

The Board of Directors at its meeting held on May 30, 2013 had not recommended for payment of any dividend for the period of six months ended 31.3.2013.

c) Transfer of unclaimed dividend

During the year under review, an amount of Rs.4,92,395/- and Rs.5,01,245/- pertaining to unpaid / unclaimed dividend for the Financial year 2004-2005 (Final) and 2005-2006 (Interim) have been transferred to Investor Education and Protection Fund (IEPF) on 13-10-2012 and 6-12-2012.

However, an amount of Rs 2770/- is pending for remittance to the fund account relating to the years 2004-05 (Final) which is kept in abeyance due to disputes pending before Hon'ble Madras High Court.

As per provisions of Section 205A read with Section 205C of the Companies Act, 1956 the Company is required to transfer unpaid dividend remaining unclaimed and unpaid for a period of seven years to the IEPF set up by the Central Government.



Given below are the dates when the unclaimed dividend is due for transfer to IEPF by the company

Financial year	Dividend type	Dividend percentage (%)	Date of declaration	Due date of transfer to IEPF
2005 - 2006 (Final)	Final	150	11/09/2006	16/10/2013
2006 - 2007	Interim	75	14/03/2007	19/04/2014
2006 - 2007	Final	25	17/09/2007	24/10/2014
2007 - 2008	Final	10	10/09/2008	17/10/2015
2008 - 2009	Final	10	11/09/2009	18/10/2016
2009 - 2010	Final	50	27/08/2010	03/10/2017
2011 - 2012	Final	25	18/03/2012	23-04-2020

We have furnished the unclaimed / unpaid details to the Shareholders of the Company in the Annual Report for the year 2011-2012 in the Notice to shareholders item no.4 of the notes.

As required under the Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (rules) the Company shall upload on the Company's website www.jeyeporesugars.com the information containing the names, addresses of the person entitled to receive the amount, nature of amount, due date for transfer to IEPF and such other information as required by the rules.

All shareholders, whose dividend is unpaid / unclaimed, are requested to refer the same on the website and lodge their claim to RTA / Company by submitting an application supported by an indemnity immediately.

Kindly note that no claim shall be lie against the company or the IEPF once the dividend amount is transferred to IEPF.

19. Prevention of Insider Trading

The Company has framed a Code of Conduct for prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992. This code is applicable to all Directors / officers / designated employees. Under this Code, they are prohibited to deal in shares of the Company during the closure of Trading Window and other specified period(s).

20. Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. The Board periodically discusses the significant business risks identified by the management and the mitigation measures to address such risks.

THE JEYPORE SUGAR COMPANY LIMITED

21. Details of Annual General Meetings & Special Resolutions.

a) Location and time of Annual General Meetings held in last 3 years with Special Resolutions passed:

Year	AGM	Location	Date	Time	Special Resolution Considered thereon	Result
2010	74th AGM	"GRT Grand Southern Crown" (Main Building) No.120, Sir Thyagaraya Road Pondy Bazar, T.Nagar Chennai - 600 017.	27-08-2010	12.05 P.M.	Yes	Passed
2011	75th AGM	New Woodlands Hotel 72-75, Dr.Radhakrishnan Salai Mylapore Chennai - 600 004.	08-08-2011	12.00 Noon	Yes	Passed
2012	76th AGM	"Sathguru Gnananda Hall" Narada Gana Sabha No.314, T.T.K.Road Chennai - 600 018.	18-03-2013	10.15 A.M.	No	Passed

b) No EGM was held by the company during the financial year ended 31st March, 2013.

c) No resolution was passed by way of postal ballot during the financial year ended 31st March 2013.

Subsidiary Company

As per the revised clause 49 of the Stock Exchange Listing Agreement, your Company does not have any material non-listed Subsidiary Company whose turnover or net worth exceeds 8,18,400 of the consolidated turnover or net worth respectively of the Company and its subsidiaries in the immediately preceding accounting year.

The Audit Committee reviews the financial statements of the subsidiary Company Jeypore Sugar Finance and Investment Corporation Limited, Chennai.

The minutes of the Board Meetings as well as statements of all significant transactions with the subsidiary company are placed before the Board of Directors of the Company for their review.



IV. OTHER DISCLOSURES

i) Disclosure of related party transactions

During the year there were no materially significant related party transactions that might have had potential conflict with the interest of the Company at large.

ii) Details of Non-Compliance by the Company

During the last three years, there were no instances of non compliance by the company, with any statutory matters concerning capital markets, nor were any penalties or strictures imposed on it with regard thereto by any concerned regulatory authorities.

iii) Disclosure of Accounting Treatment

In the preparation of Financial statements, the Company has followed the accounting standards issued by the institute of Chartered Accountants of India. The significant accounting policies, which are consistently applied, have been set out in the Notes forming part of the audited financial statements for the financial year ended March, 31, 2013. With reference to the observation of the Auditors in their report regarding recoverable amount of assets located at Pothavarm unit, the company is in the process of technically evaluating value of its assets at Pothavarm and is of opinion that the realizable value of the assets of the said unit will exceed its carrying amount in the books of account.

iv) Whistle Blower Policy

The company has not adopted whistle-blower policy. However, the company has an environment where any employee can raise any issue with the management, if required.

v) Board Disclosures

a. Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. The Board periodically, discusses the significant business risks identified by the management and the mitigation process being taken up.

A board framework for minimizing the risks faced by the Company by adopting a risk management policy for commodity and currency has been formed by the Company.

b. Internal Control System

The Company has in place adequate system of internal controls commensurate with its size and the nature of its operations. The Company's internal control system covers the following aspects.

- * Financial propriety of business transactions
- * Safeguarding the assets of the Company.

THE JEYPORE SUGAR COMPANY LIMITED

- * Compliance with prevalent statutes, listing agreement , management authorization, policies and procedures.

The Audit Committee of the board periodically reviews audit plans, observations and recommendations of the internal and external auditors, with reference to the significant risk areas and adequacy of internal controls and keeps the board of directors informed of its major observations from time to time.

vi) Details of compliance with mandatory and non- mandatory requirements of Clause 49 of listing agreement.

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. As per the non-mandatory requirements, the Company has set up a remuneration committee. The details of such committee have been renumerated earlier in this report. The other non-mandatory requirements have not been adopted by the Company till date.

vii) CEO / CFO Certification

The CEO / CFO certification of the financial statements and internal control is separately annexed.

Means of Communication

The quarterly unaudited financial results and the annual audited financial results, intimation of Board Meetings date, Record Date, Book Closure and dividend declaration notices are normally published in a leading business daily, viz. 'The Financial Express' (English) and in 'Makkal Kural' (Tamil).

The company does not send a half yearly declaration of its financial performance to each household of its shareholders.

The Company has not issued any official news release, nor made any presentations to the investors about its financial results during the year. A Management Discussion Analysis of relevant matters forms part of the Report of the Board of Directors.

DEMATERIALIZATION OF SHARES:

Dematerialization is the process by which physical share certificates of an investor are converted to an equivalent number of securities in electronic form and credited into the investor's account maintained with his / her depository participant (DP).

Those Shareholders who are holding shares in physical form are advised to convert their holdings into demat form.

The following are the benefits of Dematerialization:

1. Immediate transfer of securities;
2. No stamp duty on transfer of securities;
3. Elimination of risks associated with physical certificates such as bad delivery, fake of securities;
4. Reduction in paper work involved in transfer of securities;



5. Reduction in transaction cost;
6. Nomination facility;
7. Change of address recorded with Depository Participant (DP) gets registered electronically with all companies in which investor holds securities eliminating the need to correspond with each of them separately;
8. Transmission of securities is done by DP eliminating correspondence with companies;
9. Convenient method of consolidation of folios / accounts;
10. Holding investments in equity, debt instruments and Government securities in a single account.
11. Automatic credit into demat account, of shares, arising out of split / consolidation / merge etc.

Green Initiative of Ministry of Corporate Affairs (Servicing of documents by e-mode)

Ministry of Corporate Affairs has taken a "Green initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. In accordance with the circular No.17/2011 dated 21-04-2011 and circular No.18/2011 dated 29-04-2011 issued by the Ministry, Companies can now send various notices and documents, including Annual Report, to their shareholders through electronic mode to the registered e-mail addresses of shareholders. In view of above, the investors, who have not registered their email addresses with their DP / RTA of the Company, are requested to register their e-mail addresses with the RTA, M/s.Cameo Corporate Services Limited.

22. Compliance Certificate of the Auditors:-

The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges. The Company has submitted the compliance report in the prescribed format to the stock exchanges for the quarters ended December, 2012 and March, 2013. The Statutory Auditors have certified that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the listing agreements with the stock exchanges. The said certificate is annexed to the Directors' Report and will be forwarded to the Stock Exchanges and the Registrar of Companies, Tamil Nadu, Chennai along with the Annual Report.

THE JEYPORE SUGAR COMPANY LIMITED

CEO /CFO CERTIFICATION

The Board of Directors
The Jeypore Sugar Company Limited

We hereby certify that

- a) We have reviewed the financial statements and the cash flow statement of the company for the accounting period ended March 31, 2013 and to the best of our knowledge and behalf.
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee:
 - i) Significant changes in internal control over financial reporting during the year;
 - ii) Instances of significant fraud of which we have become aware and the involvement thereon, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- e) The disclosures have been received from the senior management personnel relating to the financial and commercial transactions in which they or their relatives may have personal interest. However, none of these transactions have conflict with the interest of the Company at large.

Place: Chennai
Date: 30-5-2013

(Sd.) Rajeswary Ramakrishnan
Chairman - cum - Managing Director

(Sd.) P.S.Krishnamoorthy
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

**To
The Members of
THE JEYPORE SUGAR COMPANY LIMITED**

Report on the financial statements

We have audited the accompanying financial statements of **THE JEYPORE SUGAR COMPANY LIMITED** ("the Company") which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss for the period from 1.10.2012 to 31.3.2013 and the Cash Flow Statement for the period from 1.10.2012 to 31.3.2013 and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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;

THE JEYPORE SUGAR COMPANY LIMITED

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the Profit of the Company for six months ended 31.3.2013; and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for six months ended 31.3.2013.

Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

As required by section 227(3) of the Act, we report that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
3. 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;
4. We are informed that the company has proposed for restructuring by demerging its Pothavaram sugar unit and same is under process. In view of this, the company is in the process of reviewing the carrying amount of its assets in Pothavaram Unit. Pending information about its recoverable amount, we are at present unable to ascertain the provision, if any, required to be made for short fall in value of the assets between carrying amount and its recoverable amount and its impact on the Profit for the period and reserves of the company. Subject to above, in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act;
5. On the basis of written representations received from the directors, as on March 31, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act; and
6. Since the central government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Act, nor has it issued any rules under the said section prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Place: Camp : Chennai
Date : 30/05/2013

For BRAHMAYYA & CO
Chartered Accountants
Firm Regn.no.000513S
(P. Lakshmana Rao)
Partner
ICAI Membership No.13254



ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our report to the members of THE JEYPORE SUGAR COMPANY LIMITED ("the Company") for the year ended March 31, 2013, we report that:

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 except at its Rayagada units.
 - b) According to the information and explanations furnished to us, the Company has not physically verified its fixed assets during the year. However, the Company has adopted a phased programme of verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
 - c) According to the information and explanations furnished to us, the Company has not disposed off a substantial part of its fixed assets during the year and therefore do not affect the going concern assumption.
2. In respect of its Inventories ;
 - a) According to the information and explanations furnished to us, the Company has physically verified its inventories during the year except at its Rayagada units. In our opinion, the frequency of such verification to the extent carried out is reasonable.
 - b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) According to the information furnished to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records, which were not material, have been properly dealt with in the books of account.
3. In respect of its loans
 - a) The Company has not granted any loans secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Act at the beginning of the year or during the year. Consequently, reporting under clauses (iii)(b), (iii)(c) and (iii)(d) of paragraph 4 of the Order are not applicable.
 - b) The company has accepted fixed deposits aggregating to at the date of balance sheet to Rs.739 lakhs from 4 directors, Rs.163.15 lakhs from 3 relatives of directors and Rs.93.63 lakhs from 2 companies covered in the register maintained under section 301 of the Act.
 - c) In our opinion, the rate of interest and other terms and conditions on which fixed deposits have been taken by the Company from parties covered in the register maintained under section 301 of the

THE JEYPORE SUGAR COMPANY LIMITED

Act are not, prima facie, prejudicial to the interest of the Company.

- d) The company has been regular in repaying the principal and interest amounts as stipulated on the deposits taken by it from the parties covered in the register maintained under section 301 of the Act.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods and services. Further during the course of our audit, we have not come across any instances of major weaknesses in internal control system.
5. In respect of the contracts or arrangements referred to in section 301 of the Act:
- a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under section 301 of the Act have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts/arrangements entered in the register maintained under section 301 of the Act and exceeding the value of Rs.5 lakhs in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company and other terms of business with such parties, at the relevant time.
6. The Company has complied with the provisions of sections 58A and 58AA or any other relevant provisions of the Act and Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information furnished to us, no order has been passed on the Company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for noncompliance with the provisions of sections 58A and 58AA of the Act.
7. The Company did not have internal audit system during the period under report.
8. We have broadly reviewed the books of account and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Act and we are of the opinion that prima facie the prescribed accounts and records have been maintained. However, we have not carried out a detailed examination of the same with a view to determine whether they are accurate or complete.
- 9 a) According to the information furnished to us, the Company is regular in depositing with appropriate authorities, the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Cess and any other statutory dues applicable to it. There were no undisputed statutory dues in arrears as at the date of the Balance Sheet under report, for a period of more than six months from the date they became payable except the following.



Name of the statute	Nature of dues	Amount (Rs.)	Period	Due date	Date of payment
AP Non-agricultural land asst. tax	Non-Agricultural land tax	272115	1978-79 to 1987-88	30th June of every year	----

Further, an amount of Rs.1.85 lakhs relating to the years 2004-2005 (Interim & Final) and 2005-2006 (Interim) is pending for deposit in Investor Education Protection Fund which was kept in abeyance due to pending legal cases. However, an amount of Rs.2770/- relating to the year 2004-2005 (Final) is pending for remittance into Investor Education Protection Fund.

b) According to the information furnished to us and records of the Company examined by us, at the date of Balance Sheet, the following amounts of Income-tax, Sales tax and Excise duty have been disputed by the Company, and hence were not remitted to the authorities concerned authorities.

S.No	Nature of the and period to which dues / dispute relates	Name of Statute	Disputed Amount (amount paid under protest)	Pending before
1	Sales Tax 1995-96	Orissa Sales Tax Act. 1947	2,00,21,670 (80,00,000 paid under protest)	High Court, Orissa
2	Sales Tax 1995-96 & 1996-97	Orissa Sales Tax Act. 1947	3,11,662 (2,10,000 paid under protest)	STAT, Orissa
3	Entry tax 1.4.2005 to 30.6.2010	Orissa Entry Tax Act, 1999	3,75,947 (1,75,089 Paid under protest)	Joint Commissioner of Sales tax, Jeypore
	CST 1.4.2007 to 30.6.2010	CST Act, 1957	6,08,083 (1,40,537 Paid under protest)	-do -
	VAT 1.4.2005 to 30.6.2010	Orissa Vat Act, 2004	7,08,405 (3,97,227 Paid under protest)	-do -

THE JEYPORE SUGAR COMPANY LIMITED

4	Income Tax Asst Yr 2009 - 2010 2010-2011	Income Tax Act, 1961	7,43,163 (3,32,404 paid under protest) 66,14,047	CIT(Appeals), Vizag CIT (Appeals), Vizag
5	CENVAT credit for the period from Dec, 2009 to March, 2011	Central Excise Act, 1944	7,20,51,702 (Stay granted by CESTAT for demand)	CESTAT, Bangalore
6	CENVAT credit for the period July, 2007 to March, 2009	Central Excise Act, 1944	40,48,908	Commissioner of Central Excise, Guntur
7	Service tax for the period from April, 2005 to Feb, 2008	Finance Act, 1994	16,10,484	Commissioner of Central Excise, Guntur

10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.

11. According to the information and explanations given to us and as per the books and records examined by us, the company made considerable delays and continuing defaults in repayment of its dues to banks and financial institutions. The company has not borrowed any amounts by way of issue of debentures.

Amounts due in respect of Term loans from banks/Financial institutions on account of Principal and interest aggregating to Rs. 587.64 lakhs during the period of 6 months ended 31.3.2013 (IDBI Rs.287.51 lakhs : BOB Rs.77.63 lakhs: SBH Rs.106 lakhs : Andhra Bank Rs.54 lakhs and IFCI Rs.62.50 lakhs) where payments were delayed from 1 day to 180 days upto 31.3.2013 and these dues were cleared upto the close of financial year 31.3.2013, except an amount of Rs.88.91 lakhs which is pending for remittance as on 31.3.2013.

11. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.

12. In our opinion and according to the information and explanations furnished to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society and hence the requirements of clause (xiii) of paragraph 4 of the Order are not applicable to the Company during the year under report.



13. According to the information furnished to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the requirements of clause (xiv) of paragraph 4 of the Order are not applicable to the Company.
14. The Company has given corporate guarantee for loans taken by its cane growers from banks. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interests of the company.
15. The company has not raised any fresh term loans during six months ended 31.3.2013.
16. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that considering the internal accruals of the Company, no funds raised on short-term basis have been used for long-term investment or other investments during the year. However, the company used an amount of Rs.83 crores approx. over the period of time upto the date of our last report for long term applications being its new projects under execution.
17. According to the information and explanations given to us, the Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under Section 301 of the Act.
18. According to the information and explanations given to us, the Company has not issued any debentures. Hence the clause (xix) of paragraph 4 of the Order is not applicable.
19. The Company has not raised any money through public issues during the year. Accordingly, the provisions of clause (xx) of paragraph 4 of the Order are not applicable to the Company during the year under report.
20. During the course of our examination of the books and records of the Company, carried out in accordance with the Generally Accepted Auditing Practices in India, and according to the information and explanations given to us, we have not come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

Place: Camp : Chennai
Date : 30/05/2013

For BRAHMAYYA & CO
Chartered Accountants
Firm Regn.No.000513S
(Sd.) P. Lakshmana Rao
Partner
ICAI Membership No.13254

THE JEYPORE SUGAR COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

(Amount in Rs.)

PARTICULARS	Note No.	As at 31.3.2013	As at 30.9.2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	4,53,45,280	4,53,45,280
(b) Reserves and surplus	3	69,78,55,972	64,30,72,640
		74,32,01,252	68,84,17,920
(2) Non-current liabilities			
(a) Long-term borrowings	4	243,90,46,162	258,80,43,278
(b) Deferred tax liabilities (Net)	5	7,55,56,005	7,65,12,705
(c) Other Long-term liabilities	6	3,27,97,100	3,47,20,600
(d) Long-term provisions	7	5,51,70,695	525,09,597
		260,25,69,962	275,17,86,180
(3) Current liabilities			
(a) Short-term borrowings	8	100,84,52,885	100,96,77,208
(b) Trade payables	9	84,40,63,767	80,64,13,977
(c) Other current liabilities	10	120,25,51,884	61,83,01,175
(d) Short-term provisions	7	14,40,70,893	12,53,80,565
		319,91,39,429	255,97,72,925
Total		654,49,10,643	599,99,77,025
II. ASSETS			
Non-current assets			
(a) Fixed assets	11		
(i) Tangible assets		116,93,74,654	118,83,67,260
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		180,01,77,298	178,91,90,626
(iv) Unallocated capital expenditure		162,00,58,658	141,10,97,751
		458,96,10,611	438,86,55,637
(b) Non-current investments	12	19,66,482	19,66,482
(c) Long-term loans and advances	13	8,29,49,833	8,55,33,688
Current assets			
(a) Inventories	14	127,85,64,601	78,83,52,873
(b) Trade receivables	15	4,33,40,934	9,25,61,593
(c) Cash and cash equivalents	16	5,70,38,286	5,15,18,600
(d) Short-term loans and advances	17	47,85,88,872	53,14,36,139
(e) Other current assets	18	1,28,51,024	5,99,52,013
		187,03,83,717	152,38,21,218
Total		654,49,10,643	599,99,77,025
Significant accounting policies	1		
Notes on accounts	27-43		

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firms' Registration No: 000513S
(Sd.) P. Lakshmana Rao
Partner
Membership No: 13254
Place : Camp : Chennai
Date : 30-05-2013

(Sd.) Dr. S.R.K. PRASAD
(Sd.) K. MUNESWAR RAO
Directors

(Sd.) P.S. KRISHNAMOORTHY
Secretary

(Sd.) RAJESWARY RAMAKRISHNAN
Chairman cum Managing Director



STATEMENT OF PROFIT AND LOSS FOR 6 MONTHS ENDED 31st March, 2013 (Amount in Rs.)

