



THE ANDHRA SUGARS LIMITED

66th ANNUAL REPORT

2012 - 2013

BOARD OF DIRECTORS :

Dr. B. B. Ramaiah
Chairman & Managing Director

Justice G. Ramanujam (Retd.)

Sri A. Ranga Rao

Sri P. Narendranath Chowdary, B.Sc.
Managing Director

Sri M. Narendranath, B.Sc.(Ag.)
Joint Managing Director

Sri M. Thimmaraja, B.Tech., M.B.A.(Florida)
Joint Managing Director

Sri P. Achuta Ramayya, B.Com., M.B.A.(New York)
Joint Managing Director

Dr. A.V. Rama Rao

Dr. P. Kotaiah

Sri V. S. Raju

Dr. Alapaty Appa Rao

Dr. Anumolu Ramakrishna

Sri P.A.Chowdary, I.R.S. (Retd.)

Sri P.S.R.V.K. Ranga Rao, B.Com.,
Executive Director

COMPANY SECRETARY :

Sri M. Palachandra, M.Com., A.C.S.

GENERAL MANAGER (FINANCE) & ASST. SECRETARY :

Sri P.V.S.Viswanadha Kumar, F.C.A., F.I.C.W.A.,A.C.S.

BANKERS :

Andhra Bank
State Bank of India
State Bank of Hyderabad
Bank of Baroda
Indian Bank

STATUTORY AUDITORS :

M/s. Brahmayya & Co.,
Chartered Accountants
Vijayawada.

COST AUDITORS :

M/s. Narasimha Murthy & Co.,
Cost Accountants
Hyderabad.

REGISTERED OFFICE :

Venkatarayapuram
Tanuku - 534 215
West Godavari District
Andhra Pradesh.

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NOTICE TO SHAREHOLDERS

Notice is hereby given that the SIXTY SIXTH Annual General Meeting of THE ANDHRA SUGARS LIMITED will be held at the Registered Office of the Company, Venkatarayapuram, Tanuku - 534 215 on Monday, the 26th August, 2013 at 3.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Statement of Profit & Loss for the year ended 31st March, 2013 and the Balance Sheet as at that date together with the Reports of Board of Directors and Auditors thereon.
2. To declare Dividend for the year 2012-13.
3. To appoint a Director in place of Dr. A.V.Rama Rao who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Dr. P. Kotaiah who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Sri P.A.Chowdary who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint a Director in place of Justice G.Ramanujam (Retd.) who retires by rotation and who has not offered himself for re-appointment.
7. To appoint Auditors for the year 2013-14 and fix their remuneration. The present Auditors of the Company, M/s Brahmayya & Co., Chartered Accountants, Vijayawada retire at this Annual General Meeting and are eligible for re-appointment.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Sections 269, 198, 309, 310, 311 and other applicable provisions of the Companies Act, 1956 (Act) read with Schedule XIII to the said Act or any statutory modifications or any re-enactment of the Act and such other approvals as may be required Sri P.S.R.V.K.Ranga Rao be and is hereby re-appointed as Executive Director of the Company for a period of five years with effect from 1-5-2014 on the following terms & conditions:-

Sri P.S.R.V.K.Ranga Rao is subject to retirement by rotation during the tenure of his office as Executive Director from 1-5-2014 to 30-4-2019.

1. Salary: Rs. 90,000/- per month.

2. Commission: Upto 0.75% of the net profits of the Company subject to the overall ceiling stipulated in Sections 198 & 309 of the Companies Act, 1956.

3. Perquisites: (i) Housing – if required, free furnished residential accommodation with all facilities and amenities including Gas, Electricity, Water, Furniture/Fittings etc., the monetary value of which may be evaluated as per Rule 3 of the Income-Tax Rules, 1962. The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be subject to a ceiling of 10% of the Salary. In case where the Company does not provide accommodation, House Rent Allowance shall be paid at the rate of 50% of the Salary. (ii) Medical reimbursement of the expenses incurred for the treatment in India / abroad for self and family, (iii) Leave Travel Concession – for himself and his family as per the rules of the Company, (iv) Club Fees, (v) Personal Accident Insurance, (vi) Provident Fund - Company's contribution towards Provident Fund at 12% of his salary or any rate applicable from time to time, (vii) Superannuation Fund – Company's contribution towards Superannuation Fund as per the rules of the Company, such contribution together with Company's contribution shall not exceed 27% of the salary as laid down under the Income tax Rules, 1962 or such other ceiling as may be prescribed from time to time, (viii) Gratuity – not exceeding ½ a month's salary for each completed year of service, (ix) Leave – entitled to one month's leave, as per the rules of the Company on full pay for every 11 months of service. Encashment of leave at the end of tenure will not be included in computation of ceiling on perquisites, (x) Telephone – one or more free telephone facility at the residence for the use of Company's business, (xi) Car – one or more use of Company's car on Company's business with driver and all expenses of maintenance, repairs and cost of petrol. (provision of Car for use of Company's business and telephone at residence will not be considered as perquisites),

The Andhra Sugars Limited

- (xii) any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time.

The above perquisites including salary and commission shall be subject to the overall ceiling of remuneration stipulated under Section 309 of the Companies Act, 1956 read with Schedule XIII thereto or any statutory modification thereof.

Company's contribution to Provident Fund and Superannuation Fund and Gratuity payable at the end of the tenure to the extent these either singly or together are not taxable under the Income-tax Act shall not be included in the computation of limits for the perquisites aforesaid.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to alter and vary the terms & conditions of the above salary and perquisites in such manner as may be agreed to between Sri P.S.R.V.K.Ranga Rao, Executive Director and the Board."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year of the Company during the term of his Office as Executive Director, the remuneration and perquisites set out above be paid or granted to Sri P.S.R.V.K.Ranga Rao as minimum remuneration stipulated in Section II of Part II of Schedule XIII of the said Act or such other amount and perquisites as may be provided in the said Schedule XIII as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

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

"RESOLVED THAT in supersession of the Resolution No.11 passed at the 57th Annual General Meeting held on 27.9.2004, the consent of the Company be and is hereby accorded to the Board of Directors under Section 293(1)(d) of the Companies Act, 1956 to borrow any sum or sums of monies from time to time notwithstanding that the money or monies to be borrowed, together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the Paid-up Capital of the Company and its Free Reserves that is to say Reserves not set apart for any specific purpose, provided however the total amount so borrowed shall not exceed Rs.1000 Crores (Rupees One thousand crores only)."

(BY ORDER OF THE BOARD)

Venkatarayapuram
TANUKU – 534 215
27-05-2013

For THE ANDHRA SUGARS LIMITED
Dr. B.B. RAMAIAH
Chairman and Managing Director

NOTES :

1. A Member entitled to attend and vote may appoint a proxy to attend and vote instead of himself on poll and that a proxy need not be a Member.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday 17th August, 2013 to Monday 26th August, 2013 (both days inclusive).
3. The dividend recommended by Directors, if approved at the Meeting, will be paid to the Shareholders whose names are on the Register of Members as on 26th August, 2013. In respect of the shares held in Demat Mode, the above dividend will be paid on the basis of beneficial ownership as at the end of business hours of 16th August, 2013 as per the details furnished by the Depositories for this purpose.
4. Shareholders in physical mode are requested to notify their change of address, if any, to the Company.
5. **Shareholders in physical mode are requested to furnish their Bank Account No. in order to enable the Company to print their Bank Account on the Dividend Warrants.**
6. As per the provisions of Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, the un-claimed Dividend in respect of Dividend for the year 2004-05 has been transferred to Investor Education and Protection Fund as envisaged in Section 205C of the Companies Act, 1956. **Shareholders who have not encashed the Dividends may make a request to the Company for the payment of un-encashed Dividend amount in respect of Dividend declared from the years 2005-06 onwards in order to enable the Company to proceed with their request in case the dividend warrants remain unencashed.**
7. **Shareholders have an option to maintain their shareholding in demat form by opening a demat account with a Depository Participant. This will enable the shareholders to easily sell or buy the shares through Stock Exchanges. However, maintaining shareholding in Demat form is purely optional and not compulsory.**
8. Information about the Directors seeking re-appointment at the 66th Annual General Meeting as required under Corporate Governance:

Dr. A.V.Rama Rao Joined as Director on the Board on 27.04.2001.

Dr. A.V. Rama Rao is an eminent Scientist. He was former Director of Indian Institute of Chemical Technology and has considerable experience and expertise in the field of Chemical Technology. He is the Chairman & Managing Director of Avra Laboratories Pvt. Ltd., and Director of Avra Synthesis Pvt. Ltd.

No Equity Shares are held by Dr. A. V. Rama Rao in the Company.

Dr. P.Kotaiah joined as Director on the Board on 27.04.2001.

Dr. P. Kotaiah, former Chairman of NABARD, has rich financial background and industrial experience of more than three and half decades. He holds Directorships on the Board of many Companies viz., Lanco Infratech Ltd., Blossom Industries Ltd, Pridvi Assets Reconstruction and Securitisation Co. Ltd., Lanco Kondapalli Power Pvt. Ltd., Nuzvidu Seeds Ltd., Lanco Babandh Power Ltd., Lanco Power Ltd., Lanco Thermal Power Ltd., and NSL Sugars Limited.

No Equity Shares are held by Dr. P. Kotaiah in the Company.

Sri P.A.Chowdary, I.R.S.(Retd.) joined as Director on the Board on 24.04.2010.

Sri P.A.Chowdary, I.R.S.(Retd.) is a retired Chief Commissioner of Income-tax-I and has vast experience and has held various positions in Income-tax Department.

No Equity Shares are held by Sri P.A. Chowdary in the Company.

SPECIFIC ATTENTION OF SHAREHOLDERS

Sub : Furnishing of Bank Account details for printing on Dividend Warrants.

Shareholders :

Physical Mode : *Bank Account details be furnished to the Company at the earliest in the format enclosed.*

Demat Mode : *Bank Account details be furnished to the Depository Participant (DP) with whom demat account has been opened and not to the Company. **The Company cannot act on any request received directly from the Members holding shares in Demat Mode for Bank Account Mandates.***

Sub: Furnishing of E-mail ID

Members are requested to provide their e-mail IDs so as to enable the Company to send documents like notice calling general meetings, audited financial statements, Directors' report, Auditors' report etc., by way of e-mail.

Shareholders :

Physical Mode: E-mail ID be furnished to the Company in the format enclosed Separate Sheet.

Electronic / Demat Mode: E-mail ID be furnished to the DP with whom demat account has been opened and not to the Company. The Company cannot act on e-mail IDs received directly from the Members holding shares in Demat Mode for registration of e-mail IDs.

ANNEXURE TO NOTICE

Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956.

ITEM NO. 8

Shareholders at the 61st Annual General Meeting of the Company held on 25th September, 2008 approved the re-appointment of Sri P.S.R.V.K. Ranga Rao as Executive Director for a period of five years with effect from 1st May, 2009. The said term of re-appointment will be expiring on 30th April, 2014.

Sri P.S.R.V.K.Ranga Rao is a Graduate in Commerce. He has been the Executive Director of the Company since 1st May, 1999. As Executive Director, he has been assisting Chairman & Managing Director in looking after day to day affairs of Chemical Complex at Saggonda. He is instrumental in successful expansion of Chemical Complex at Saggonda. It is therefore considered desirable in the best interests of the Company to extend his term of appointment as Executive Director for a further period of five years with effect from 1st May, 2014 subject to the approval of the Shareholders.

Your Board of Directors recommend the Resolution for your approval.

Except Sri P.S.R.V.K. Ranga Rao, no other Director is interested or concerned in the Resolution.

ITEM NO. 9

Section 293(1)(d) of the Companies Act, 1956 permits the Board of Directors of your Company to borrow money in excess of its Paid-up Capital and Free Reserves subject to the approval of Shareholders of the Company. As such the Shareholders at the 57th Annual General Meeting held on 27.9.2004 authorised the Board of Directors to borrow monies upto a limit of Rs.500 Crores (Rupees five hundred crores only).

In view of the expansion / diversification / modernisation programmes being undertaken and having regard to future activities, the enhancement of borrowing powers from Rs.500 Crores (Rupees five hundred crores only) to Rs.1000 Crores (Rupees one thousand crores only) is considered necessary.

Your Board of Directors recommend the necessary Resolution for your approval.

No Director is deemed to be interested or concerned in the Resolution.

(BY ORDER OF THE BOARD)

Venkatarayapuram
TANUKU – 534 215
27-05-2013

For THE ANDHRA SUGARS LIMITED
Dr. B.B. RAMAIAH
Chairman and Managing Director

DIRECTORS' REPORT

To
The Shareholders

Your Directors have pleasure in presenting this SIXTY SIXTH ANNUAL REPORT along with the audited Statement of Accounts for the year ending 31st March, 2013.

Financial Results:

(Rupees in lakhs)

	This Year	Last Year
Sales	83200.31	75804.61
Other Income	1373.57	1323.27
	-----	-----
	84573.88	77127.88
	-----	-----
Profit for the year	17820.52	17716.47
Depreciation	4119.29	3932.37
	-----	-----
Profit after depreciation	13701.23	13784.10
Add: Excess provision of Income-tax credited back	---	12.21
Add: Income Tax Refund received	7.61	---
Less: Short Provision of Income Tax	72.42	---
Less: Exceptional Item (Electricity FSA charges relating to earlier years)	1764.15	---
	-----	-----
	11872.27	13796.31
Provision for Current Tax	3800.00	4150.00
Provision for Deferred Tax	587.35	304.04
	-----	-----
Profit after Tax	7484.92	9342.27
Add: Balance brought forward from last year	9212.84	7044.18
	-----	-----
Profit available for appropriation	16697.76	16386.45
	-----	-----
APPROPRIATIONS :		
Transfer to General Reserve	5000.00	5000.00
Proposed Dividend on Equity Shares at Rs.6 /-per share (Last Year Dividend on Equity Shares at Rs.7/- per share)	1626.42	1897.50
Tax on distributable profits	234.89	276.11
Balance brought forward to next year	9836.45	9212.84
	-----	-----
	16697.76	16386.45
	-----	-----

PERFORMANCE:

For the year 2012-13 your Company achieved a Profit of Rs. 137.01 Crores (before tax) against a Profit of Rs. 137.84 Crores achieved last year. However Net Profit (after tax) declined to Rs. 74.84 Crores from Rs. 93.42 Crores mainly due to making of provision of Rs. 17.64 Crores as Exceptional Item towards Fuel Surcharge Adjustment (FSA) liability payable to State Electricity Board. On the whole, the performance of your Company has been satisfactory.

DIVIDENDS:

A Dividend of Rs. 7/- per Equity Share was paid for the year 2011-12. Your Directors recommend a Dividend of Rs.6/- per Equity Share (Rs.10/- paid-up Equity Share) for the year 2012-13. The outflow towards Dividend payment (including tax on distributable profits) would be Rs.18.61 Crores. This Dividend, if approved by the Shareholders, will be paid to all the eligible Shareholders.

CAPITAL & RESERVES:

Authorised and Paid Up Capital:

As on 31.3.2013, the Authorised Capital of the Company is Rs.30 Crores and the Paid-up Capital is Rs. 27.11 Crores.

Reserves:

With the transfer of Rs. 50.00 Crores during the year under report, the total Reserves as on 31.3.2013 stands at Rs. 497.34 Crores against Rs. 441.10 Crores on 31.3.2012.

REVIEW OF OPERATIONS:

SUGAR UNITS:

The three Sugar Units in aggregate crushed 6,38,641MTs of cane during the 2012-13 season against 8,78,167 MTs crushed last year. The crushing operations and cane price paid to cane suppliers for the 2012-13 season are:

	SUGAR UNIT – I TANUKU		SUGAR UNIT – II TADUVAI		SUGAR UNIT - III BHIMADOLE	
	Fin. Year 2012-13	Fin. Year 2011-12	Fin. Year 2012-13	Fin. Year 2011-12	Fin. Year 2012-13	Fin. Year 2011-12
(A) Crushing details:						
Total cane crushed (MT)	178035	220481	272811	391839	187795	265847
Total No. of days crushed	77	90	97	114	80	96
Total Sugar produced (MT)	16639	20003	28627	43805	17689	25514
Average Recovery	9.28%	9.22%	10.51%	11.26%	9.27%	9.70%
(B) Cane price:						
Fair & Remunerative price (per MT)	1700.00	1450.00	2016.00	1636.66	1735.80	1462.24
Cane price paid (per MT)*	2200.00	2000.00	2276.00	2000.00	2200.00	2000.00

- inclusive of Purchase Tax Incentive of Rs.60/- per MT.
- Cane crush at all the three sugar units was lower compared to the last season due to lower availability of cane and lower number of days of cane crush.
- Recovery achieved at Sugar Unit-I was marginally higher and at Sugar Units II and III was lower compared to last season.
- Unfavourable weather conditions affected the cane yield per acre thereby reducing the quantity of cane crush. This also affected recovery.
- Due to non-availability of harvesting labour and increase in the cost of hiring the labour, farmers opted for cultivation of other alternative crops for getting better price.
- To have the cane farmers continue to plant cane, your Company opted to pay a cane price higher than the Fair Remunerative Price fixed by the Government.
- Sugar sales realisation of all the three Units has been better compared to last year.

POWER GENERATION :

During the year under report the Co-generation Unit at Taduvai generated 2,10,04,360 Units of Power against 1,80,64,480 Units generated last year.

PERFORMANCE OF CHEMICAL DIVISION:

During the year under report the Caustic Soda Division at Saggonda achieved a turnover of Rs. 336.46 Crores compared to Rs. 326.16 Crores achieved last year. Profit after depreciation achieved by this Division this year was Rs. 82.29 Crores against Rs. 105.47 Crores achieved last year. The performance of Chemical Division was affected mainly on account of cost of production going up due to substantial increase in "Power Tariff" and "Purchase Of Additional Power" from "Power Exchanges" at a higher rate in view of the restricted supply from State Electricity Distributing Companies.

WIND POWER UNITS:

The Power generated at Ramagiri Wind Mills during the year is 24,15,000 Units against 23,05,361 Units generated last year.

The Power generation at the Tamil Nadu Wind Mill operations during the year under report is 3,55,15,616 Units against 2,14,15,482 Units of last year. This Power is being fed into the Tamil Nadu State Electricity Board grid.

PROJECTS:

Your Company continues to focus its strategy on expansion and diversification programme.

A 80 TPD Energy Efficient Caustic Soda Flaking Plant has been put up at Saggonda. Caustic Soda Lye requirement for this Plant is sourced inhouse. This Plant came into operation during the year under report.

Your Company owns Ac. 42.28 of land in Jawaharlal Nehru Pharma City Non-SEZ area. At this site a 100 TPD Sodium Hypochlorite Plant is being set up. Sodium Hydroxide and Chlorine gas, the main raw materials will be sourced inhouse. Site development and civil foundation works are in progress. Some of the required components have arrived at the site. Fabrication of process equipment and storage vessels is in progress at our workshop at Tanuku. This product finds application in the Pharma and Water Treatment industries. This Plant is expected to be in operation during the current financial year.

A 40 TPD Hydrogen Peroxide Plant is being set up at Saggonda. This project would have locational advantage as Hydrogen, the main raw material, will be sourced inhouse from our Chlorine Plant at Saggonda. This product is environmental-friendly and is widely used for Bleaching, Water/Waste and Effluent Treatment Plant, Chemical synthesis and allied applications.

For effective utilisation of Chlorine, a by-product of Caustic Soda, Chlorinated Paraffins Plant of 20 TPD capacity is being set up at Saggonda. Chlorinated Paraffins are mainly used as Plasticisers. Preliminary steps have been initiated in this regard.

In order to ensure self sufficiency in Power, setting up of a 36 MW Coal based Power Plant at Saggonda is being actively considered.

At Sugar Unit-III, Bhimadole, upgradation of 40 TPH Thermax Boiler and installation of new Sulphitation system, Sugar and Bagasse handling systems, 50 Ton Vacuum pan and various Steam economy measures viz. conversion of Quad as Quintuple Evaporator set, Seed Melters, Condensate Flash System, Tubular Heaters using V_3 for syrup and scalding juice were taken up and have been commissioned successfully.

These Projects are expected to strengthen your Company's product range and improve revenue generation.

DEMATERIALISATION OF EQUITY SHARES:

As of 31st March, 2013, Equity Shares representing 41.85% of the Share Capital have been dematerialised.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors confirm:

- i. that in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed, in the opinion of the Board of Directors;
- ii. that 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 ended 31st March, 2013 and of the profit of the Company for that year;
- iii. that the Directors have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the Directors have prepared the Annual Accounts on a going concern basis.

CORPORATE GOVERNANCE:

As per the provisions of the Listing Agreement, a Report on Corporate Governance along with Management Discussion and Analysis forming part of the Directors' Report is annexed.

COMPLIANCE CERTIFICATE OF THE AUDITORS:

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement with the Stock Exchanges and the same is annexed to the Report of Directors.

DIRECTORS:

In terms of Article 111 of the Articles of Association of the Company, Directors, Dr. A.V.Rama Rao, Dr.P.Kotaiah and Sri P.A.Chowdary retire by rotation at the 66th Annual General Meeting and being eligible, offer themselves for re-appointment. Justice G.Ramanujam (Retd.) who also retires by rotation has not offered himself for re-appointment.

Re-appointment of Sri P.S.R.V.K.Ranga Rao as Executive Director for a period of 5 years with effect from 1.5.2014 is being placed before the shareholders at the ensuing 66th Annual General Meeting for their approval.

AUDIT COMMITTEE:

Audit Committee comprises 3 Non Whole-time Independent Directors Sri A. Ranga Rao, Dr. P. Kotaiah and Sri V.S. Raju. Sri A. Ranga Rao is the Chairman of the Committee.

INDUSTRIAL RELATIONS:

The relations with the employees continues to be cordial and harmonious during the year under report.

SAFETY, HEALTH AND ENVIRONMENT:

Safety, Occupational Health and Environment Protection continues to be accorded high priority.

CORPORATE SOCIAL RESPONSIBILITY :

Way back in the 1950s, well before there was the idea of having the Corporate Sector look at “ **Corporate Social Responsibility** ”, your Company took up these activities.

We at The Andhra Sugars Limited are dedicated to the betterment of our Rural Areas. We realised that Education and Health are vital for the improvement of life in the Rural Areas.

Due to the need to provide Quality Basic Education to the younger generation around us we helped to build Elementary and High Schools at Tanuku and Dommeru.

With Industrialisation in the surrounding areas and the need for qualified Technical Staff we helped to build at Tanuku a Quality Polytechnic with Hostel Facility.

Due to the need for Doctors to provide the much needed Health Care in the Rural Areas we helped to build a Medical College at Kakinada.

Due to the need for providing the Rural Population around us the much needed Modern Special Medical Care only available in distant cities we helped to build a Modern Hospital at Tanuku with most of the Specialised Medical Care needed.

We also helped to build a Library and Cultural Centre at Tanuku with a 1000 Seater Auditorium.

These are some of the Projects your Company took up till now and will continue to take up other activities in the days to come.

PARTICULARS OF EMPLOYEES:

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended by Companies (Particulars of Employees) Amendment Rules, 2011 regarding employees is given in Annexure "A" forming part of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure "B" forming part of this Report.

FIXED DEPOSITS:

Fixed Deposits aggregating to Rs 36.85 lakhs held by 85 depositors had fallen due for payment but remained unclaimed as on 31.3.2013. Unclaimed deposits aggregating to Rs. 14.50 lakhs held by 23 depositors have since been renewed/repaid. Still, deposits aggregating to Rs.22.35 lakhs held by 62 depositors remained unclaimed as on date.

CONSOLIDATED ACCOUNTS:

In accordance with the Accounting standards, consolidated financial statements of the Company and its Subsidiaries form part of the Report and Accounts. These consolidated statements have been prepared on the basis of audited results received from the Subsidiary Companies as approved by their respective Boards.

In view of the general exemption granted by Ministry of Corporate Affairs, the Accounts of the Subsidiary Companies for the year 2012-13 have not been attached to the Company's Accounts. However, Shareholders desirous of obtaining the Annual Accounts of the Subsidiaries may obtain the same upon request. The Annual Report and the Accounts of the Subsidiary Companies will be kept for inspection at the Company's Registered Office as well as at the offices of your Subsidiary Companies.

SUBSIDIARY COMPANIES:

JOCIL LIMITED:

For the Financial Year ending 31.3.2013, your subsidiary Company, JOCIL Ltd., posted a profit of Rs. 2294.46 lakhs (before taxation) against Rs. 1860.42 lakhs (before taxation) last year. The Board of this Subsidiary has recommended a Dividend of Rs.6/- per share on the Capital of 88,81,150 Equity Shares. Dividend paid last year was Rs.5/- per share.

THE ANDHRA FARM CHEMICALS CORPORATION LIMITED:

The Company achieved a sales of Rs.636.79 lakhs against Rs. 606.20 lakhs and incurred a loss (before Tax) of Rs.57.37 lakhs against the loss of Rs. 33.56 lakhs last year.

HINDUSTAN ALLIED CHEMICALS LIMITED:

The Directors are on the look out for a suitable project to be taken up by the Company.

AUDITORS:

M/s Brahmayya & Co., Chartered Accountants, Vijayawada, the present Auditors, retire at the 66th Annual General Meeting and are eligible for re-appointment.

COST AUDITORS:

M/s Narasimha Murthy & Co., Cost Accountants, Hyderabad are appointed as Cost Auditors of the Company for the products, which are subject to Cost Audit, for the year ended 31-3-2013. Cost Auditors Report in respect of Financial Year 2011-12 has been filed with the Ministry of Corporate Affairs on 19.01.2013 i.e., within the stipulated due date of 31st January, 2013.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation for the co-operation extended by the State and Central Government authorities, Financial Institutions and Banks. They also express their appreciation to the employees at all levels for the successful working of the Company.

Venkatarayapuram
TANUKU – 534 215
27-05-2013

For and on behalf of the Board
Dr. B.B. RAMAIAH
Chairman and Managing Director

ANNEXURE "A" TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31-03-2013

Statement showing particulars of employees of the Company as required
under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees)
Rules, 1975 as amended and forming part of Report of the Board of Directors for the period from 01-04-2012 to 31-03-2013.

Sl. No.	Name	Designation	Qualification	Experience (Years)	Date of commencement of employment in the Company	Gross Remuneration Rs.	Age (Years)	Particulars of Last Employment (Name of the Concern, Designation and Period)
1)	Dr. B. B. Ramaiah	Chairman & Managing Director	B.Sc., (Hons), Sugar Technology M.Sc., (Chemical Technology) M.Sc., (Wisconsin), A.M.P. (Harvard)	59	01-04-1998	30808243	87	Managing Director (Tech.) The Andhra Sugars Ltd., 28 Years
2)	Sri P. Narendranath Chowdary	Managing Director	B.Sc.	46	12-01-1976	32472218	65	Director, The Andhra Sugars Ltd., 8 Years
3)	Sri M. Narendranath	Joint Managing Director	B.Sc., (Ag.)	39	01-01-1998	19533836	64	Managing Director, Sree Satyanarayana Spinning Mills Ltd., Tanuku. 24 Years
4)	Sri M. Thimmaraja	Joint Managing Director	B.Tech., M.B.A. (Florida)	38	01-08-1978	19499604	62	Director, The Andhra Sugars Ltd., 2 ½ Years
5)	Sri P. Achuta Ramayya	Joint Managing Director	B.Com., M.B.A. (New York)	30	01-08-1983	18732695	58	First Appointment
6)	Sri P.S.R.V.K. Ranga Rao	Executive Director	B.Com.	14	01-05-1999	11722691	43	Director, The Andhra Sugars Ltd., 1 ½ Years

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- 1) Gross remuneration includes Salary, Commission on profits, House Rent Allowance, Company's contribution to Provident Fund, Superannuation Fund, Gratuity Fund, Reimbursement of Medical Expenses, Personal Accident Insurance, Membership Fees to Clubs as may be applicable.
- 2) The appointments are governed by the provisions of Section 269 read with Schedule XIII of the Companies Act, 1956.

Annexure 'B' to Directors' Report for the year ended 31.03.2013

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988.

A. Conservation of Energy:**TANUKU UNITS:****1. Energy conservation measures taken.**

The following energy conservation measures were taken up at Sugar Unit – I, during the financial year ended 31.03.2013.

- a) Vapour line juice heater was installed on "Set – B" evaporators for primary juice 1st stage heating.
- b) Tubular heaters were installed for syrup heating with 2nd vapour as a substitute for Direct contact type heater with 1st vapour.
- c) Molasses conditioning with 1st vapour instead of live steam.
- d) New generation Sugar melters were installed to melt B-seed and C-seed using syrup & 2nd vapour in place of hot water and exhaust steam.
- e) Two stage flash arrangements were provided for exhaust condensate.

2. Impact of the above measures for reduction of energy consumption and consequent impact on the cost of production of goods.

With the steam saving measures done in 2012 off-season, there is bagasse saving of about 6369 MT (1196 MT sent to Taduvai and 5173 MT used to meet the steam requirement of the chemical units) which costs about Rs.70 lakhs considering the cost of bagasse @ Rs.1100/- MT. The reduction in cost of production is Rs. 42.40 per quintal of Sugar produced.

SUGAR UNIT – III, BHIMADOLE:

Conservation of Energy:

1. Energy conservation measures taken.

The Following Steam Economy Measures were under taken to reduce the process steam consumption.

- a) Tubular heater for syrup heating from 60 to 75° C using 2nd vapour
- b) Scalding juice heating from 74 to 85° C by using 3rd vapour
- c) Condensates flash system from exhaust condensate in two stages.
- d) Melting B-Seed & C-Seed and Rori & Powder using syrup and 2nd vapour.
- e) Conversion of evaporator set Quad to Quintuple by adding 1000 M² evaporator bodies (2Nos.) to have extensive vapour bleeding.

2. Impact of the above measures for reduction of energy consumption and consequent impact on the cost of production of goods.

The above Steam Economy Measures were implemented during crushing season 2012-13. There is a saving of bagasse of around 4,500 MTs after meeting the Plant fuel requirement resulting in a reduction in cost of production by Rs.27.70 per quintal of Sugar.

CHEMICAL COMPLEX, SAGGONDA:

Installation of 80 TPD Caustic Soda Flaking Plant:

- We have installed latest and most energy efficient Technology from M/s. Bertrams Chemical Plants Limited, Switzerland for the production of Caustic Soda flakes directly from 32% to 98%. This enables us to recover all the heat generated in the final stage for the pre-concentration of 32% Caustic Soda Lye. and hence there is a reduction of Steam energy and Electrical energy.

The Andhra Sugars Limited

- Due to this we would be able to save about 1.1 MT of steam per MT of Caustic Soda on 100% basis.
- There is a saving of about 25 KWH power per MT of Caustic Soda on 100% basis.
- Due to the above, there is a saving of about Rs. 370.00 lakhs per annum.

Proposed Energy Saving Measures for the Year 2013-14

Recoating of Cell Electrodes and Re-Membraning :-

- As a course of Routine Maintenance, we are planning for Recoating of one of the Electrolyser which was originally installed in the year 2004-2005. The approximate investment on the above is Rs. 5.00 Crores.
- After completion of Recoating activity, we are expecting that there will be a substantial savings of Power and it is expected to be 150 KWH per ton of Caustic Soda, and saving of Rs. 1.00 Crores per annum.

Installation of Variable Frequency Drives :

- We are planning to Install the Variable Frequency Drives for various pumps to save the energy with an investment of about Rs. 25 lakhs.

B. TECHNOLOGY ABSORPTION:

A new juice sulphitation system consisting of an efficient Rotary Furnace and Multi jets has been installed under R&D program during the last off-season by taking the Technical know-how from M/s. Fourteam Engineers, Brazil. The system has taken into the line during 2012-13 crushing season achieving 95 HP saving in Electricity and 0.7% of Steam on Cane.

Form B annexed.

C. Foreign Exchange Earnings and outgo :	Current Year	Last Year
a) Used (Rs. in lakhs)		
i) Revenue Account	163.25	44.16
ii) Know-how fee and Service	—	—
b) Earned (Rs. in lakhs)		
On FOB basis	95.06	719.70

**ANNEXURE
FORM A**

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

PARTICULARS	UM	TANUKU UNITS		KOVVUR UNITS		TADUVAI UNITS		SAGGONDA UNITS		BHIMADOLE UNIT	
		CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
A) POWER AND FUEL CONSUMPTION											
1.ELECTRICITY											
A) PURCHASED											
UNITS	KWH	6556929	8500830	20486153	21071781	366950	697350	268023896	269957087	387657	313858
TOTAL AMOUNT	RS	32372298	35362258	103167270	76117809	2751581	3258513	1191632720	840399849	2882233	2047530
RATE/UNIT	RS	4.94	4.16	5.04	3.61	7.50	4.67	4.45	3.11	7.44	6.52
B) OWN GENERATION											
I)THROUGH DIESEL GENERATOR											
UNITS	KWH	133372	55690	—	—	73888	33012	—	—	223564	190592
UNITS PER LTR OF DIESEL OIL	KWH	3.25	3.11	—	—	1.98	1.95	—	—	2.33	2.34
COST/UNIT	RS	21.83	63.06	—	—	44.61	74.77	—	—	26.83	22.77
II)THROUGH STEAM TURBINE GENERATOR											
UNITS	KWH	7311280	9209400	—	—	21004360	18064480	—	—	6972730	8940610
COST/UNIT	RS	3.64	3.14	—	—	3.88	2.24	—	—	3.78	3.58
2.COAL											
QUANTITY	MT	860.000	519.250	—	—	—	—	—	—	—	—
TOTAL COST	RS	3330948	1971410	—	—	—	—	—	—	—	—
AVERAGE RATE	RS	3873.20	3796.65	—	—	—	—	—	—	—	—
3.FURNACE OIL											
QUANTITY	KL	—	—	243.010	241.553	—	—	348.733	81.313	—	—
TOTAL AMOUNT	RS	—	—	11458723	10139345	—	—	16470543	2953282	—	—
AVERAGE RATE	RS	—	—	47153.30	41975.65	—	—	47229.67	36319.93	—	—
4.ONGC NATURAL GAS											
QUANTITY	M³	1828024	3264855	—	—	—	—	—	—	—	—
TOTAL AMOUNT	RS	20256833	32098507	—	—	—	—	—	—	—	—
RATE/UNIT (M³)	RS	11.08	9.83	—	—	—	—	—	—	—	—

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FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

PARTICULARS	UM	TANUKU UNITS		KOVVUR UNITS		TADUVAI UNITS		SAGGONDA UNITS		BHIMADOLE UNIT	
		CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
5.HUSK AND FIRE WOOD											
QUANTITY	MT	168.190	44.590	927.570	1440.510	449.365	155.530	6613.740	6008.940	106.260	87.730
TOTAL COST	RS	308209	66652	2672078	2982820	1033539	350336	20790303	14315947	238081	171022
AVERAGE RATE	RS	1832.50	1494.77	2880.73	2070.67	2300.00	2252.53	3143.50	2382.44	2240.55	1949.41
6. PURCHASED BAGASSE											
QUANTITY	MT	—	—	—	—	—	—	—	—	—	—
TOTAL COST	RS	—	—	—	—	—	—	—	—	—	—
AVERAGE RATE	RS	—	—	—	—	—	—	—	—	—	—
7. CHIPPER DUST											
QUANTITY	MT	—	—	—	—	—	4.530	—	—	—	—
TOTAL COST	RS	—	—	—	—	—	4413	—	—	—	—
AVERAGE RATE	RS	—	—	—	—	—	974.20	—	—	—	—
8.OTHER INTERNAL GENERATION											
A)BAGASSE											
QUANTITY	MT	55291.000	69269.940	—	—	83167.370	119573.168	—	—	58574.921	81721.500
TOTAL AMOUNT	RS	—	—	—	—	—	—	—	—	—	—
RATE/UNIT	RS	—	—	—	—	—	—	—	—	—	—
B)BIOGAS:											
QUANTITY	M ³	3825765	4531195	—	—	—	—	—	—	—	—
TOTAL AMOUNT	RS	—	—	—	—	—	—	—	—	—	—
RATE/UNIT	RS	—	—	—	—	—	—	—	—	—	—
C)HYDROGEN											
QUANTITY	MT	—	—	113.744	144.603	—	—	2326.886	1977.467	—	—
TOTAL AMOUNT	RS	—	—	OWN GENERATION IN CAUSTIC POTASH PLANT		—	—	OWN GENERATION IN CAUSTIC SODA PLANT		—	—
RATE/UNIT	RS	—	—	—	—	—	—	—	—	—	—

B. CONSUMPTION PER UNIT OF PRODUCTION

PRODUCTION	UM	CURRENT YEAR 2012-13		PREVIOUS YEAR 2011-12	
		POWER (K.W.H.)	STEAM (M.T.)	POWER (K.W.H.)	STEAM (M.T.)
1. SUGAR (TANUKU)	QTL.	38	0.47	38	0.52
2. ALCOHOL	KL.	161	2.06	157	1.95
3. ETHANOL	KL.	73	0.74	67	0.66
4. ACETIC ACID /ANHYDRIDE MIX	MT.	465	4.07	848	7.05
5. ETHYL ACETATE	MT.	586	6.00	522	6.00
6. ASPIRIN	MT.	3267	15.93	2945	11.50
7. U.H.25	MT.	7844	138.77	6561	131.66
8. M.M.H	MT.	22190	517.85	21190	516.30
9. H.T.P.B	MT.	1841	19.67	1430	20.60
10. POTASSIUM CARBONATE	MT.	272	0.14	286	0.10
11. CAUSTIC SODA LYE AT SAGGONDA	MT.	2297	0.95	2421	0.91
12. LIQUID CHLORINE AT KOVVUR	MT.	351	-	304	-
13. LIQUID CHLORINE AT SAGGONDA	MT.	222	-	81	-
14. HYDROCHLORIC ACID AT KOVVUR	MT.	54	-	87	-
15. HYDROCHLORIC ACID AT SAGGONDA	MT.	38	-	28	-
16. CAUSTIC POTASH LYE AT KOVVUR	MT.	1950	3.09	1800	2.35
17. SULPHURIC ACID AT KOVVUR	MT.	71	0.33	76	0.32
18. SULPHURIC ACID AT SAGGONDA	MT.	75	0.30	70	0.30
19. SUPERPHOSPHATE AT KOVVUR	MT.	32	-	34	-
20. SUGAR (TADUVAI)	QTL.	24	0.48	19	0.41
21. SUGAR (BHIMADOLE)	QTL.	37	0.52	31	0.50
22. POLY ALUMINIUM CHLORIDE AT SAGGONDA	MT	33	-	31	-
23. LIQUID HYDROGEN AT SAGGONDA	MT	20053	-	24373	-
24. SODIUM HYPOCHLORITE AT SAGGONDA	MT	20	-	24	-

FORM B

Form for disclosure of particulars with respect to Technology Absorption

RESEARCH & DEVELOPMENT (R&D)

1. Specific areas in which R&D carried out by the Company:

Your Company is actively involved in development of indigenous technology for new products and processes, technology up-gradation, development of expertise and knowledge in related fields, testing & certification of products for conformity to various international standards, development of methods and controls to minimise waste to reduce environmental pollution and introduction of modern methods in sugarcane management.

2. Benefits derived as a result of above R&D:

The continuous R&D activities of your Company have helped in improving the quality, yield and economics of currently manufactured products, preparedness to counter competition and explore new markets, increased capacity utilisation of plants and improved sugar recovery.

3. Future plan of action:

Your Company will continue to utilise the existing R&D capabilities to upgrade the process technologies, development of new products, maximise production capacity at optimum cost.

4. Expenditure on R&D (Rupees in lakhs)

a) Capital	:	78.57
b) Recurring	:	262.57
c) Total	:	341.14
d) Total R&D expenditure as percentage of total turnover	:	0.41%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation

- a) Development of sugar cane juice sulphitation system to improve the quality of final product.
- b) Studies on clarification of primary juice using floatation clarifier.
- c) Studies on improving the yield of sugar along with energy saving, using LLT clarifier.
- d) Process for treating Salicylic Acid effluent using R.O and Multiple Effect Evaporating system is introduced successfully.
- e) Studies on improved methods for purifying Salicylic Acid.
- f) Evaluation and implementation of suitable technology for recovery of DMA, Ammonia and MMA from the effluents of UDMH/MMH plants.

2. Benefits derived as a result of above efforts e.g., product improvement, cost reduction, product development, import substitution etc.:

- a) Sulphitation system helped to improve the clarification efficiency of juice with low energy input to the system and also minimized SO₂ level in the final product.
- b) Studies on clarification of primary juice using floatation clarifier helped to remove polyphenols which are colouring matter and hence to improve colour and reduce suspended solids in primary juice.
- c) The LLT clarifier will help to decrease the inversion losses along with energy savings.
- d) Treating of Salicylic Acid effluent using R.O and Multiple Effect Evaporating system helped in reducing the Phenol and TDS contents to the minimum level.
- e) Studies will help in minimising the impurities present in Salicylic Acid.
- f) Implementation of suitable treatment measures will help in meeting statutory norms.

3. In case of imported technology (imported during the last five years reckoned from the beginning of the financial year), following information may be furnished:

- a) Technology imported
 - b) Year of import
 - c) Has technology been fully absorbed
 - d) If not fully absorbed, areas where this has not been taken place, reasons thereof.
- } NIL

Information Pursuant to Listing Agreement with Stock Exchanges

Equity Shares of the Company are listed on the Stock Exchanges as stated below and the annual listing fees has been paid to the Exchanges 1 & 2 below.

Name of the Stock Exchange	Address
1. Madras Stock Exchange Limited	Exchange Building, Post Box No. 183, 11, Second Line Beach, Chennai - 600 001.
2. National Stock Exchange of India Limited	Exchange Plaza, 5th Floor, Plot No. C/1 G. Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.

ANNEXURE TO DIRECTORS' REPORT

CORPORATE GOVERNANCE

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report set out hereunder supplements the Directors' Report and the Audited Financial Statements forming part of this Annual Report.

Your Company is engaged in the manufacture and sale of Sugar, Organic and Inorganic Chemicals at Plants located at Tanuku, Kovvur, Taduvai, Saggonda, and Bhimadole. Non-conventional Wind Power is being generated at one location in Andhra Pradesh and ten locations in Tamil Nadu.

SUGAR INDUSTRY:

Sugar is manufactured at Sugar Unit-I (Tanuku), Sugar Unit-II (Taduvai) and Sugar Unit-III (Bhimadole). Molasses which is a by-product from these Sugar Plants is the raw material for your Company's Distillery located at Tanuku. Industrial Alcohol and Ethanol are produced at this Distillery. Industrial Alcohol is the raw material for Ethanol and other organic chemicals manufactured at the Chemical Plants at Tanuku. Bagasse which is a residue at the Sugar Plants after extraction of juice is being used to fuel the Co-generation operation. Carbondioxide which is a by-product of fermentation at the Distillery is purified and used as one of the raw materials to produce Salicylic Acid which goes into the manufacture of Aspirin.