PARTICULARS	Note No.	6 Months ended 31.3.2013	18 Months ended 30.9.2012
Continuing Operations			
I.Revenue:			
From Operations :			
(a) Sale of products (Gross)	19	174,52,78,769	462,70,15,437
(b) Sale of services		-	-
(c) Other operating revenue		-	-
		<u>174,52,78,769</u>	<u>462,70,15,437</u>
Less: Excise duty collected		<u>433,32,052</u>	<u>13,52,66,600</u>
		<u>170,19,46,717</u>	<u>449,17,48,837</u>
Other Income	20	51,83,235	6,20,37,760
Total		<u>170,71,29,952</u>	<u>455,37,86,597</u>
II.Expenses:			
Cost of materials consumed	21	134,66,80,157	175,62,20,653
Purchases of Stock-in-trade		-	-
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	22	(50,58,69,961)	123,20,10,939
Employee benefits expenses	23	14,57,21,884	31,54,30,215
Finance costs	24	12,39,35,482	46,83,21,302
Depreciation	25	5,05,66,632	15,56,88,030
Other expenses	26	45,47,69,126	59,96,51,190
Total		<u>161,58,03,320</u>	<u>452,73,22,329</u>
Profit before tax		<u>9,13,26,632</u>	<u>2,64,64,268</u>
Less: Tax expense:			
-Current tax		2,25,00,000	1,50,00,000
- MAT credit withdrawn		1,50,00,000	-
		<u>5,38,26,632</u>	<u>1,14,64,268</u>
Add: Deferred tax (Credit)		9,56,700	1,84,79,371
MAT credit entitlement		-	1,50,00,000
Profit after tax		<u>5,47,83,332</u>	<u>4,49,43,639</u>
Earning per Equity share of Rs.10/- each			
Basic and diluted		12.08	9.91
Significant accounting policies	1		
Notes on accounts	27-43		

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firms' Registration No: 000513S
(Sd.) P. Lakshmana Rao
Partner
Membership No: 13254
Place : Camp : Chennai
Date : 30-05-2013

(Sd.) Dr. S.R.K. PRASAD
(Sd.) K. MUNESWAR RAO
Directors
(Sd.) P.S. KRISHNAMOORTHY
Secretary

(Sd.) RAJESWARY RAMAKRISHNAN
Chairman cum Managing Director

STATEMENT ON ACCOUNTING POLICIES

Note no.1

1. General

The Company has prepared the financial statements on a going concern basis under the historical cost convention on accrual basis of accounting and in accordance with generally accepted accounting practices in India. The financial statements are prepared to comply in all material respects with the Accounting Standards notified under section 211(3C) of the Companies Act, 1956, the pronouncements of the Institute of Chartered Accountants of India and all the relevant provisions of Companies Act, 1956.

The accompanying financial statements has been presented for 6 months period ended 31st March , 2013 along with the comparative information for 18 months financial period ended 30th September, 2012

2. Use of Estimates

The preparation of the financial statements requires the management of the Company to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosures relating to the contingent liabilities and commitments. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. The judgments, estimates and underlying assumptions are made with the management's best knowledge of the business environment and are reviewed on an ongoing basis. However, future results could differ from these estimates. Any revision to these accounting estimates is recognised prospectively in the current and future periods.

3. FIXED ASSETS

Fixed Assets are stated at cost less accumulated depreciation. Cost of acquisition of fixed assets is inclusive of directly attributable cost of bringing the assets to their working condition for the intended use. CENVAT/VAT availed, if any, on fixed assets is not included in the cost of such fixed assets capitalized. Interest on borrowings incurred upto the date of commissioning of assets are capitalized.

4. BORROWING COSTS

Borrowing costs incurred in connection with the funds borrowed for acquisition of assets that takes necessarily substantial period of time to get ready for intended use are capitalized as part of cost of such assets. All other borrowing costs are charged to revenue.

5. DEPRECIATION

DeDepreciation is provided at applicable rates and at the manner provided in Schedule XIV of the Companies Act, 1956. Depreciation in respect of Plant and machinery at Co-generation unit, VVS Sugars and Distillery unit at Chagallu is written off on Straight Line Method at applicable rates prescribed in Scheduled XIV of the Companies Act, 1956. In respect of other assets, depreciation is provided under written down value method.



6. INVESTMENTS

Investments are classified as current or non-current based on the managements intention at the time of investment. Long-term investments are stated at cost. Provision for diminution in the value of investments is made only if such decline is permanent in nature.

7. INVENTORIES

Inventories are valued as follows :

- a) Finished goods are valued at lower of cost and net realizable value. Molasses, a by-product is valued at the ruling market price.
- b) Raw materials and stores and spares are valued at cost. However, materials and other items which are held for use in the production of finished goods is valued at below its cost if the finished goods in which they will be incorporated are expected to be sold below its cost.
- c) In respect of Work-in-progress and finished goods, cost includes all direct costs and applicable production overheads incurred in bringing such inventories to their present location and condition. Cost of finished goods includes excise duty.
- d) The Additional cane price payable for a season on the basis of "L" factor will be accounted for in the year in which the "L" factor is announced by the Central Government.

8. REVENUE RECOGNITION :

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

- a) Revenue from sale of products is recognized when the risks and rewards of ownership are transferred to the buyer under the terms of the contract which usually coincide on the dispatch of goods to the customer or when they are unconditionally appropriated under the terms of sale.
- b) Sales include packing charges, freight and handling charges and are stated net of trade discounts and sales tax.
- c) As followed consistently, the Off-season expenses relating to Sugar unit are deferred and absorbed over the duration of the ensuing crushing season.
- d) Interest on investments and deposits is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

9. RETIREMENT BENEFITS

The company provides retirement benefit in the form of provident fund and group gratuity. Contributions to the Provident Fund, a defined contribution scheme, is made at the prescribed rates to the provident fund commissioner and is charged to the Profit and Loss account. There is no other obligation other than the contribution payable.

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The company's liability for group gratuity on retirement of its eligible employees is funded with LIC through an approved trust, under a defined benefit plan. The incremental expense thereon for each year is arrived at as per actuarial valuation and is recognized and charged to the Profit and Loss account in the year in which the employee has rendered service.

Expenses on account of unutilized and unencashed leave which is unfunded is arrived at as per actuarial valuation and is accounted based on actual liability at the end of each year.

Gains/losses arrived at on actuarial valuation are charged to the P&L account immediately in each year.

10. FOREIGN CURRENCY TRANSACTIONS

- i) Foreign Currency Liability contracted for acquiring Fixed Assets are restated at the Foreign Exchange rates prevailing at the year end and all exchange differences arising as a result of such restatement are charged to the Profit and loss account.
- ii) Transactions in foreign currency are initially accounted at the exchange rate prevailing on the date of transaction, and adjusted appropriately, with the difference in the rate of exchange arising on actual receipt/payment during the year.
- iii) At each balance sheet date
 - Foreign Currency monetary items are reported using the rate of exchange on that date
 - Foreign Currency non-monetary items are reported using the exchange rate at which they were initially recognized.

In respect of forward exchange contracts in the nature of hedges

 - Premium or discount on the contract is amortized over the term of the contract
 - Exchange differences on the contract are recognized as profit or loss in the period in which they arise.

11. TAXES ON INCOME

Current tax is determined as per provisions of Income Tax Act, 1961 in respect of Taxable Income for the year.

Deferred tax liability is recognized, subject to the consideration of prudence on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets arising on account of brought forward losses and unabsorbed depreciation as per Income-tax laws are recognized only when there is virtual certainty supported by convincing evidence that such assets will be realized. Deferred tax assets arising on other temporary differences are recognized only if there is a reasonable certainty of realization.



12. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The company does not recognise contingent liabilities but the same are disclosed in the Notes.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realised.

13. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

14. SEGMENT REPORTING

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company, with the following additional policies for segment reporting:

(i) Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is primarily market led.

(ii) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

(iii) Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated Corporate Expenses".

15. IMPAIRMENT OF ASSETS

As at each balance sheet date, the carrying amount of assets is tested for impairment so as to determine :

- a. The provision for impairment loss, if any, required or
- b. The reversal, if any, required of impairment loss recognized in previous periods.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

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NOTES FORMING PART OF ACCOUNTS OF THE BALANCE SHEET

SHARE CAPITAL

NOTE NO.2

PARTICULARS	AS AT 31.03.2013 Rs.	AS AT 31.09.2012 Rs.
Authorised:		
3,00,000-15% Cumulative Preference Shares of Rs.100/- each	3,00,00,000	3,00,00,000
70,00,000 Equity Shares of Rs.10/- each	7,00,00,000	7,00,00,000
	10,00,00,000	10,00,00,000
Issued:		
45,47,256 Equity Shares of Rs.10/- each	4,54,72,560	4,54,72,560
Subscribed and Paid-up:		
45,34,528 Equity Shares of Rs.10/- each	4,53,45,280	4,53,45,280
Total	4,53,45,280	4,53,45,280

- The company has issued only one class of Equity shares having a par value of Rs.10/- each. Each holder of Equity share is entitled to one vote per share on poll and have one vote on show of hands. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company in proportion to their shareholding after distribution of payments to preferential creditors.
- Details of share holders holding more than 5% of total number of shares

Name of the Share holder	As at 31.03.2013		As at 30.09.2012	
	Number of Shares held	% out of total number of shares of the Company	Number of Shares held	% out of total number of shares of the company
Rajeswary Ramakrishnan	4,19,664	9.25%	4,19,664	9.25%
R. Prabhu	4,25,332	9.38%	4,25,332	9.38%
Anita Prabhu	3,24,718	7.16%	3,24,718	7.16%
Vikram Ramakrishna	3,90,771	8.62%	3,90,771	8.62%
Gosforth Investments Ltd	6,25,733	13.80%	6,25,733	13.80%
Eugenia Securities Ltd	6,25,500	13.79%	6,25,500	13.79%
Humayun Holdings Ltd	2,47,496	5.46%	2,47,496	5.46%

- The company is a holding company to Jeypore Sugar Finance and Investment Corporation Limited and no shares are held by said subsidiary company in the share capital of this company.
- Reconciliation of number of Equity shares:

Particulars	As at 31.03.2013		As at 30.09.2012	
	Number of Shares	Amount	Number of Shares	Amount
Equity:				
Shares outstanding at the beginning of the year	45,34,528	4,53,45,280	45,34,528	4,53,45,280
Add: Shares Issued during the year	-	-	-	-
	45,34,528	4,53,45,280	45,34,528	4,53,45,280
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	45,34,528	4,53,45,280	45,34,528	4,53,45,280

- Out of the above share capital, 9,05,286 equity shares were allotted as fully paid-up by way of bonus shares by capitalisation of reserves. However, no bonus shares were issued by the company during the last five financial years.
- Out of the subscribed and paid-up capital of 45,34,528 Equity shares, 45,452 were allotted as fully paid up pursuant to a contract without payment being received in cash.

**RESERVES AND SURPLUS****NOTE NO.3**

PARTICULARS	As at 31.03.2013 Rs.	As at 30.09.2012 Rs.
a) Capital Reserve:		
i) Profit on forfeiture of shares		
Figures as at the end of the current and previous reporting period	65,917	65,917
ii) Investment Subsidy		
Figures as at the end of the current and previous reporting period	88,08,292	88,08,292
b) Revaluation Reserve		
Figures as at the end of the current and previous reporting period	3,01,466	3,01,466
c) Capital redemption Reserve		
Figures as at the end of the current and previous reporting period	14,45,000	14,45,000
d) Share Premium		
Figures as at the end of the current and previous reporting period	10,11,21,705	10,11,21,705
e) Other reserves:		
i) Depreciation Reserve		
Figures as at the end of the current and previous reporting period	29,89,342	29,89,342
ii) Investment Allowance Reserve		
Figures as at the end of the current and previous reporting period	32,35,000	32,35,000
iii) General Reserve		
Figures as at the end of the current and previous reporting period	50,43,18,663	48,43,18,663
Add: Transfer from P&L account	-	2,00,00,000
	62,22,85,385	50,43,18,663
f) Surplus in Profit and Loss Account		
Figures as at the end of the previous reporting period	2,07,87,255	90,18,971
Add : Profit for the year	5,47,83,332	4,49,43,639
	7,55,70,587	5,39,62,610
Less: Appropriations		
Proposed dividend		1,13,36,320
Tax on Proposed Dividend		18,39,035
Transfer to General Reserve		2,00,00,000
Figures as at the end of the current reporting period	7,55,70,587	2,07,87,255
Total of Reserves and Surplus	69,78,55,972	64,30,72,640

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LONG-TERM BORROWINGS

Note no.4

PARTICULARS	As at	As at	As at	As at
	<u>31.03.2013</u>	<u>30.09.2012</u>	<u>31.03.2013</u>	<u>30.09.2012</u>
	Non-current portion Rs.	Non-current portion Rs.	Current maturities Rs.	Current maturities Rs.
A. Secured				
Term loans				
a) From banks				
I) For financing new sugar plant at Pothavaram				
(i) IDBI	1,01,13,10,067	1,02,99,05,730	20,21,54,940	10,59,21,500
(ii) State Bank of Hyderabad	15,01,00,000	20,53,07,333	8,90,15,520	2,66,78,352
(iii) Andhra Bank	18,76,00,000	19,09,43,203	4,48,50,000	2,93,50,000
(iv) Bank of Baroda	27,47,00,000	28,95,71,193	6,81,42,474	3,51,78,000
II) Under "Scheme for Extending Financial assistance to Sugar Units 2007"				
(i) IDBI	-	-	-	-
(ii) Bank of India	-	-	-	-
(iii) Indian Overseas Bank	-	-	-	-
(iv) Andhra Bank	-	-	-	-
(v) Bank of Baroda	-	-	-	-
(vi) South Indian bank	-	-	-	13,52,003
(vii) District Co-operative Central bank	-	-	4,00,000	4,00,000
III) For working capital requirements				
(i) Bank of India	55,20,00,000	57,60,00,000	4,80,00,000	2,40,00,000
(ii) ICICI	16,50,00,000	19,25,00,000	5,50,00,000	2,75,00,000
iv) Against security of specific assets				
(i) HDFC bank	47,89,285	-	22,56,613	-
b) From a company				
I) Against security of specific assets				
(i) Tata Motors finance	3,49,810	3,92,819	82,555	82,555
B. Unsecured				
I) Fixed deposits				
- From directors	4,15,00,000	4,29,00,000	3,56,50,000	3,62,50,000
- From related parties	1,07,10,000	81,55,000	20,75,000	81,60,000
- From others	2,68,71,000	3,40,35,000	1,90,53,000	96,63,000
- Inter-corporate deposits	78,66,000	58,33,000	14,97,000	35,30,000
II) From IFCI out of Sugar Development Fund				
a) For Modernization of plant	-	62,50,000	1,25,00,000	62,50,000
b) For Cane development	62,50,000	62,50,000	62,50,000	62,50,000
Total	2,43,90,46,162	2,58,80,43,278	58,69,27,102	32,05,65,410



Note:

1) Term loans from banks for financing new sugar plant at Pothavaram

The term loans from IDBI, Bank of Baroda, SBH and Andhra bank are secured by way of first charge on pari passu basis on all the immovable and movable assets of sugar mills at Chagallu and Pothavaram of the company both present and future (excluding assets of the Chagallu distillery and land at Chennai, Tudiyalur and Rayagada).

The term loan from IDBI-III (Rs. 30 crores) is further secured by way of second pari passu charge on entire current assets of the company and first charge on company's land admeasuring Ac. 43.29 located at Tudiyalur, Coimbatore, Tamilnadu.

Further, the Funded interest Term loan is collaterlly secured by way of first charge on the land, buildings and Plant and machinery of distillery division at Jangareddygudem on pari-passu basis with IDBI, SBH, Andhra Bank and Bank of Baroda.

The above loans are guaranteed by Managing director and Executive director in their personal capacities.

All the above loans were rescheduled for payment commencing from 1.4.2011. Further, repayment of Interest of Term Loan (FITL) was again rescheduled on 15.04.2013 which commences from 01.05.2013.

IDBI

- i) The rate of interest varies based on the bank rate and following are the rate of interest at present. Term loan-I - 13.50% : Term loan - II - 13.50% : Term loan - III - 16.50% and for Funded interest 14.75%.
- ii) After reschedulement, the Rupee Term loan-I is repayable in 79 monthly unequal instalments commencing from 1.4.2011 and ending on 1.10.2017, Rupee Term-II is repayable in 83 monthly unequal instalment commencing from 1.4.2011 and ending on 1.2.2018 and Rupee Term loan-III is repayable in 72 monthly unequal instalments commencing from 1.4.2012 and ending on 1.3.2018. Further, the Funded interest term loan is repayable in 61 monthly unequal instalments commencing from 1.5.2013 and ending on 1.5.2018.

The following amounts are repayable as per the above repayment terms.

Term Loan - I 31.3.14 Rs.8.12 cr: 31.3.2015 Rs.8.12 cr: 31.3.2016 Rs.8.55 cr: 31.3.2017 Rs.8.55 cr: 31.3.2018 Rs.8.55 crores: Total Rs.41.89 cr.

Term Loan - II 31.3.14 Rs.4.22 cr.: 31.3.2015 Rs.4.22 cr: 31.3.2016 Rs.4.45 cr: 31.3.2017 Rs.4.45 cr: 31.3.2018 Rs.4.45 crores: Total Rs.21.79 cr.

Term Loan - III 31.3.14 Rs.3 cr.: 31.3.2015 Rs.6 cr: 31.3.2016 Rs.6 cr: 31.3.2017 Rs.7.50 cr: 31.3.2018 Rs.7.20 cr: Total Rs.29.70 cr.

Funded Interest

Term Loan 31.3.14 Rs.4.87 cr.: 31.3.2015 Rs.5.31 cr: 31.3.2016 Rs.5.54 cr: 31.3.2017 Rs.5.59 cr: 31.3.2018 Rs.5.59 cr: 31.03.2019 Rs.1.01 Cr : Total Rs.27.96 cr.

- iii) The company made no continuing defaults in repayment of instalments as on 31.3.2013.

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Bank of Baroda

- i) The rate of interest varies based on the bank rate and following are the rate of interest at present. The term loan carries interest at 14.25% and Funded interest loan carries interest at 14.75%.
- ii) After reschedulement of repayment vide letter dt 15.03.2013 the Rupee Term loan is repayable in 79 monthly unequal instalments commencing from 1.4.2011 and ending on 1.10.2017 and Funded Interest Term loan is repayable in 72 monthly unequal instalments commencing from 1.4.2012 and ending on 1.3.2018.

The following amounts are repayable as per the above repayment terms.

Term loan: 31.3.14 Rs.5.23 cr.: 31.3.2015 Rs.5.13 cr: 31.3.2016 Rs.5.40
cr: 31.3.2017 Rs.5.40 cr: 31.3.2018 Rs.5.40 cr: Total Rs.26.56 cr.

Funded Interest

Term Loan 31.3.14 Rs.1.48 cr.: 31.3.2015 Rs.1.48 cr: 31.3.2016 Rs.1.56 cr:
31.3.2017 Rs.1.55 cr: 31.3.2018 Rs.1.55 cr: Total Rs.7.62 cr.

- iii) The company made no continuing defaults in repayment of instalments as on 31.3.2013.

State Bank of Hyderabad

- i) The rate of interest varies based on the bank rate and at present the rate of Interest is 14.5%.
- ii) After reschedulement, the Rupee Term loan is repayable from 2011-12 and ending on 2017-18 and funded interest Term loan is repayable in 72 monthly unequal instalments commencing from 1.4.2012 and ending on 1.3.2018.

The following amounts are repayable as per the above repayment terms.

Term loan: 31.3.14 Rs.3.71 cr.: 31.3.2015 Rs.3.61 cr: 31.3.2016 Rs.3.80 cr: 31.3.2017 Rs.3.80 cr:
31.3.2018 Rs.3.80 cr: Total Rs.18.72 cr.

In respect of funding of interest on term loan, the bank does not allowed to fund the interest. But allowed the company to repay the interest from 1.4.2012 in line with other members of consortium banks.

- iii) The company made defaults in payment of the following amounts as on 31.3.2013.
 - a) Instalment Rs.950000/- (Due for payment on 1st of every month @158333 p.m)
 - b) Interest on term loan (Allowed for payment of 2% upto 31.3.2013 in line with other lenders) and an amount of Rs.1009984/- is due for payment.
- c) Interest on funded interest term loan Rs.1466290/- is due for payment as on 31.3.2013.

Andhra Bank

- i) The rate of interest varies based on the bank rate and at present the rate of Interest is 16.25% for Term Loan and 16.50% for Funded Interest Term Loan.



- ii) After reschedulement, the Rupee Term loan is repayable in 84 monthly unequal instalments commencing from 2011-12 and ending on 2017-18. Further, the funded interest term loan is repayable in 72 monthly unequal instalments commencing from 1.4.2012 and ending on 1.3.2018.

The following amounts are repayable as per the above repayment terms.

Term loan: 31.3.14 Rs.3.40 cr.: 31.3.2015 Rs.3.42 cr: 31.3.2016 Rs.3.60 cr: 31.3.2017 Rs.3.60 cr: 31.3.2018 Rs.3.60 cr: Total Rs.17.62 cr.

Funded Interest
Term Loan 31.3.14 Rs.1.08 cr.: 31.3.2015 Rs.1.09 cr: 31.3.2016 Rs.1.15 cr: 31.3.2017 Rs.1.15 cr: 31.3.2018 Rs.1.15 cr: Total Rs.5.62 cr.