Much awaited decision of the Government to de-control the Sugar sector, though partial, is a step in right direction. This would provide the much needed relief to the Sugar Industry which was heading towards stagnation in view of its operation under a controlled regime. With this reform the Sugar Mills will no longer be required to sell 10% of their output at below the cost of production and release the output in the market as per the order of Government. As the Sugar Mills will be operating under free market, with no restrictions on price and sale of output, it is expected that there will now be a better position to increase their revenue and profitability, improve working capital management, ensure prompt payment of Cane price to the farmers and plan new investment in allied activities. With this partial de-control of Sugar sales and the Government showing its readiness for firm procurement of Ethanol to support its Ethanol-Petrol Blending Programme and agreeing for upward revision of Ethanol prices for the supply to Oil Manufacturing Companies, the Industry can now look forward to a new growth with investment in value added by-products such as Ethanol and Electricity generation. Still certain issues like abolition of VAT, doing away with compulsory Jute packing, finalisation of procurement price of Ethanol, duty exemption for mechanical harvester from Sugar Development Fund, priority allotment of Coal to Sugar sector to go in for Electricity generation needs to be addressed by the Central and State Governments in a proper perspective to facilitate further growth of the industry.

Issues like harvesting labour shortage, adverse climatic conditions, diversion to other crops by farmers continue to be a serious concern for the industry. To overcome the labour shortage, your Company has developed Mechanical Cane Planters to suit the desired planting requirements, which have been commissioned successfully. This will pave the way to go in for Mechanical Harvester. In addition to planting deeper, a saving of 2½ Tonnes/acre planted has been achieved. In view of Cane supply dwindling, your Company's focus on Cane Research and Development activities are being vigorously pursued to help the farmers in increasing the yield per acre. Under Agriculture Research & Development programme, your Company has undertaken trials at the Research Farm maintained to identify high yielding and Sugar Rich varieties of Cane. Rapid multiplication of the varieties is under progress. Several varieties are close to commercialisation, which would be provided to the farmers.

Due to the Commercial Cane Harvester Manufacturers not coming up with the right size Harvester, your Company has embarked on a project to identify the right size Cane Harvester for our farmer holding size.

Two compact small farm Cane Harvesters have been picked up in Australia during the recent visit of our Joint Managing Director and are being readied for export. They are expected to reach our site prior to the start of the 2013-14 Season. This Project will be taken up under Research and Development and will be carried out with technical guidance from Australia.

With this we expect that within a year we would have all performance data that we could present to the Commercial Harvester Manufacturers to take up. Thus helping us go in for Mechanical Harvesting on a large scale and help relieve the Harvest Labour situation in the Cane Sugar Industry.

Keeping in view the interest of the farmers, your Company has been paying a Cane price higher than the "Fair Remunerative Price" in addition to Incentives and Subsidies to ensure that farmers see cane farming as remunerative as other commercial crops.

CHLOR-ALKALI PRODUCTS:

Your Company has an integrated Inorganic Chemicals Complex at Kovvur and Saggonda.

Power constitutes a major “input cost” in the manufacture of Caustic Soda. Power supply constraints from the State Electricity Board and steep increase in the Power Tariff has impacted the operations and economies at this location. It has therefore become necessary to go in for an Energy Efficient Power Plant. With the end user Industry going in for Chlorine Free Technology in their manufacturing process, it has become necessary to look at the disposal or utilisation of Chlorine to operate Caustic Soda Plant at full capacity. In view of this your Company has initiated steps to put up Chlorine based Plants at Saggonda for the manufacture of Sodium Hypo Chlorite and Chlorinated Paraffins. In the coming years, your Company's focus would be on more Chlorine based Products to ensure that the Caustic Soda plant operates at full capacity.

OTHER OPPORTUNITIES:

With the domestic price realisation of Aspirin not being encouraging, export of Aspirin is viewed as a better business opportunity. As most of your Company's products serve as an input to Pharma products, your Company is looking at Pharma as a business line. Your Company's Aspirin Plant has been upgraded to meet international standards and the required audit certificates have been received from EDQM and USFDA. Several overseas Multinational Companies have evinced interest in our Product, with whom long-term contracts are proposed to be developed to meet their requirement. This will enable our Company to have a firm base in the International Market. Keeping this in view steps are being taken to increase the Aspirin Plant capacity from present 1000 TPA to 1500 TPA in the first phase and then to 2000 TPA capacity. Steps are being taken to obtain required statutory approvals.

The Wind Generators operating at Surandai Village in Tirunaveli District of Tamil Nadu have earned Verified Emission Reduction (VER) and Carbon Emission Receipts (CER). With the wind availability and no Power evacuation problem the Wind farm established in Tamil Nadu has given good results. Overall performance has been good. The Power generated at these Wind Farms is supplied to the Tamil Nadu State Electricity Board.

POWER:

Your Company's major segment is the Chlor-Alkali Division, which is a Power intensive operation. Restricted Power supply from the State Electricity Board and steep increase in Power tariff has become a serious concern to the Chloro Alkali operations. This has necessitated your Company to explore the Power availability at a competitive price from various sources. Your Company has purchased additional Shares of Andhra Pradesh Gas Power Corporation Limited (APGPCL), a Gas based Power generating Company located at Vijjeswaram in West Godavari District, that will get us an entitlement to 5 MW Power at an investment of Rs.25 Crores. This is in addition to the existing Power entitlement of 36.06 MW. The Power availed from this source is cheapest Power available that will enable your Company to remain competitive in the Chlor-Alkali Sector. To ensure that our Saggonda operations are not affected for want of Power, your Company avails the option of buying Power from Power Exchanges as and when required. With Power scenario deteriorating your Company is actively considering the feasibility of putting up a 36 MW Coal based Power Project at the Saggonda Chemical Complex.

During the current year the Power generation unit at Tanuku achieved grid synchronisation. A Power Wheeling Agreement is expected to be entered into with State Electricity Board shortly. The Company has an option to either export the Power generated to the State Electricity Board or wheel to our other Units. Looking ahead and keeping in view the Power availability scenario, your Company's efforts would be directed towards attaining self sufficiency in Power.

INTERNAL CONTROL SYSTEM

Your Company conducts a review of the financial and operating controls of the various Units. The Internal Control System of your Company is commensurate with its size and nature of business.

SEGMENT-WISE PERFORMANCE

Segment-wise performance has been given separately vide Annexure – II of Group Consolidated Accounts.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Your Company has earned a Gross Profit of Rs. 197.51 Crores (before interest and depreciation) against Rs. 197.48 Crores (before interest and depreciation) in last year.

The Fund based working capital limits remain unchanged at Rs. 195.40 Crores.

The gross Fixed Assets of your Company as on 31.3.2013 is Rs.887.59 Crores compared to Rs. 840.60 Crores during the previous year 2011-12. Your Company has a net worth of Rs. 543.06 Crores.

HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

Your Company continuously reviews and monitors its manpower requirements to ensure that it has human skills commensurate with its needs. Industrial relations continued to be cordial. As on 31.3.2013 your Company's employees strength stands at 2,284.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be “forward-looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from these expressed or implied. The Company assumes no responsibility in respect of these forward looking statements that may be amended or modified later, on the basis of subsequent developments, information or events and in view of the changes brought by the Government Rules and Regulations.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Andhra Sugars Ltd. (ASL) always believes that good Corporate Governance ensures proper and adequate protection of the interests of all the stake-holders in the Company. ASL affirm that healthy Corporate Governance leads to the operations and actions which serve the underlying goal of continuously enhancing the value that the Company can create for the stake-holders including Shareholders, Employees, Customers, Suppliers, Lenders, Government and other parties having association with ASL

2. BOARD OF DIRECTORS

a) As on 31.3.2013, the Board of Directors consisted of 14 Directors.

COMPOSITION AND CATEGORY OF DIRECTORS IS AS FOLLOWS:

Category	Name of the Director
Promoter/Executive Directors	Dr. B.B. Ramaiah Chairman & Managing Director
	Sri P. Narendranath Chowdary Managing Director
	Sri M. Narendranath Joint Managing Director
	Sri M. Thimmaraja Joint Managing Director
	Sri P. Achuta Ramayya Joint Managing Director
	Sri P.S.R.V.K. Ranga Rao Executive Director
	Non-Executive and Independent Directors
Justice G. Ramanujam (Retd.)	
Dr. A.V. Rama Rao	
Dr. P. Kotaiah	
Sri V.S. Raju	
Dr. Alapaty Appa Rao	
Dr. Anumolu Ramakrishna Sri P.A. Chowdary, I.R.S.(Retd.)	

Inter se Relationship among Directors (as per Section 6 of the Companies Act, 1956)

Dr. B.B. Ramaiah – Sister's Husband of Sri P. Narendranath Chowdary & Sri P. Achuta Ramayya
 Sri P. Narendranath Chowdary – Daughter's Husband of Dr. B. B. Ramaiah
 Sri P. Narendranath Chowdary & Sri P. Achuta Ramayya – Brothers
 Sri M. Narendranath & Sri M. Thimmaraja – Brothers

b) Non-Executive Directors Remuneration : Please refer Point No. 6

c) Attendance of each Director at the Board Meetings, last Annual General Meeting and number of other Directorships and Chairmanship / Membership of Committee of each Director in various Companies:

Name of the Director	Attendance Particulars		Directorship, Chairmanship, Committee Membership and Chairmanship in other Companies			
	Board Meetings	Last AGM	Other Directorship	Chairman	Committee Membership*	Committee Chairmanship*
Dr. B. B. Ramaiah	4	Yes	3	—	—	1
Sri P. Narendranath Chowdary	4	Yes	3	4	2	—
Sri M. Narendranath	4	Yes	3	—	—	—
Sri M. Thimmaraja	2	Yes	2	—	3	—
Sri P. Achuta Ramayya	3	Yes	1	—	—	—
Sri P.S.R.V.K. Ranga Rao	4	Yes	1	—	—	—
Sri A. Ranga Rao	4	Yes	1	—	—	—
Justice G. Ramanujam (Retd.)	-	No	1	—	—	1
Dr. A.V. Rama Rao	4	No	—	2	—	—
Dr. P. Kotaiah	4	No	9	—	2	4
Sri V.S. Raju	4	No	3	—	—	2
Dr. Alapaty Appa Rao	3	No	2	—	2	—
Dr. Anumolu Ramakrishna	4	Yes	14	—	10	1
Sri P.A. Chowdary, I.R.S.(Retd.)	4	No	—	—	—	—

Sri A. Ranga Rao, Chairman of the Audit Committee was present at the last Annual General Meeting to answer the queries of the shareholders .

* Represents Membership / Chairmanship of Audit Committee & Investors Grievance Committee of other Public Limited Companies.

d) NUMBER OF BOARD MEETINGS HELD DURING THE FINANCIAL YEAR 2012-13 AND THE DATES ON WHICH HELD

Sl.No.	Date of Board Meeting
1	28.04.2012
2	28.07.2012
3	03.11.2012
4	02.02.2013

3. CODE OF CONDUCT :

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Managers of the Company. The said Code has been communicated to the Directors and the Senior Managers from whom the necessary affirmation has been received with regard to the compliance of Code. A declaration in this regard by the Managing Director is furnished at the end of the report. The Code has also been posted on the Company’s website – www.theandhrasugars.com.

4. AUDIT COMMITTEE

a) A qualified Audit Committee meeting the requirements as stipulated in the Clause 49 of the Listing Agreement has been constituted. Audit Committee consists of 3 Non-Executive Independent Directors Sri A. Ranga Rao, Dr. P. Kotaiah and Sri V.S. Raju. Sri A. Ranga Rao is Chairman of the Committee. All the Members of the Committee are financially literate and have accounting or related financial management experience.

This Committee also meets the requirement of Section 292A of the Companies Act, 1956.

- b) The terms of reference of the Audit Committee as detailed hereunder are in terms of Clause 49 of the Listing Agreement:
- i) Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 - ii) Recommending to the Board the appointment, re-appointment and if required the replacement or removal of the Statutory Auditor and fixation of audit fees.
 - iii) Approval of payment to the Statutory Auditors for any other service rendered by them.
 - iv) Review with the management the annual financial statements before submission to the Board for approval with particular reference to :
 - a) Matters required to be included in the Directors Responsibility Statement to be included in the Board's Report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - b) Changes if any in the accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on exercise of judgement by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transaction.
 - g) Qualification in the draft Audit Report.
 - v) Review with the management, the quarterly financial statements before submission to the Board for approval.
 - vi) Review with the management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems.
 - vii) Review the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
 - viii) Discussions with the Internal Auditors any significant findings and follow up thereon.
 - ix) Review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - x) Discussions with the Statutory Auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - xi) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - xii) To review the functioning of the Whistle Blower mechanism, in case the same is existing.
 - xiii) Carrying any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee also reviews the following information as and when required.

- a. Management Discussion and Analysis of financial condition and results of operations
- b. Statement of Significant Related Party Transactions (as defined by the Audit Committee)
- c. Management letters/letters of internal control weakness issued by the statutory auditors
- d. Internal Audit Reports relating to internal control weaknesses
- e. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

- c) NUMBER OF AUDIT COMMITTEE MEETINGS HELD DURING THE FINANCIAL YEAR 2012 -13 AND THE DATES ON WHICH HELD

Sl. No.	Date of Audit Committee Meeting
1	28.04.2012
2	28.07.2012
3	03.11.2012
4	02.02.2013

- d) ATTENDANCE OF THE MEMBERS OF THE AUDIT COMMITTEE AT ITS MEETINGS HELD DURING THE FINANCIAL YEAR 2012-13

Name of the Director	No. of Meetings attended
Sri A. Ranga Rao	4
Dr. P. Kotaiah	4
Sri V.S. Raju	4

Joint Managing Director, G.M.(Fin.) & Asst. Secretary, Statutory Auditors, Dy. G.M. (Fin.)-Internal Audit and Cost Auditors whenever required also attend the Audit Committee Meetings to answer the queries raised by the Committee Members.

Company Secretary acts as Secretary to the Committee.

- e) The Audit Committee considers periodically statement of Related Party Transactions at its meeting.

5. SUBSIDIARIES :

- The Company does not have any material non-listed Indian subsidiary as defined in Clause 49 of the Listing Agreement regarding Corporate Governance.
- Company has two unlisted subsidiary companies.
- Minutes of the Board Meeting of the unlisted companies are placed before the Board Meeting of the holding Company.

6. REMUNERATION COMMITTEE, POLICY, DETAILS

- The need for a Remuneration Committee did not arise during the year.
- The Company does not remunerate nor the Company has any pecuniary relationship with the Non-Executive Directors except for the payment of sitting fees for attending each Meeting of the Board or Committee thereof.

Details of the remuneration paid / payable to the Directors during the year 2012-13 are as hereunder:-

Name of Director	Remuneration paid / payable to the Directors			
	Sitting Fees	Salaries & Perquisites	Commission	Total
	Rs.	Rs.	Rs.	Rs.
Dr. B. B. Ramaiah	Nil	4712458	26095785	30808243
Sri P. Narendranath Chowdary	Nil	6376433	26095785	32472218
Sri M. Narendranath	Nil	3223971	16309865	19533836
Sri M. Thimmaraja	Nil	3189739	16309865	19499604
Sri P. Achuta Ramayya	Nil	2422830	16309865	18732695
Sri P.S.R.V.K. Ranga Rao	Nil	1936772	9785919	11722691
Sri A. Ranga Rao	160000	Nil	Nil	160000
Justice G. Ramanujam	Nil	Nil	Nil	Nil
Dr. A.V. Rama Rao	80000	Nil	Nil	80000
Dr. P. Kotaiah	160000	Nil	Nil	160000
Sri V. S. Raju	160000	Nil	Nil	160000
Dr. Alapaty Appa Rao	60000	Nil	Nil	60000
Dr. Anumolu Ramakrishna	80000	Nil	Nil	80000
Sri P.A. Chowdary, I.R.S.(Retd.)	140000	Nil	Nil	140000

- Remuneration is fixed and paid to the Managing Directors / Whole-time Directors as approved by the Shareholders of the Company and is in accordance with and subject to the limits prescribed by the Companies Act, 1956. The Company enters into an agreement with the Managing Directors /Whole-time Directors relating to their appointment / re-appointment. There is no severance fee.

7. SHAREHOLDING OF NON-EXECUTIVE DIRECTORS

As on 31.3.2013 Sri A. Ranga Rao holds 200 Equity Shares in the Company. No other Non-Executive Director holds any Equity Shares in the Company. During the year 2012-13 Company has not issued any convertible instruments.

8. MANAGEMENT

- Management Discussion and Analysis forms part of Annual Report.
- Disclosure by the Management to the Board : Please refer point No. 12

9. CEO / CFO CERTIFICATION

In accordance with the requirements of Clause 49(V) of the Listing Agreement the Board of Directors of the Company, Audit Committee and Auditors have been furnished with the requisite certificate from the Managing Director and CFO.

10. SHAREHOLDERS' GRIEVANCES COMMITTEE

- a) The Board has constituted Shareholders' / Investors' Grievances Committee comprising Justice G. Ramanujam, (Chairman of the Committee – Non-Executive Independent Director), Sri P.A. Chowdary (Non-Executive Independent Director) Sri P. Narendranath Chowdary and Sri M. Thimmaraja as Members of the Committee. The Committee looks into redressal of the Shareholders' complaints like Transfer of Shares, non-receipt of Balance Sheet, non-receipt of declared Dividend and other related matters.
- b) The Board has designated Sri M. Palachandra, Company Secretary, as the Compliance Officer.
- c) During the year 2012-13, four Committee Meetings were held on dates viz., 28.4.2012, 28.7.2012, 3.11.2012 and 2.2.2013. The Company received a total number of 167 letters in respect of various matters viz., non-receipt / revalidation of dividend warrants, change of address, change of Bank account etc., and all of them were attended to and replied to the satisfaction of the Shareholders. As on 31.3.2013 no Share Transfers were pending and there was one pending complaint which has since been resolved.
- d) ATTENDANCE OF DIRECTORS AT THE SHAREHOLDERS GRIEVANCE COMMITTEE MEETING HELD DURING FINANCIAL YEAR 2012-13.

Name of the Director	No. of Meetings attended
Justice G.Ramanujam	NIL
Sri P.A. Chowdary	3
Sri P. Narendranath Chowdary	4
Sri M. Thimmaraja	3

11. ANNUAL GENERAL BODY MEETINGS

- a) PARTICULARS OF ANNUAL GENERAL BODY MEETINGS HELD DURING THE LAST THREE YEARS.

Financial Year – 1 st April to 31 st March			
Financial Year	Venue	Date	Time
2009-2010	Registered Office VENKATARAYAPURAM, TANUKU - 534 215 (A.P.)	29-9-2010	3:00 p.m.
2010-2011	-- do --	24-9-2011	3:00 p.m.
2011-2012	-- do --	27-9-2012	3:00 p.m.

At the last Annual General Meeting, there were no Special Resolutions that were required to be put through postal ballot.

At the ensuing Annual General Meeting there is no Resolution proposed to be passed through postal ballot.

b) SPECIAL RESOLUTIONS PASSED AT THE LAST THREE ANNUAL GENERAL MEETINGS :

DATE OF AGM	NO. OF SPECIAL RESOLUTIONS	SUBJECT MATTER
29-9-2010	3	Appointment of Sri M. Vikram Prasad as Manager (Procurement Planning & Inventory Control) under Section 314 of the Companies Act, 1956. Alteration of Article 120 of the Articles of Association of the Company for Sitting Fee and Re-appointment of Sri Pendyala Narendranath Chowdary as Joint Managing Director with effect from 12-01-2011.
24-9-2011	---	----
27-9-2012	10	Appointment of Chairman & Managing Director, Re-appointment of Whole-time Directors, Payment of enhanced managerial remuneration to Managing Directors/Whole-time Directors.

12. OTHER DISCLOSURES

- i. There is no materially significant pecuniary or business transaction of the Company with its Promoters, Directors or the Management, their Subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large.

The Company enters into contracts from time to time with its Directors and Companies & Firms in which the Directors are interested. These contracts are in the ordinary course of Company's business and the concerned Directors regularly make full disclosures to the Board of Directors regarding the nature of their interest. Full particulars of contracts entered into with the parties in which Directors are directly or indirectly concerned or interested are entered in the Register of Contracts maintained under Section 301 of the Companies Act, 1956 and the same is placed at every Board Meeting for the information of the Directors. Further, necessary approvals have also been obtained from the Central Government under Section 297 of the Companies Act, 1956 with regard to specific contracts requiring the approval of the Central Government.

- ii. There were no instances of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authorities, on any matter related to Capital Markets during last three years.
- iii. Company does not have any Whistle Blower Policy.
- iv. Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement.
- v. Details regarding Non-Mandatory requirements are enumerated under Point No. 14.

13. MEANS OF COMMUNICATION

- i. Quarterly Results are not sent to each household of shareholders, since they are being published in leading newspapers.

- ii. Quarterly, Half Yearly and Annual Results are published in “The Hindu Business Line” and “Eenadu”.
- iii. The Company displays its periodical results on the Company’s website, “www.theandhrasugars.com” as required by the Listing Agreement.
- iv. Company has not issued any press release nor made any presentations to the investors or to analysts about its financial results during the year.