- iii) The company made no continuing defaults in repayment of instalments as on 31.3.2013.

2) Term loan from Bank of India

- i) Term loan from BOI is secured by way of equitable mortgage by deposit of title deeds of immovable properties admeasuring Ac.150 belonging to the EM division, Rayagada and Ac.40 of land and building and hypothcation of other fixed assets of chagally distillery unit.
- ii) The loan carries interest at 14.00%.
- iii) The said loan is repayable in 59 unequal monthly instalments commencing from April, 2013 and ending on February, 2018.

The following amounts are repayable as per the above repayment terms.

31.3.14 Rs.4.80 cr.: 31.3.2015 Rs.13.20 cr: 31.3.2016 Rs.14.40 cr: 31.3.2017 Rs.14.40 cr: 31.3.2018 Rs.13.20 cr: Total Rs.55.20 cr.

3) Term loan from ICICI

- i) Term loan from ICICI is secured by way of Equitable mortgage of properties at Rayagada, Orissa admeasuring Ac.151.47 cents belonging to the coppany and Ac.1 of land in Coimbatore belonging to Managing director.
- ii) The above loan carries interest at 14.75%
- iii) Payable in 8 equal half-yeraly instalments of Rs.2.75 cores each and 1st instalment commences from 27.8.2013.

4) Unsecured loans from IFCI for cane development and modernisation:

- i) The loans carries interest at 4% and is repayable in 4 equal instalments and final instalment falls due on 31.3.2014 Rs.62.50 lakhs (Modernisation) and 3.6.2014 Rs.62.50 lakhs (Cane development).

The company made default in repayment of instalment due on 31.3.2013 amounting to Rs.62.50 lakhs in respect of loan obtained for modernisation purposes.

- 5) Fixed deposits accepted by company carries interest @10% to 10.50% based on period of deposit. No defaults in repayment of deposits.

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DEFERRED TAX LIABILITIES (Net)		Note no.5
PARTICULARS	As at 31.03.2013 Rs.	As at 30.09.2012 Rs.
As per previous year balance sheet	7,65,12,705	9,49,92,076
Less : Liability withdrawn during the year	9,56,700	1,84,79,371
Total	<u>7,55,56,005</u>	<u>7,65,12,705</u>

Major components of deferred tax assets and liabilities as at the end of the year arising on timing differences are:

PARTICULARS	As at 31.03.2013		As at 30.09.2012	
	Deferred tax Assets Rs.	Deferred tax Liabilities Rs.	Deferred tax Assets Rs.	Deferred tax Liabilities Rs.
Depreciation		10,37,33,156		9,97,35,561
Disallowances under Income-tax Act, 1961	2,81,77,151		2,32,22,856	
Total	<u>2,81,77,151</u>	<u>10,37,33,156</u>	<u>2,32,22,856</u>	<u>9,97,35,561</u>
Net deferred tax liability		7,55,56,005		7,65,12,705

OTHER LONG - TERM LIABILITIES		Note no.6
PARTICULARS	As at 31.03.2013 Rs.	As at 30.09.2012 Rs.
Trade deposits	3,22,97,100	3,42,20,600
Earnest money deposits	5,00,000	5,00,000
Total	<u>3,27,97,100</u>	<u>3,47,20,600</u>


PROVISIONS
Note no.7

PARTICULARS	As at	As at	As at	As at
	31.03.2013	30.09.2012	31.03.2013	30.09.2012
	Long - Term		Short - Term	
	Rs.	Rs.	Rs.	Rs.
Provision for employee retirement benefits				
- Leave Encashment (Unfunded)	1,24,87,792	1,24,18,961	1,76,012	1,76,268
- Group gratuity	4,26,82,903	4,00,90,636	39,84,210	27,93,626
Provision for Income- Tax	-	-	13,17,35,316	10,92,35,316
Proposed Dividend *	-	-	63,36,320	1,13,36,320
Tax on Proposed Dividend	-	-	18,39,035	18,39,035
Total	5,51,70,695	5,25,09,597	14,40,70,893	12,53,80,565

* Proposed dividends represents dividend declared at the AGM held on 18.3.2013 but pending for deposit into the bank account to the extent of Rs.63,36,320/- which was deposited on 2.4.2013

Disclosure required by AS - 15(Revised) - " Employee benefits"
Defined benefit plans:

	GRATUITY		LEAVE ENCASHMENT	
	31.03.2013	30.9.2012	31.03.2013	30.9.2012
a) Reconciliation for present value of obligations				
Present value of obligations as at beginning of year	7,21,82,893	6,25,33,076	1,25,95,229	1,03,78,405
Interest Cost	23,74,135	73,76,781	5,03,809	12,45,408
Current Service Cost	(-)1,00,39,149	1,60,51,806	10,218	6,60,616
Benefits paid	(-)12,61,122	(-)72,06,503	(-)61,52,537	(-)73,62,012
Actuarial loss/(gain) on obligation	1,41,94,788	(-)65,72,267	57,07,085	76,72,812
Present value of obligations as at end of year	7,74,51,545	7,21,82,893	1,26,63,804	1,25,95,229

b) Reconciliation for Fair Value of Plan Assets

Fair value of plan assets at beginning of year	2,92,98,631	3,36,04,411	-	-
Expected return on plan assets	27,46,923	29,00,723	-	-
Contributions	-	-	-	-
Benefits paid	(-)12,61,122	(-)72,06,503	-	-
Fair value of plan assets at the end of year	3,07,84,432	2,92,98,631	-	-

c) Expenses Recognised in statement of Profit & loss a/c

Current Service cost	(-)1,00,39,149	1,60,51,806	10,218	6,60,616
Interest Cost	23,74,135	73,76,781	5,03,809	12,45,408
Expected return on plan assets	(-)27,46,923	(-)29,00,723	-	-
Net Actuarial loss/(gain) recognized in the year	1,41,94,788	(-)65,72,267	57,07,085	76,72,812
Expenses to be recognised in the profit & loss account	37,82,851	1,39,55,597	62,21,112	95,78,836

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d) Net Liability Recognised in the Balance Sheet

Present value of obligations as at the end of year	7,74,51,545	7,21,82,893	1,26,63,804	1,25,95,229
Fair value of plan assets as at the end of the year	3,07,84,432	2,92,98,631	-	-
Funded status	4,66,67,113	4,28,84,262	-	-
Net Liability Recognized in the Balance Sheet	4,66,67,113	4,28,84,262	1,26,63,804	1,25,95,229

e) Acturial Assumptions

Assumptions				
Discount Rate	8%	8%	8%	8%
Salary Escalation	5%	5%	6%	6%
Attrition rate	1-3%	1-3%	1%	1%
Expected return on plan assets	9%	8%	0%	0%

SHORT- TERM BORROWINGS

Note no.8

PARTICULARS	As at	As at
	31.03.2013	30.09.2012
	Rs.	Rs.
A. Secured		
l) Loans repayable on demand :		
Working Capital Loans:		
From Banks:		
(i) Bank of India	25,00,00,000	25,02,23,069
(ii) Bank of Baroda	85,12,470	78,26,122
(iii) Indian Overseas Bank	20,13,65,791	20,00,52,427
iv) Andhra Bank	7,12,86,518	6,99,31,670
(v) South Indian bank	5,72,72,577	6,04,87,965
(vi) District Co-operative Central bank	11,01,35,015	11,15,53,368
vii) IDBI Bank	30,98,80,514	30,96,02,587
Total	100,84,52,885	100,96,77,208



Note:

a) Working capital loans from banks are secured by way of hypothecation of inventories and second pari-passu charge on fixed assets of chagallu units amongst the working capital consortium lenders to chagallu sugar division.

The above loans carries interest at following rates.

Bank of India - 15% : Bank of Baroda - 14.5% : IOB - 15% : Andhra Bank - 17.25% : SIB - 15.25%

DCCB -15% and IDBI - 13.5%

TRADE PAYABLES

Note no.9

PARTICULARS	As at	As at
	31.03.2013	30.09.2012
	Rs.	Rs.
Dues to: Small and Micro Enterprises	84,11,799	15,50,906
Others	83,56,51,968	<u>80,48,63,071</u>
Total	<u>84,40,63,767</u>	<u>80,64,13,977</u>

Disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006.

Based on, and to the extent of information received from the suppliers with regard to their status under Micro, Small and Medium Enterprises Development Act, 2006(MSMED ACT), on which the auditors have relied, the disclosure requirements with regard to the payments made/ due to Micro, Small and Medium Enterprises are given below:

PARTICULARS	31.03.2013	30.09.2012
	Rs.	Rs.
1. Amount remaining unpaid, beyond the appointed / agreed day at the end of the year.		
(a) Principal amount of bills to be paid	84,11,799	15,50,906
(b) Interest due thereon	2,77,722	8,366
2. (a) Payments made to suppliers, during the year, but beyond appointed / agreed date	93,95,510	2,54,63,416
Interest thereon in terms of Sec 16 of the Act	1,94,707	6,31,228
(b) Interest paid along with such payments during the year	-	-
(c) Interest due and payable at the end of the year on such payments made during the year.	1,94,707	6,31,228
3. Amount of interest for the year u/s 16 of the Act, accrued and remaining un paid at the end of the year.	4,72,429	6,39,594
4. Total amount of interest u/s 16 of the Act, including that arising in earlier years, accrued and remaining unpaid at end of the year	17,31,445	12,59,016

THE JEYPORE SUGAR COMPANY LIMITED

OTHER CURRENT LIABILITIES

NOTE NO.10

PARTICULARS	As at 31.03.2013 Rs.	As at 30.09.2012 Rs.
Current maturities of Long-term debt (Refer note no.4)	58,69,27,102	32,05,65,410
Interest accrued but not due on borrowings	35,75,213	28,59,008
Interest accrued and due on borrowings	2,09,53,801	2,74,15,688
Advances received against sales	25,87,94,323	4,14,57,964
Creditors for capital goods	8,81,76,200	9,26,64,283
Employee related payments	1,87,20,967	2,37,08,737
Statutory liabilities	4,64,89,169	3,39,58,919
Unclaimed fixed deposits	4,46,000	-
Unpaid dividends*	50,00,000	-
Unclaimed dividends+	38,82,446	48,77,072
Unclaimed Redeemed Preference shares	1,86,900	1,86,900
Other liabilities :		
- Incentives and subsidies payable to cane growers	14,22,67,987	4,58,15,469
-Others	2,71,31,776	2,47,91,725
Total	<u>120,25,51,884</u>	<u>61,83,01,175</u>

* Unpaid dividends represent dividend declared at AGM held on 18.3.2013 and out of total amount of Rs. 1,13,36,320/- company deposited Rs.50,00,000/- on 26.3.2013 and same is pending for distribution to shareholders.

+ Unclaimed dividend represents those relating to the years 2005-06 to 2011-12 (Upto 30.9.2012) and no part thereof has remained unpaid or unclaimed for a period of 7 years or more from the date they became due for payment requiring transfer to the Investor Education Protection fund, except the following.

a) The above amount includes amount of Rs.61,845/- for the year 2004-05 (Interim), 2004-05 Rs.61,845/(Final) and 2005-06 (Interim) Rs.61,845/- which is kept in abeyance due to legal cases pending before High Court of Judicature at Madras.

b) Further an amount of Rs.2,770/- pertaining to the year 2004-05 (Final) is pending for remittance into the Investor Education Protection fund.

Schedule of Fixed Assets annexed to and forming part of the Balance Sheet as at 31st March,2013											Note No. 11	
SL. No	NAME OF THE ASSET	GROSS BLOCK				DEPRECIATION				NET BLOCK		
		COST UPTO 30-09-2012 Rs.	ADDITIONS DURING 6 Months Rs.	DEDUCTIONS DURING 6 Months Rs.	COST UPTO 31-03-2013 Rs.	DEPRECIATION UPTO 30-09-2012 Rs.	DEPRECIATION FOR THE 6 months Rs.	DEPRECIATION ON DEDUCTIONS Rs.	DEPRECIATION UPTO 31-03-2013 Rs.	AS AT 31-03-2013 Rs.	AS AT 30-09-2012 Rs.	
1	INTANGIBLE ASSETS	5,74,58,900	-	-	5,74,58,900	5,74,58,900	-	-	5,74,58,900	-		
2	LANDS	29,43,54,845	-	-	29,43,54,845	-	-	-	-	29,43,54,845	29,43,54,845	
3	FACTORY BUILDINGS	11,77,30,398	1,12,26,871	-	12,89,57,269	6,98,49,030	24,46,698	-	7,22,95,728	5,66,61,541	4,78,81,368	
4	NON-FACTORY BUILDINGS	10,95,51,378	86,12,697	-	11,81,64,075	4,91,38,981	15,72,954	-	5,07,11,936	6,74,52,140	6,04,12,397	
5	PLANT & MACHINERY	185,64,17,170	3,20,668	-	185,67,37,838	109,95,20,248	4,29,99,202	-	1,14,25,19,450	71,42,18,388	75,68,96,922	
6	TEMPORARY STRUCTURES	12,19,459	-	-	12,19,459	12,19,459	-	-	12,19,459	-	-	
7	RAILWAY SIDINGS	1,85,094	-	-	1,85,094	1,84,813	20	-	1,84,833	261	281	
8	WEIGHBRIDGES & SCALES	68,33,741	-	-	68,33,741	40,57,638	1,93,078	-	42,50,715	25,83,026	27,76,103	
9	WATER WORKS	2,36,85,460	-	-	2,36,85,460	2,16,61,527	1,53,844	-	2,18,15,371	18,70,089	20,23,933	
10	WORKSHOP EQUIPMENTS	37,87,101	-	-	37,87,101	35,72,701	16,032	-	35,88,733	1,98,368	2,14,400	
11	COMPUTER EQUIPMENTS	2,17,76,063	3,27,323	-	2,21,03,386	1,85,44,182	6,89,157	-	1,92,33,339	28,70,047	32,31,881	
12	TRANSPORT EQUIPMENTS	6,14,42,960	114,40,788	21,36,239	7,07,47,509	5,22,24,878	19,13,240	19,71,709	5,21,66,409	1,85,81,101	92,18,083	
13	LIBRARY	36,867	-	-	36,867	36,821	2	-	36,823	44	46	
14	LABORATORY EQUIPMENTS	25,29,857	23,800	-	25,53,657	17,08,805	58,120	-	17,66,925	7,86,732	8,21,052	
15	FURNITURES & FITTINGS	1,90,72,845	97,321	-	1,91,70,166	1,49,04,432	3,19,900	-	1,52,24,333	39,45,833	41,68,412	
16	MOLASSES TANKS	29,45,035	-	-	29,45,035	27,54,179	14,630	-	27,68,809	1,76,227	1,90,856	
17	LIVE STOCK	5,221	-	-	5,221	-	-	-	-	5,221	5,221	
18	AGRICUTURAL IMPLEMENTS	86,22,743	-	-	86,22,743	25,49,534	4,16,333	-	29,65,867	56,56,875	60,73,208	
19	AGRICUTURAL FARMS	7,003	-	-	7,003	-	-	-	-	7,003	7,003	
20	Y2K COMPLIANT COMPUTERS SYSTEM INCLUDING APPLICATION SOFTWARE	71,66,889	-	-	71,66,889	71,58,249	1,728	-	71,59,977	6,912	8,640	
		2,59,48,29,028	3,20,49,468	21,36,239	2,62,47,42,257	1,40,65,44,377	5,07,94,937	19,71,709	1,45,53,67,605	116,93,74,652	1,18,82,84,651	
	LESS : DEPRECIATION CAPITALISED						2,28,305					
	Total		3,20,49,468.00	21,36,239	1,40,65,44,377	5,05,66,632	19,71,709					

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THE JEYPORE SUGAR COMPANY LIMITED**NON-CURRENT INVESTMENTS (At cost)****Note no.12**

PARTICULARS	As at 31.3.2013 Rs.	As at 30.9.2012 Rs.
QUOTED		
(I) TRADE INVESTMENTS		
(a) SHARES IN COMPANIES		
i) 2,78,370 Equity Shares of Rs.1/- each fully paid up in The K.C.P Ltd	32,569	32,569
ii) 25,498 Equity Shares of Rs.10/- each fully paid up in Krishna Industrial Corporation Ltd	1,59,288	1,59,288
(II) NON - TRADE INVESTMENTS		
(a) SHARES IN COMPANIES		
i) 2,78,370 Equity Shares of Rs.1/ each fully paid up in K.C.P.Sugar and Industries Corporation Ltd	32,568	32,568
ii) 100 Equity shares of Rs.10/- each fully paid up in Sakthi Sugars Limited	935	935
iii) 100 Equity Shares of Rs. 10/- each fully paid up in Rajshree Sugars & Chmeicals Ltd	696	696
iv) 100 Equity Shares of Rs.10/-each fully paid up in Andhra Sugars Ltd.,	2,725	2,725
v) 100 Equity Shares of Rs.10/-each fully paid up in Bannari Amman Sugars Ltd.,	7,425	7,425
vi) 100 Equity Shares of Rs.10/-each fully paid up in Thiru Arooran Sugars Ltd.,	5,567	5,567
vii) 1000 Equity Shares of Rs.1/-each fully paid up in Balrampur Chini Mills Ltd.,	8,825	8,825
viii) 500 Equity Shares of Rs.10/- each fully paid up in Bank of Baroda	42,500	42,500
ix) 35900 Equity Shares of Rs.10/- each fully paid up in Bank of India	16,15,500	16,15,500
x) 1800 Equity Shares of 10 each fully paid up in Indian Overseas Bank	18,000	18,000



UNQUOTED

NON-TRADE INVESTMENTS

(I) SHARES IN SUBSIDIARIES:

4,10,000/- Equity Shares of Rs. 10/- each fully paid-up in Jeypore Sugar Finance and Investment Corporation Ltd.,	41,00,000	41,00,000
(ii) Others		
i) National savings certificates	20,650	20,650
ii) 95 Shares of Rs.200/- each fully paid up in Nagavali Lift Irrigation Cooperative Society Ltd	19,234	19,234
	60,66,482	60,66,482
Less: Provision for dimunition in Value	41,00,000	41,00,000
	19,66,482	19,66,482

Note :

i. Aggregate of Quoted Investments

Cost	19,26,598	19,26,598
Market Value	2,46,72,405	2,68,81,390

ii. Aggregate of unquoted investments

Cost	41,39,884	41,39,884
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THE JEYPORE SUGAR COMPANY LIMITED

LONG-TERM LOANS AND ADVANCES

Note no.13

PARTICULARS	As at 31.03.2013 Rs.	As at 30.09.2012 Rs.
UNSECURED AND CONSIDERED GOOD		
Advances for capital goods	7,39,02,649	7,64,95,504
Security Deposit with Govt. authorities and others	90,47,184	90,38,184
Total	8,29,49,833	8,55,33,688

INVENTORIES (At lower of cost and realisable value)

Note no.14

PARTICULARS	As at 31.03.2013 Rs.	As at 30.09.2012 Rs.
Raw materials	2,93,98,358	4,73,57,451
Work-in-progress	2,74,77,535	2,91,90,726
Crops under cultivation	13,37,259	16,20,329
Finished goods	106,19,84,358	54,41,55,554
Stores and spares	15,83,67,091	16,60,28,813
Total	127,85,64,601	78,83,52,873

TRADE RECEIVABLES

Note no.15

PARTICULARS	As at 31.03.2013 Rs.	As at 30.09.2012 Rs.
Unsecured and Considered Good		
Outstanding for a period exceeding six months	2,87,39,027	2,50,92,494
Others	1,46,01,907	6,74,69,099
	4,33,40,934	9,25,61,593
Unsecured and Considered Doubtful		
Outstanding for a period exceeding six months	28,56,216	28,56,216
Others	-	-
	28,56,216	28,56,216
Less: Provision for bad and doubtful debts	28,56,216	28,56,216
	-	-
Total	4,33,40,934	9,25,61,593


CASH AND CASH EQUIVALENTS

Note no.16

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
1. Cash on hand	40,93,348	18,93,523
2. Cheques on hand	-	7,40,124
3. Cash equivalents		
i. Balances with banks		
a. Held as margin money against LC and guarantees	1,07,24,352	1,03,06,993
b. Earmarked deposits for fixed deposits	60,58,745	58,13,603
c. In Current accounts	2,72,65,940	2,78,73,815
d. Towards Unclaimed Dividends	88,95,901	48,90,542
Total	5,70,38,286	5,15,18,600

SHORT -TERM LOANS AND ADVANCES

Note no.17

PARTICULARS	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
UNSECURED , CONSIDERED GOOD		
Advances to Suppliers of goods and services	16,99,01,291	20,61,42,054
Staff advances	7,76,300	7,85,069
Balances with statutory authorities	30,66,27,278	30,89,87,907
MAT credit entitlement	-	1,50,00,000
Other Miscellaneous advances	12,84,003	5,21,109
Total	47,85,88,872	53,14,36,139

OTHER CURRENT ASSETS

Note no.18

PARTICULARS	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Accrued Interest on deposits and advances	7,47,941	6,09,510
Prepaid expenses	1,16,92,532	1,02,80,424
Claims receivable	4,10,551	4,10,551
Others:		
- Off-season expenditure	-	4,86,51,528
Total	1,28,51,024	5,99,52,013

THE JEYPORE SUGAR COMPANY LIMITED

NOTES FORMING PART OF PROFIT & LOSS ACCOUNT

REVENUE FROM OPERATIONS

Note no.19

Particulars	UOM	Quantity	1.10.2012 to 31.3.2013	Quantity	1.04.2011 to 30.09.2012
Sale of products :					
Sugar	M.T	44,355	141,68,71,249	1,37,795	389,36,15,395
I M F L	B.Ltrs	19,638	13,26,700	44,064	26,05,100
Ethanol	B.Ltrs	19,22,600	7,00,68,350	92,81,700	30,30,02,240
Extra Neutral Alcohol	B.Ltrs	40,000	14,40,000	21,85,500	7,17,20,500
Industrial Alcohol	B.Ltrs	67,75,560	20,49,13,669	92,24,310	24,66,26,486
Fusel Oil	B.Ltrs	10,000	1,20,000	-	-
Ferro Manganese	M.T	237	2,92,918	10,766	1,31,42,783
Power	Units	1,11,55,300	4,46,97,715	1,95,67,651	7,21,69,964
Organic manure	-	-	41,86,676	-	2,28,39,921
Agricultural Produce from Plantations	-	-	13,61,492	-	12,93,048
			174,52,78,769		462,70,15,437
Less:					
Excise duty Collected			4,33,32,052		13,52,66,600
Total			170,19,46,717		449,17,48,837

Note: a) The turnover of power includes Rs.9322933/- (Pr. Period Rs.9322933) being differential sale price received as per the interim orders of Appellate Tribunal for Electricity.

b) The above sales does not include the following inter-divisional transfers.

Particulars	UOM	Quantity	1.10.2012 to 31.3.2013	Quantity	1.04.2011 to 30.09.2012
Molasses	M.T	8,893	1,77,86,000	48,325	10,67,75,593
Bagasse	M.T	74,776	11,21,64,000	1,08,860	8,16,45,000
Filter cake	M.T	17,957	19,75,383	57,438	68,78,813
Power	Units	65,36,985	2,06,20,912	74,25,960	2,38,68,002
Steam	M.T	97,817	8,55,33,141	1,55,006	7,10,11,349
	Total		23,80,79,436		29,01,78,757


OTHER INCOME
Note no.20

Particulars	1.10.2012 to 31.3.2013 Rs.	1.4.2011 to 30.9.2012 Rs.
Interest income	11,21,263	29,61,251
Rents received	7,74,214	11,97,951
Dividends received	3,34,744	12,07,409
Agricultural Income	14,60,310	21,48,697
Sale of Export Licenses	-	5,02,92,140
Other Income:		
Credit balances written back	28,364	77,449
Claims received	-	43,400
Transport charges collected	-	4,08,732
Profit on sale of assets	4,41,787	11,38,031
Excess provision made in earlier years credited back	19,516	32,157
Miscellaneous receipts	10,03,037	25,30,543
Total	51,83,235	6,20,37,760

COST OF MATERIALS CONSUMED:
Note no.21

Particulars	1.10.2012 to 31.3.2013 Rs.	1.4.2011 to 30.9.2012 Rs.
Opening Stock	4,73,57,451	1,51,78,798
Add: Purchases of Raw Material	132,87,21,064	178,83,99,306
	<u>137,60,78,515</u>	<u>180,35,78,104</u>
Less: Closing Stock	2,93,98,358	4,73,57,451
Total	134,66,80,157	175,62,20,653

Note: The above consumption includes Rs.44,61,198/- being stock of Ferrochrome Ore written off during the year due to its obsolescence.

COMPONENTS OF MATERIALS CONSUMED:

Particulars	UOM	Quantity	1.10.2012 to 31.3.2013 Rs.	Quantity	1.04.2011 to 30.09.2012 Rs.
Sugar cane	M.T	5,65,884	124,89,36,134	8,18,128	164,52,25,876
Molasses	M.T	37,148	11,03,75,420	48,325	21,57,08,977
Bagasse for Cogeneration of Power	M.T	74,776	11,21,64,000	1,08,860	8,16,45,000
Filter Cake	M.T	28,935	25,13,778	57,438	82,72,375
Extra neutral alcohol	B.Ltrs	4,493	1,55,009	19,340	6,67,831
			<u>147,41,44,341</u>		<u>195,15,20,059</u>
Less: Inter-divisional transfers					
Molasses			1,77,86,000		10,67,75,593
Bagasse			11,21,64,000		8,16,45,000
Filter cake			19,75,383		68,78,813
			<u>134,22,18,958</u>		<u>175,62,20,653</u>

THE JEYPORE SUGAR COMPANY LIMITED

CHANGES IN INVENTORIES OF FINISHED GOODS,
WORK-IN-PROGRESS AND STOCK-IN-TRADE

NOTE NO.22

Particulars	UOM	Quantity	1.10.2012 to 31.3.2013 Rs.	Quantity	1.4.2011 to 30.9.2012 Rs.
Closing Stock:					
Work-in-Process:					
Sugar			1,59,18,034		1,62,69,161
Molasses			71,300		83,900
Bio-earth Process			88,10,249		40,13,862
Crops under cultivation			13,37,259		16,20,329
Industrial Alcohol			2,00,000		63,45,850
			<u>2,63,36,842</u>		<u>2,83,33,102</u>
Finished Goods:					
Sugar	M.T	31,808	97,32,67,306	20,094	50,84,42,812
Molasses	M.T	25,753	5,15,05,286	7,656	1,53,12,030
Industrial Alcohol	B.Ltrs	11,49,196	2,53,21,412	5,61,222	1,26,20,352
Extra neutral Alcohol	B.Ltrs	45,713	16,45,668	40,937	14,37,707
Ethanol	B.Ltrs	2,35,940	52,63,821	1,21,161	24,60,780
Indian Made Foreign Liquor	B.Ltrs	43,916	28,60,904	52,394	30,93,681
Fusel Oil	B.Ltrs	1,235	15,585	7,860	44,158
Ferro Manganese (Slag Dumpings)	M.T	238	86,845	475	1,73,099
Filter Cake	M.T		20,17,530	5,190	5,70,937
			<u>106,19,84,357</u>		<u>54,41,55,556</u>
Sub Total:A			<u>108,83,21,199</u>		<u>57,24,88,658</u>
a) Opening Stock:					
Work-in-Process:					
Sugar			1,62,69,161		3,05,84,133
Molasses			83,900		29,60,725
Bio-earth Process			40,13,862		47,66,712
Crops under cultivation			16,20,329		11,07,384
Industrial Alcohol			63,45,850		2,00,000
			<u>2,83,33,102</u>		<u>3,96,18,954</u>
b) Finished Goods:					
Sugar	M.T	20,094	50,84,42,812	70,255	172,00,67,973
Molasses	M.T	7,656	1,53,12,030	17,344	4,33,62,098
Industrial Alcohol	B.Ltrs	5,61,222	1,26,20,352	5,78,939	1,17,17,498
Extra neutral Alcohol	B.Ltrs	40,937	14,37,707	2,17,083	67,70,819
Ethanol	B.Ltrs	1,21,161	24,60,780	5,03,946	1,36,95,237
Indian Made Foreign Liquor	B.Ltrs	52,394	30,93,681	43,303	21,37,485
Fusel Oil	B.Ltrs	7,860	44,158	1,740	9,596
Ferro Manganese (Slag Dumpings)	M.T	475	1,73,099	11,242	38,36,607
Filter Cake	M.T	5,190	5,70,937	21,009	21,00,950
Organic manure	M.T		-		88,67,366
			<u>54,41,55,556</u>		<u>181,25,65,629</u>
Sub Total:B			<u>57,24,88,658</u>		<u>185,21,84,583</u>
I Increase/(Decrease) in inventories before Excise duty adjustment (B-A)			51,58,32,541	(127,96,95,926)	
Less: Variation of Excise duty in Stocks			(-99,62,579)	4,76,84,987	
Increase/(Decrease) in inventories after Excise duty adjustment			<u>50,58,69,962</u>	<u>(123,20,10,939)</u>	

**EMPLOYEE BENEFIT EXPENSES****NOTE NO.23**

PARTICULARS	1.10.2012 to 31.3.2013 Rs.	01.04.2011 30.09.2012 Rs.
Salaries and Wages	12,07,21,898	25,47,45,586
Remuneration to Managerial Personnel	40,32,000	1,20,96,000
Contribution to provident and other funds	78,22,383	2,23,95,548
Liability towards group gratuity	37,82,851	1,39,55,595
Staff welfare expenses	93,62,752	1,22,37,486
Total	<u>14,57,21,884</u>	<u>31,54,30,215</u>

FINANCE COSTS**NOTE NO.24**

PARTICULARS	1.10.2012 to 31.3.2013 Rs.	01.04.2011 30.09.2012 Rs.
Interest expense	12,07,69,636	42,94,13,542
Other Borrowing cost	31,65,846	3,89,07,760
Total	<u>12,39,35,482</u>	<u>46,83,21,302</u>

DEPRECIATION AND AMORTIZATION EXPENSES**NOTE NO.25**

PARTICULARS	1.10.2012 to 31.3.2013 Rs.	01.04.2011 30.09.2012 Rs.
Depreciation on tangible assets	5,05,66,632	15,56,88,030
Amortization on Intangible assets	-	-
Total	<u>5,05,66,632</u>	<u>15,56,88,030</u>

THE JEYPORE SUGAR COMPANY LIMITED

OTHER EXPENSES	NOTE NO.26	
PARTICULARS	1.10.2012 to 31.3.2013 Rs.	01.04.2011 to 30.09.2012 Rs.
Stores and Spares consumed	8,07,06,408	12,66,41,291
Power and fuel	5,03,84,798	10,78,04,805
Rent	4,29,990	11,58,915
Rates and taxes	68,49,995	1,58,77,461
Insurance	53,20,071	89,37,944
Repairs and maintenance		
Plant and machinery	11,75,25,169	13,39,71,447
Buildings	27,73,307	49,14,727
Others	74,79,672	2,15,64,242
Cane development expenses	14,93,24,482	11,60,78,229
Advertising and sales promotion	3,33,520	13,26,374
Sales commission	10,46,570	24,28,546
Cultivation Expenses	27,93,653	53,90,687
Carriage outwards	90,90,119	1,84,83,843
Donations	5,00,000	20,00,000
Director sitting fees	6,00,000	17,20,000
Payment to auditors :		
As Auditor:		
Audit fee	1,12,360	3,32,960
Tax audit and taxation matters	-	1,78,128
Certification services and Company law matters	44,888	4,27,333
Out of Pocket Expenses	11,433	26,636
Cost audit fee and Certification work	25,000	25,000
Obsolete inventories written off	14,71,131	-
Tools and Implements Written off	3,134	2,83,528
Bad debts written off	47,57,486	1,50,241
Provision for bad and doubtful debts	-	28,56,216
Miscellaneous expenses	1,31,85,940	2,70,72,637
Total	<u>45,47,69,126</u>	<u>59,96,51,190</u>



- 27) The company has prepared its Profit and Loss account for a period of 6 months for the period from 1.10.2012 to 31.3.2013 as against 18 months period from 1.4.2011 to 30.9.2012 for last year. Hence the figures for the current period are not comparable with those of the previous financial period.
- 28) The Board has proposed to demerge Pothavaram Unit i.e., V R K Sugars into a separate company w.e.f 1.10.2012 as the Appointed day and has intimated the Stock Exchange. Pending approval of the scheme, the assets and liabilities of the resultant entity included in the financial statements of the current period. The un-allocated and common liabilities have been apportioned to the respective units when the scheme got approval. The company is in the process of finalizing the applications to be moved before the High Court of Madras for securing orders to convene meeting of shareholders and meeting of creditors to consider the scheme of demerger.
- 29) Under the provisions of the Orissa Land Reforms Act, 1960, the Revenue Officer has declared the agricultural lands owned by company to an extent of Acres 488.76 as surplus under sec.44(1) of the said Act. No provision is made in the accounts for the probable loss in this matter, pending final legal decision in the appeal preferred by the company against the said declaration.
- 30) CONTINGENT LIABILITIES :
- a) The company has received demands from the Orissa State Sales tax department for Rs.2,00,21,670/- towards sales tax on some of its assets sold in the year ending 31st March, 1996.As per the contract, the above sales tax liability is to be borne by the buyer. Hence no provision is considered necessary in the books of the company for the said demand. As per the directions of the High Court, the buyer has paid a sum of Rs.50 lakhs under protest and the company (seller) was directed to pay under protest an additional sum of Rs.50 lakhs in instalments.Accordingly the company has so far paid a sum of Rs.30 lakhs and the same is included under loans and advances.

	As at 31.03.2013	As at 30.9.2012
b) Contracts remaining to be executed on capital account and not provided	7,12,85,000	7,12,85,000
c) Claims against the company not acknowledged as debts towards:		
i) Differential cane price	8,30,81,082	8,30,81,082
ii) Electricity Duty etc	3,76,16,500	3,43,85,046
iii) Income-tax	3,69,051	3,69,051
iv) Excise duty	7,61,00,610	7,61,00,610
v) Service tax	16,10,484	16,10,484
vi) Sales tax	16,92,435	-
vii) Interest on advances from suppliers	95,00,000	89,00,000
viii) Provident Fund	39,378	39,378
ix) Others	2,43,555	2,43,555
e) Guarantee worth Rs.7,55,25,000/-(Rs.7,35,24,888/-) executed by Banks on behalf of the company are secured by counter Guarantee given to them by the company and its Managing Director and Executive Director in their individual capacities.		

THE JEYPORE SUGAR COMPANY LIMITED

- 31) Balances appearing under Trade receivables, Trade payables and Loans and advances as per the books of the company are subject to confirmation. The adjustments, if any, on confirmation/ reconciliation of such accounts will be made in the said year.

In the opinion of Board of Directors, the current assets, loans and advances have a value on realisation in the ordinary course of business atleast equal to the amount at which these are stated.

- 32) Amount of borrowing costs capitalised to fixed assets/Capital WIP
(On specified borrowing as per AS-16) 19,65,49,980 54,31,71,032
- 33) C I F Value of materials imported during the year Nil Nil
- 34) Consumption of imported raw materials or components or spares Nil Nil
- 35) Expenditure incurred in foreign currency : Nil Nil
- 36) Earnings in foreign currency Nil Nil
- 37) Remittance in foreign currency on account of dividend Nil Nil
- 38) Details of expenses included under Unallocated capital expenditure incurred and pending allocation as on the date of Balance Sheet.

Nature of expenditure	As on 30.09.2012	Incurred during 1.10.2012 to 31.3.2013	Capatilised during the year	Balance as on 31.3.2013
	Rs.	Rs.	Rs.	Rs.
Materials consumed	43,01,280	-	-	43,01,280
Staff Cost	85996832	70,14,366	-	9,30,11,198
Power and Fuel	1,52,40,839	12,58,936	-	1,64,99,775
Repairs and maintenance	2,20,78,956	3,67,731	-	2,24,46,687
Cane development expenses	47,77,093	11,32,437	-	59,09,530
Insurance	51,65,791	6,53,309	-	58,19,100
Rates and Taxes	68,23,504	3,06,602	-	71,30,106
Interest (Borrowing costs as per AS-16)	120,22,36,059	19,65,49,980	-	139,87,86,039
Interest - Others	40,00,388	-	-	40,00,388
Miscellaneous Expenses	6,01,50,851	17,69,354	-	6,19,20,205
Depreication written off	1,09,38,022	2,28,305	-	1,11,66,327
	142,17,09,615	20,92,81,020	-	163,09,90,635
Less :				
Sale of Power	13,82,059	-	-	13,82,059
Sugar under process	24,77,953	-	-	24,77,953
Internal transfers - Molasses	2,25,135	-	-	2,25,135



Agricultural receipts	2,54,472	78,887	-	3,33,359
Interest received	13,77,706	2,07,305	-	15,85,011
VAT input credit	17,85,087	-	-	17,85,087
Miscellaneous income	31,09,452	33,921	-	31,43,373
	141,10,97,751	20,89,60,907	-	162,00,58,658

39) Disclosure pursuant to "AS-18" Related party transactions

Nature of transaction	Subsidiary Companies	Companies controlled by key Managerial personnel	Key Managerial personnel	Relatives of key Managerial personnel
	Rs.	Rs.	Rs.	Rs.

I. Details of transactions :

a) Purchase of goods/services/fixed assets from				
- Krishna Industrial Corporation Limited		4,52,750		
b) Sale of goods/services to				
- Krishna Industrial Corporation Limited		37,67,529		
c) Interest paid				
- R.S.Industrial Corporation pvt Limited		4,13,438		
- Ramakrishna Machinery Corporation pvt Limited			78,121	
- Smt. Rajeswary Ramakrishnan			30,71,250	
- Smt. Anita Prabhu			5,72,740	
- Shri R.Prabhu				1,15,071
- Dr. S.R.K Prasad				1,31,250
- Mr. Vikram Ramakrishna				3,67,500
- Mr. Rajiv Rangaswamy				2,87,175
- Ms.Nandita				2,01,863
d) Remuneration paid to				
- Smt Rajeswary Ramakrishna			26,88,000	
- Smt. Anita Prabhu			13,44,000	
e) Directors Sitting Fee paid to				
- Shri R.Prabhu				80,000
- Dr. S.R.K Prasad				80,000

THE JEYPORE SUGAR COMPANY LIMITED

II. Balances outstanding :

a) Amount due from			
- Krishna Industrial Corporation Limited	62,84,964		
- Jeypore Sugar Finance and Investment Corporation Limited	88,135		
- V Rama Krishna Sugar Co Limited	1,690		
b) Investment in equity shares of			
- Jeypore Sugar Finance and Investment Corporation Limited	41,00,000		
- Krishna Industrial Corporation Limited	1,59,288		
c) Fixed deposits with company held by			
- R.S.Industrial Corporation pvt Limited	78,75,000		
- Ramakrishna Machinery Corporation pvt Limited		14,88,000	
- Smt. Rajeswary Ramakrishnan		5,85,00,000	
- Smt. Anita Prabhu		1,09,00,000	
- Shri R.Prabhu			20,00,000
- Dr. S.R.K Prasad			25,00,000
- Mr. Vikram Ramakrishna			70,00,000
- Mr. Rajiv Rangaswamy			54,70,000
- Ms. Nandita			38,45,000
e) Share capital held by			
- Krishna Industrial Corporation Limited	8,46,180		
- R.S.Industrial Corporation Pvt Limited	16,28,780		
- Ramakrishna Machinery Corporation Pvt Limited	3,11,620		
- V.R.K.Grandsons Investment Pvt Limited	4,96,540		
- Smt. Rajeswary Ramakrishnan		41,96,640	
- Smt. Anita Prabhu		32,47,180	
- Shri R.Prabhu			42,53,320
- Dr. S.R.K Prasad			5,92,300
- Mr. Vikram Ramakrishna			39,07,710
- Mr. Rajiv Rangaswamy			2,06,520
f) Provision for diminition investments in			
- Jeypore Sugar Finance and Investment Corporation Limited	41,00,000		

III. Names of the related parties with whom there were transactions during the year :

1. Subsidiary Company :
Jeypore Sugar Finance & Investment Corpn Ltd
2. Companies controlled by key managerial personnel :
 - a) Krishna Industrial Corporation Limited
 - b) RS Industrial Corporation (P) Limited



- c) VRK Grandsons Investment (P) Limited
 - d) Ramakrishna Machinery Corporation (P) Limited
 - e) V Rama Krishna Sugar Co Limited
3. Key managerial personnel
- a) Smt.Rajeswary Ramakrishnan, Managing Director
 - b) Smt.Anita Prabhu, Executive Director
4. Relatives of key managerial personnel their relation
- a) Sri.R.Prabhu, Son of Smt.Rajeswary Ramakrishnan
 - b) Dr.S.R.K.Prasad, Son of Smt.Rajeswary Ramakrishnan
 - c) Sri Vikram Ramakrishna, Son of Smt.Anita Prabhu
 - d) Sri.Rajiv Rangaswamy, Grand Son of Smt.Rajeswary Ramakrishnan
 - e) Ms.S.Nandita, Grand Daughter of Smt.Rajeswary Ramakrishnan
- 40) Cash flow statement - Enclosed
- 41) Segment reporting - enclosed
- 42) The company extended its securities offered to the ICICI bank in respect of loans availed by it in respect of loans sanctioned by the bank to the cane growers.
- 43) General:
- Paise have been rounded off.
- Figures for the previous year have been regrouped wherever necessary.

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firms' Registration No: 000513S

(Sd.) P. Lakshmana Rao
Partner
Membership No: 13254

Place : Camp : Chennai
Date : 30-05-2013

(Sd.) Dr. S.R.K. PRASAD
(Sd.) K. MUNESWAR RAO
Directors

(Sd.) P.S. KRISHNAMOORTHY
Secretary

(Sd.) RAJESWARY RAMAKRISHNAN
Chairman cum Managing Director

THE JEYPORE SUGAR COMPANY LIMITED

The Board of Directors,
The Jeypore Sugar Co.Ltd.,
Chennai.