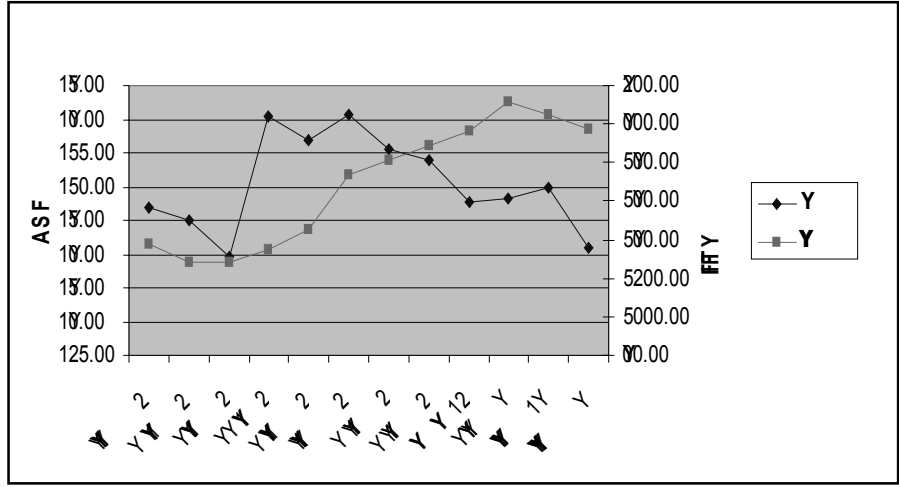
v. General Shareholder Information

- (i) Annual General Meeting
 - Date & Time : Monday, 26th August, 2013, at 3:00 P.M.
 - Venue : Registered Office
Venkatarayapuram, Tanuku – 534 215
West Godavari Dist. (A.P.)
- (ii) Financial Year : The Company follows April to March as its financial year. The results of every quarter beginning from April are declared within the time limit prescribed by the provisions of Listing Agreement.
- (iii) Date of book closure : Saturday 17th August, 2013 to
Monday 26th August, 2013
(both days inclusive)
- (iv) Dividend payment date : 2nd September, 2013
- (v) Listing on Stock Exchanges : Madras Stock Exchange
National Stock Exchange
- (vi) Stock code : MSE-CODE-ASR
NSE-CODE-ANDHRSUGAR
- (vii) Stock Market Data : National Stock Exchange

Month	High	Low
	Rs.	Rs.
April, 2012	147.00	131.50
May, 2012	145.00	124.25
June, 2012	139.50	118.00
July, 2012	160.50	125.95
August, 2012	156.90	140.00
September, 2012	160.80	141.00
October, 2012	155.50	130.00
November, 2012	153.90	138.20
December, 2012	147.70	135.00
January, 2013	148.20	141.10
February, 2013	149.90	134.30
March, 2013	140.95	130.10

(viii) Performance in comparison to :
broad-based indices

EQUITY SHARE PRICE CHART (NSE)



(ix) Registrars & Share Transfer Agents : The share transfer work is carried out in-house at the Company's Registered Office, Venkatarayapuram, Tanuku – 534 215, West Godavari Dist. (A.P.)
Telephone Nos. 224911 (8 lines), Fax No. 224168
Email : elr_asltnk@sancharnet.in
info.tnk@theandhrasugars.com

(x) Share Transfer System : Shareholders have an option to hold the Shares in physical form or in demat form. In the case of physical form, Company is taking care to ensure that the Share Transfer work gets completed within the stipulated time of fifteen days. The Board of Directors have delegated the power of approving transfer of Shares severally to Managing Director and one Joint Managing Director. The Board has also constituted a Share Transfer Committee which has been assigned the task of approving splitting of Shares, Issue of duplicate Share Certificates, consolidation of Share Certificates, change of status of a shareholder and other allied matters. With regard to Shares in demat mode, the procedure is adopted as per the provisions of Depositories Act, 1996.

(xi) (a) Shareholding pattern as on 31st March, 2013

Category	No. of Shares held	% of Shareholding
Promoters	12595651	46.47
Institutions, Mutual Funds and Banks	253257	0.93
FII's / OCB's	--	--
NRI's	469615	1.73
Bodies Corporate, Trusts and Clearing Members	1974951	7.29
Public	11813604	43.58
Total	27107078	100.00

(b) Distribution of Shareholding as on 31st March, 2012

Shareholding of Nominal value of Rs.	No. of Shareholders	% to total	Share amount in Rs.	% to Total
Upto 5000	11822	82.671	21687100	8.001
5001 to 10000	975	6.818	10601750	3.911
10001 to 20000	626	4.378	12682450	4.679
20001 to 30000	252	1.762	8798790	3.246
30001 to 40000	127	0.888	5500790	2.029
40001 to 50000	111	0.776	9607410	3.544
50001 to 100000	176	1.231	21941740	8.094
100001 onwards	211	1.476	180250750	66.496
Total	14300	100.000	271070780	100.000

(xii) Dematerialisation of Equity Shares and liquidity:

Company's Equity Shares are listed on Madras and National Stock Exchanges with a view to provide liquidity to the Shareholders. As per the SEBI notification, the Company's Equity Shares have been compulsorily dematerialised with effect from 25th October, 2000. The Company has appointed XL Softech Systems, 3 Sagar Society, Road No.2, Banjara Hills, Hyderabad – 500 034 to establish electronic connectivity with the Depositories viz., NSDL and CDSL. The ISIN No. is INE715B01013. As on 31.3.2013, 41.85% of Equity Shares have been dematerialised.

(xiii) Outstanding GDR's / ADR's / Warrants of any other Convertible Instruments, Conversion date and likely impact on equity : Nil

- (xiv) Plant Locations :
1. VENKATARAYAPURAM, Tanuku, West Godavari Dist., Andhra Pradesh
 2. KOVVUR, West Godavari Dist., Andhra Pradesh
 3. SAGGONDA, Gopalapuram Mandal, West Godavari Dist., Andhra Pradesh
 4. TADUVAI, Jangareddygudem Mandal, West Godavari Dist., Andhra Pradesh
 5. BHIMADOLE, West Godavari Dist., Andhra Pradesh
 6. PERECHERLA, GUNTUR, Andhra Pradesh.
- Wind Power Units:**
7. RAMGIRI, Ananthapur Dist., Andhra Pradesh
 8. (a) Kurichampatti Village,
(b) Surandai Village,
Veeranam Region,
Tirunelveli District,
Tamilnadu.
(c) Kundadam Village,
Tamilnadu
(d) Palladam Village
Tamilnadu

- (xv) Address for correspondence for all matters including Shares : Registered Office:
VENKATARAYAPURAM
Tanuku – 534 215
West Godavari Dist.
Andhra Pradesh.
Email : investors@theandhrasugars.com

14. NON-MANDATORY REQUIREMENTS :

Mandatory requirements of Clause 49 of the Listing Agreement have been complied with by the Company. Adoption of non-mandatory requirements is as hereunder :

1. The Board

The Company has an Executive Chairman. Ceiling on the tenure of the Independent Directors of the Company as mentioned is not adopted.

2. Remuneration Committee

The Company has not constituted any Remuneration Committee since the need for such a Committee has not arisen so far.

3. Shareholders Rights

The Quarterly, Half Yearly and Annual Results are published in leading English newspapers having circulation all over India and also in Telugu Newspapers circulating in the District and are also posted on the Company's website. Therefore the same are not sent to the Shareholders individually.

4. Audit Qualification

There are no qualifications proposed by the Auditors in their Report for the year ended 31st March, 2013, as per the information received from them.

5. Training of Board Members

In the opinion of the Board, its Members are all business professionals having considerable experience and expertise in their respective fields and industry.

6. Mechanism for evaluating Non-Executive Board Members

As the Non-Executive Directors are professionals, no such mechanism exists.

7. Whistle Blower Policy

There is no Whistle Blower Policy. However the Company recognises the importance of reporting to the management by employees at any level about unethical behaviour or suspected fraud in violation of the Company's Code of Conduct or any other point of concern.

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all Board members and Senior Management personnel have affirmed the compliance with The Andhra Sugars Limited Code of Conduct for the year ended 31st March, 2013.

Place : TANUKU
Date : 27-05-2013

Dr. B.B. RAMAIAH
Chairman & Managing Director

CERTIFICATE

To
The Shareholders of
The Andhra Sugars Limited
Tanuku

We have examined the compliance of conditions of Corporate Governance by The Andhra Sugars Limited for the year ended on 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement, except as stated in Para 3 above.

We state that in respect of investor grievances received during the year ended 31st March, 2013, no investor grievances were pending against the Company as per the records maintained by the Company and presented to the shareholder's / investor's Grievances Committee.

We further state that such compliance is not an assurance either to the future viability of the Company or the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Camp: TANUKU
Date : 27th May 2013

For BRAHMAYYA & CO.,
Chartered Accountants
(Firm Regn. No. 000513S)
T.V. RAMANA
Partner
(Membership No. 200523)

INDEPENDENT AUDITORS' REPORT

To the Members of The Andhra Sugars Limited, Tanuku

Report on the Financial Statements:

We have audited the accompanying financial statements of The Andhra Sugars Limited, Tanuku which comprise the Balance Sheet as at March 31, 2013 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

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. 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 these 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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal 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 the 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:

- 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 for the year ended on that date and
- c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 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.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. 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 are 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 Companies Act, 1956;
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441 A of the Companies Act, 1956 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.

Camp: Tanuku
Date: 27th May 2013

For BRAHMAYYA & CO
Chartered Accountants
Firm Registration Number: 000513S
(T.V. Ramana)
Partner
Membership Number:200523

Annexure referred to 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 in the case of furniture and fixtures.
- 1.2 According to the information and explanations furnished to us, the Company has informed us that it has adopted a phased programme of verification of its fixed assets. In our opinion such a programme is reasonable and adequate in relation to the nature and location of the Fixed Assets. In accordance with the said programme of physical verification of fixed assets, during the year the management has verified all fixed assets of various divisions located at Kovvur and Saggonda except furniture & fixtures. No material discrepancies were noticed on such physical verification.
- 1.3 According to the information and explanations furnished to us, the Company has not disposed of a substantial part of its fixed assets during the year as to affect the going concern assumption in preparing the financial statements under report.
- 2.1 According to the information and explanations furnished to us, during the year under report the Company has physically verified its inventories of Raw materials, Finished goods & stores and spares, situated at Kovvur and Saggonda. In our opinion, the frequency of such verification to the extent carried out is reasonable.
- 2.2 In our opinion, the procedures of physical verification of inventories, as followed by the management in respect of such verification carried out during the year are reasonable and adequate in relation to the size of the Company and the nature of its business.
- 2.3 According to the information furnished to us, the Company is maintaining proper records of its inventory. The discrepancies, if any, noticed on verification of Raw Materials, Finished goods & Stores and Spares between the physical stocks to the extent verified during the year and the book records were not material, and have been properly dealt with in the books of account.
- 3.1 According to the information and explanations furnished to us, the Company has granted unsecured loan to one company for an amount of Rs. 100 lacs (Maximum balance of Rs.500 lacs), covered in the register maintained under section 301 of the Companies Act, 1956.
- 3.2 According to the information and explanations furnished to us, the rate of interest and terms and conditions given by the Company are not prima facie prejudicial to the interest of the Company and the Company is in receipt of principal amount and interest thereon as per the stipulations mentioned in the agreement.
- 3.3 According to the information and explanations furnished to us, the Company has taken Fixed deposits/ inter-corporate loans aggregating at the date of the Balance Sheet to Rs.9988.35 lakhs from thirty nine parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- 3.4 In our opinion, the rate of interest and other terms and conditions on which loans/deposits have been taken by the Company from parties covered in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
- 3.5 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 parties covered in the register maintained under Section 301 of the Companies Act, 1956.
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, for the purchase of inventory, fixed assets and with regard to the sale of goods and services. Further, during the course of our audit, we have not come across any instances of major weaknesses in the internal control system, that in our opinion, require correction but have so continued without correction.

- 5.1 Based on the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- 5.2 In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements that have been entered in the Register referred to in Section 301 of the Companies Act have been made at prices which are reasonable having regard to prevailing market prices and other terms of business with such parties, at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 58A, 58AA and 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 non-compliance with the provisions of Sections 58A and 58AA of the Companies Act, 1956.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of accounts 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 Companies Act, 1956, wherever prescribed, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we are not required to and have not carried out a detailed audit of the same.
- 9.1 According to the information furnished to us, the Company has been generally 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 the following undisputed statutory dues were outstanding, as at the date of the Balance Sheet under report, for a period of more than six months from the date they became payable:

Sl.No.	Name of the statute	Period	Amount ₹ in lakhs	Remarks
1.	Andhra Pradesh State Excise Act	Upto August, 1976	3.58 (establishment charges)	Pending receipt of demand by the Company
2.	Andhra Pradesh State Excise Act	August, 1976 to March, 2013	15.74 (Interest on above)	Pending receipt of demand by the Company

- 9.2 According to the information furnished to us, at the date of the Balance Sheet, there were no amounts of Sales Tax, Customs Duty, Excise Duty, Cess, Income Tax, Wealth Tax and Service Tax that were disputed by the company and hence were not remitted to the concerned authorities, except the following:

Sl.No.	Name of the statute	Nature of the Dues	Amount ₹ in lakhs	Forum where dispute is pending
1	Water (Prevention and control of Pollution) Cess Act , 1977	Cess	0.50	Appellate Committee of the Govt. of AP
2	Sales Tax laws in different States	Sales Tax	390.04	Different appellate authorities
3	Income Tax Act, 1961	Income Tax	79.92	Commissioner of Income Tax Appeals
4	Central Excise Act, 1944	Excise Duty	4075.73	Different departmental appellate authorities
5	Service Tax Law	Service Tax	29.78	Commissioner of Service Tax

The Andhra Sugars Limited

10. According to the information and explanations furnished to us the Company had no accumulated losses at the end of the year under report and it did not incur cash losses during the said year or in the immediately preceding financial year.
11. In our opinion and according to the information and explanations furnished to us by the Company, there were no defaults in repayment of its dues to financial institutions, banks or debenture holders at the date of the Balance Sheet.
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, except in respect of repayment, out of its cane price dues to its sugarcane suppliers, the agricultural loans taken by them from banks, the terms and conditions of which, in our opinion are not prima facie prejudicial to the Company.
16. In our opinion, and according to the information and explanations furnished to us, the term loans obtained by the Company have been applied for the purpose for which they were raised.
17. 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 during the year under report, funds raised by the Company on short-term basis have prima facie not been used for long-term investment.
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 Companies Act, 1956.
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 moneys through public issue of its securities during the year, and the question of end use of such moneys does 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.

Camp: Tanuku
Date: 27th May 2013

For BRAHMAYYA & CO
Chartered Accountants
Firm Registration Number: 000513S
(T.V. Ramana)
Partner
Membership Number:200523

1. ACCOUNTING POLICIES

1.1 GENERAL

The Accounts are prepared under the historical cost convention and in accordance with generally accepted accounting practices.

1.2 FIXED ASSETS :

Fixed Assets are capitalised at acquisition cost, net of Cenvat, 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. Financing costs incurred upto the date of commissioning of assets are capitalised. Revenue expenses incidental to new projects are capitalised.

1.3 BORROWING COSTS :

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

1.4. INVESTMENTS :

Long-term Investments are stated at cost and income thereon is accounted for on accrual. Provision towards decline in the value of long-term investments is made only when such decline is other than temporary.

Current Investments are carried at lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

1.5. INVENTORIES :

- Finished goods are valued at lower of cost or net realisable value.
- Work –in- process, Raw-materials, Stores, Spares and Materials in transit are valued at cost except where net realisable value of the finished goods they are used in is less than the cost of finished goods and in such an event, if the replacement cost of such materials etc., is less than their book values, they are valued at replacement cost.
- By-products and scrap are valued at net realisable value.
- Machinery spares which can be used only in connection with an item of fixed assets and whose use is expected to be irregular are amortised over the life of the principal assets.

1.6. SALES :

- a) Revenue from sales is recognised when the property in the goods is transferred to the buyers along with the significant risks and rewards of ownership of such goods.
- b) Sales are inclusive of Excise Duty, packing charges and Freight charges, wherever applicable and net off rebates and Sales Tax.

1.7. INTER UNIT TRANSFERS :

The product of one unit used as raw materials, stores and spares and energy in another unit of the Company is adjusted at market value.

1.8. EMPLOYEE BENEFITS

a) Short-term Employee Benefits :

Short-term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

b) Post-Employment Benefits :

- (i) Defined Contribution plans: The company's superannuation scheme, state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.
- (ii) Defined Benefit plans: The employees' gratuity fund schemes and compensated absences schemes are under defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The company's liability to gratuity on retirement of its eligible employees is funded with the Life Insurance Corporation of India. The fair value of the plan assets thereunder is reduced from the gross plan obligation, to recognise the obligation on net basis.

The incremental expense thereon for each year is arrived at as per actuarial valuation and is recognised and charged to the Statement of Profit and Loss in the year in which the employee has rendered service.

- o Expense on account of unutilised compensated absences is arrived at as per actuarial valuation and is recognized and charged to the Statement of Profit and Loss in the year in which employee has rendered services in lieu of such leave.
- o Gains/losses arrived at in the above actuarial valuations are charged to the Statement of Profit and Loss immediately in each year.

1.9. EXPENDITURE :

Revenue expenditure is charged to Statement of Profit and Loss and Capital expenditure is added to the cost of Fixed Assets in the year in which it is incurred.

1.10. DEPRECIATION :

Depreciation is provided in the accounts, in accordance with Schedule XIV of the Companies Act on the following basis:

- On part of Buildings, Main Plant and Machinery and Electrical Installations of Caustic Soda, Aspirin, Wind Power at Ramagiri, Wind Power Tamilnadu, Power Generation and Sugar Units at Taduvai and Bhimadole and all Buildings, Plant and Machinery, Electrical Installations, Weigh Bridges and Scales and Workshop Equipment of Cotton and Oil Products Unit and Sulphuric Acid unit at Saggonda under Straight Line Method.
- On the remaining assets of the above units and all assets of the other units, under Written Down Value Method.
- In respect of Inter-Unit transfer of assets, depreciation is computed on the same basis as in the transferor unit.

1.11. FOREIGN EXCHANGE TRANSACTIONS :

- Transactions in foreign currency are initially accounted at the exchange rate prevailing on the date of the transaction and adjusted appropriately with the difference in the rate of exchange arising on actual receipt/payment during the year.
- 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 recognised.

- In respect of forward exchange contracts in the nature of hedges
 - a) Premium or discount on the contract is amortised over the term of the contract,
 - b) Exchange differences on the contract are recognised as profit or loss in the period in which they arise.

1.12. IMPAIRMENT OF ASSETS :

An asset is treated as impaired when the carrying cost of the same exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

1.13. CONTINGENT LIABILITIES :

Contingent liabilities are not recognised in the accounts, but are disclosed after a careful evaluation of the concerned facts and legal issues involved.

1.14. INTANGIBLE ASSETS :

Costs incurred on intangible assets, resulting in future economic benefits are capitalised as intangible assets and amortised on written down value method beginning from the date of capitalisation.

Intangible Assets are initially recorded at the consideration paid for acquisition and stated in the Account each year net of Amortised Value. Intangible Assets are amortised over period of 10 Years.

1.15. TAXATION :

- Provision is made for income tax liability estimated to arise on the results for the year at the current rate of tax in accordance with the Income Tax Act, 1961.
- Deferred tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the current rate of tax.
- Deferred tax assets arising on account of brought forward losses and unabsorbed depreciation are recognised only when there is virtual certainty supported by convincing evidence that such assets will be realised. Deferred tax assets arising on other temporary timing differences are recognised only if there is a reasonable certainty of realisation.

1.16. DIVIDENDS :

Provision is made in the Accounts for the Dividends payable by the Company as recommended by the Board of Directors, pending approval of the Shareholders at the Annual General Meeting. Tax on distributable Profits is provided for in the year to which such distributable Profits relate.

1.17. MISCELLANEOUS EXPENDITURE :

Debentures / Shares issue expenditure is amortised as per Sec. 35D of the Income Tax Act.

BALANCE SHEET AS AT 31ST MARCH, 2013

EQUITY AND LIABILITIES	Notes	As at 31st March 2013	(Rs. in Lakhs) As at 31st March 2012
Shareholders Funds			
Share Capital	2	2711.01	2711.01
Reserves and Surplus	3	49733.89	44110.28
		<u>52444.90</u>	<u>46821.29</u>
Non-Current Liabilities			
Long-term Borrowings	4	13640.49	13612.59
Deferred Tax Liability (Net)	5	8788.73	8201.39
Other Long-term liabilities	6	6249.27	4578.54
Long-term Provisions	7	727.14	1212.09
		<u>29405.63</u>	<u>27604.61</u>
Current Liabilities			
Short-term Borrowings	8	6138.31	12855.94
Trade Payables	9.1	899.84	2184.85
Other Current Liabilities	9.2	10599.06	10183.59
Short-term Provisions	7	11611.20	10759.77
		<u>29248.41</u>	<u>35984.15</u>
TOTAL		<u>111098.94</u>	<u>110410.05</u>
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	10.1	49417.04	48664.67
Intangible Assets	10.2	46.29	51.49
Capital Work in Progress		671.32	686.38
		<u>50134.65</u>	<u>49402.54</u>
Non-current Investments	11	7804.25	7472.26
Long-term Loans and Advances	12	1142.34	1158.90
		<u>8946.59</u>	<u>8631.16</u>
Current Assets			
Inventories	14	28906.37	30141.04
Trade Receivables	13.1	9094.10	9052.17
Cash and Bank Balances	15	2589.44	2227.01
Short term Loans and Advances	12	11346.32	10919.62
Other Current Assets	13.2	81.47	36.51
		<u>52017.70</u>	<u>52376.35</u>
TOTAL		<u>111098.94</u>	<u>110410.05</u>
Summary of Significant Accounting Policies	1		

The Accompanying Notes are an Integral Part of the Financial Statements.

As per our report of even date
for BRAHMAYYA & Company
Chartered Accountants
Firm Regn. No. 000513S
T.V. Ramana
Partner
Membership No: 200523

Camp: TANUKU
Date: 27.05.2013

For and on behalf of the Board of Directors
of The Andhra Sugars Limited

Dr. B.B. Ramaiah
A. Ranga Rao
M. Palachandra
P.V.S. Viswanadha Kumar

TANUKU
27.05.2013

Chairman & Managing Director
Director
Company Secretary
G.M.(Finance) & Asst. Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2013

PARTICULARS	Notes	(Rs. in Lakhs)	
		Current Reporting Period 2012-13	Previous Reporting Period 2011-12
Income			
Revenue from operations (Gross)	16	88968.07	80658.21
Less: Excise duty		5767.76	4853.60
		-----	-----
Revenue from operations (Net)		83200.31	75804.61
Other Income	17	1373.57	1323.27
		-----	-----
Total Revenue		84573.88	77127.88
Expenses			
Cost of raw materials and components consumed	18	31453.82	33771.37
Purchase of Traded goods		163.26	61.12
[Increase]/ Decrease in Inventories of Finished goods, Work-in-Progress and Traded goods	19	788.51	(5759.32)
Employee Benefits Expense	20	7430.75	7146.24
Depreciation and Amortisation Expense	21	4119.29	3932.37
Finance Costs	22	1930.48	2031.85
Other Expenses	23	24986.54	22160.15
		-----	-----
Total Expenditure		70872.65	63343.78
Profit Before Exceptional Items and Tax		13701.23	13784.10
Less: Exceptional Item (Electricity FSA Charges relating to earlier years)		1764.15	--
		-----	-----
Profit Before Tax		11937.08	13784.10
Add : Income Tax Excess Provision Credited Back		--	12.21
Income Tax Refund Received		7.61	--
Less: Short Provision of Income Tax of earlier years		72.42	--
Less : Tax Expenses			
Current Tax		3800.00	4150.00
Deferred Tax		587.35	304.04
		-----	-----
Total Tax Expense		4387.35	4454.04
		-----	-----
Profit for the year		7484.92	9342.27
		-----	-----
Basic Earning Per Share		27.61	34.46
Diluted Earning Per Share		27.61	34.46
Summary of Significant Accounting Policies	1		

The Accompanying Notes are an Integral Part of the Financial Statements.

As per our report of even date
for BRAHMAYYA & Company
Chartered Accountants
Firm Regn. No. 000513S
T.V. Ramana
Partner
Membership No: 200523

Camp: TANUKU
Date: 27.05.2013

For and on behalf of the Board of Directors
of The Andhra Sugars Limited

Dr. B.B. Ramaiah
A. Ranga Rao
M. Palachandra
P.V.S. Viswanadha Kumar

TANUKU
27.05.2013

Chairman & Managing Director
Director
Company Secretary
G.M.(Finance) & Asst. Secretary

Notes Forming Part of Accounts

(Rs. in Lakhs)
Note -2

Share Capital

As at 31st
March 2013

As at 31st
March 2012

Authorised Shares :

28750000 (31st March 2012: 28750000) Equity shares of Rs.10 /- each	2875.00	2875.00
30000(31st March 2012:30000) 9.5% First Cumulative Redeemable Preference Shares of Rs 100/- each.	30.00	30.00
95000 (31st March 2012:95000) 9.5% Second Cumulative Redeemable Preference Shares of Rs 100/- each.	95.00	95.00
Total	2875.00	2875.00

Issued Shares :

27113091 (31st March 2012: 27113091) Equity shares of Rs.10 /- each	2711.31	2711.31
Total	2711.31	2711.31

Subscribed and fully paid-up shares :

27107078 (31st March 2012: 27107078) Equity shares of Rs.10 /- each fully paid-up	2710.71	2710.71
Forfeited amount on 6013 shares of Rs.10/-each, Rs.5/-paid-up	0.30	0.30
Total Subscribed and fully paid-up capital	2711.01	2711.01

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

at 31st March 2013
No. Rs.

As at 31st March 2012
No. Rs.

Equity Shares

At the beginning of the period	27107078	2710.71	27107078	2710.71
Add: Fresh Issue during the year	--	--	--	--
Less: Buy Back of Shares during the year	--	--	--	--
Outstanding at the end of the period	27107078	2710.71	27107078	2710.71

b. Shareholders holding more than 5% shares

As at 31st
March 2013

As at 31st
March 2012

Details of shareholders holding more than 5% shares in the Company

Nil

Nil

Notes Forming Part of Accounts

(Rs. in Lakhs)
Note -3**RESERVES AND SURPLUS****As at 31st** **As at 31st**
March 2013 **March 2012****Capital Reserves**

Capital investment subsidy	45.00	45.00
Forfeited Debentures **	0.30	0.30
Securities Premium Account	1129.40	1129.40

General Reserve

Balance as per the last Financial Statements	33722.74	28722.74
Add : Amount transferred from Surplus Balance in the Statement of Profit And Loss	5000.00	5000.00

Closing Balance

	38722.74	33722.74
--	----------	----------

Surplus/(Deficit) In The Statement of Profit And Loss

Balance as per the last Financial Statements	9212.84	7044.18
Profit for the year	7484.92	9342.27

	16697.76	16386.45
--	----------	----------

Less : **Appropriations**

Proposed Final Equity Dividend	1626.42	1897.50
Tax on Distributed Profits	234.89	276.11
Transfer to General Reserve	5000.00	5000.00

Total Appropriations

	6861.31	7173.61
--	---------	---------

Net Surplus in Statement of Profit and Loss

	9836.45	9212.84
--	---------	---------

Total Reserves and Surplus taken to Balance Sheet

	49733.89	44110.28
--	----------	----------

Note: ** Forfeited Debentures have been transferred to Capital Reserve on total redemption of the remaining debentures in the same series.

Notes Forming Part of Accounts

(Rs. in Lakhs)

Note -4

LONG-TERM BORROWINGS:

	4.1. Non -current portion		4.2. Current maturities	
	As at 31st March 2013	As at 31st March 2012	As at 31st March 2013	As at 31st March 2012
Term Loans				
Indian rupee loan from banks (secured)	--	266.05	260.20	1042.95
	-----	-----	-----	-----
	--	266.05	260.20	1042.95
	-----	-----	-----	-----
Other Loans and advances:				
Deferred Sales Tax Loan (Unsecured)	4195.34	4440.94	346.80	122.42
Deposits (unsecured)				
Deposits from Directors/Related Parties (Refer Note No. 41 (e))	7216.05	7543.35	2733.80	927.50
Others	2198.10	1336.25	1216.20	2240.20
Deposits from Hidustan Allied Chemicals Ltd (Subsidiary) (Refer Note No. 41 (e))	31.00	26.00	4.00	2.00
	-----	-----	-----	-----
	13640.49	13346.54	4300.80	3292.12
	-----	-----	-----	-----
Total Amount	13640.49	13612.59	4561.00	4335.07
	-----	-----	-----	-----
The above amount includes				
Secured borrowings	--	266.05	260.20	1042.95
Unsecured borrowings	13640.49	13346.54	4300.80	3292.12
Amount disclosed under the head "Other current liabilities"(Note 9.2)	--	--	4561.00	4335.07
	-----	-----	-----	-----
Net Amount	13640.49	13612.59	--	--
	-----	-----	-----	-----

Term Loans From Banks comprises of :

	Andhra Bank	Indian Bank
a) Loan availed	Rs.1910.00 Lakhs	Rs.958.00 Lakhs
b) No. of installments	11 Quarterly	11 Quarterly
c) Installments commencing from	31.12.2010	31.12.2010
d) Rate of Interest	Base Rate+2.50%	Base Rate+2.50%
e) Installment amount per Quarter	Rs.173.64 Lakhs	Rs. 87.10 Lakhs

(The above loans are Secured by Exclusive First Charge on Assets created out of the loan)

Notes Forming Part of Accounts

(Rs. in Lakhs)

	As at 31st March 2013	Note -5 As at 31st March 2012
Deferred Tax Liability (Net)		
Deferred Tax Liability		
Fixed assets: Difference between Tax depreciation and depreciation/amortisation charged for the financial reporting	9493.48	8787.69
Others	--	--
	9493.48	8787.69
Gross Deferred Tax Liability		
Deferred Tax Asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	692.63	577.60
Provision for doubtful debts and advances	12.12	8.70
Others	--	--
	704.75	586.30
Gross Deferred Tax Asset		
Net Deferred Tax Liability	8788.73	8201.39

	As at 31st March 2013	Note -6 As at 31st March 2012
OTHER LONG-TERM LIABILITIES:		
Trade payables	--	--
Others		
Trade Deposits	117.07	105.93
Staff Security Deposit	14.75	10.50
Outstanding Liabilities for Others	6117.45	4462.11
	6249.27	4578.54
Total		

PROVISIONS	Long-term		Short-term	
	As at 31st March 2013	As at 31st March 2012	As at 31st March 2013	As at 31st March 2012
Provision for employee benefits:				
Provision for Gratuity	542.35	988.10	218.12	173.67
Provision for leave benefits	184.79	223.99	317.77	299.49
	727.14	1212.09	535.89	473.16
Other Provisions:				
Provision for Wealth tax			14.00	13.00
Provision for Income tax			9200.00	8100.00
Proposed Equity Dividend			1626.42	1897.50
Provision for Tax on Distributed Profits			234.89	276.11
	--	--	11075.31	10286.61
	727.14	1212.09	11611.20	10759.77

Notes Forming Part of Accounts

(Rs. in Lakhs)

Note -8

SHORT-TERM BORROWINGS

**As at 31st
March 2013**

As at 31st
March 2012

Cash credit from Banks (Secured) @	4551.80	9865.67
Foreign currency loan from banks-Buyers Credit (secured) @	505.56	2900.07
Short-Term Loan from HDFC Bank (Unsecured)	1000.00	--
Deposits (unsecured) :		
from Others	80.95	90.20
	6138.31	12855.94

The above amount includes

Secured borrowings	5057.36	12765.74
Unsecured borrowings	1080.95	90.20

Cash Credit from Banks is Secured by Hypothecation of Inventories and Receivables and collaterally secured by a Second Charge on the Fixed Assets of the Company except those at the COP division and Wind power divisions in Tamilnadu and Ramagiri, ranking pari passu among the members of the Consortium of Working Capital lending banks. Foreign Currency Exposure that are not hedged by derivative Instruments as on 31st March, 2013 is amounting to Rs. 505.56 Lakhs (As at 31st March, 2012: Rs.2900.07 Lakhs). Short-Term Loan from HDFC is taken at the Interest Rate of Base Rate+0.80% and availed in Two Tranches of Rs.5.00 Crs each and to be repaid on 10.08.2013 & 17.08.2013 respectively on Bullet Maturity Basis.

Note -9

OTHER CURRENT LIABILITIES :

**As at 31st
March 2013**

As at 31st
March 2012

9.1 Trade payables	899.84	2184.85
	899.84	2184.85

9.2 Other Liabilities:

Current maturities of long-term Borrowings (Refer Note No. 4.2)	4561.00	4335.07
Interest accrued but not due on Borrowings	320.10	304.29
Interest accrued and due on borrowings	12.56	9.74
Advance from Customers	208.68	212.98
UnPaid Dividend	108.61	103.31
Unpaid matured deposits and interest accrued thereon	50.17	49.22
Accrued Salaries and Benefits	594.33	706.17
Directors Remuneration Payable (Refer Note No. 41)	1118.50	1113.05
Staff Security Deposits	5.17	3.96
Statutory Dues	1291.29	1442.78
Others	2328.65	1903.02
	10599.06	10183.59
Total	11498.90	12368.44

FIXED ASSETS

(Rs. in lakhs)
Note - 10

	GROSS BLOCK				DEPRECIATION BLOCK				IMPAIRMENT BLOCK				NET BLOCK	
	Cost as at 31-3-12	Additions during the year	Deductions during the year	Cost as at 31-3-13	Dep. upto 31-3-12	Dep. for 12-13**	Dep. on Dedn	Dep. upto 31-03-13	Impairment upto 31-03-12	Additions during the year	Deductions during the year	Impairment upto 31-03-13	WDV as at 31-3-13	WDV as at 31-3-12
10.1.Tangible Assets:														
1) LAND	3220.43	--	--	3220.43	--	--	--	--	--	--	--	--	3220.43	3220.43
2) FACTORY BUILDINGS *	5550.04	193.80	--	5743.84	2045.95	149.30	--	2195.25	--	--	--	--	3548.59	3504.09
3) PLANT AND EQUIPMENT	62586.31	3975.85	40.47	66521.69	28810.96	3199.78	11.64	31999.10	247.59	--	20.91	226.68	34295.91	33527.77
4) TRANSPORT EQUIPMENT	2606.94	523.09	157.39	2972.64	1413.34	276.65	135.21	1554.78	--	--	--	--	1417.86	1193.60
5) FURNITURE & FITTINGS	278.97	7.79	1.65	285.11	195.61	17.53	1.47	211.67	--	--	--	--	73.44	83.36
6) OFFICE EQUIPMENT	350.38	199.05	17.20	532.23	269.30	17.55	16.20	270.65	--	--	--	--	261.58	81.08
7) TRAMWAYS & RAILWAY SIDING	717.70	19.57	2.94	734.33	327.14	31.69	2.93	355.90	--	--	--	--	378.43	390.56
8) RENEWABLE ENERGY PLANT: WIND	8748.95	--	--	8748.95	2085.18	442.97	--	2528.15	--	--	--	--	6220.80	6663.77
Total:	84059.72	4919.15	219.65	88759.22	35147.48	4135.47	167.45	39115.50	247.59	--	20.91	226.68	49417.04	48664.66
Previous Year Total:	80032.82	4275.34	248.44	84059.72	31413.70	3952.90	219.13	35147.48	268.49	--	20.91	247.58	48664.66	48350.63
10.2. Intangible Asset	52.01	--	--	52.01	0.52	5.20	--	5.72	--	--	--	--	46.29	51.49

* Including Buildings of the Gross value of Rs.42.50 lakhs constructed on leasehold land.

** Depreciation for the year includes depreciation on impaired assets to the extent of Rs. 20.91 Lakhs and depreciation capitalised to the extent of Rs.0.46 Lakhs.

Notes Forming Part of Accounts

(Rs. in Lakhs)

Note -11

11. Non-Current Investments

As at 31st
March 2013As at 31st
March 2012

A) Trade Investments -Quoted

1 Investment in Subsidiary

48,86,500 (31st March 2012:48,86,500) fully paid Equity Shares of Rs.10/- each in JOCIL Ltd.

441.79

441.79

2 Investments in Associate

2,80,86,613 (31st March 2012: 2,46,27,213) fully paid Equity Shares of Rs.10/- each in The Andhra Petrochemicals Ltd.,

3660.56

3127.47

3 Investments in Other Companies

a) 1,40,000 (31st March 2012: 1,40,000) fully paid Equity Shares of Rs.10/-each in Sree Akkamamba Textiles Ltd.,

1.75

1.75

b) 25,052 (31st March 2012: 25,052)fully paid Equity Shares of Rs.10/- each in Andhra Bank

4.31

4.31

B) Trade Investments -Unquoted

1 Investment in Subsidiaries

a) 3,28,760 (31st March 2012: 3,28,760) partly paid Equity Shares of Rs.10/- each (Rs.2.50 per share paid-up) in Hindustan Allied Chemicals Ltd.,(Unquoted)

2.74

2.74

b) 3,45,700 (31st March 2012: 3,45,700) fully paid Equity Shares of Rs.10/- each in The Andhra Farm Chemicals Corpn.Ltd.,(unquoted)

34.57

34.57

2 Investments in Other Companies

96,64,080 (31st March 2012: 96,64,080) fully paid Equity Shares of Rs.10/- each in Andhra Pradesh Gas Power Corporation Ltd., (Unquoted)

3656.74

3656.74

C) Other Investments

1 1391 (31st March 2012: 1391)Equity Shares of Rs.10/- each, fully paid-up in Indian Bank (Quoted)

1.27

1.27

2 Investments in Govt. Securities:
National Plan Saving Certificates
(lodged with Govt.Departments towards security)

0.52

0.52

3 Nil (31st March 2012: 712110.482) Units of UTI Mutual Fund Service Industries fund Sector (Sold during the year)

--

201.10

7804.25-----
7472.26

All the above investments are long term investments.

Aggregate Amount of unquoted investments

3694.57

3694.57

Aggregate Amount of quoted investments

4109.68

3777.69

7804.25-----
7472.26

Aggregate Market value of quoted investments

7691.02

10587.87

Aggregate amount of Diminution in Value of Investments

--

--

Notes Forming Part of Accounts

(Rs. in Lakhs)

Note -12

12. LOANS AND ADVANCES

	Non-current		Current	
	As at 31st March 2013	As at 31st March 2012	As at 31st March 2013	As at 31st March 2012
Capital Advances				
Secured, considered good	--	--	--	--
Unsecured, considered good	59.31	582.55	--	--
	-----	-----	-----	-----
(A)	59.31	582.55	--	--
	-----	-----	-----	-----
Security Deposit				
Secured, considered good	--	--	--	--
Unsecured, considered good	1070.09	561.98	83.38	84.33
Doubtful	--	--	--	--
	-----	-----	-----	-----
	1070.09	561.98	83.38	84.33
	-----	-----	-----	-----
Provision for doubtful security deposit	--	--	--	--
	-----	-----	-----	-----
(B)	1070.09	561.98	83.38	84.33
	-----	-----	-----	-----
Loans and advances to Related Parties (Note 41)				
Unsecured, considered good	--	--	100.00	500.46
	-----	-----	-----	-----
(C)	--	--	100.00	500.46
	-----	-----	-----	-----
Advances recoverable in cash or kind				
Secured, considered good	--	--	1279.70	1686.71
Unsecured, considered good	--	--	20.62	11.82
Doubtful	--	--	--	--
	-----	-----	-----	-----
	--	--	1300.32	1698.53
Provision for doubtful advances	--	--	20.62	11.82
	-----	-----	-----	-----
(D)	--	--	1279.70	1686.71
	-----	-----	-----	-----
Other Loans and Advances				
Excise Duty paid in advance (including CENVAT credit pending utilisation)	--	--	438.08	613.35
Advance payment of Direct Taxes	--	--	9224.54	7810.91
Income Tax deducted at source	--	--	109.97	85.76
Income Tax Refund Receivable	--	--	0.96	0.96
Prepaid expenses	12.94	14.37	107.71	74.51
Balances with statutory/government authorities	--	--	1.98	62.63
	-----	-----	-----	-----
(E)	12.94	14.37	9883.24	8648.12
	-----	-----	-----	-----
Total [A+B+C+D+E]	1142.34	1158.90	11346.32	10919.62
	-----	-----	-----	-----

13.1 TRADE RECEIVABLES

	Non-current		Current	
	As at 31st March 2013	As at 31st March 2012	As at 31st March 2013	As at 31st March 2012
Secured, considered good	--	--	4.26	4.52
Unsecured, considered good	--	--	--	--
Less than 6 Months from the due date for Payment:	--	--	8871.35	8941.81
More than 6 Months from the due date for Payment:	--	--	218.49	105.84
Doubtful	--	--	15.02	15.02
	-----	-----	-----	-----
	--	--	9109.12	9067.19
Provision for doubtful receivables	--	--	15.02	15.02
	-----	-----	-----	-----
	--	--	9094.10	9052.17
	-----	-----	-----	-----
Total	--	--	9094.10	9052.17
	-----	-----	-----	-----

Note -13.2

13.2 OTHER CURRENT ASSETS

	Non-current		Current	
	As at 31st March 2013	As at 31st March 2012	As at 31st March 2013	As at 31st March 2012
Non-current bank balances				
[A]	-----	-----	-----	-----
	--	--	--	--
	-----	-----	-----	-----
Unamortised expenditure				
(B)	-----	-----	-----	-----
	--	--	--	--
	-----	-----	-----	-----
Others				
Interest accrued on Deposits	--	--	81.47	36.51
Interest accrued on investments	--	--	--	--
Others	--	--	--	--
	-----	-----	-----	-----
[C]	--	--	81.47	36.51
	-----	-----	-----	-----
Total [A+B+C]	--	--	81.47	36.51
	-----	-----	-----	-----

Note -14

14. Inventories (valued at lower of cost and net realisable value)

	As at 31st March 2013	As at 31st March 2012
Raw materials and components at Cost	2718.42	3671.97
Work-in-progress		
: At Cost	161.94	279.72
: At Estimated Realisable Value	101.32	--
Finished goods		
: At Cost	10231.28	9284.21
: At Estimated Realisable Value	11672.93	13392.43
Stores and spares at Cost (includes in transit Rs.76.32 lakhs) (31 March 2012: Rs .55.68 lakhs)	3957.90	3453.36
Loose tools	34.82	32.31
Others	27.76	27.04
	-----	-----
Total	28906.37	30141.04
	-----	-----

Notes Forming Part of Accounts

(Rs. in Lakhs)

Note -15

15. CASH AND BANK BALANCES

Cash and Cash Equivalents :

	Non-current		Current	
	As at 31st March 2013	As at 31st March 2012	As at 31st March 2013	As at 31st March 2012
Balances with Banks:				
On current accounts			1280.45	849.58
Deposits with original maturity of less than 3 months			--	--
Cheques/drafts on hand			849.13	763.01
Cash on hand			12.50	10.63
			<u>2142.08</u>	<u>1623.22</u>
<u>Other Bank Balances :</u>				
Deposits with original maturity for more than 12 months			--	--
For more than 3 months but less than 12 months			104.70	95.03
On unpaid dividend account			108.61	103.31
Earmarked Balances with Banks(15% Liquidity on Fixed Deposits held U/s 58A of The Companies Act, 1956)			49.80	
Margin money deposit			184.25	405.45
			<u>447.36</u>	<u>603.79</u>
Total			<u>2589.44</u>	<u>2227.01</u>