We have examined the attached Cash Flow Statement of the Jeypore Sugar Co. Ltd., Chennai for the 6 months period ended 31st March 2013. The Statement has been prepared by the Company in accordance with the listing agreement clause 32 with Chennai Stock Exchange and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company

for BRAHMAYYA & COMPANY
Chartered Accountants,
Firm Regn. No.000513S
(Sd.) P. LAKSHMANA RAO
Partner
(ICAI Memb. No. 13254)

Place : Camp Chennai
Date : 30-05-2013

CASH FLOW STATEMENT IN PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

PARTICULARS	31.03.2013 Rs.	30.09.2012 Rs.
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extra-ordinary items	9,13,26,632	2,64,64,266
Add/Less:		
Adjustments for		
Depreciation	5,05,66,632	15,56,88,030
Interest expense	12,39,35,482	46,83,21,302
Interest income	(-)11,21,263	(-)29,61,251
Dividends received	(-)3,34,744	(-)12,07,409
Profit on sale of assets	(-)4,41,787	(-)11,38,031
Operating profit before working capital changes	26,39,30,952	64,51,66,907
Add/Less:		
Adjustments for working capital		
Inventories	(-)49,02,11,728	128,88,94,825
Trade and other receivables	13,67,52,768	(-) 2,80,76,745
Trade payables	36,39,28,623	(-)168,88,29,887
Cash generated from operations	27,44,00,615	21,71,55,100
Less:	-	-
Direct taxes paid		
Net cash from operating activities	27,44,00,615	21,71,55,100
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets and Capital WIP	(-)25,16,86,137	(-)70,36,27,279
Proceeds from sale of fixed assets	6,06,317	30,00,000
Dividends received	3,34,744	12,07,409
Interest received	11,21,263	29,61,251
Net cash used in Investing activities	(-)24,96,23,813	(-)69,64,58,619

THE JEYPORE SUGAR COMPANY LIMITED

CASH FLOW FROM FINANCING ACTIVITIES

Proceeds from borrowings	10,96,78,366	81,21,91,669
Dividends and taxes paid	(-50,00,000)	-
Interest and finance charges	(-12,39,35,482)	(-)46,83,21,302
Net cash from (used in) financing activities	(-1,92,57,116)	34,38,70,366
Net Increase/(Decrease) in cash and cash equivalents	55,19,686	(-)13,54,33,153
Cash and cash equivalents at the beginning of the period	5,15,18,599	18,69,51,752
Cash and cash equivalents at the end of the period	5,70,38,286	5,15,18,599
Net increase/(decrease) in cash and cash equivalents	55,19,686	(-)13,54,33,153

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firms' Registration No: 000513S

(Sd.) P. Lakshmana Rao
Partner
Membership No: 13254

Place : Camp : Chennai
Date : 30-05-2013

(Sd.) RAJESWARY RAMAKRISHNAN
Chairman cum Managing Director

SUBSIDIARY COMPANY

**JEYPORE SUGAR FINANCE AND
INVESTMENT CORPORATION LIMITED**

CHENNAI

ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH 2013



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SUBSIDIARY COMPANY
JEYPORE SUGAR FINANCE & INVESTMENT CORPORATION LIMITED
CHENNAI

DIRECTORS	SMT.RAJESWARY RAMAKRISHNAN,B.A., DR.S.R.K. PRASAD, D.Sc. (U.S.A) SMT. ANITA PRABHU, B.Com.,
BANKERS	BANK OF INDIA
AUDITORS	MESSRS. BRAHMAYYA & CO., Chartered Accountants Vijayawada
REGISTERED OFFICE	239, ANNA SALAI CHENNAI – 600 006. TAMIL NADU

JEYPORE SUGAR FINANCE AND INVESTMENT CORPN. LIMITED

NOTICE OF THE TWENTY FOURTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of Jeypore Sugar Finance & Investment Corporation Limited, will be held at No. 29, Satyanarayana Avenue, Boat Club Road, R.A. Puram, Chennai - 600 028. on 30th Septemeber, 2013 to transact the following business:

- 1) To adopt the Balance Sheet as at 31st March,2013and the Profit and Loss Account for the year ended on that date of the company, together with the Directors' Report and Auditors' Report thereon.
- 2) To elect Director in the place of Smt.Anita Prabhu retires by rotation at the Meeting and being eligible, offer herself for re-election.
- 3) To appoint Auditors and fix their remuneration, M/s Brahmayya & Co., Chartered Accountants, Vijayawada, the present auditors retire at this Meeting and are eligible for re-appointment.

(By Order of the Board)

for JEYPORE SUGAR FINANCE & INVESTMENT
CORPORATION LIMITED

(Sd.) RAJESWARY RAMAKRISHNAN

Director

Place: Chennai.

Date: 30.05.2013

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH, 2013

Your Directors have pleasure in presenting hereunder their TWENTY FOURTH Annual Report together with the Balance Sheet as at 31st March, 2013 and the Profit and Loss Account for the year ended on that date.

1. Financial Results:	Rs.
The Accompanying accounts shows a Net Profit	
After providing depreciation of Rs.1443/- & transfered Rs. 5496/- to Statutory Reserve	21,982
TO WHICH IS ADDED	
Balance of loss brought forward from previous year	86,97,633
Balance of Loss carried over to next year	<u>86,75,651</u>

2. Operations:

During the year the company has not accepted any deposit from Public. The aggregate of deposits from public on 31st March, 2013 was NIL.

The company continued its Hire Purchase business during the year, resulting in a marginal Profit as shown in the accounts.

3. There were no employees during the year who were in receipt of remuneration in excess of the amounts specified in Sec.217(2A) of the Companies Act, 1956.

4. Directors :

Smt. Anita Prabhu, retire by rotation at the close of the forthcoming Annual General Meeting and being eligible, offer herself for re-election.

5. DIRECTORS'RESPONSIBILITY STATEMENT:

The Directors confirm:

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures:
- b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period:
- c) that they have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- d) that they have prepared the annual accounts on a going concern basis

JEYPORE SUGAR FINANCE AND INVESTMENT CORPN. LIMITED

- e) Though the net worth of the company has become negative as at the date of the Balance Sheet, it is proposed to infuse necessary funds to restore the net worth to the required levels. Accordingly, the accounts have been prepared as Going Concern.

6. Secretarial Compliance Certificate:

The Secretarial Compliance Certificate in terms of the amended Section 383A of the companies Act 1956 is attached with the Report.

7. Auditors:

M/s Brahmayya & Co, Chartered Accountants, Vijayawada, the present Auditors retire at the close of the forthcoming Annual General Meeting and are eligible for Re-appointment.

Place: Chennai
Date: 30-05-2013

(By Order of the Board)
for JEYPORE SUGAR FINANCE & INVESTMENT
CORPORATION LIMITED
(Sd.) RAJESWARY RAMAKRISHNAN
Director

COMPLIANCE CERTIFICATE

To
The Members
JEYPORE SUGAR FINANCE & INVESTMENT CORPORATION LIMITED

I have examined the registers, records, books and papers of JEYPORE SUGAR FINANCE INVESTMENT CORPORATION LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2013. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, the officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate as per the provisions of and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company is a Public Limited Company.
4. The Board of Directors duly met four times on 25-04-2012, 14-08-2012, 28-11-2012 and 14-02-2013, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company has not closed its Registers of Members during the financial year.
6. The annual general meeting for the financial year ended on 31st March 2012 was held on 12-09-2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loan to its directors and/or persons or firms or companies referred in the section 295 of the Act.
9. The Company has not entered into any contract requiring compliance with the provisions of section 297 of the Act.
10. The Company has not entered into any contract required to be entered in the register maintained under section 301 of the Act.
11. As there was no instances falling within the purview of section 314 of the companies Act, 1956 the Company was not required to obtain any approval from the Board of Directors, members and the previous approval of the Central Government as the case may be.

JEYPORE SUGAR FINANCE AND INVESTMENT CORPN. LIMITED

12. The company has not issued any duplicate certificates during the financial year.
13. The Company has:
- i. neither made any allotment of securities nor received any securities for transfer/transmission or for any other purpose, during the financial year covered under this certificate.
 - ii. not declared any dividend during the year.
 - iii. no amount is lying in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years.
 - iv. duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of directors, additional directors, alternate directors and directors to fill casual vacancies have been duly made.
15. No Managing Director/Whole-time Director/Manager has been appointed during the financial year.
16. The Company has not appointed any sole-selling agents, requiring approvals as required under the provisions of the Act.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies or such other authorities as may be prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any redeemable preference shares/debentures.
22. There were no transactions necessitating the company to keep in abeyance rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The company has not accepted any deposits from the public under the provisions of sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975/the applicable directions issued by the Reserve Bank of India/any other authority.
24. The amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year is/are within the Borrowing power of the company as per section 293(1)(d) of the Act..

25. The company has not made any loans and investments or given guarantees or provided securities to other bodies corporate.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its articles of association during the year under scrutiny.
31. No prosecution was initiated against and no show cause notices was received by the company for alleged offenses under the Act and also no fines and penalties or any other punishment imposed on the company.
32. The company has not received any amount as security from its employees during the year under certification.
33. According to the information given by the company, the company is not coming under the purview of Provident Fund Act.

Place: Chennai
Date: 30-05-2013

R.ALAGAR
C.P.No.3913

JEYPORE SUGAR FINANCE AND INVESTMENT CORPN. LIMITED

ANNEXURE A

Registers as maintained by the Company

1. Members Register u/s 150
2. Share Transfer Register u/s 108
3. Register of Directors u/s 303
4. Register of Directors' Shareholding u/s 307
5. Register of contracts u/s 301
6. Register of Investment u/s 372
7. Application & Allotment Register
8. Minutes Book for Board Meetings and General Meetings.
9. Books of Accounts u/s 209

ANNEXURE B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional director, Central Government or other authorities during the financial year ending on 31st March 2013.

Registrar of Companies

1. Balance Sheet as on 31-3-2012 and Profit & Loss Account for the period ended 31-3-2012 along with Schedule, Director's Report and Auditor's Report u/s 220 filed in XBRL on 27-02-2013.
2. Secretarial Compliance Certificate for the year 2011-2012 filed on 12-10-2012.
3. Annual Return in Schedule V for the period 2011-2012 u/s 159 was not filed.

Regional director, Central Government or other authorities - NIL

Place : Chennai
Date : 30-05-2013

R.ALAGAR
C.P.No.3913

AUDITORS' REPORT

**TO
THE SHAREHOLDERS OF
JEYPORE SUGAR FINANCE AND INVESTMENT CORPORATION LIMITED
CHENNAI**

We have audited the attached Balance Sheet of JEYPORE SUGAR FINANCE AND INVESTMENT CORPORATION LIMITED as at 31st March 2013, its Statement of Profit and Loss and its cash flow statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003 issued by the Government of India in terms of sub-Section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of such books;
3. The Balance Sheet and Statement of Profit and Loss and Cash-flow Statement dealt with by this report are in agreement with the books of account;
4. In our opinion, the Balance Sheet and Statement of Profit and Loss and the Cash-flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
5. On the basis of written representations received from the directors, as on March 31, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
6. In our opinion and to the best of our information and according to the explanations given to us, and read with note No.16 on the reason for preparing the accounts under the "going concern assumption" and other notes thereon the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - i. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012,
 - ii. In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date.
 - iii. In the case of the cash-flow statement, of the cash-flows of the company for the year ended on that date.

Place : Camp : Chennai
Date : 30-05-2013

For BRAHMAYYA & CO
Chartered Accountants
Firm Regn.no.000513S
(Sd.) P. LAKSHMANA RAO
Partner
Memb.no. 13254

JEYPORE SUGAR FINANCE AND INVESTMENT CORPN. LIMITED

Annexure referred to in paragraph 3 of our report of even date,

- 1.1 According to the information and explanations furnished to us, the company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets except its furniture and fixtures.
- 1.2 According to the information and explanations furnished to us, the company has not physically verified its fixed assets during the year.
- 1.3 During the year under report, the Company has not disposed of any of its fixed assets.
- 2 According to the information and explanations furnished to us, as the company has no inventories during the year and hence the reporting under clause (ii) of the Order does not arise.
- 3.1 According to the information and explanations furnished to us, the company has not granted any loans to the parties covered by the register maintained under Section 301 of the Companies Act, 1956 and hence the reporting requirement under sub Clauses (b),(c) & (d) of Clause (iii) of the order does not arise.
- 3.2 According to the information and explanations furnished to us, the company has taken unsecured loans, aggregating to Rs.42,94,405/- from a director covered in the register maintained under Section 301 of the Companies Act 1956.
- 3.3 In our opinion, the rate of interest and other terms and conditions, on which the company has taken loans from parties covered in the register maintained u/s 301 of the Companies Act 1956 are not, prejudicial to the interest of the company.
- 3.4 According to the information and explanations furnished to us, the company has been regular in repaying the principal and interest amounts as stipulated on the loans taken by it from the persons covered in the registers maintained under Section 301 of the Companies Act 1956.
4. According to the information and explanations given to us, there were no purchases of inventory, fixed assets and Sale of goods/services. Hence reporting under Clause 4 of Paragraph 4 of the Order does not arise.
5. Based on the information and explanations given to us, there were no transactions during the year under report that are required to be entered in the register maintained under section 301 of the Companies Act, 1956. Consequently reporting under sub-clause (b) of clause (v) of paragraph 4 of the Order does not arise.
6. According to the information and explanations given to us, the company has not accepted any deposits covered under the directives issued by the Reserve bank of India and the provisions of section 58A and 58AA of the Companies Act, 1956. According to the information furnished to us, no Order has been passed on the company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for non-compliance with the provisions of Sections 58A and 58AA of the Companies Act 1956, or the Rules made thereunder.
7. The company did not have an internal audit system during the year under report.
8. The Provisions of Section 209(1)(d) of the Companies Act 1956, relating to maintenance of cost records are not applicable to the company as it is engaged in the business of Non-Banking Financial Institution.
- 9.1 According to the information furnished to us, the company has been regular in depositing with the appropriate authorities, the undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, and there were no undisputed statutory dues in arrears, as at the date of the Balance Sheet under report, for a period of more than six months from the date they became payable.

9.2 According to the information furnished to us, the following amounts of Sales Tax, Service Tax, Customs Duty, Excise Duty, Cess, Income Tax, Wealth Tax, have been disputed by the company, and hence, were not remitted to the concerned authorities at the date of the Balance Sheet under report.

S.No	Nature of the dues	Name of Statute	Amount	Pending before
1	Income Tax and related demands	Income Tax Act, 1961	Rs.10,018	Commissioner of Income Tax
2	Penalty under Interest tax Act	Interest Tax Act, 1974	Rs.1,72,568	Commissioner of Income Tax (A)

- 10 According to the information and explanations furnished to us, the accumulated losses of the company at the end of the financial year exceeded 50% of its net worth, and it incurred cash losses during the year covered by this report but not incurred in the previous year.
- 11 In our opinion and according to the information and explanations furnished to us by the company, the company did not avail of any loans from financial institutions, banks or debenture-holders during the year under report.
- 12 According to the information furnished to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures, and other securities.
- 13 In our opinion and according to the information and explanations furnished to us, the company is not a chit fund or a nidhi / mutual benefit fund/ society and hence, the requirements of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company during the year under report.
- 14 According to the information furnished to us, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the requirements of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- 15 According to the information furnished to us, the company has not given any guarantees for loans taken by others from any banks or financial institutions.
- 16 In our opinion, and according to the information and explanations furnished to us, the company did not avail of any term loans during the year under report.
- 17 According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that the company has not raised any short term funds during the year under report and hence the question of their application does not arise.
- 18 According to the information and explanations furnished to us, the company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Act, or to any others.
- 19 According to the information and explanations given to us, the company has not issued any debentures during the year under report.
- 20 The company has not raised any monies through public issue of its securities during the year, and the question of end use of such moneys did not arise during the year.
- 21 During the course of our examination of the accounts of the company in accordance with generally accepted auditing practices, we have not come across any instances of fraud on or by the company, nor have we been informed by the management, of any such instance being noticed or reported during the year.

Place : Camp : Chennai
Date : 30-05-2013

For BRAHMAYYA & CO
Chartered Accountants
Firm Regn.no.000513S
(Sd.) P. LAKSHMANA RAO
Partner
Memb.no. 13254

JEYPORE SUGAR FINANCE AND INVESTMENT CORPN. LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

(AMOUNT IN RS.)

Particulars	Note no.	As at 31.3.2013	As at 31.3.2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	41,04,700	41,04,700
(b) Reserves and surplus	3	<u>(79,47,255)</u>	<u>(79,74,733)</u>
		<u>(38,42,555)</u>	<u>(38,70,033)</u>
(2) Non-current liabilities			
(a) Long-term borrowings	4	<u>4,53,405</u>	<u>4,53,405</u>
		<u>4,53,405</u>	<u>4,53,405</u>
(3) Current liabilities			
(a) Other current liabilities	5	42,07,550	42,73,630
		<u>42,07,550</u>	<u>42,73,630</u>
Total		<u>8,18,400</u>	<u>8,57,002</u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	6		
(i) Tangible assets		7,745	9,188
(ii) Intangible assets -		-	-
(iii) Capital work-in-progress		-	-
		<u>7,745</u>	<u>9,188</u>
(b) Long- term loans and advances	7	33,800	33,800
(2) Current assets			
(a) Trade receivables	8	4,62,461	4,37,898
(b) Cash and cash equivalents	9	1,77,341	2,39,064
(c) Short-term loans and advances	10	<u>1,37,053</u>	<u>1,37,053</u>
		<u>7,76,855</u>	<u>8,14,015</u>
Total		<u>8,18,400</u>	<u>8,57,002</u>
Significant accounting policies	1		
Notes on accounts	13-21		

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firms' Registration No: 000513S

For and on behalf of Board of Directors

(Sd.) P. Lakshmana Rao
Partner
Membership No: 13254

Place : Camp : Chennai
Date : 30-05-2013

(Sd.) RAJESWARY RAMAKRISHNAN
(Sd.) ANITA PRABHU
Directors

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH , 2013
(Amount in Rs.)

Particulars	Note no.	Year ended 31.03.2013	Year ended 31.03.2012
Continuing Operations			
I.Revenue:			
From Operations :			
(a)Sale of products		-	-
(b)Sale of services		-	-
(c)Interest Income		69,361	97,492
		<u>69,361</u>	<u>97,492</u>
Other Income		-	-
Total		<u>69,361</u>	<u>97,492</u>
II.Expenses:			
Depreciation	11	1,443	1,800
Other expenses	12	40,440	36,555
Total		<u>41,883</u>	<u>38,355</u>
Profit/(Loss) before tax		27,478	59,137
Add: Tax expense:			
-Current tax		-	73,775
-Deferred tax			
Profit/(Loss) after tax		<u>27,478</u>	<u>(14,638)</u>
Earning Per Equity share of Rs.10/- each		0.07	(0.04)
Basic and diluted			
Significant accounting policies	1		
Notes on accounts	13-21		

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firms' Registration No: 000513S

For and on behalf of Board of Directors

(Sd.) P. Lakshmana Rao
Partner
Membership No: 13254

Place : Camp : Chennai
Date : 30-05-2013

(Sd.) RAJESWARY RAMAKRISHNAN
(Sd.) ANITA PRABHU
Directors

STATEMENT ON ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

Note no.1

1. Statement on Accounting Policies

a. Basis of Accounting and preparation

The Company has prepared the financial statements under historical cost convention on accrual basis of accounting and in accordance with generally accepted accounting principles in India. The financial statements are prepared to comply in all material respects with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions thereof.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

During the year ended 31st March 2013, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified and rearranged the previous year figures in accordance with the requirements applicable in the current year.

b. Use of Estimates

The preparation of financial statements requires the management of the Company to make judgments, estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to the contingent liabilities and commitments. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. The judgments, estimates and underlying assumptions are made with the management's best knowledge of the business environment and are reviewed on an ongoing basis. However, future results could differ from these estimates. Any revision to these accounting estimates is recognised prospectively in the current and future periods.

c. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

In respect of finance business, income is recognized in the accounts in accordance with the applicable norms prescribed in the directions issued by RBI from time to time. Finance charges in respect of hire purchase transactions are apportioned over the period of contract on even spread method.

Interest on investments and deposits is booked on a time proportion basis taking into account the amounts invested and the rate of interest when no significant uncertainty as to measurability or collectability exists.

Assets repossessed from defaulting hirers are stated at the principal value at which they were carried in the books of the company on the date of repossession. The surplus/deficit on disposal of such

assets is recognized on realization.

d. Fixed assets and depreciation

Fixed assets are carried at historical cost less accumulated depreciation. Cost includes all expenses incurred to bring the asset to usable condition. Depreciation is provided under written down value method in accordance with the rate and method prescribed under schedule XIV of the Companies act, 1956.

e. Employee Benefits

The company has defined contribution plan of provident fund and the contributions to the fund is made monthly at pre determined rate and charged to the profit and loss account in the year in which the employee renders service.

f. Income Taxes

Income tax expense comprises current and deferred taxes.