16. REVENUE FROM OPERATIONS

This Year

Note -16

Previous Year

Sale of products:

Finished goods	85450.64	76165.07
Traded goods	247.46	93.27
Sale of services	32.25	26.17
Other operating revenue		
Freight and Sales Expenses Recovered	1843.14	1909.05
Subsidy Received on Superphosphate Sales	1073.69	2067.34
Export Premium on Sugar	70.25	351.56
Carbon Credits from Wind Mills	--	45.05
Minimum off Take Commitment income from ISRO	249.93	--
Processing and Job Work income	0.71	0.70
Revenue from operations (gross)	88968.07	80658.21
Less: Excise Duty	5767.76	4853.60
	<u>83200.31</u>	<u>75804.61</u>

Notes Forming Part of Accounts

(Rs. in Lakhs)

Note -16.1

16.1 DETAILS OF PRODUCTS SOLD	This Year	Previous Year
Finished goods sold		
Sugar	26461.04	19123.93
Molasses	282.17	159.13
Industrial Alcohol & Ethanol	2159.81	2672.01
Acetic Acid	85.48	112.12
Acetic Anhydride	112.33	185.31
Ethyl Acetate	0.73	--
Aspirin	710.12	1272.80
Caustic Soda	30562.35	26235.47
Caustic Potash	4333.28	4429.94
Chlorine	617.62	2188.72
Hydrochloric Acid	1695.43	3142.12
Sodium Hypochlorite	1761.10	1441.05
Hydrogen gas	1085.60	1092.98
Sulphuric Acid	7220.78	6979.41
Superphosphate	1888.28	1494.70
UH25	167.69	1287.39
Mono Methyl Hydrazine	341.37	339.35
HTPB	880.28	563.42
Wind Power	1076.87	622.42
Cattle Feed	694.12	489.81
Potassium Carbonate	1534.47	1114.01
Poly Aluminium Chloride	536.34	423.47
Liquid Hydrogen	332.61	86.55
Others	910.77	708.96
	-----	-----
	85450.64	76165.07
	-----	-----
Traded goods sold	247.46	93.27
	-----	-----
Details of services rendered	32.25	26.17
	-----	-----
		Note -17
17. OTHER INCOME	This Year	Previous Year
Interest Income on		
Bank deposits	172.25	203.77
Others	132.56	93.48
Dividend Income on		
Investments in Subsidiary (Jocil Ltd.)	244.32	195.46
Investments in Associate (The Andhra Petrochemicals Ltd.)	123.93	246.27
Long-Term Investments	2.88	4.28
Rent received	91.52	72.86
Net gain on Sale of Long Term Investments	--	5.00
Net gain on Sale of Current Investments	11.79	--
Net gain on Sale of Assets	59.60	25.35
Other non-operating income #	534.72	476.80
	-----	-----
	1373.57	1323.27
	-----	-----

Notes Forming Part of Accounts

(Rs. in Lakhs)

# Other Non-operating Income includes :	This Year	Previous Year
Excess Provision In Earlier Years Credited Back	28.86	3.84
Claims Received	4.74	60.96
Income Not Relating to This year	0.34	0.60
Income From Agriculture (Net)	--	2.50
Misc. Scrap Sales	479.25	402.47
Other Misc. Receipts	21.53	6.43
	-----	-----
Total	534.72	476.80
	-----	-----
		Note -18
18. Cost of Raw material consumed	This Year	Previous Year
Inventory at the beginning of the year	3671.97	4251.74
Add: Purchases	30500.27	33191.60
	-----	-----
	34172.24	37443.34
Less: Inventory at the end of the year	2718.42	3671.97
	-----	-----
Cost of Raw Material Consumed	31453.82	33771.37
	-----	-----
Details of Raw material consumed	This Year	Previous Year
Sugarcane	15156.38	17936.64
Phenol	553.55	738.65
Sulphur	5658.36	4754.86
Rockphosphate	2145.50	1488.91
Salt	3478.35	3811.92
Potassium Chloride	2731.81	2820.78
Alumina Hydride	413.23	349.24
Extractions for Cattle feed	395.88	337.43
Other Raw materials	920.76	1532.94
	-----	-----
Total	31453.82	33771.37
	-----	-----
Details of Inventory	This Year	Previous Year
Raw Materials		
Sugar Cane	--	--
Phenol	33.54	162.58
Sulphur	1057.13	551.52
Rockphosphate	1012.16	1637.95
Salt	443.40	722.83
Potassium Chloride	0.21	387.82
Alumina Hydride	66.60	41.93
Extractions for Cattle feed	32.28	30.64
Other Raw materials	73.10	136.70
	-----	-----
Total	2718.42	3671.97
	-----	-----

Notes Forming Part of Accounts

(Rs. in Lakhs)

				(Rs. in Lakhs) Note -19
19. (Increase)/ Decrease in Inventories		This Year	Previous Year	(Increase)/ Decrease 2012-2013
Inventories at the End of the year				
Work in Progress		263.26	279.73	16.47
Finished Goods		21904.21	22676.25	772.04
		<u>22167.47</u>	<u>22955.98</u>	<u>788.51</u>
Inventories at the Beginning of the year				
Work in Progress		279.73	227.42	(52.31)
Finished Goods		22676.25	16969.24	(5707.01)
		<u>22955.98</u>	<u>17196.66</u>	<u>(5759.32)</u>
Details of Purchase of Traded goods				
		This Year	Previous Year	
Acetic Anhydride		163.26	61.12	
Details of Inventory				
Work-in-progress				
Sugar		132.88	130.08	
Molasses		0.75	0.23	
Sulphuric Acid		51.75	44.74	
Caustic Potash		1.39	40.30	
Caustic Soda		15.28	16.61	
Aspirin		46.12	47.77	
Potassium Carbonate		15.09	--	
	Total	<u>263.26</u>	<u>279.73</u>	
Finished goods				
Sugar		19204.59	20583.49	
Molasses		400.70	558.65	
Sulphuric Acid		188.43	76.37	
Superphosphate		636.09	115.38	
Caustic Soda		572.41	113.32	
Caustic Potash		181.43	357.14	
Chlorine		2.13	2.19	
Sodium Hypochlorite		2.30	1.19	
Hydrochloric Acid		3.05	2.92	
Industrial Alcohol & Ethanol		30.61	42.57	
Acetic Acid		0.05	14.59	
Acetic Anhydride		17.01	24.09	
Ethyl Acetate		1.19	1.53	
Aspirin		189.22	290.69	
Organic Derivatives of Hydrzine or of Hydroxyl Amine		334.10	17.11	
HTPB		14.09	62.31	
Hydrogen Gas		0.68	0.15	
Potassium Carbonate		37.75	134.53	
Poly Aluminium Chloride		14.81	17.32	
Others		73.57	260.72	
	Total	<u>21904.21</u>	<u>22676.26</u>	

Notes Forming Part of Accounts

(Rs. in Lakhs)

20. Employee Benefit Expense

	This Year	Previous Year
Salaries, Wages and Bonus	6398.28	5905.46
Contribution to Provident and other fund	605.15	549.91
Gratuity Expense	137.89	416.04
Staff Welfare Expenses	289.43	274.83
	-----	-----
Total	7430.75	7146.24
	-----	-----

Note -20**21. Depreciation and Amortisation Expense**

	This Year	Previous Year
Depreciation of Tangible assets	4114.09	3931.85
Amortisation of Intangible Assets	5.20	0.52
	-----	-----
Total	4119.29	3932.37
	-----	-----

Note -21**22. Finance Costs**

	This Year	Previous Year
Interest	1837.42	1971.91
Difference in Exchange treated as Finance Cost	45.18	7.34
Other Borrowing Costs	47.88	52.60
	-----	-----
Total	1930.48	2031.85
	-----	-----

Note -22

Notes Forming Part of Accounts

(Rs. in Lakhs)

Note -23

23. Other Expenses	This Year	Previous Year
Consumption of Stores and Spares	1896.78	2020.87
Increase/(Decrease) of Excise Duty on Inventory	(169.98)	252.09
Power and fuel	13542.23	10386.51
Insurance	111.92	99.87
Sugarcane Development Expenses	130.04	143.74
Rent	15.42	12.10
Rates and Taxes	733.51	720.73
Repairs and maintenance		
Plant and machinery	3039.88	3258.83
Buildings	339.37	244.91
Others	622.10	625.11
Advertising and sales promotion	106.08	58.54
Handling, Transport & Expenses at Sales Depots	2943.48	2800.54
Sales Commission	57.68	59.17
Donations	205.30	235.02
Directors' sitting fees	8.40	6.60
Payment to auditors (Refer details below)	22.81	20.33
Exchange differences (net)	250.14	129.71
Bad debts/advances written off	0.09	--
Provision for doubtful debts and advances	8.80	1.00
Excess off Take charges to ISRO	39.63	16.80
Net Loss on Sale of Long-Term Investments	15.24	--
Loss from Agriculture (Net)	4.68	--
Bank Charges	77.18	77.19
Assets Written off	16.63	19.28
Stores & Spares Written off	52.42	274.08
Miscellaneous Expenses	916.71	697.13
	-----	-----
Total	24986.54	22160.15
	-----	-----

Payment to Auditors	This Year	Previous Year
As Auditor	11.50	10.00
For Taxation Matters	2.00	3.60
For Limited review & Other Certifications	4.93	4.15
For Reimbursement of expenses	1.29	0.84
As Cost Auditors	1.90	1.30
Fee for Certification	0.75	0.25
For Reimbursement of expenses	0.44	0.19
	-----	-----
Total	22.81	20.33
	-----	-----

Notes Forming Part of Accounts

(Rs. in Lakhs)

	As at 31-3-2013	As at 31-3-2012
		Note - 24
24. Estimated amount of contracts remaining to be executed on Capital Account and not provided for	64.93	2810.57
		Note - 25
25. a) Uncalled liability on partly paid shares held as Investments	24.66	24.66
b) Liability on account of membership in Alkali Manufacturers' Association of India, a Company limited by Guarantee	0.01	0.01
c) Other Commitments in respect of sale contracts	5313.81	1260.43
		Note - 26
26. Claims against the Company not acknowledged as debts relating to the following areas :		
i) Excise	4075.73	2777.80
ii) Service Tax	29.78	21.22
iii) Sales Tax	150.50	26.00
iv) Income Tax	79.92	73.53
v) State Levies	198.09	180.00
vi) Suppliers and Service Contract	351.04	170.11
vii) Labour related	5.00	5.00
		Note - 27
27. Other monies for which the Company is contingently liable :		
(a) Guarantees issued by the Company for obligations arising out of events occurred at the Balance Sheet date	1894.28	1563.04
(b) On letter of Credit opened with banker for purchase of Material	1333.13	4417.47
(c) Under the provisions of "The Levy Sugar Price Equalisation Fund Act, 1976" the excess amount collected over the notified levy sale price pursuant to the interim stay granted by the Courts vests in the fund. In a writ petition No: 1534/76 filed by the Company against these provisions, the High Court of Andhra Pradesh has held that provisions of the said Act are not applicable to the excess collections made prior to 15-6-1972, against which the Union Government filed a civil appeal No: 274/79 before the Supreme Court, which is pending.		
<p>While admitting the appeal, the Supreme Court granted stay of operation of Judgment of A.P. High Court in W.P.No: 1534/76 and directed the Company to furnish a Bank Guarantee for Rs.9.60 lakhs being the difference in levy Sugar price for the Sugar Season 1969-70. The Bank Guarantee was furnished on 7-12-1979 in favour of Registrar, High Court of Andhra Pradesh. Interest, if any, payable under the said Act, estimated at Rs. 64.39 lakhs (Rs 62.66 lakhs) has not been provided for in the accounts pending final legal decision in the matter. However, an amount of Rs.66.80 lakhs was appropriated during the financial year 2008-09 by Govt India, New Delhi, against payment of buffer stock subsidy dues, which was protested by the company.</p>		
		Note - 28
28. Exceptional items represents Liability of the Company towards Fuel Surcharge Adjustment Charge payable to Eastern Power Distribution Company of Andhra Pradesh Ltd., for the years 2010-11 and 2011-12 as per the orders of APERC.		

Notes Forming Part of Accounts

Note - 29
29. In the opinion of the management, all the amounts stated under sundry debtors and loans and advances are Recoverable at the values at which they are stated.

Note - 30
30. Disclosures on payments and dues to “suppliers” as defined in Micro, Small and Medium enterprises Development Act, 2006 (“The Act”).

		31.3.2013
		Rs. in Lakhs
1.	Amount remaining unpaid, beyond the appointed / agreed date at the end of the year.	
	(a) Principal amount of bills to be paid	--
	(b) Interest due thereon	--
2.	(a) Payments made to suppliers, during the year, but beyond appointed / agreed by	155.96
	Interest thereon in terms of Sec. 16 of the Act	1.47
	(b) Interest paid along with such payments during the year	0.14
	(c) Interest due and payable at the end of the year, on such payments made during the year	1.47
3.	Amount of interest, for the year, u/s. 16 of the Act, including that accrued and remaining unpaid, at the end of the year	1.47
4.	Total amount of interest, u/s. 16 of the Act, including that arising in earlier years, accrued and remaining unpaid at the end of the year	1.47

Note : For the purpose of the above details of the status of the suppliers under the Act has been determined, to the extent of and based on information furnished by the respective parties and has accordingly, been relied upon by the Company and its auditors.

Note - 31
31. Loans and Advances in the nature of loans given to subsidiary Hindustan Allied Chemicals Limited as per clause 32 of the listing agreement is Rs.Nil (0.46 Lakhs) as on 31.3.2013. (Maximum balance outstanding during the year is Rs. 0.82 Lakhs). The investment in the Equity Shares of the company is Nos. 328760.

Note - 32
32. Closing stock units of Wind farm at Ramagiri and power generation unit at Taduvai as per the books of the Company and as confirmed by the APGENCO is subject to reconciliation, to the extent of Rs.11.83 lakhs due to certain matters pending before Honourable High Court of Andhra Pradesh.

Notes Forming Part of Accounts

(Rs. in Lakhs)

Note - 33

33. Comparison between consumption of Imported and Indigenous Raw Materials during the year :

	This year		Previous Year	
	Value	Percentage	Value	Percentage
Imported	9694.52	31	5092.83	15
Indigenous	21759.30	69	28678.54	85
	-----	-----	-----	-----
	31453.82	100	33771.37	100
	-----	-----	-----	-----

Note - 34

34. Comparison between consumption of Imported and Indigenous spare parts and components during the year (charged to appropriate heads):

	This year		Previous Year	
	Value	Percentage	Value	Percentage
Imported	339.86	6	802.32	15
Indigenous	5571.19	94	4716.73	85
	-----	-----	-----	-----
	5911.05	100	5519.05	100
	-----	-----	-----	-----

Note - 35

35. Value of Imports made by the Company during the year calculated on C.I.F. basis

	This year	Previous Year
Capital Goods	1281.01	15.22
Components and spare parts	254.75	880.96
Raw materials	6985.92	7449.07
	-----	-----
	8521.68	8345.25
	-----	-----

Note - 36

	This year	Previous Year
36. Earnings in foreign exchange on FOB basis:	95.06	719.70

Note - 37

37. Expenditure incurred in foreign currency:

	This year	Previous Year
Books, Periodicals & Subscriptions	26.42	2.95
Foreign travel (excluding tickets purchased in India)	39.08	6.76
Delegation fee	1.20	0.10
Professional charges	0.26	5.53
Consultation Fee	16.43	22.23
Sales Expenses	5.40	1.44
Bank Charges	1.19	1.50
Interest paid	73.27	--
Managerial remuneration (Medical expenses to Whole-Time Directors)	--	3.65

Notes Forming Part of Accounts

(Rs. in Lakhs)

Note - 38

38. During the year the Company has incurred the following expenditure towards R&D(Charged to appropriate heads)

	This year
Previous Year	
<u>Sugar Cane R & D</u>	
a) Capital Expenditure	106.95
b) Revenue Expenditure (charged to appropriate heads)	119.47

<u>General R & D</u>	
a) Capital Expenditure	8.15
b) Revenue Expenditure (charged to appropriate heads)	99.52

	341.14

Note - 39

39. (A) Revenue expenditure does not include the following, which formed part of the cost of capital equipment internally manufactured for captive usage.

	This year	Previous Year
Salaries, Wages and Bonus	83.23	51.77
Contribution to Provident, Gratuity and other funds	6.84	5.12
Workmen and Staff Welfare Expenses	4.73	2.96
Power and Fuel	4.49	6.12
Insurance	0.02	0.05
Repairs to Buildings	0.20	0.11
Repairs to P &M	3.27	1.44
Miscellaneous Expenses	0.15	0.08
Depreciation	0.46	0.14
	-----	-----
	103.39	67.79
	-----	-----

(B) Unallocated Capital Expenditure capitalised during the year to Caustic Soda Flaking Plant:

Staff salaries & wages	11.32	--
Power & Fuel	10.50	--
Raw Material consumption	2.96	--
Bank charges	4.13	--
Commission	0.63	--
Consent for Establishment fee	1.20	--
Travel expenses	0.42	--
Service charges	0.05	--

	31.21	
Less: Interest received from banks	2.02	
Sale value of Trial Run production	<u>24.74</u>	

Net unallocated expenditure capitalised during the year:	4.45	--

(C) Foreign Exchange Gain on account of Capital Equipment purchased, transferred to Cost of the Asset.

42.55	--

Notes Forming Part of Accounts

(Rs. in Lakhs)

Note - 40

40. DISCLOSURES REQUIRED BY ACCOUNTING STANDARD-15 (REVISED) - EMPLOYEE BENEFITS

	Gratuity	Compensated Absences
a) Reconciliation for present value of obligations		
Present value of obligations as at beginning of year	2312.54	523.48
Interest Cost	185.00	32.15
Current Service Cost	157.50	122.95
Benefits paid	(150.34)	(113.84)
Actuarial loss /(gain) on obligation	(61.07)	(62.18)
Present value of obligations as at end of year	2443.63	502.56
b) Reconciliation for Fair Value of Plan Assets		
Fair value of plan assets at beginning of year	1150.76	
Expected return on plan assets	143.54	
Contributions	539.20	
Benefits paid	(150.34)	
Actuarial gain on plan assets	--	
Fair value of plan assets at the end of year	1683.16	
c) Expenses Recognised in Statement of Profit & Loss		
Current Service cost	157.50	122.95
Interest Cost	185.00	32.15
Expected return on plan assets	143.54	--
Net Actuarial loss/(gain) recognised in the year	(61.07)	(62.18)
Expenses to be recognised in the statement of Profit & Loss	137.89	92.92
d) Net Liability Recognised in the Balance Sheet		
Present value of obligations as at the end of year	2443.63	502.56
Fair value of plan assets as at the end of the year	1683.16	--
Funded status	760.47	--
Net Liability Recognised in the Balance Sheet	760.47	502.56
e) Actuarial Assumptions		
	31/03/2013	31/03/2012
Discount Rate	8.00%	8.50%
Salary Escalation	8.00%	5.00%
Attrition rate	2.00%	2.00%
Expected return on plan assets	8.00%	7.50%
Mortality	LIC 94-96 Mortality Rates	IAL (2006-08) Mortality Rates

41. PARTICULARS DISCLOSED PURSUANT TO “ACCOUNTING STANDARD -18 RELATED PARTY DISCLOSURES”

(A) LIST OF RELATED PARTIES:

1) Subsidiary Companies:

- (a) JOCIL LIMITED
- (b) The Andhra Farm Chemicals Corpn. Ltd.
- (c) Hindustan Allied Chemicals Ltd.