- i) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.
- ii) Deferred tax is recognised under the liability method, on timing differences, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods, at the rate of tax enacted or substantively enacted by the balance sheet date.

g. Provisions, Contingent Liabilities and Contingent assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The company does not recognise contingent liabilities but the same are disclosed in the Notes.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

JEYPORE SUGAR FINANCE AND INVESTMENT CORPN. LIMITED

SHARE CAPITAL

Note No.2

Particulars	As at 31.3.2013	As at 31.3.2012
Authorised		
1,000-11% Cumulative redeemable Preference Shares of Rs.100/- each	1,00,000	1,00,000
9,90,000 Equity Shares of Rs.10/- each	99,00,000	99,00,000
	<u>1,00,00,000</u>	<u>1,00,00,000</u>
Issued , Subscribed and Paid-up:		
4,10,470 Equity Shares of Rs.10/- each	41,04,700	41,04,700
Total	<u>41,04,700</u>	<u>41,04,700</u>

The company has issued only one class of Equity shares having a par value of Rs.10/- each. Each holder of Equity share is entitled to one vote per share on poll and have one vote on show of hands. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company in proportion to their shareholding after distribution of payments to preferential creditors.

2.Details of share holders holding more than 5% of total number of shares

Name of the Share Holder	As at 31.03.2013		As at 31.3.2012	
	Number of Shares held	% out of total number of shares of the company	Number of Shares held	% out of total number of shares of the company
The Jeypore Sugar Company Limited	4,10,000	99.89%	4,10,000	99.89%

3. The company is a Subsidiary company to the Jeypore Sugar company Limited and the said company holds 410000 shares out of total Equity shares of 410470.

4. Reconciliation of number of Equity shares:

Name of the Share Holder

	As at 31.03.2013		As at 31.3.2012	
	Number of Shares	Amount	Number of Shares	Amount
Equity:				
Shares outstanding at the beginning of the year	4,10,470	41,04,700	4,10,470	41,04,700
Add: Shares Issued during the year	-	-	-	-
	4,10,470	41,04,700	4,10,470	41,04,700
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,10,470	41,04,700	4,10,470	41,04,700

5. No bonus shares were issued by the company out of last five financial years .

6. None of the shares were issued in pursuant to a contract without payment being received in cash .

RESERVES AND SURPLUS**Note no.3**

Particulars	As at 31.3.2013	As at 31.3.2012
Statutory Reserve :		
Figures as at the end of the previous reporting period	6,97,900	6,97,900
ADD: Transfer from P&L a/c	5,496	-
Figures as at the end of current reporting period	<u>7,03,396</u>	<u>6,97,900</u>
General Reserve:		
Figures as at the end of the current and previous reporting period	25,000	25,000
	<u>25,000</u>	<u>25,000</u>
Surplus in Profit and Loss Account		
Figures as at the end of the previous reporting period	(86,97,633)	(86,82,995)
Add/(Less) : Profit /(Loss) for the year	27,478	(14,638)
	<u>(86,70,155)</u>	<u>(86,97,633)</u>
Less: Appropriations		
Transfer to Statutory Reserve	5,496	-
Figures as at the end of current reporting period	<u>(86,75,651)</u>	<u>(86,97,633)</u>
Total of Reserves and Surplus	<u>(79,47,255)</u>	<u>(79,74,733)</u>

LONG-TERM BORROWINGS**Note No.4**

PARTICULARS	As at 31.3.2013	As at 31.3.2012	As at 31.3.2013	As at 31.3.2012
	Non-current portion	Non-current portion	Current maturities	Current maturities
Unsecured:				
Deposits from Directors	4,53,405	4,53,405	-	39,41,000
Total	<u>4,53,405</u>	<u>4,53,405</u>	-	<u>39,41,000</u>

OTHER CURRENT LIABILITIES**Note No.5**

PARTICULARS	As at 31.3.2013	As at 31.3.2012
Current Maturities of Long term Debt	-	39,41,000
Unclaimed deposits	38,41,000	-
Audit fee payable	66,180	49,635
Due to Directors	39,667	39,667
Due to the Holding Company	88,135	70,760
Other payables	1,72,568	1,72,568
Total	<u>42,07,550</u>	<u>42,73,630</u>

Note: Unclaimed deposits represents deposits matured during the year but unclaimed by the deposit holder .

FIXED ASSETS

Note no.6

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1.04.2012	ADDITIONS	DEDUCTIONS	As at 31.03.2013	As at 1.04.2012	FOR THE YEAR Rs.	ON DEDUCT- IONS	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
Tangible:										
FOffice and other equipment	64,717	-	-	64,717	56,322	1,168	-	57,490	7,227	8,395
Furniture and Fixtures	14,165	-	-	14,165	13,974	35	-	14,009	156	191
Computers	1,00,000	-	-	1,00,000	99,398	241	-	99,639	361	602
Total	1,78,882	-	-	1,78,882	1,69,694	1,443	-	1,71,137	7,745	9,188
Previous year	1,78,882	-	-	1,78,882	1,67,894	1,800	-	1,69,694	9,188	10,988

LONG TERM LOANS AND ADVANCES**NOTE NO.7**

Particulars	AS AT 31.3.2013	AS AT 31.3.2012
Telephone deposit	18,000	18,000
TNGST Deposit	3,000	3,000
Electricity Deposit	12,800	12,800
Total	33,800	33,800

TRADE RECEIVABLES**NOTE NO.8**

Particulars	AS AT 31.3.2013	AS AT 31.3.2012
Unsecured and Considered Good		
Outstanding for a period exceeding six months	-	-
Others	4,62,461	4,37,898
Total	4,62,461	4,37,898

CASH AND CASH EQUIVALENTS**NOTE NO.9**

Particulars	AS AT 31.3.2013	AS AT 31.3.2012
1. Cash on hand	-	-
2. Cash Equivalents		
i. Balances with banks		
a. Balances with banks held as margin money against LC and guarantees	-	-
b. In Current accounts	1,77,341	2,39,064
Total	1,77,341	2,39,064

SHORT TERM LOANS AND ADVANCES**Note no.10**

Particulars	As at 31.3.2013	As at 31.3.2012
UNSECURED , CONSIDERED GOOD		
Balance with Statutory authorities	137,053	137,053
Total	137,053	137,053

JEYPORE SUGAR FINANCE AND INVESTMENT CORPN. LIMITED**DEPRECIATION AND AMORTIZATION EXPENSE** **NOTE NO. 11**

Particulars	2012-13	2011-12
Depreciation on tangible assets	1,443	1,800
Amortization of Intangible assets	-	-
Total	<u>1,443</u>	<u>1,800</u>

OTHER EXPENSES **NOTE NO. 12**

Particulars	2012-13	2011-12
Directors Sitting Fees	5,000	7,500
Payments to Auditors:		
Statutory audit fee	16,545	16,545
Miscellaneous Expenses	18,895	12,510
Total	<u>40,440</u>	<u>36,555</u>

- 13) No provision has been made in the accounts in respect of Income tax demanded by Income tax Department for the assessments years 1998-99 and 1999-2000 amounting to Rs.10018/- and Rs.41156/- respectively. Against the said demands, amount paid under protest /adjusted by the Income Tax Department amounting to Rs.41156/- has been shown under "Short term loans & advances".
- 14) The company has not recognised in the books the deferred tax asset arising on timing differences as at the date of Balance sheet as there is no virtual certainty as to the availability of future taxable profits against which the deferred tax asset can be realized.
- 15) The company has received the demand for Rs.172568/- from the Income Tax department levying the penalty on late payment of disputed Interest Tax for the year 1997-98. The Company filed the appeal before the higher authorities which is pending for disposal. Meanwhile provision is made therefor in the accounts.
- 16) The net worth of the company has become negative and it is proposed to infuse necessary funds to restore the net worth of the company to enable it to carry on its business as NBFC. Accordingly the accounts for the year have been prepared under the going concern assumption.

	As at 31.3.13	As at 31.3.12
17) Expenditure in foreign currency	Nil	Nil
18) Earnings in foreign currency	Nil	Nil
19) Disclosure pursuant to "AS-18" Related party transactions		
Key Managerial personnel	Rajeswary Ramakrishnan	
Holding company	The Jeypore Sugar Company Limited	
Transactions with related parties	Nil	
Share capital held by holding company		Rs. 41,00,000
Due to holding company		Rs. 88,135
Due to Rajeswary Ramakrishnan		Rs. 42,94,405

- 20) From the financial year 2011-12, the revised Schedule VI notified under the Companies Act, 1956 is applicable to the company for preparation and presentation of financial statements. The adoption of revised Schedule - VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified and rearranged the previous year figures in accordance with the requirements of revised schedule VI.
- 21) Paise have been rounded off to the nearest rupee

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firms' Registration No: 000513S

(Sd.) P. Lakshmana Rao
Partner
Membership No: 13254

Place : Camp : Chennai
Date : 30-05-2013

For and on behalf of Board of Directors

(Sd.) RAJESWARY RAMAKRISHNAN
(Sd.) ANITA PRABHU
Directors

JEYPORE SUGAR FINANCE AND INVESTMENT CORPORATION LIMITED

The Board of Directors,
The Jeypore Sugar Finance & Investment Corporation Ltd.,
Chennai.

We have examined the attached Cash Flow Statement of the Jeypore Sugar Finance & Investment Corporation Ltd., Chennai for the year ended 31st March, 2013. The Statement has been prepared by the Company in accordance with the listing agreement clause 32 with Chennai Stock Exchange and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company

for BRAHMAYYA & COMPANY
Chartered Accountants,
(Sd.) P. LAKSHMANA RAO
Partner

Place : Camp : Chennai
Date : 30-05-2013

CASH FLOW STATEMENT FOR THE YEAR ENDED

PARTICULARS	31.3.2013		31.03.2012	
	DETAILS Rs.	AMOUNT Rs.	DETAILS Rs.	AMOUNT Rs.
I CASH FROM OPERATING ACTIVITIES				
Net Profit as per Profit & Loss Account		27,478		(-)14,638
Add/Less: Adjustments for				
a) Depreciation	1,443		1,800	
b) Interest Paid	-		-	
c) Profit on Sale of Assets	-		-	
		<u>1,443</u>		<u>1,800</u>
Operating Profit before Working Capital changes		28,921		(-)12,838
Add/Less: Adjustments for working capital				
a) Decrease Inventories				
b) Increase in Trade & other receivables		(-)24,563		3,45,179
c) Increase in Trade Payables		33,920		24,555
		<u>9,357</u>		<u>3,69,734</u>
		<u>38,278</u>		<u>3,56,896</u>
d) Taxes paid (FBT)				
Cash generated from Operations		<u>38,278</u>		<u>3,56,896</u>
CASH USED IN OPERATING ACTIVITIES (A)		<u>38,278</u>		<u>3,56,896</u>

II CASH FROM INVESTING ACTIVITIES

Sale of Fixed Assets

III CASH FROM FINANCING ACTIVITIES

a) Increase/Decrease in funds borrowed

(-1,00,000

(-3,50,000

b) Interest Paid

-

-

(-3,50,000

CASH USED IN FINANCING ACTIVITIES (B)

(-1,00,000

NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)

(-61,722

6,896

OPENING BALANCE OF CASH AND CASH EQUIVALENTS

2,39,063

2,321,67

CLOSING BALANCE OF CASH AND CASH EQUIVALENTS

1,77,341

2,39,063

(-61,722

6,896

Place : Camp : Chennai
Date : 30-05-2013

Per our report annexed
For BRAHMAYYA & CO.,
Chartered Accountants
Firms' Registration No: 000513S

(Sd.) P. Lakshmana Rao
Partner
Membership No: 13254

(Sd.) RAJESWARY RAMAKRISHNAN
(Sd.) ANITA PRABHU
Directors

JEYPORE SUGAR FINANCE AND INVESTMENT CORPORATION LIMITED

SCHEDULE TO THE BALANCE SHEET AS AT 31.3.2013

(Rs. In Lakhs)

Particulars	Amount Outstanding	Amount Overdue
Liabilities side;		
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a) Debentures		
— Secured	NIL	NIL
— Unsecured (other than falling within the meaning of public deposits*)	NIL	NIL
(b) Deferred credits		
(c) Term Loans	NIL	NIL
(d) Inter-corporate loans and borrowings	NIL	NIL
(e) Commercial paper	NIL	NIL
(f) Public Deposits	NIL	NIL
(g) Other loans (specify nature) Deposits from Directors	42.94	NIL
* Please see Note 1 below		
(2) Breakup of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of unsecured debentures	NIL	NIL
(b) In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of Security	NIL	NIL
(c) Others Public deposits	NIL	NIL

Assets Side	Amount Outstanding
(3) Break-up of loans and advances including bills receivable (other than those included in (4) below):	
(a) Secured	NIL
(b) Unsecured	4.62
(4) Break up of leased assets and stock on hire and hypothication loans counting towards EL/HP activities	
(i) Leases assets including lease rentals under sundry debtors:	
(a) Financial lease	NIL
(b) Operating lease	NIL
(ii) Stock on hire including hire-charges under Sundry debtors:	
(a) Assets on hire	NIL
(b) Repossessed assets	NIL
(iii) Hypothecation loans counting towards EL/HP activities	-
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-
(5) Break-up of Investments: current Investments:	
1. Quoted:	
(i) Shares	
(a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government securities	NIL
(v) Others (Plase Specify)	NIL
2. Unquoted:	
(i) Shares	
(a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and bonds	NIL
(iii) Units of mutual funds	NIL

JEYPORE SUGAR FINANCE AND INVESTMENT CORPN. LIMITED

(iv) Government securities	NIL
(v) Others (Plase Specify)	NIL

Long-term Investments:

1. Quoted:

(I) Shares	
(a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government securities	NIL
(v) Others (Plase Specify)	NIL

2. Unquoted:

(I) Shares	
(a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government securities	NIL
(v) Others (Plase Specify)	NIL

(6) Borrowing group-wise classification of all leased assets, stock-on-hire and loans and advances

Category	Amount net of provisions	
	Secured	Unsecured
1. Related Parties**		
a) Subsidiaries		
b) Companies in the same group	NIL	
c) Other related parties		
2. Other than related parties	NIL	4.62
Total		

(7) Investor group-wise classification of all investments (current and long-term) in shares and securities(both quoted and un-quoted):
Please see note 3 below

Category	Market value/ break-up or fair value of NAV	Book value (net of provisions)
1. Related Parties**		
a) Subsidiaries	NIL	NIL
b) Com[panies in the same group	NIL	NIL
c) Other related parties	NIL	NIL
2. Other than related parties	NIL	NIL
Total NIL	NIL	NIL

** As per Accounting Standard of ICAI(Please see note 3)

(8) Other information

Particulars

(I) Gross non-performing assets		
(a) Related Parties	NIL	NIL
(b) Other than related parties	NIL	NIL
(ii) Net non-performing assets		
(a) Related Parties	NIL	NIL
(b) Other than related parties	NIL	NIL
(iii) Assets acquired in satisfaction of debt	NIL	NIL

Notes:

- (1) As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank Directions, 1998.
- (2) Provisioning norms shall be applicable as prescribed in (Reserve Bank) Directions, 1998.
- (3) All accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However market value in respect of quoted investments and break-up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column(5)above.

THE JEYPORE SUGAR COMPANY LIMITED GROUP

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To

The Members of

THE JEYPORE SUGAR COMPANY LIMITED

Report on the Consolidated financial statements

We have audited the accompanying Consolidated financial statements of THE JEYPORE SUGAR COMPANY LIMITED ("the Company") and its subsidiaries (collectively referred to as "the group") which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss for the period from 1.10.2012 to 31.3.2013 and the Consolidated Cash Flow Statement for the period from 1.10.2012 to 31.3.2013 and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' 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 control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

The financial statements of subsidiary company has been audited for a period of 12 months ended 31st March, 2013. Since the parent company prepared its financial statements for 6 months period ended 31st March, 2013 i.e From 1.10.2012 to 31.3.2013, the financial statements of subsidiary company are also taken for six months period ended 31st March, 2013 for the purposes of consolidation.

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

Opinion

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

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
- b) in the case of the Consolidated Statement of Profit and Loss, of the Profit of the Group for six months ended 31.3.2013; and
- c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for six months ended 31.3.2013.

Place: Camp : Chennai
Date : 30/05/2013

For BRAHMAYYA & CO
Chartered Accountants
Firm Regn.no.000513S

(Sd.) (P. Lakshmana Rao)
Partner
ICAI Membership No.13254

THE JEYPORE SUGAR COMPANY LIMITED GROUP, CHENNAI

THE JEYPORE SUGAR COMPANY LIMITED

The Board of Directors,
The Jeypore Sugar Co.Ltd.,
Chennai.

We have examined the attached Cash Flow Statement of the Jeypore Sugar Co. Ltd., Chennai for the 6 months period ended 31st March, 2013. The Statement has been prepared by the Company in accordance with the listing agreement clause 32 with Madras Stock Exchange and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the company covered by our report of even date to the members of the Company.

Place : Chennai : Chennai
Date : 30-05-2013

for BRAHMAYYA & CO.,
Chartered Accountants
Firms' Registration No.000513S
(Sd.) P. Lakshmana Rao
Partner
Membership No. 13254



CONSOLIDATED CASH FLOW STATEMENT FOR 18 MONTHS

PARTICULARS	31.03.2013 6 months Rs.	30.9.2012 18 months Rs.
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax and extra-ordinary items	9,13,45,816	2,64,57,923
Add/Less: Adjustments for		
Depreciation	5,05,67,175	15,56,90,730
Interest expense	12,39,35,482	46,83,21,302
Interest income	(-)11,21,263	(-)29,61,251
Dividends received	(-)3,34,744	(-)12,07,409
Profit on sale of assets	(-)4,41,787	(-)11,38,031
Operating profit before working capital changes	<u>26,39,50,679</u>	<u>64,51,63,264</u>
Add/Less: Adjustments for working capital		
Inventories	(-)49,02,11,728	1,28,88,94,825
Trade and other receivables	13,68,27,714	(-)2,78,31,075
Trade payables	(-)36,39,41,770	(-)1,68,87,83,891
Cash generated from operations	<u>27,45,08,435</u>	<u>21,74,43,123</u>
Less: Direct taxes paid	-	-
Net cash from operating activities	<u>27,45,08,435</u>	<u>21,74,43,123</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets and Capital WIP	(-)25,16,86,136	(-)70,36,27,279
Proceeds from sale of fixed assets	6,06,317	30,00,000
Dividends received	3,34,744	12,07,409
Interest received	11,21,263	29,61,251
Net cash used in Investing activities	<u>(-)24,96,23,812</u>	<u>(-)69,64,58,619</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	10,96,78,366	81,17,41,000
Dividends and taxes paid	-50,00,001	-
Interest and finance charges	(-)12,39,35,482	(-)46,83,21,302
Net cash from financing activities	<u>(-)1,92,57,116</u>	<u>34,34,19,700</u>
Net Increase/(Decrease) in cash and cash equivalents	<u>56,27,507</u>	<u>(-)13,55,95,796</u>
Cash and cash equivalents at the beginning of the period	5,15,88,120	18,71,83,918
Cash and cash equivalents at the end of the period	<u>5,72,15,627</u>	<u>5,15,88,120</u>
Net increase/(decrease) in cash and cash equivalents	<u>56,27,507</u>	<u>(-)13,55,95,796</u>

Per our report annexed
for BRAHMAYYA & CO.,
Chartered Accountants
Firms' Registration No: 000513S
(Sd.) P. LAKSHMANA RAO
Partner
Membership No: 13254

(By Order of the Board)
(Sd.) RAJESWARY RAMAKRISHNAN
Chairman cum Managing Director

THE JEYPORE SUGAR COMPANY LIMITED GROUP, CHENNAI

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2013 (Amount in Rs.)

Particulars	Note No.	As at 31.03.2013	As at 30.9.2012
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	4,53,45,280	4,53,45,280
(b) Reserves and surplus	3	<u>69,40,17,835</u>	<u>63,92,15,318</u>
		<u>73,93,63,115</u>	<u>68,45,60,598</u>
Minority interest		(-) <u>4,420</u>	(-) <u>4,420</u>
2 Non-current liabilities			
(a) Long-term borrowings	4	243,94,99,567	258,84,96,683
(b) Deferred tax liabilities (Net)	5	7,55,56,005	7,65,12,705
(c) Other Long-term liabilities	6	3,27,97,100	3,47,20,600
(d) Long-term provisions	7	<u>5,51,70,695</u>	<u>5,25,09,597</u>
		<u>260,30,23,367</u>	<u>275,22,39,585</u>
3 Current liabilities			
(a) Short-term borrowings	8	100,84,52,885	100,96,77,208
(b) Trade payables	9	84,40,63,767	80,64,13,977
(c) Other current liabilities	10	120,67,59,434	62,24,22,318
(d) Short-term provisions	11	<u>14,40,70,893</u>	<u>12,53,80,565</u>
		<u>320,33,46,979</u>	<u>256,38,94,068</u>
Total		<u>654,57,29,041</u>	<u>600,06,89,831</u>
II. ASSETS			
1 Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		116,93,82,399	118,83,75,548
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		180,01,77,296	178,91,90,626
(iv) Unallocated capital expenditure		<u>162,00,58,659</u>	<u>141,10,97,751</u>
		<u>458,96,18,354</u>	<u>438,86,63,925</u>
(b) Non-current investments	13	19,66,482	19,66,482
(c) Long-term loans and advances	14	8,29,83,633	8,55,67,488
2 Current assets			
(a) Inventories	15	127,85,64,601	78,83,52,872
(b) Trade receivables	16	4,38,03,395	9,30,99,000
(c) Cash and cash equivalents	17	5,72,15,627	5,15,88,120
(d) Short-term loans and advances	18	47,87,25,925	53,14,99,932
(e) Other current assets	19	<u>1,28,51,024</u>	<u>5,99,52,012</u>
		<u>187,11,60,572</u>	<u>152,44,91,936</u>
Total		<u>654,57,29,041</u>	<u>600,06,89,831</u>
Significant accounting policies	1		
Notes on accounts	28		

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firms' Registration No: 000513S
(Sd.) P. Lakshmana Rao
Partner
Membership No: 13254
Place : Camp : Chennai
Date : 30-05-2013

(Sd.) Dr. S.R.K. PRASAD
(Sd.) K. MUNESWAR RAO
Directors

(Sd.) P.S. KRISHNAMOORTHY
Secretary

(Sd.) RAJESWARY RAMAKRISHNAN
Chairman cum Managing Director



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR 6 MONTHS ENDED 31st MARCH, 2013

(AMOUNT IN RS.)

Particulars	Note No.	6 Months ended 31.03.2013	18 Months ended 30.09.2012
Continuing Operations			
I.Revenue:			
From Operations :			
(a)Sale of products	20	170,19,46,717	449,17,48,837
(b) Sale of services		-	-
(c) Other operating revenue		<u>33,142</u>	<u>1,33,711</u>
		170,19,79,859	449,18,82,548
Less: Excise duty		<u>4,33,32,052</u>	<u>13,52,66,600</u>
		170,19,79,859	449,18,82,548
Other Income	21	<u>51,83,235</u>	<u>6,20,37,760</u>
Total		<u>170,71,63,094</u>	<u>455,39,20,308</u>
II.Expenses:			
Cost of materials consumed	22	134,66,80,157	175,62,20,654
Purchases of Stock-in-Trade		-	-
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	23	50,58,69,962	123,20,10,939
Employee benefits expenses	24	14,57,21,884	31,54,30,215
Finance costs	25	12,39,35,482	46,83,21,302
Depreciation	26	5,05,67,175	15,56,90,730
Other expenses	27	<u>45,47,82,541</u>	<u>59,97,88,545</u>
Total		<u>161,58,17,277</u>	<u>452,74,62,385</u>
Profit/(Loss) before tax		<u>9,13,45,817</u>	<u>2,64,57,923</u>
Less: Tax expense:			
-Current tax		2,25,00,000	1,50,00,000
-Mat Credit Withdrawn		<u>1,50,00,000</u>	<u>-</u>
		5,38,45,817	1,14,57,923
Add/(Less): Deferred tax (Credit)		<u>9,56,700</u>	<u>1,84,79,371</u>
MAT credit entitlement		-	1,50,00,000
Profit/(Loss) after tax		<u>5,48,02,517</u>	<u>4,49,37,294</u>
Add/(Less): Minority interest		<u>13</u>	<u>7</u>
Profit/(Loss) after Minority interest		<u>5,48,02,504</u>	<u>4,49,37,301</u>
Earning per Equity share of Rs.10/- each			
Basic and diluted		12.09	9.91
Significant accounting policies	1		
Notes on accounts	28		

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firms' Registration No: 000513S
(Sd.) P. Lakshmana Rao
Partner
Membership No: 13254
Place : Camp : Chennai
Date : 30-05-2013

(Sd.) Dr. S.R.K. PRASAD
(Sd.) K. MUNESWAR RAO
Directors
(Sd.) P.S. KRISHNAMOORTHY
Secretary

(Sd.) RAJESWARY RAMAKRISHNAN
Chairman cum Managing Director

THE JEYPORE SUGAR COMPANY LIMITED GROUP, CHENNAI

**NOTES FORMING PART OF THE CONSOLIDATED BALANCESHEET & PROFIT & LOSS ACCOUNT
FOR 6 MONTHS ENDED 31st MARCH 2013**

1. SIGNIFICANT ACCOUNTING POLICIES

(i) Principles of consolidation

- (a) The financial statements of the The Jeypore Sugar Company Limited, referred to as "Company" and its subsidiary company, Jeypore Sugar Finance and Investment Corporation Limited, are combined on line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
- (b) Minority interest's share of net profit of consolidated subsidiaries is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the company.
- (c) Minority interest's share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.
- (d) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- (e) The financial statements of subsidiary company has been audited for the year ended 31-3-2013. Since the parent company closed its financial year by six months up to 31st March 2013, the financial statements of subsidiary are drawn for 6 months ended and have been considered for consolidation purposes.

(ii) Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the separate Financial Statements of The Jeypore Sugar Company Limited and its subsidiary Company.



THE JEYPORE SUGAR COMPANY LIMITED - Group consolidated financial statements

SHARE CAPITAL		Note no.2	
Particulars	As at 31.03.2013 Rs.	As at 30.09.2012 Rs.	
Authorised:			
3,00,000-15% Cumulative Preference Shares of Rs.100/- each	3,00,00,000	3,00,00,000	
70,00,000 Equity Shares of Rs.10/- each	7,00,00,000	7,00,00,000	
	10,00,00,000	10,00,00,000	
Issued:			
45,47,256 Equity Shares of Rs.10/- each	4,54,72,560	4,54,72,560	
Subscribed and Paid-up:			
45,34,528 Equity Shares of Rs.10/- each	4,53,45,280	4,53,45,280	
Total	4,53,45,280	4,53,45,280	

RESERVES AND SURPLUS		Note no.3	
Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.	
a) Capital Reserve:			
i) Profit on forfeiture of shares			
Figures as at the end of the current and previous reporting period	65,917	65,917	
ii) Investment Subsidy			
Figures as at the end of the current and previous reporting period	88,08,292	88,08,292	
iii) Provision for Diminution in the value of Investments			
Figures as at the end of the current and previous reporting period	41,00,000	41,00,000	
b) Revaluation Reserve			
Figures as at the end of the current and previous reporting period	3,01,466	3,01,466	
c) Statutory Reserve			
Figures as at the end of the current and previous reporting period	7,01,737	6,97,900	
d) Capital redemption Reserve			
Figures as at the end of the current and previous reporting period	14,45,000	14,45,000	
e) Share Premium			
Figures as at the end of the current and previous reporting period	10,11,21,705	10,11,21,705	

THE JEYPORE SUGAR COMPANY LIMITED GROUP, CHENNAI

f) Other reserves:

i) Depreciation Reserve

Figures as at the end of the current and previous reporting period **29,89,342** 29,89,342

ii) Investment Allowance Reserve

Figures as at the end of the current and previous reporting period **32,35,000** 32,35,000

iii) General Reserve

Figures as at the end of the current and previous reporting period **50,43,43,663** 48,43,43,663

Add: Transfer from Profit & Loss account - 2,00,00,000

50,43,43,663 50,43,43,663

g) Surplus in Profit and Loss Account

Figures as at the end of the current & previous reporting period **1,20,97,913** 3,35,974

Add : Profit for the year (Incl.Minority) **5,48,02,517** 4,49,37,294

6,69,00,430 4,52,73,268

Less: Appropriations

Proposed dividend - 1,13,36,320

Tax on Proposed Dividend - 18,39,035

Transfer to General Reserve - 2,00,00,000

Transfer to Statutory Reserve **3,837** -

Figures as at the end of the current reporting period **6,68,96,593** 1,20,97,913

Reserves and Surplus

69,40,08,715 63,92,06,198

Less : Minority Interest in reserves and

Surplus/(Deficit) in Subsidiary Company **9,100** 9,120

Total of Reserves and surplus **69,40,17,835** 63,92,15,318

Minority Interest

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Share Capital	4,700	4,700
Reserves and Surplus/(-)Deficit	(-)9,100	(-)9,120
	(-)4,400	(-)4,420



LONG-TERM BORROWINGS

Note no.4

PARTICULARS	As at 31.03.2013 Non-current portion Rs.	As at 30.9.2012 Non-current portion Rs.	As at 31.03.2013 Current maturities Rs.	As at 30.9.2012 Current maturities Rs.
A. Secured				
Term loans				
a) From banks				
I) For financing new sugar plant at Pothavaram	162,37,10,067	171,57,27,459	40,41,62,934	19,71,27,852
II) Under "Scheme for Extending Financial assistance to Sugar Units 2007"	-	-	4,00,000	17,52,003
III) For working capital requirements	71,70,00,000	76,85,00,000	10,30,00,000	5,15,00,000
b) From a company/Bank	51,39,095	3,92,819	23,39,168	82,555
B. Unsecured				
I) Fixed deposits	8,74,00,405	9,13,76,405	5,82,75,000	6,14,44,000
II) From IFCI out of Sugar Development Fund	62,50,000	1,25,00,000	1,87,50,000	1,25,00,000
Total	243,94,99,567	258,84,96,683	58,69,27,102	32,44,06,410

DEFERRED TAX LIABILITIES (Net)

Note no.5

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
As per previous year balance sheet	7,65,12,705	9,49,92,076
Less: Liability withdrawn during the year	9,56,700	1,84,79,371
Total	7,55,56,005	7,65,12,705

THE JEYPORE SUGAR COMPANY LIMITED GROUP, CHENNAI

OTHER LONG- TERM LIABILITIES

Note no.6

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Trade deposits	3,22,97,100	3,42,20,600
Earnest money deposits	5,00,000	5,00,000
Total	3,27,97,100	3,47,20,600

LONG - TERM PROVISIONS

Note no.7

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Provision for employee retirement benefits		
- Leave Encashment	1,24,87,792	1,24,18,961
- Group gratuity	4,26,82,903	4,00,90,636
Total	5,51,70,695	5,25,09,597

SHORT- TERM BORROWINGS

Note no.8

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
A. Secured		
l) Loans repayable on demand :		
Working Capital Loans:		
From Banks :	1,00,84,52,885	1,00,96,77,207
Total	1,00,84,52,885	1,00,96,77,207

TRADE PAYABLES

Note no.9

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Dues to: Small and Micro Enterprises	84,11,799	15,50,906
Others	83,56,51,968	80,48,63,071
Total	84,40,63,767	80,64,13,977


OTHER CURRENT LIABILITIES
Note no.10

Particulars	As at 31.03.2013 Rs.	As at 30.09.2012 Rs.
Current maturities of Long-term debt (Refer note no.4)	58,69,27,102	32,44,06,410
Interest accrued but not due on borrowings	35,75,213	28,59,008
Interest accrued and due on borrowings	2,09,53,801	2,74,15,688
Advances received against sales	25,87,94,323	4,14,57,964
Creditors for capital goods	8,81,76,200	9,26,64,283
Employee related payments	1,87,20,967	2,37,08,737
Statutory liabilities	4,64,89,169	3,39,58,919
Unpaid Fixed Deposits	42,87,000	-
Unpaid dividends	50,00,000	-
Unclaimed dividends	38,82,446	48,77,072
Unclaimed Redeemed Preference shares	1,86,900	1,86,900
Other liabilities :		
- Incentives and subsidies payable to cane growers	14,22,67,987	4,58,15,469
- Others	2,74,98,326	2,50,71,868
Total	120,67,59,434	62,24,22,318

SHORT-TERM PROVISIONS
Note no.11

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Provision for employee retirement benefits		
- Leave Encashment	1,76,012	1,76,268
- Group gratuity	39,84,210	27,93,626
Provision for Income- Tax	13,17,35,316	10,92,35,316
Proposed Dividend	63,36,320	1,13,36,320
Tax on Proposed Dividend	18,39,035	18,39,035
Total	14,40,70,893	12,53,80,565

FIXED ASSETS											Note No.12
SL. No	NAME OF THE ASSET	COST UPTO 30-09-2012	GROSS BLOCK			DEPRECIATION			NET BLOCK		
			ADDITIONS DURING 6 Months	DEDUCTIONS DURING 6 Months	COST UPTO 31-03-2013	DEPRECIATION UPTO 30-09-2012	DEPRECIATION FOR 6Months	DEPRECIATION ON DEDUCTIONS	DEPRECIATION UPTO 31-03-2013	AS AT 31-03-2013	AS AT 30-09-2012
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1	LANDS	29,43,54,845	-	-	29,43,54,845	-	-	-	-	29,43,54,845	29,43,54,845
2	FACTORY BUILDINGS	11,77,30,398	1,12,26,871	-	12,89,57,269	6,98,49,030	24,46,698	-	7,22,95,728	5,66,61,541	4,78,81,368
3	NON-FACTORY BUILDINGS	10,95,51,378	86,12,697	-	11,81,64,075	4,91,38,981	15,72,954	-	5,07,11,936	6,74,52,140	6,04,12,397
4	PLANT & MACHINERY	1,85,64,17,170	3,20,668	-	1,85,67,37,838	1,09,95,20,248	4,29,99,202	-	1,14,25,19,450	71,42,18,388	75,68,96,922
5	TEMPORARY STRUCTURES	12,19,459	-	-	12,19,459	12,19,459	-	-	12,19,459	-	-
6	RAILWAY SIDINGS	1,85,094	-	-	1,85,094	1,84,813	20	-	1,84,833	261	281
7	WEIGHBRIDGES & SCALES	68,33,741	-	-	68,33,741	40,57,638	1,93,078	-	42,50,715	25,83,026	27,76,103
8	WATER WORKS	2,36,85,460	-	-	2,36,85,460	2,16,61,527	1,53,844	-	2,18,15,371	18,70,089	20,23,933
9	WORKSHOP EQUIPMENTS	37,87,101	-	-	37,87,101	35,72,701	16,032	-	35,88,733	1,98,368	2,14,400
10	COMPUTER EQUIPMENTS	2,17,76,063	3,27,323	-	2,21,03,386	1,85,44,182	6,89,157	-	1,92,33,339	28,70,047	32,31,881
11	TRANSPORT EQUIPMENTS	6,14,42,960	1,14,40,788	21,36,239	7,07,47,509	5,22,24,878	19,13,240	19,71,709	5,21,66,409	1,85,81,101	92,18,083
12	LIBRARY	36,867	-	-	36,867	36,821	2	-	36,823	44	46
13	LABORATORY EQUIPMENTS	25,29,857	23,800	-	25,53,657	17,08,805	58,120	-	17,66,925	7,86,732	8,21,052
14	FURNITURES & FITTINGS	1,91,51,727	97,321	-	1,92,49,048	1,49,75,427	3,20,365	-	1,52,95,793	39,53,255	41,76,299
15	MOLASSES TANKS	29,45,035	-	-	29,45,035	27,54,179	14,630	-	27,68,809	1,76,227	1,90,856
16	LIVE STOCK	5,221	-	-	5,221	-	-	-	-	5,221	5,221
17	AGRICULTURAL IMPLEMENTS	86,22,743	-	-	86,22,743	25,49,534	4,16,333	-	29,65,867	56,56,875	60,73,208
18	AGRICULTURAL FARMS	7,003	-	-	7,003	-	-	-	-	7,003	7,003
19	Y2K COMPLIANT COMPUTERS SYSTEM										
	INCLUDING APPLICATION SOFTWARE	72,66,889	-	-	72,66,889	72,57,848	1806	-	72,59,654	7,235	8,090
	INTANGIBLE ASSETS										
1	GOODWILL	5,74,58,900	-	-	5,74,58,900	5,74,58,900	-	-	5,74,58,900	-	-
		2,59,50,07,910	3,20,49,468	21,36,239	2,62,49,21,139	1,40,67,14,971	5,07,95,480	19,71,709	1,45,55,38,742	1,16,93,82,397	1,18,82,92,939
	LESS : DEPRECIATION CAPITALISED						2,28,305				
	Total						5,05,67,175				


NON-CURRENT INVESTMENTS (At cost)
Note no.13

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
QUOTED		
(I) TRADE INVESTMENTS		
(a) SHARES IN COMPANIES		
i) 2,78,370 Equity Shares of Rs.1/- each fully paid up in The K.C.P Ltd	32,569	32,569
ii) 25,498 Equity Shares of Rs.10/- each fully paid up in Krishna Industrial Corporation Ltd	1,59,288	1,59,288
(II) NON - TRADE INVESTMENTS		
(a) SHARES IN COMPANIES		
i) 2,78,370 Equity Shares of Rs.1/ each fully paid up in K.C.P.Sugar and Industries Corporation Ltd	32,568	32,568
ii) 100 Equity shares of Rs.10/- each fully paid up in Sakthi Sugars Limited	935	935
iii) 100 Equity Shares of Rs. 10/- each fully paid up in Rajshree Sugars & Chmecials Ltd	696	696
iv) 100 Equity Shares of Rs.10/-each fully paid up in Andhra Sugars Ltd.,	2,725	2,725
v) 100 Equity Shares of Rs.10/-each fully paid up in Bannari Amman Sugars Ltd.,	7,425	7,425
vi) 100 Equity Shares of Rs.10/-each fully paid up in Thiru Arooran Sugars Ltd.,	5,567	5,567
vii) 1000 Equity Shares of Rs.1/-each fully paid up in Balrampur Chini Mills Ltd.,	8,825	8,825
viii)500 Equity Shares of Rs.10/- each fully paid up in Bank of Baroda	42,500	42,500
ix) 35900 Equity Shares of Rs.10/- each fully paid up in Bank of India	16,15,500	16,15,500
x) 1800 Equity Shares of 10 each fully paid up in Indian Overseas Bank	18,000	18,000
UNQUOTED		
NON-TRADE INVESTMENTS		
i) National savings certificates	20,650	20,650
ii) 95 Shares of Rs.200/- each fully paid up in Nagavali Lift Irrigation Cooperative Society Ltd	19,234	19,234
Total	19,66,482	19,66,482

THE JEYPORE SUGAR COMPANY LIMITED GROUP, CHENNAI

LONG-TERM LOANS AND ADVANCES

Note no.14

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
UNSECURED , CONSIDERED GOOD		
Advances for capital goods	7,39,02,649	7,64,95,504
Security Deposit with Govt. authorities and others	90,80,984	90,71,984
Total	8,29,83,633	8,55,67,488

INVENTORIES

Note no.15

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Raw materials	2,93,98,358	4,73,57,451
Work-in-progress	2,74,77,535	2,91,90,726
Crops under cultivation	13,37,259	16,20,329
Finished goods	106,19,84,358	54,41,55,554
Stores and spares	15,83,67,091	16,60,28,813
Total	127,85,64,601	78,83,52,873

TRADE RECEIVABLES

Note no.16

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Unsecured and Considered Good		
Outstanding for a period exceeding six months	2,87,39,027	2,50,92,494
Others	1,50,64,368	6,80,06,506
	4,38,03,395	9,30,99,000
Unsecured and Considered Doubtful		
Outstanding for a period exceeding six months	28,56,216	28,56,216
Others	-	-
	28,56,216	28,56,216
Less: Provision for bad and doubtful debts	28,56,216	28,56,216
	-	-
Total	4,38,03,395	9,30,99,000

**CASH AND CASH EQUIVALENTS****Note no.17**

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
1. Cash on hand	40,93,348	18,93,523
2. Cheques on hand	-	7,40,124
3. Cash Equivalents		
i. Balances with banks		
a. Held as margin money against LC and guarantees	1,07,24,352	1,03,06,993
b. Earmarked deposits for fixed deposits	60,58,745	58,13,603
c. In Current accounts	2,74,43,281	2,79,43,336
d. Towards Unclaimed Dividends	88,95,901	48,90,542
Total	<u>5,72,15,627</u>	<u>5,15,88,121</u>

SHORT - TERM LOANS AND ADVANCES**Note no.18**

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
UNSECURED , CONSIDERED GOOD		
Advances to Suppliers of goods and services	16,99,01,291	20,45,62,158
Staff Advances	7,76,300	7,85,069
Balances with statutory authorities	30,67,64,331	30,91,24,960
Advances to cane growers	-	15,06,636
MAT Credit entitlement	-	1,50,00,000
Other Miscellaneous advances	12,84,003	5,21,109
Total	<u>47,87,25,925</u>	<u>53,14,99,932</u>

OTHER CURRENT ASSETS**Note no.19**

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Accrued Interest on deposits and advances	7,47,941	6,09,510
Prepaid expenses	1,16,92,532	1,02,80,424
Claims receivable	4,10,551	4,10,551
Others:		
- Off-season expenditure	-	4,86,51,528
Total	<u>1,28,51,024</u>	<u>5,99,52,013</u>

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firms' Registration No: 000513S

(Sd.) P. Lakshmana Rao
Partner
Membership No: 13254

Place : Camp : Chennai
Date : 30-05-2013

(Sd.) Dr. S.R.K. PRASAD
(Sd.) K. MUNESWAR RAO
Directors

(Sd.) P.S. KRISHNAMOORTHY
Secretary

(Sd.) RAJESWARY RAMAKRISHNAN
Chairman cum Managing Director

THE JEYPORE SUGAR COMPANY LIMITED GROUP, CHENNAI

REVENUE FROM OPERATIONS

Note no.20

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Sale of products :		
Sugar	141,68,71,248	389,36,15,395
I M F L	13,26,700	26,05,100
Ethanol	7,00,68,350	30,30,02,240
Extra Neutral Alcohol	14,40,000	7,17,20,500
Industrial Alcohol	20,49,13,669	24,66,26,486
Fusel Oil	1,20,000	
Ferro Manganese	2,92,918	1,31,42,783
Power	4,46,97,715	7,21,69,964
Organic Manure	41,86,676	2,28,39,921
Agricultural Produce from Plantations	13,61,493	12,93,048
	<u>174,52,78,769</u>	<u>462,70,15,437</u>
Less:		
Excise duty Collected	4,33,32,052	13,52,66,600
Total	<u>170,19,46,717</u>	<u>449,17,48,837</u>

Note:

The above sales do not include the following inter-divisional transfers.