2) Key Management Personnel (KMP) :

Wholetime Directors

- Dr. B.B.Ramaiah
- Sri P.Narendranath Chowdary
- Sri M.Narendranath
- Sri M.Thimmaraja
- Sri P.Achuta Ramayya
- Sri P.S.R.V.K.Ranga Rao

3) Relatives of Key Management Personnel

- | | |
|---|---|
| Sri B.V.V.S.Ramesh Kumar | Son of Dr.B.B.Ramaiah |
| Smt. Pendyala Jhansi Jayalakshmi | Wife of Sri P.Narendranath Chowdary |
| Sri Pendyala Venkata Krishna Rao | Brother of Sri P.Narendranath Chowdary |
| Smt. Sri Balusu Ranganayaki | Sister of Sri P.Narendranath Chowdary |
| Smt. Ethirajulu Rama Lakshmi | Sister of Sri P.Narendranath Chowdary |
| Smt. Jagarlamudi Akkamamba | Sister of Sri P.Narendranath Chowdary |
| Smt. Jujjavarapu Usha Rani | Sister of Sri P.Narendranath Chowdary |
| Smt. Maddipoti Kamala Devi | Sister of Sri P.Narendranath Chowdary |
| Smt. Mullapudi Satyanarayanamma | Sister of Sri P.Narendranath Chowdary |
| Smt. Nutakki Anantha Lakshmi | Sister of Sri P.Narendranath Chowdary |
| Kum. Pendyala Anantha Lakshmi Satyavathi Devi | Daughter of Sri P.Narendranath Chowdary |
| Smt. Jayaraman Anantha Lakshmi | Sister of Sri M.Narendranath |
| Smt. Kosaraju Rama Lakshmi | Sister of Sri M.Narendranath |
| Smt. Nidadavolu Venkataramanamma | Sister of Sri M.Narendranath |
| Smt. Yalamarathi Narayanamma | Sister of Sri M.Narendranath |
| Smt. Mullapudi Narayanamma | Wife of Sri M.Narendranath |
| Sri Mullapudi Vikram Prasad | Son of Sri M.Narendranath |
| Smt. Gaddipati Anuradha | Daughter of Sri M.Narendranath |
| Smt. Goli Jayashree | Daughter of Sri M.Narendranath |
| Smt. Mullapudi Renuka | Wife of Sri M.Thimmaraja |
| Sri Mullapudi Mrutyumjaya Prasad | Son of Sri M.Thimmaraja |
| Smt. Goli Devi | Daughter of Sri M.Thimmaraja |
| Smt. Pendyala Sesha Shailaja | Wife of Sri P.Achuta Ramayya |

Smt. Pendyala Divya Atchamamba	Daughter of Sri P.Achuta Ramayya
Kum. Pendyala Sruthi Rajeswari	Daughter of Sri P.Achuta Ramayya
Smt. Pendyala Sujatha	Mother of Sri P.S.R.V.K.Ranga Rao
Smt. Pendyala Usha Lakshmi	Wife of Sri P.S.R.V.K.Ranga Rao
Kum. Pendyala Meghana Sri Sai Sujatha	Daughter of Sri P.S.R.V.K.Ranga Rao
Chy. Pendyala Pridvi Sri Narendrarayudu	Son of Sri P.S.R.V.K.Ranga Rao

4) Enterprises in which Key Management Personnel and/or their relatives have significant influence

Andhra Pradesh Gas Power Corporation Limited
J J Finance
J L Finance
Jaya Agro Chemicals
Jaya Finance
Jaya Industries
Jayalakshmi Chemical Enterprises Pvt. Limited
Jayalakshmi Estates
Jayalakshmi Estates Limited
Jayalakshmi Fertilisers
Jayalakshmi Finance
Jayalakshmi Plastics and Chemicals
Ramaiah & Co.,
Royal Printing Works
Sree Akkamamba Textiles Limited
Sree Mullapudi Kamala Devi Cardio Vascular Centre
Sree Mullapudi Thimmaraju Memorial Library and Cultural Centre
Sree Mullapudi Venkataramanamma Memorial Hospital
Sree Rangaraya Estates
Sree Sarvaraya Sugars Limited
Sree Satyanarayana Spinning Mills Limited
Sri Pendyala Venkata Krishna Rao Memorial Trust
Sugarfield Constructions Pvt. Limited
Sree Harischandra Prasad Investment & Finance Company Limited
Sree Mullapudi Venkatarayudu Memorial Education Trust
Sree Mullapudi Venkataraya Memorial Polytechnic
Sree Mullapudi Venkatarayudu Memorial Medical Trust
The Mullapudi Investment & Finance Company Pvt. Limited
Thimmaraja Investment & Finance Company Pvt. Limited
Vibhas Polymers Pvt. Limited

5) Associate Company :

The Andhra Petrochemicals Limited

(B) TRANSACTIONS WITH THE RELATED PARTIES:

Note - 41

(Corresponding figures related to 31st March, 2012)

	Subsidiary Companies	Entities in which KMP or their relatives have significant influence	Associate Company	Key Management Personnel	Relatives of Key Management Personnel
<u>Purchase of Goods from</u>	96.99	5037.55	0.00	21.80	10.75
	(161.31)	(5305.14)	(2.30)	(23.71)	(28.96)
AFCC Limited	85.51				
JOCIL Limited	11.48				
APL					
Dr. B.B.Ramaiah				21.69	
Sri P.Narendranath Chowdary					
Sri M.Thimmaraja				0.02	
Sri P.Achuta Ramayya					
Sri P V Krishna Rao					0.48
Smt. P.Sujatha					4.53
Smt. S.B.Ranganayaki					0.62
Sri B.V.V.S.Ramesh Kumar					5.12
Royal Printing Works				0.09	
APGPCL		4514.75			
Jaya Industries		428.34			
SMVM Hospital		1.78			
Sree Rangaraya Estates		0.17			
Sri Sarvaraya Sugars Ltd.		52.46			
Sree Akkamamba Textiles Ltd.		2.57			
Sree Satyanarayana Spinning Mills Ltd.		2.13			
Jayalakshmi Chemicals Enterprises Pvt. Ltd.		25.49			
Vibhas Polymers Pvt. Limited		9.86			
<u>Purchase of Fixed Assets from</u>	0.00	0.00	0.00	0.00	0.00
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
<u>Inter-Corporate Loans given to</u>	200.00	0.00	0.00	0.00	0.00
	(100.00)	(500.00)	(0.00)	(0.00)	(0.00)
JOCIL Limited	200.00				
<u>Inter-Corporate Loans re-payment from</u>	200.00	400.00	0.00	0.00	0.00
	(100.00)	(0.00)	(0.00)	(0.00)	(0.00)
JOCIL Limited	200.00				
Sree Akkamamba Textiles Ltd.		400.00			
<u>Fixed Deposits Received from :</u>	9.00	0.00	0.00	965.40	1354.90
	(17.00)	(0.00)	(0.00)	(923.30)	(1895.60)
Hindustan Allied Chemicals Ltd.	9.00				
Dr. B.B.Ramaiah				200.00	
Sri P.Narendranath Chowdary				268.00	
Sri M.Narendranath				100.90	
Sri M.Thimmaraja				197.00	
Sri P.Achuta Ramayya				164.50	
Sri P S R V K Ranga Rao				30.00	

Notes Forming Part of Accounts

(Rs. in Lakhs)

	Subsidiary Companies	Entities in which KMP or their relatives have significant influence	Associate Company	Key Management Personnel	Relatives of Key Management Personnel
Royal Printing Works				5.00	
Smt. G. Anuradha					9.25
Smt. G. Devi					8.10
Smt. G. Jayasree					5.50
Smt. J. Usha Rani					77.50
Smt. K. Ramalakshmi					8.00
Smt. M. Kamala Devi					79.00
Sri M. Mrutyumjaya Prasad					20.35
Smt. M. Narayanamma					17.00
Smt. M. Renuka					104.00
Sri M. Vikram Prasad					20.45
Smt. N. Venkataramanamma					98.95
Sri P S R V K Ranga Rao HUF					51.50
Smt. P. Anantha Lakshmi Satyavathi Devi					300.40
Sri P. Achuta Ramayya HUF					27.50
Smt. P. Divya Atchamamba					10.55
Smt. P. Jhansi Jaya Lakshmi					83.00
Smt. P. Meghana Sri Sai Sujatha					6.35
Sri P. Narendranath Chowdary HUF					31.50
Smt. P. Usha Lakshmi					91.30
Sri P. Prithvi Sri Narendrarayudu					10.00
Smt. P. Sessa Sailaja					27.55
Smt. P. Shruthi Rajeswari					109.35
Smt. P. Sujatha					107.80
Smt. S.B. Ranganayaki					50.00
Fixed Deposits repaid on maturity/cancellation	2.00	0.00	0.00	501.50	307.35
	(0.10)	(0.00)	(0.00)	(442.00)	(894.40)
Hindustan Allied Chemicals Ltd.	2.00				
Dr. B.B. Ramaiah				440.00	
Sri P. Achuta Ramayya				61.50	
Smt. J. Ananthalakshmi					18.50
Smt. K. Ramalakshmi					52.00
Smt. N. Venkataramanamma					4.95
Sri P S R V K Ranga Rao HUF					37.00
Sri P. Achuta Ramayya HUF					37.60
Smt. P. Usha Lakshmi					141.30
Sri P. Venkata Krishna Rao					16.00
Services Rendered by	0.23	6.60	0.00	19.55	1.71
	(0.13)	(6.95)	(0.00)	(17.70)	(1.55)
JOCIL Limited	0.23				
Sri M. Thimmaraja				4.11	
Sri M. Mrutyumjaya Prasad					1.71
Royal Printing Works				15.44	
SMVM Hospital		4.23			
SMVM Medical Trust		1.61			
SMVM Polytechnic		0.76			

	Subsidiary Companies	Entities in which KMP or their relatives have significant influence	Associate Company	Key Management Personnel	Relatives of Key Management Personnel
<u>Sale of Goods to</u>	1280.58 (1107.03)	1264.00 (1120.13)	60.73 (61.45)	4.37 (3.40)	0.00 (0.00)
JOCIL Limited	1192.30				
AFCC Limited	88.28				
APL			60.73		
SMVM Polytechnic		0.04			
Sree Rangaraya Estates		2.84			
Jayalakshmi Fertilisers		1242.53			
Sri Sarvaraya Sugars Ltd.,		4.25			
Vibhas Polymers Pvt. Limited		14.34			
Sri M. Narendranath				4.37	
<u>Sale of Fixed Assets to</u>	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
<u>Services Rendered to</u>	0.27 (0.55)	0.00 (0.00)	1.40 (0.77)	0.00 (0.00)	0.00 (0.00)
AFCC Limited	0.27				
APL			1.40		
<u>Interest Paid on Fixed Deposits</u>	3.24 (3.20)	0.11 (0.11)	0.00 (0.00)	334.50 (286.21)	664.67 (579.86)
Hindustan Allied Chemicals Ltd.,	3.24				
Dr. B.B.Ramaiah				28.49	
Sri P.Narendranath Chowdary				134.33	
Sri M.Narendranath				69.00	
Sri M.Thimmaraja				75.90	
Sri P.Achuta Ramayya				22.97	
Sri P S R V K Ranga Rao				3.60	
Royal Printing Works				0.21	
Sugarfield Constructions Pvt. Ltd.		0.11			
Dr. B. B. Ramaiah HUF					1.05
Smt. E. Ramalakshmi					0.57
Smt. G. Anuradha					6.80
Smt. G. Devi					10.64
Smt. G. Jayashree					8.37
Smt. J. Ananthalakshmi					13.07
Smt. J. Usha Rani					46.18
Smt. J. Akkamamba					6.68
Smt. K. Ramalakshmi					30.63
Smt. M. Kamala Devi					50.25
Smt. M. Mrutyumjaya Prasad					15.84
Smt. M. Narayanamma					18.65
Smt. M. Renuka					41.90
Smt. M. Vikram Prasad					11.33
Smt. N.Venkataramanamma					33.80
Smt. N. Anantha Lakshmi					1.03
Sri P S R V K Ranga Rao HUF					26.98
Smt. P.Ananatha Lakshmi Satyavathi Devi					61.93

Notes Forming Part of Accounts

(Rs. in Lakhs)

	Subsidiary Companies	Entities in which KMP or their relatives have significant influence	Associate Company	Key Management Personnel	Relatives of Key Management Personnel
Sri P. Achuta Ramayya HUF					28.26
Smt. P. Divya Atchamamba					12.34
Smt. P. Jhansi Jaya Lakshmi					52.60
Smt. P. Meghana Sri Sai Sujatha					4.74
Smt. P. Narendranath Chowdary HUF					22.92
Sri P. Prithivi Sri Narendrarayudu					3.16
Smt. P. Sessa Sailaja					19.09
Smt. P. Shruthi Rajeswari					19.39
Smt. P. Sujatha					67.70
Smt. P. Usha Lakshmi					9.51
Sri P. Venkata Krishna Rao					2.10
Smt. S.B.Ranganayaki					32.36
Smt. Y. Narayanamma					4.80
Remuneration (including Comm.) paid to	0.00	0.00	0.00	1327.69	6.11
	(0.00)	(0.00)	(0.00)	(1269.41)	(4.53)
Dr. B.B.Ramaiah				308.08	
Sri P.Narendranath Chowdary				324.72	
Sri M.Narendranath				195.34	
Sri M.Thimmaraja				195.00	
Sri P.Achuta Ramayya				187.32	
Sri P.S.R.V.K.Ranga Rao				117.23	
Sri M.Vikram Prasad					6.11
Donations Paid to	0.00	205.00	0.00	0.00	0.00
	(0.00)	(230.00)	(0.00)	(0.00)	(0.00)
SMVM Medical Trust		195.00			
SMVM Education Trust		5.00			
SPVK Memorial Trust		5.00			
Dividend Paid to	0.00	108.02	0.00	261.92	490.58
	(0.00)	(77.10)	(0.00)	(178.70)	(363.52)
Dr. B.B.Ramaiah				17.55	
Sri P.Narendranath Chowdary				29.18	
Sri M.Narendranath				80.57	
Sri M.Thimmaraja				57.03	
Sri P.Achuta Ramayya				32.73	
Sri P.S.R.V.K.Ranga Rao				44.86	
Sri M.Thimmaraja (HUF)					14.31
Sri M.Narendranath (HUF)					1.44
Smt. J.Anantha Lakshmi					20.06
Smt. K.Rama Lakshmi					9.66
Smt. N.V.Ramanamma					8.64
Smt. Y.Narayanamma					22.65
Sri B.V.V.S.Ramesh Kumar					4.27
Smt. P.Jhansi Jayalakshmi					49.71

Notes Forming Part of Accounts

(Rs. in Lakhs)

	Subsidiary Companies	Entities in which KMP or their relatives have significant influence	Associate Company	Key Management Personnel	Relatives of Key Management Personnel
Sri P.V.Krishna Rao					15.00
Smt. S.B.Ranganayaki					29.74
Smt. E.Rama Lakshmi					6.51
Smt. J.Akkamamba					20.66
Smt. J.Usha Rani					40.13
Smt. M.Kamala Devi					40.17
Smt. M.Satyanarayanamma					26.20
Smt. N.Anantha Lakshmi					3.88
Kum. P.A.L.Satyavathi Devi					36.42
Smt. M.Narayanamma					8.20
Smt. G.Anuradha					6.64
Smt. G.Jayashree					2.36
Sri M.Vikram Prasad					12.00
Smt. M.Renuka					24.26
Smt. G.Devi					5.90
Sri M.Mrutyumjaya Prasad					8.45
Smt. P.Sesha Shailaja					14.92
Kum. P.Divya Atchmamba					2.61
Kum. P.Sruthi Rajeswari					1.00
Smt. P.Sujatha					53.77
Smt. P.Usha Lakshmi					0.56
Kum. P.Meghana Srisai Sujatha					0.30
Chy. P.P.Sri Narendrarayudu					0.15
Sree Akkamamba Textiles Ltd.		21.14			
SMVM Hospital		62.32			
Jayalakshmi Chemical Enterprises Pvt. Ltd.		0.08			
The Mullapudi Investment & Finance Co. Pvt. Ltd.		8.99			
Thimmaraja Investment & Finance Co. Pvt. Ltd.		7.95			
Sree Harischandra Prasad Invest. & Fin. Co. Ltd.		7.54			
Dividend Received from	244.33	1.40	123.94	0.00	0.00
	(195.46)	(2.80)	(246.27)	(0.00)	(0.00)
JOCIL Limited	244.33				
Sree Akkamamba Textiles Ltd.		1.40			
APL			123.94		
Interest Received on IC Loan	8.52	47.19	0.00	0.00	0.00
	(21.10)	(23.12)	(0.00)	(0.00)	(0.00)
JOCIL Limited	8.52				
Sree Akkamamba Textiles Ltd.		47.19			
C) Balances as at 31-03-2013:					
a) Share Capital held by the Company in	479.10	3658.49	3660.56	0.00	0.00
	(479.10)	(3658.49)	(3127.47)	(0.00)	(0.00)
JOCIL Limited	441.79				
AFCC Limited	34.57				
Hindustan Allied Chemicals Limited	2.74				
APL			3660.56		

Notes Forming Part of Accounts

(Rs. in Lakhs)

	Subsidiary Companies	Entities in which KMP or their relatives have significant influence	Associate Company	Key Management Personnel	Relatives of Key Management Personnel
Sree Akkamamba Textiles Ltd.		1.75			
APGPCL		3656.74			
b) RECEIVABLES					
TRADE DUES :	11.61	90.11	0.00	0.00	0.00
	(6.17)	(82.51)	(0.00)	(0.00)	(0.00)
AFCC Limited	11.61				
Jayalakshmi Fertilisers		87.73			
SMVM Hospital		0.11			
Sree Rangaraya Estates		0.27			
Sri Saravaraya Sugars Limited		2.00			
Loans/ Intercorporate loans	0.00	100.00	0.00	0.00	0.00
	(0.00)	(500.00)	(0.00)	(0.00)	(0.00)
Sree Akkamamba Textiles Ltd.		100.00			
c) Share Capital of the Company held by	0.00	154.31	0.00	374.17	691.62
	(0.00)	(154.20)	(0.00)	(373.92)	(671.21)
DR. B.B.Ramaiah				25.08	
Sri P.Narendranath Chowdary				41.68	
Sri M.Narendranath				115.10	
Sri M.Thimmaraja				81.47	
Sri P.Achuta Ramayya				46.75	
Sri P.S.R.V.K.Ranga Rao				64.09	
Sri M.Thimmaraja (HUF)					20.45
Sri M.Narendranath (HUF)					2.06
Smt. J.Anantha Lakshmi					28.66
Smt. N.V.Ramanamma					12.35
Smt. Y.Narayanamma					32.36
Sri B.V.V.S.Ramesh Kumar					6.10
Smt. P.Jhansi Jayalakshmi					71.01
Sri P.V.Krishna Rao					21.43
Smt. S.B.Ranganayaki					42.48
Smt. E.Rama Lakshmi					9.30
Smt. J.Usha Rani					57.34
Smt. M.Kamala Devi					57.38
Smt. M.Satyanarayanamma					37.43
Smt. N.Anantha Lakshmi					5.54
Kum. P.A.L.Satyavathi Devi					52.03
Smt. M.Narayanamma					26.47
Smt. G.Anuradha					9.48
Smt. G.Jayashree					3.37
Sri M.Vikram Prasad					17.15
Smt. M.Renuka					49.41
Smt. G.Devi					8.43
Sri M.Mrutyumjaya Prasad					12.07
Smt. P.Sesha Shailaja					21.32
Kum. P.Divya Atchmamba					3.72
Kum. P.Sruthi Rajeswari					1.43

	Subsidiary Companies	Entities which KMP or their relatives have significant influence	Associate Company	Key Management Personnel	Relatives of Key Management Personnel
Smt. P.Sujatha					81.41
Smt. P.Usha Lakshmi					0.80
Kum. P.Meghana Srisai Sujatha					0.43
Chy. P.P.Sri Narendrarayudu					0.21
Jayalakshmi Chemical Enterprises Pvt. Ltd.		0.11			
Sree Akkamamba Textiles Ltd.		30.19			
SMVM Hospital		89.03			
The Mullapudi Investment & Finance Co. Pvt. Ltd.		12.85			
Thimmaraja Investmet & Finance Co. Pvt. Ltd.		11.35			
Sree Harischandra Prasad Invest & Fin. Co. Ltd.		10.78			
d) Loans/ Intercorporate loans received from	0.00	0.00	0.00	0.00	0.00
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
e) PAYABLES :					
Fixed Deposits :	35.00	1.00	0.00	3266.80	6685.55
	(28.00)	(1.00)	(0.00)	(2785.50)	(5684.35)
Hindustan Allied Chemicals Ltd.	35.00				
Dr. B.B.Ramaiah				120.00	
Sri P.Narendranath Chowdary				1452.05	
Sri M.Narendranath				665.40	
Sri M.Thimmaraja				730.75	
Sri P.Achuta Ramayya				243.60	
Sri P S R V K Ranga Rao				50.00	
Royal Printing Works				5.00	
Sugarfield Constructions Pvt. Ltd.		1.00			
Dr. B. B. Ramaiah HUF					10.00
Smt. E. Ramalakshmi					5.55
Smt. G. Anuradha					68.95
Smt. G. Devi					104.10
Smt. G. Jayashree					81.80
Smt. J. Ananthalakshmi					113.00
Smt. J. Usha Rani					481.65
Smt. K. Ramalakshmi					266.35
Smt. M. Kamala Devi					522.95
Sri M. Mrutyumjaya Prasad					157.60
Smt. M. Narayanamma					187.65
Smt. M. Renuka					428.05
Sri M. Vikram Prasad					116.95
Smt. N. Venkataramanamma					351.40
Smt. N. Anantha Lakshmi					10.00
Sri P S R V K Ranga Rao HUF					273.75
Smt. P.Ananatha Lakshmi satyavathi Devi					715.90
Sri P. Achuta Ramayya HUF					267.15
Smt. P. Divya Atchamamba					121.40
Smt. P. Jhansi Jaya Lakshmi					549.95
Smt. P. Meghana Sri Sai Sujatha					48.55
Sri P. Narendranath Chowdary HUF					235.35
Sri P. Prithivi Sri Narendrarayudu					35.30
Smt. P. Sessa Sailaja					196.10
Smt. P. Shruthi Rajeswari					216.85

Notes Forming Part of Accounts

(Rs. in Lakhs)

	Subsidiary Companies	Entities in which KMP or their relatives have significant influence	Associate Company	Key Management Personnel	Relatives of Key Management Personnel
Smt. P. Sujatha					727.10
Sri P. Venkata Krishna Rao					9.95
Smt. S. B. Ranganayaki					336.20
Smt. Y. Narayanamma					46.00
Trade dues :	0.00 (0.00)	349.89 (427.73)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
SMVM Hospital		1.60			
SMVM Medical Trust		1.60			
Vibhas Polymers Pvt. Limited		5.07			
APGPCL		341.62			
Interest on Fixed Deposits :	0.82 (0.66)	0.02 (0.02)	0.00 (0.00)	76.02 (58.53)	156.55 (135.29)
Hindustan Allied Chemicals Ltd	0.82				
Dr. B.B. Ramaiah				2.80	
Sri P. Narendranath Chowdary				33.74	
Sri M. Narendranath				15.50	
Sri M. Thimmaraja				17.03	
Sri P. Achuta Ramayya				5.67	
Sri P S R V K Ranga Rao				1.17	
Royal Printing Works				0.11	
Sugarfield Constructions Pvt. Ltd.		0.02			
Sri B.B. Ramaiah HUF					0.23
Smt. E. Ramalakshmi					0.13
Smt. G. Anuradha					1.59
Smt. G. Devi					2.54
Smt. G. Jayashree					1.90
Smt. J. Ananthalakshmi					2.63
Smt. J. Usha Rani					11.43
Smt. K Ramalakshmi					6.21
Smt. M. Kamala Devi					12.42
Sri M. Mrutyumjaya Prasad					3.57
Smt. M. Narayanamma					4.35
Smt. M. Renuka					9.89
Sri M. Vikram Prasad					2.70
Smt. N. Venkatramanamma					8.08
Smt. Nutakki Anantha Lakshmi					0.23
Sri P S R V K Ranga Rao HUF					6.45
Smt. P. Ananatha Lakshmi satyavathi Devi					16.87
Sri P. Achuta Ramayya HUF					6.22
Smt. P. Divya Atchamamba					2.64
Smt. P. Jhansi Jaya Lakshmi					13.09
Smt. P. Meghana Sri Sai Sujatha					1.11
Sri P. Narendranath Chowdary HUF					5.58
Sri P. Prithivi Sri Narendrarayudu					0.84
Smt. P. Sessa Sailaja					4.64
Smt. P. Shruthi Rajeswari					4.85

Notes Forming Part of Accounts

(Rs. in Lakhs)

	Subsidiary Companies	Entities in which KMP or their relatives have significant influence	Associate Company	Key Management Personnel	Relatives of Key Management Personnel
Smt. P. Sujatha					17.16
Sri P. Venkata Krishna Rao					0.23
Smt. S.B. Ranganayaki					7.98
Smt. Y. Narayanamma					0.99
Remuneration (including Commission) :	0.00	0.00	0.00	1118.50	0.37
	(0.00)	(0.00)	(0.00)	(1113.05)	(0.35)
Dr. B.B. Ramaiah				262.69	
Sri P. Narendranath Chowdary				263.84	
Sri M. Narendranath				164.62	
Sri M. Thimmaraja				164.62	
Sri P. Achuta Ramayya				163.90	
Sri P.S.R.V.K.Ranga Rao				98.83	
Sri M.Vikram Prasad					0.37

42. The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February, 2011 and 21st February 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

43. GENERAL:

Figures have been rounded off to the nearest thousand.