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Molasses	1,77,86,000	10,67,75,593
Bagasse	11,21,64,000	8,16,45,000
Filter cake	19,75,383	68,78,813
Power	2,06,20,912	2,38,68,002
Steam	8,55,33,141	7,10,11,349
	<u>23,80,79,436</u>	<u>29,01,78,757</u>


OTHER INCOME
Note no.21

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Interest income	11,21,263	29,61,251
Rents received	7,74,214	11,97,951
Dividends received	3,34,744	12,07,409
Agricultural Income	14,60,310	21,48,697
Sale of Export Licenses	-	5,02,92,140
Other Income:		
Credit balances written back	28,364	77,449
Claims received	-	43,400
Transport charges collected	-	4,08,732
Profit on sale of assets	4,41,787	11,38,031
Provisions no longer required credited back	19,516	32,157
Miscellaneous receipts	<u>10,03,037</u>	<u>25,30,543</u>
Total	<u>51,83,235</u>	<u>6,20,37,760</u>

COST OF MATERIALS CONSUMED
Note no.22

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Opening Stock	4,73,57,451	1,51,78,798
Add: Purchases of Raw Material	<u>132,87,21,064</u>	<u>178,83,99,306</u>
	137,60,78,515	180,35,78,104
Less: Closing Stock	<u>2,93,98,358</u>	<u>4,73,57,451</u>
Total	<u>134,66,80,157</u>	<u>175,62,20,653</u>

COMPONENTS OF MATERIALS CONSUMED:

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Sugar cane	124,89,36,134	164,52,25,876
Molasses	11,03,75,420	21,57,08,977
Bagasse for Cogeneration of Power	11,21,64,000	8,16,45,000
Filter Cake	25,13,778	82,72,375
Extra neutral alcohol	<u>1,55,009</u>	<u>6,67,831</u>
	147,41,44,341	195,15,20,059
Less: Inter-divisional transfers		
Molasses	1,77,86,000	10,67,75,593
Bagasse	11,21,64,000	8,16,45,000
Filter cake	<u>19,75,383</u>	<u>68,78,813</u>
	<u>134,22,18,958</u>	<u>175,62,20,653</u>

THE JEYPORE SUGAR COMPANY LIMITED GROUP, CHENNAI

CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS and STOCK-IN-TRADE Note no.23

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Closing Stock:		
Work-in-Process:		
Sugar	1,59,18,033	1,62,69,161
Molasses	71,300	83,900
Bio-earth Process	88,10,249	40,13,862
Crops under cultivation	13,37,259	16,20,329
Industrial Alcohol	2,00,000	63,45,850
	2,63,36,841	2,83,33,102
Finished Goods:		
Sugar	97,32,67,306	50,84,42,812
Molasses	5,15,05,286	1,53,12,030
Industrial Alcohol	2,53,21,412	1,26,20,352
Extra neutral Alcohol	16,45,668	14,37,707
Ethanol	52,63,821	24,60,780
Indian Made Foreign Liquor	28,60,904	30,93,681
Fusel Oil	15,585	44,158
Ferro Manganese (Slag Dumpings)	86,846	1,73,099
Filter Cake	20,17,530	5,70,937
	106,19,84,358	54,41,55,556
Sub Total:A	108,83,21,199	57,24,88,658
Opening Stock:		
Work-in-Process:		
Sugar	1,62,69,161	3,05,84,133
Molasses	83,900	29,60,725
Bio-earth Process	40,13,862	47,66,712
Crops under cultivation	16,20,329	11,07,384
Industrial Alcohol	63,45,850	2,00,000
	2,83,33,102	3,96,18,954
Finished Goods:		
Sugar	50,84,42,812	172,00,67,973
Molasses	1,53,12,030	4,33,62,098
Industrial Alcohol	1,26,20,352	1,17,17,498
Extra neutral Alcohol	14,37,707	67,70,819
Ethanol	24,60,780	1,36,95,237
Indian Made Foreign Liquor	30,93,681	21,37,485
Fusel Oil	44,158	9,596
Ferro Manganese (Slag Dumpings)	1,73,099	38,36,607
Filter Cake	5,70,937	21,00,950
Bio-Earth	-	88,67,366
	54,41,55,556	181,25,65,629
Sub Total:B	57,24,88,658	185,21,84,583
Increase/(Decrease) in inventories before Excise duty adjustment (B-A)	51,58,32,541	(-)127,96,95,924
Less: Variation of Excise duty in Stocks	(-)99,62,579	4,76,84,987
Increase/(Decrease) in inventories after Excise duty adjustment (B-A)	50,58,69,962	(-)123,20,10,937

**EMPLOYEE BENEFIT EXPENSES****Note no.24**

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Salaries and Wages	12,07,21,898	25,47,45,586
Remuneration to Managerial Personnel	40,32,000	1,20,96,000
Contribution to provident and other funds	78,22,383	2,23,95,548
Liability towards group gratuity	37,82,851	1,39,55,595
Staff welfare expenses	93,62,752	1,22,37,486
Total	<u>14,57,21,884</u>	<u>31,54,30,215</u>

FINANCE COSTS**Note no. 25**

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Interest expense	12,07,69,636	42,94,13,542
Other Borrowing cost	31,65,846	3,89,07,760
Total	<u>12,39,35,482</u>	<u>46,83,21,302</u>

DEPRECIATION AND AMORTIZATION EXPENSES**Note no. 26**

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Depreciation on tangible assets	5,05,67,175	15,56,90,730
Amortization on Intangible assets	-	-
Total	<u>5,05,67,175</u>	<u>15,56,90,730</u>

THE JEYPORE SUGAR COMPANY LIMITED GROUP, CHENNAI

OTHER EXPENSES

Note no. 27

Particulars	As at 31-03-2013 Rs.	As at 30-09-2012 Rs.
Stores and Spares consumed	8,07,06,408	12,66,41,291
Power and fuel	5,03,84,798	10,78,04,805
Rent	4,29,990	11,58,915
Rates and taxes	68,49,995	1,59,51,236
Insurance	53,20,071	89,37,944
Repairs and maintenance		
Plant and machinery	11,75,25,169	13,39,71,447
Buildings	27,73,307	49,14,727
Others	74,79,672	2,15,64,242
Research and Development expenses	14,93,24,482	11,60,78,229
Advertising and sales promotion	3,33,520	13,26,374
Sales commission	10,46,570	24,28,546
Cultivation Expenses	27,93,653	53,90,687
Carriage outwards	90,90,119	1,84,83,843
Donations	5,00,000	20,00,000
Director sitting fees	6,02,500	17,30,000
Payment to auditors :		
As Auditor:		
Audit fee	1,20,632	3,57,778
Tax audit and taxation matters \	-	1,78,128
Certification services and Company law matters	44,888	4,27,333
Out of Pocket Expenses	11,433	26,636
Cost audit fee and Certification work	25,000	25,000
Obsolete inventories written off	14,71,131	-
Tools & Implements Written off	3,134	2,83,528
Debit Balances written off	47,57,486	1,50,241
Provision for bad and doubtful debts	-	28,56,216
Miscellaneous expenses	1,31,88,583	2,71,01,399
Total	45,47,82,541	59,97,88,546

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firms' Registration No: 000513S
(Sd.) P. Lakshmana Rao
Partner
Membership No: 13254

(Sd.) Dr. S.R.K. PRASAD
(Sd.) K. MUNESWAR RAO
Directors

(Sd.) P.S. KRISHNAMOORTHY
Secretary

(Sd.) RAJESWARY RAMAKRISHNAN
Chairman cum Managing Director

Place : Camp : Chennai
Date : 30-05-2013



28. 1) CONTINGENT LIABILITIES

- a) Under the provisions of the Orissa Land Reforms Act, 1960, the Revenue Officer has declared the agricultural lands owned by the The Jeypore Sugar Company Ltd to an extent of Acres 488.76 as surplus under Sec.44(1) of the said Act. No provision is made in the accounts for the probable loss in this matter, pending final legal decision in the appeal preferred by the Company against the said declaration.
 - b) Demands from the Income Tax department on a Subsidiary company aggregating to Rs.51,174/- have been disputed by the respective company. No provision has been made therefor in the respective books of account. Against the said demands amounts aggregating to Rs. 41,156/- have been paid / adjusted under protest and shown under "Loans and Advances".
 - c) The Jeypore Sugar Company Ltd has received demands from the Orissa State Sales tax department for Rs.2,00,21,670/- towards sales tax on some of its assets sold in the year ending 31st March, 1996. As per the contract the above sales tax liability is to be borne by the buyer. Hence no provision is considered necessary in the accounts of the Company for the said demand. The company has disputed the said demand before appropriate authority. As per the directions of the High Court of Orissa, the buyer amount of Rs.50 lakhs paid under protest and the company (Seller) was directed to pay under protest an additional sum of Rs 50 Lakhs in installments. Accordingly, the company has so far paid a sum of Rs. 30 Lakhs and the same is included under loans and advances.
 - d) Contracts remaining to be executed on capital works and not provided for Rs.712.85 Lakhs(Rs.712.85 lakhs)
 - e) Claims against the company not acknowledged as debts Rs.2102.48 Lakhs (Rs.1957.90Lakhs). Against this an amount of Rs.54.99 lakhs has been paid under protest pursuant to the orders of the Appellate Authorities and included in Loans and Advances.
2. Earnings per share - The numerators and denominators used to Calculate Basic and Diluted earnings per share.

Nominal value of Equity Shares		10.00	10.00
Basic/Diluted earnings per share	A/B	12.09	9.91
B) Minority			
Profit attributable to the Shareholders	A	13	7
Basic/weighted average number of Equity Shares outstanding during the year	B	470	470
Nominal value of Equity Shares		10.00	10.00
Basic/Diluted earnings per share	A/B	0.03	0.01

THE JEYPORE SUGAR COMPANY LIMITED GROUP, CHENNAI

3. RELATED PARTY DISCLOSURES:

Name of Transaction	Key Managerial Personnel	Relatives of Key Managerial Personnel	Companies Controlled by Key Managerial Personnel
I. Details of transactions:			
a) Purchase of goods/services			4,52,750
b) Sale of goods/services			37,67,529
c) Interest Paid	36,43,990	11,02,859	4,91,559
d) Remuneration paid	40,32,000		
e) Sitting fees		1,60,000	
II. Balances Outstanding:			
a) Amount due to			
b) Amount due from			62,86,654
c) Investment in equity shares of			1,59,288
d) Fixed deposits with company held by	6,94,00,000	2,08,15,000	93,63,000
e) Share Capital held by	74,43,820	89,59,850	32,83,120

1) Key Managerial personnel:

- Smt.Rajeswary Ramakrishnan - Chairman-cum-Managing Director, The Jeypore Sugar Co. Ltd.,
- Smt. Anita Prabhu - Executive Director, The Jeypore Sugar Co Ltd.,

2) Relatives of Key Managerial Personnel:

- Sri.R.Prabhu - S/o. Smt Rajeswary Ramakrishnan
- Dr.S.R.K.Prasad - S/o. Smt Rajeswary Ramakrishnan
- Mr Vikram Ramakrishnan - S/o Smt Anita Prabhu
- Mr Rajiv Rangaswamy, Grand Son of Smt. Rajeswary Ramakrishnan
- Ms. S Nandita, Grand Daughter of Smt. Rajeswary Ramakrishnan

3) Companies controlled by key managerial personnel:

- Krishna Industrial Corporation Ltd.
- R S Industrial Corporation (P) Ltd.
- VRK Grandsons Investment (P) Ltd.
- Ramakrishna Machinery Corporation (P) Ltd.

4) Figures for the previous year have been regrouped wherever required.

As per our report of even date
For BRAHMAYYA & CO.,
Chartered Accountants
Firms' Registration No: 000513S

(Sd.) P. Lakshmana Rao
Partner
Membership No: 13254

(Sd.) Dr. S.R.K. PRASAD
(Sd.) K. MUNESWAR RAO
Directors

Place : Camp : Chennai
Date : 30-05-2013

(Sd.) P.S. KRISHNAMOORTHY
Secretary

(Sd.) RAJESWARY RAMAKRISHNAN
Chairman cum Managing Director

4) INFORMATION ABOUT BUSINESS SEGMENTS OF THE JEYPORE SUGAR COMPANY LTD., GROUP FOR THE 6 MONTHS PERIOD ENDING 31.03.2013

(All amounts in Rupees)

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	Sugar		Industrial Chemicals		Ferro Chrome		Power		Others		Total		Eliminations		Consolidated Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
REVENUE																
External Sales	1,37,39,24,943	3,76,43,36,167	28,17,01,866	64,33,24,560	2,60,700	1,18,42,568	4,46,97,715	6,28,47,031	13,61,493	12,93,048	1,70,19,46,717	4,48,36,43,374	-	-	17,01,46,717	4,48,36,43,374
Inter-segment sales	13,19,25,383	19,68,90,588	-	-	-	-	10,61,54,053	9,48,79,351	-	-	23,80,79,436	29,17,69,939	23,80,79,436	29,17,69,939	-	-
Total Revenue	1,50,58,50,326	3,96,12,26,755	28,17,01,866	64,33,24,560	2,60,700	1,18,42,568	15,08,51,768.4	15,77,26,382	13,61,493	12,93,048	1,94,00,26,153	4,77,54,13,313	23,80,79,436	29,17,69,939	17,01,46,717	4,48,36,43,374
RESULT																
Segment result	14,94,92,161	30,78,73,554.5	7,10,27,398	14,81,29,370	-1,55,97,478	1,38,82,974	85,42,251	1,01,85,340.59	3,27,818	-2,91,216	21,37,92,151	47,97,80,023	-	-	21,37,92,151	47,97,80,023
Unallocated corporate expenses/income																
Operating profit											21,37,92,151	47,97,80,023	-	-	21,37,92,151	47,97,80,023
Interest expense											12,39,35,482	42,95,28,786	-	-	12,39,35,482	42,95,28,786
Interest income											11,54,405	29,61,062			11,54,405	29,61,062
Dividend income											3,34,744	12,07,409	-	-	3,34,744	12,07,409
Net profit											9,13,45,818	5,44,19,708	-	-	9,13,45,818	5,44,19,708
Tax Expense															-3,65,43,300	2,24,83,351
Profit after tax															5,48,02,517	7,69,03,059
OTHER INFORMATION																
Segment assets	5,49,35,59,989	4,94,63,82,390	41,82,98,532	39,88,52,188	20,04,95,553	21,23,30,614	28,41,97,160	29,01,75,200	28,27,223	26,99,029	6,39,93,78,457	5,85,04,39,421	88,135	73,098	6,39,92,90,322	5,85,03,66,323
Unallocated corporate assets											16,66,37,398	13,67,54,766	41,00,000	41,00,000	16,25,37,398	13,26,54,766
Total assets											6,56,60,15,855	5,98,71,94,187	41,88,135	41,73,098	6,56,18,27,720	5,98,30,21,089
Segment liabilities							50,31,539	80,18,573	48,53,363	48,64,323	5,29,16,55,318	4,82,53,48,437	88,135	73,098	5,29,15,67,183	4,82,52,75,339
Unallocated corporate liabilities											1,17,98,69,748	1,15,74,47,490	-	-	1,17,98,69,748	1,15,74,47,490
Total liabilities											6,47,15,25,066	5,98,27,95,927	88,135	73,098	6,47,14,36,931	5,98,27,22,829
Capital expenditure	20,95,92,663	9,89,93,921	3,21,94,572	24,89,265	-	-	1,65,449.91	43,24,260	95,68,918	4,54,540	25,15,21,603	10,62,61,986			25,15,21,603	10,62,61,986
Depreciation	2,68,43,785	8,46,13,229	1,02,71,141	3,99,70,283	2,84,977	13,25,686	1,23,58,359	3,51,49,134	8,08,913	15,97,151	5,05,67,175	15,66,55,483			5,05,67,175	15,66,55,483
Non-cash expenses other than depreciation	-	-	-	-	-	-										

Note : 1) The group carries on its activities in the above business segments, being its primary segments.
2) The group operations are carried on entirely in India, and also there are no earnings from exports. As such there are no secondary segments.





ADMISSION SLIP

THE JEYPORE SUGAR COMPANY LIMITED

Regd. Office : "Ramakrishna Building", 239, Anna Salai, Chennai-600 006.

NAME AND ADDRESS	NO. OF SHARES	FOLIO

**77TH ANNUAL
GENERAL MEETING ON
24TH OCTOBER 2013
AT 11.15 A.M. AT SATHGURU GNANANANDA HALL
NARADA GANA SABHA, 314, T.T.K.ROAD,
ALWARPET, CHENNAI - 600 018.**

- A Member / Proxy wishing to attend the meeting must complete this Admission Slip and hand it over at the entrance.
- If you intend to appoint a Proxy, please complete the Proxy Form below and deposit it at the Company's Registered Office 48 hours before the meeting. Please ensure that the Proxy brings this Admission Slip with him for the meeting.

NAME OF PROXY (IF ANY) IN BLOCK LETTERS	SIGNATURE OF MEMBER / PROXY
---	-----------------------------



PROXY

THE JEYPORE SUGAR COMPANY LIMITED

Regd. Office : "Ramakrishna Building", 239, Anna Salai, Chennai-600 006.

NO. OF SHARES	FOLIO

SERIAL NO.	RECEIVED ON	TIME	CODE

I/We..... of in the district of
 being a member / members of the above named Company hereby appoint
 of in the district of
 or failing him / her
 of in the district of
 as my / our proxy
 to vote for me / us on my / our behalf at the 77th Annual General Meeting of the Company to be held on 24th October 2013 and at any adjournment thereof.
 As witness my (our) hand(s) this..... day of.....2013.

Signed by the said.....



* This Proxy Form must be duly completed and received at the Company's Registered Office 48 hours before the meeting

THE JEYPORE SUGAR COMPANY LIMITED



**ANNUAL REPORT FOR THE PERIOD
ENDED 31ST MARCH 2013**



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FINANCIAL HIGHLIGHTS					
Rs. In thousand					
Particulars	Year Ended				
	31/03/2013 (6Months)	30/09/2012 (18 Months)	31/03/2011 (12 Months)	31/03/2010 (12 Months)	31/03/2009 (12 Months)
Share Capital	453.45	453.45	453.45	453.45	453.45
Reserves and Surplus	6,978.56	6,430.72	6,113.04	7,038.26	5,377.72
Net Worth	7,432.01	6,884.17	6,566.49	7,491.71	5,831.17
Fixed Assets (Net)	45,896.10	43,886.55	38,425.78	35,232.21	32,412.62
Gross Sales	17,452.78	46,270.15	21,729.58	24,734.70	18,695.79
Gross Profit before Interest, Depreciation and Taxes	2,658.28	6,504.73	2,580.91	6,188.02	3,743.77
Depreciation	505.66	1,556.88	1,108.42	1,109.29	1,147.31
Financial Cost	1,239.35	4,683.21	2,622.53	2,333.44	2,497.99
Profit / (Loss) before Tax	913.27	264.64	(1,150.04)	2,745.29	98.47
Profit / (Loss) after Tax	547.83	449.43	(925.22)	1,924.92	299.38
Earnings per Share (Rs.)	12.08	9.91	(20.40)	42.45	6.60
Cash Earnings per Share (Rs.)	12.08	9.91	(20.40)	42.45	6.60
Book Value per Share (Rs.)	163.90	151.82	144.81	165.21	128.59
Dividends on Equity %	-	25%	-	50%	10%
Long term Debt Equity Ratio (excluding working capital borrowings)	66.73	64.14	43.51	39.66	36.67

SEASON WISE CANE CRUSHED, SUGAR BAGGED AND RECOVERY

SEASON	31/03/2013 (6Months)	30/09/2012 (18 Months)	31/03/2011 (12 Months)	31/03/2010 (12 Months)	31/03/2009 (12 Months)
Sugar Unit, V.V.S.Sugars					
Cane Crushed in MTS	565883	779068	901949	593380	5,83,128
Sugar Bagged in QTLS	560700	828810	951060	615700	6,38,680
Recovery (%)	9.90	10.53	10.57	10.40	10.98

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