Previous year figures have been regrouped wherever necessary.

Figures in Brackets are for previous year.

As per our report of even date
for BRAHMAYYA & Company
Chartered Accountants
Firm Regn. No. 000513S
T.V. Ramana
Partner
Membership No: 200523

For and on behalf of the Board of Directors
of The Andhra Sugars Ltd.

Dr. B.B. Ramaiah

A. Ranga Rao

M. Palachandra

P.V.S. Viswanadha Kumar

Chairman & Managing Director

Director

Company Secretary

G.M.(Finance) & Asst. Secretary

Camp: TANUKU

Date: 27.05.2013

TANUKU

27.05.2013

CASH FLOW STATEMENT FOR THE YEAR 2012 - 13

Particulars	(Rs. in lakhs)	
	2012- 13	2011- 12
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	11937.08	13784.10
Adjustments for		
Depreciation/amortisation on continuing operation	4119.29	3932.37
Impairment/other write off on tangible/intangible assets	0.61	19.28
Loss/(profit) on sale of fixed assets	(59.60)	(25.35)
Wealth Tax	3.76	5.00
Net (gain)/Loss on sale of Non -current investments	15.24	(5.00)
Net gain on sale of current investments	(11.79)	--
Interest expense	1837.42	1971.91
Interest income	(304.81)	(297.25)
Dividend income	(371.13)	(446.01)
	-----	-----
Operating profit before working capital changes	17166.07	18939.05
	-----	-----
Movements in working capital:		
Increase/(decrease) in trade payables	(1285.01)	11.34
Increase/(decrease) in long-term provisions	(484.95)	(122.84)
Increase/(decrease) in short-term provisions	62.73	293.37
Increase/(decrease) in other current liabilities	315.01	(1015.97)
Increase/(decrease) in other long-term liabilities	1670.73	461.39
Decrease/(increase) in trade receivables	(41.93)	(3808.52)
Decrease/(increase) in inventories	1234.67	(5116.44)
Decrease/(increase) in long-term loans and advances	(506.68)	(125.44)
Decrease/(increase) in short-term loans and advances	1011.14	(38.50)
Decrease/(increase) in other current assets	(44.96)	(0.51)
Cash generated from/(used in) operations	19096.82	9476.93
Direct taxes paid (net of refunds)	4104.92	4185.61
	-----	-----
Net cash flow from/(used in) operating activities (A)	14991.89	5291.32
	-----	-----
Cash flows from investing activities		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(4380.37)	(4656.61)
Proceeds from sale of fixed assets	111.17	33.23
Proceeds of non-current investments	185.86	55.00
Purchase of non-current investments	(533.10)	(0.48)
Purchase of current investments	(1575.00)	--
Proceeds from sale/maturity of current investments	1586.79	--
Interest received	304.81	297.25
Dividends received from subsidiary company	244.32	195.46
Dividends received from Long-Term investments	126.81	250.55
	-----	-----
Net cash flow from/(used in) investing activities (B)	(3928.70)	(3825.60)
	-----	-----

	2012- 13	2011- 12
Cash flows from financing activities		
Proceeds from long-term borrowings	27.90	--
Repayment of long-term borrowings	--	(22.06)
Proceeds from short-term borrowings	(6717.63)	2176.64
Interest paid	(1837.42)	(1971.91)
Dividends paid on Equity Shares	(1897.50)	(1490.89)
Tax on equity dividend paid	(276.11)	(210.18)
	-----	-----
Net cash flow from/(used in) in financing activities [C]	(10700.76)	(1518.40)
	-----	-----
Net increase/(decrease) in cash and cash equivalents (A+B+C)	362.43	(52.68)
Cash and cash equivalents at the beginning of the year	2227.01	2279.69
	-----	-----
Cash and cash equivalents at the end of the year	2589.44	2227.01
	-----	-----
Components of cash and cash equivalents		
Cash on hand	12.50	10.63
Cheques/drafts on hand	849.13	763.01
With banks on current account	1434.95	944.61
Margin Money deposit accounts	184.25	405.45
Unpaid dividend accounts	108.61	103.31
	-----	-----
Total cash and cash equivalents (Note-15)	2589.44	2227.01
	-----	-----

(Previous year figures are regrouped wherever necessary)

As per our report of even date
for BRAHMAYYA & Company
Chartered Accountants
Firm Regn. No. 000513S
T.V. Ramana
Partner
Membership No: 200523

Camp: TANUKU
Date: 27.05.2013

For and on behalf of the Board of Directors
of The Andhra Sugars Limited

Dr. B.B. Ramaiah
A. Ranga Rao
M. Palachandra
P.V.S. Viswanadha Kumar

TANUKU
27.05.2013

Chairman & Managing Director
Director
Company Secretary
G.M.(Finance) & Asst. Secretary

Statement Pursuant to Section 212 of the Companies Act, 1956.

JOCIL LIMITED

1. The Andhra Sugars Limited held 48,86,500 Equity Shares of Rs.10/- each fully paid-up out of the total paid-up shares of 88,81,150 amounting to Rs. 8,88,11,500/-.
2. The Subsidiary Company earned a profit of Rs.22,94,46,261/- for the year ended 31st March, 2013 and no part of this dealt with in the Holding Company's Accounts.

THE ANDHRA FARM CHEMICALS CORPORATION LIMITED

1. The Andhra Sugars Limited held 3,45,700 Equity Shares of Rs.10/- each fully paid-up out of the total subscribed shares of 4,50,000.
2. The Subsidiary Company incurred a loss of Rs.46,86,600/- for the year ended 31st March, 2013 and no part of this dealt with in the Holding Company's Accounts.

HINDUSTAN ALLIED CHEMICALS LIMITED

1. The Andhra Sugars Limited held 3,28,760 Equity Shares of Rs.2.50 ps per share called and paid-up out of the total subscribed shares of 4,25,012 of Rs.10/- each.
2. The Subsidiary Company earned a profit of Rs.5,66,310/- for the year ended 31st March, 2013 and no part of this dealt with in the Holding Company's Accounts.

Since the accounting year of the Subsidiary Companies coincides with that of the Holding Company, furnishing of information relating to material changes of Subsidiary Companies, does not arise.

TANUKU
27-05-2013

For and on behalf of the Board of Directors
of The Andhra Sugars Limited
Dr. B.B. Ramaiah
A. Ranga Rao
M. Palachandra
P.V.S.Viswanadha Kumar

Chairman & Managing Director
Director
Company Secretary
G.M.(Finance) & Asst. Secretary

INDEPENDENT AUDITORS' REPORT

To
The Board of Directors
THE ANDHRA SUGARS LIMITED
TANUKU

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of The Andhra Sugars 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 and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including Accounting Standards referred to in Section 211 (3C) 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

3. Our responsibility is to express an opinion on these 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.
4. An audit involves performing procedure to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstance. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidences we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements of the subsidiaries and associates as noted below, the consolidated financial statements 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 statement 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 of the year ended on that date and
 - c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Camp : TANUKU
Date : 27th May 2013

For BRAHMAYYA & CO
Chartered Accountants
Firm Registration Number: 000513S
(T.V. Ramana)
Partner
ICAI Membership Number:200523

BALANCE SHEET AS AT 31st MARCH, 2013

	Notes	As at 31st March 2013	(Rs.in Lakhs) As at 31st March 2012
EQUITY AND LIABILITIES			
Shareholder Funds			
Share Capital	2	2711.01	2711.01
Reserves and Surplus	3	60863.92	54708.77
		63574.93	57419.78
Minority Interest		6485.63	6068.58
Non-Current Liabilities			
Long-term Borrowings	4	13609.49	13586.58
Deferred Tax Liability (Net)	5	9900.55	9349.40
Other Long-term liabilities	6	6265.01	4588.89
Long-term Provisions	7	827.82	1330.01
		30602.87	28854.88
Current Liabilities			
Short-term Borrowings	8	9707.45	15863.96
Trade Payables	9.1	1943.11	2973.68
Other Current Liabilities	9.2	11655.48	11260.70
Short-term Provisions	7	15866.06	14097.88
		39172.10	44196.22
TOTAL		139835.53	136539.46
ASSETS			
Non current Assets			
Fixed Assets			
Tangible Assets	10.1	57648.43	56786.23
Intangible Assets	10.2	49.09	51.49
Capital Work-in-Progress		859.12	827.05
Good Will		--	--
		58556.64	57664.77
Non-current Investments	11	11327.75	10909.96
Long-term Loans and Advances	12	1383.74	1630.46
Other Non Current assets	13.2	17.97	12.28
		12729.46	12552.70
Current Assets			
Inventories	14	34745.49	35390.55
Trade Receivables	13.1	14700.39	14101.52
Cash and Bank Balances	15	3172.70	2468.49
Short-term Loans and Advances	12	15845.68	14321.65
Other Current Assets	13.2	85.17	39.78
		68549.43	66321.99
TOTAL		139835.53	136539.46

Summary of significant accounting policies 1
The Accompanying Notes are an Integral Part of the Financial Statements.

As per our report of even date
for BRAHMAYYA & Company
Chartered Accountants
Firm Regn. No. 000513S
T.V. Ramana
Partner
Membership No: 200523

For and on behalf of the Board of Directors
of The Andhra Sugars Limited

Dr. B.B. Ramaiah
A. Ranga Rao
M. Palachandra
P.V.S. Viswanadha Kumar

Chairman & Managing Director
Director
Company Secretary
G.M.(Finance) & Asst. Secretary

Camp: TANUKU
Date: 27.05.2013

TANUKU
27.05.2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2013

PARTICULARS	Notes	Current Reporting Period 2012-13	(Rs. in Lakhs) Previous Reporting Period 2011-12
Income			
Revenue from operations (Gross)	16	134180.97	123423.45
Less: Excise duty		10958.55	9105.76
		-----	-----
Revenue from operations (Net)		123222.42	114317.69
Other Income	17	1531.13	1533.43
		-----	-----
Total Revenue		124753.55	115851.12
		-----	-----
Expenses			
Cost of raw materials consumed	18	58909.51	61421.77
Purchase of traded goods		163.26	61.12
[Increase]/Decrease in Inventories of finished goods, Work-in-progress and traded goods	19	778.18	(5584.78)
Employee Benefits expense	20	9495.57	9008.06
Depreciation and amortisation expense	21	5131.24	4832.16
Finance Costs	22	2315.45	2364.26
Other Expenses	23	32004.08	28128.78
		-----	-----
Total Expenses		108797.29	100231.37
		-----	-----
Profit/(Loss) Before Exceptional items & Tax		15956.26	15619.75
Less: Exceptional items (Electricity FSA Charges relating to earlier years)		1774.65	--
		-----	-----
Profit/(Loss) Before Tax		14181.61	15619.75
		-----	-----
Profit from Associate		95.81	905.24
Add : Income Tax Refund		7.62	12.49
Less : Short provision of Income Tax of earlier years		73.45	--
Less : Tax expenses			
Current tax		4651.75	4750.00
Deferred tax		551.16	305.51
Total tax expense		5202.91	5055.51
		-----	-----
Profit/(Loss) for the year		9008.68	11481.97
		-----	-----
Less : Minority Interest		649.15	557.90
		-----	-----
Profit/(Loss) After Minority Interest		8359.53	10924.07
		-----	-----
Basic Earning Per Share		30.84	40.30
Diluted Earning Per Share		30.84	40.30
Summary of Significant Accounting policies	1		

The Accompanying Notes are an Integral Part of the Financial Statements.

As per our report of even date
for BRAHMAYYA & Company
Chartered Accountants
Firm Regn. No. 000513S
T.V. Ramana
Partner
Membership No: 200523

For and on behalf of the Board of Directors
of The Andhra Sugars Limited

Dr. B.B. Ramaiah
A. Ranga Rao
M. Palachandra
P.V.S. Viswanadha Kumar

Chairman & Managing Director
Director
Company Secretary
G.M.(Finance) & Asst. Secretary

Camp: TANUKU
Date: 27.05.2013

TANUKU
27.05.2013

NOTES FORMING PART OF THE GROUP CONSOLIDATED ACCOUNTS

1 Basis of preparation:

The Andhra Sugars Limited (ASL), the parent Company, has prepared the group consolidated financial statements by consolidating its accounts and those of its subsidiaries viz., JOCIL Limited, The Andhra Farm Chemical Corporation Limited and Hindustan Allied Chemicals Limited in accordance with Accounting Standard-21 "Consolidated Financial Statements" prescribed by Companies (Accounting Standards) Rules, 2006.

Financial Statements of the Subsidiaries used in the consolidation are drawn upto the same reporting date as that of the parent company i.e., year ended 31st March, 2013.

1.1 Principles of consolidation:

The consolidated financial statements of the group are prepared according to the accounting policies as stated in the "Statements on Accounting Policies" in the respective group companies and published separately. The accounting policies of the group companies are uniform except for the method of charging depreciation in respect of some of the items of like assets. It is not practicable to use uniform accounting policies in preparing the consolidated financial statements and in the opinion of the management, the effect of such differences in the accounting policies is not material.

1.2 Minority Interest:

Subsidiary companies	% Voting power held as at 31 st March, 2013
a. JOCIL	44.97
b. The Andhra Farm Chemical Corporation Limited	23.17
c. Hindustan Allied Chemicals Limited	22.64

1.3 Associates

The Andhra Sugars Limited and its other group companies hold 34.23% (30.16%) of the share capital of The Andhra Petrochemicals limited (APL), a company incorporated in India, as on 31.3.2013. Therefore APL is treated as an associate and investment in it is recognised in the accounts using the 'equity method' as per which the share of profit of the associate company has been added to the cost of investment, in accordance with the Accounting Standard – 23 "Accounting for Investments in Associates in Consolidated Financial Statements" prescribed by Companies (Accounting Standards) Rules, 2006. The audited accounts of the The Andhra Petrochemicals limited is considered for the purpose of computing the share of profit from associate for the year ended 31st March, 2013.

The accounting policies of APL are broadly comparable to those of ASL. The accounts of associate company are drawn upto the same reporting date as the parent entity.

Particulars of investment in Associate Company by Group companies:

Gross cost of the investment in Associate company - (including goodwill of Rs. 88.43 lacs)	Rs. In lacs 3783.49
Less: Dividend received	556.17
	<hr/>
	3227.32
Add: Share of post-acquisition reserves and surplus	4373.33
	<hr/>
Carrying value of investment in associate company	7600.65
	<hr/>

1.4 Major components of deferred tax assets and liabilities arising on account of timing differences are:

Particulars	(Rs. in lakhs)	
	Assets	Liabilities
1. Depreciation		10841.54
2. Amounts disallowed u/s 43 B of Income-Tax Act, 1961	880.86	
3. Provision for Doubtful debts	19.56	
4. Loss as per Income Tax to be carried forward	40.57	
	-----	-----
	940.99	10841.54
	-----	-----
Net deferred tax liability:		9900.55

1.5 Exceptional items represents Liability of the Company towards Fuel Surcharge Adjustment Charge payable to Eastern Power Distribution Company of Andhra Pradesh Ltd., for the years 2010-11 and 2011-12 as per the orders of APERC.

1.6 CONTINGENT LIABILITIES NOT PROVIDED FOR	As at 31-3-2013	As at 31-3-2012
a) Estimated amount of contracts remaining to be executed in capital account.	2821.20	6846.76
b) Uncalled liability on partly paid shares held as investments	24.66	24.66
c) Liability on account of membership in Alkali Manufacturers Association of India, a company limited by guarantee	0.01	0.01
d) Other commitments in respect of Sale Contracts	5313.81	1260.43
e) Guarantees issued for obligations arising out of events occurred at the Balance Sheet date	1894.28	1563.04
f) On letter of credit opened with banker for purchase of Material	1333.13	4762.05
g) Claims not acknowledged by the Company relating to the following area		
i) Income Tax	410.65	141.89
ii) Excise	4244.01	2945.41
iii) Service Tax	29.78	21.22
iv) Sales Tax	150.50	26.00
v) State Levies	424.18	192.41
vi) Suppliers and Service contract	351.04	170.11
vii) Labour related	5.00	5.00
viii) Others	3.60	3.48

1.7 Disclosure as required by Accounting Standard-18 (AS-18) "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are given in Annexure - I.

1.8 Foreign Exchange Earnings on Exports during the year calculated on FOB Basis Rs. 225.57 Lakhs (Previous Year Rs.937.79 Lakhs).

1.9 Segment information:
Particulars disclosed pursuant in Accounting Standard -17 "Segment Reporting" are given in Annexure-II.

1.10 General:
Figures have been rounded off to the nearest thousand.
Previous year figures have been regrouped wherever necessary.

Notes Forming Part of Consolidated Accounts

(Rs.in Lakhs)

2 Share Capital

Note-2

	As at 31st March 2013	As at 31st March 2012
Authorised Shares :		
28750000 (31st March, 2012: 28750000) Equity shares of Rs.10 /- each	2875.00	2875.00
30000(31st March, 2012:30000) 9.5% First Cumulative Redeemable Preference Shares of Rs 100/- each	30.00	30.00
95000 (March 2012:95000) 9.5% Second Cumulative Redeemable Preference Shares of Rs 100/- each	95.00	95.00
	3000.00	3000.00
Issued Shares :		
27113091 (31st March, 2012: 27113091) Equity Shares of Rs.10 /- each	2711.31	2711.31
	2711.31	2711.31
Subscribed and fully paid-up shares :		
27107078 (31st March, 2012: 27107078) Equity Shares of Rs.10 /- each fully paid-up	2710.71	2710.71
Forfeited amount on 6013 shares of Rs.10/-each, Rs.5/- paid-up	0.30	0.30
Total issued, subscribed and fully paid-up capital	2711.01	2711.01
Reconciliation of the shares outstanding at the beginning and at the end of the reporting period		
Equity Shares (No.s)		
At the beginning of the period	27107078	27107078
Issued during the period - Bonus issue	--	--
Add: Forfeited Shares	--	--
Outstanding at the end of the period	27107078	27107078

3 RESERVES AND SURPLUS

Note-3

	As at 31st March 2013	As at 31st March 2012
Capital Reserves		
Capitalisation of Bonus Shares	52.35	52.35
Capital Redemption Reserve	3.84	3.84
Forfeited Debentures	0.30	0.30
Capital Subsidy	66.82	66.82
Securities Premium Reserve	1560.70	1560.70
General Reserve		
Balance as per the last Financial Statements	39456.32	33906.02
Add : Amount transferred from Surplus Balance in the Statement of Profit And Loss	5275.15	5994.36
Less: Amount utilised towards issue of fully paid-up Bonus shares in JOCIL Ltd.	--	444.06
Closing Balance	44731.47	39456.32

The Andhra Sugars Limited - Group Consolidated Financial Statements
Notes Forming Part of Consolidated Accounts

(Rs.in Lakhs)

Surplus/(Deficit) in the Statement of Profit and Loss	As at 31st March 2013	As at 31st March 2012
Balance as per the last Financial Statements	13568.45	10896.66
Profit/(Loss) for the year	8263.71	10018.83
Profit/(Loss) from Associate	95.81	905.24
Less : Appropriations		
Proposed Final Equity Dividend	1919.66	2141.86
Tax on Distributed Profits	284.73	315.76
Transfer to General Reserve	5275.15	5794.67
	-----	-----
Total Appropriations	7479.54	8252.28
	-----	-----
Net Surplus in Statement of Profit and Loss	14448.44	13568.45
	-----	-----
Total Reserves and Surplus taken to Balance Sheet	60863.92	54708.77
	-----	-----

Note-4

4 LONG-TERM BORROWINGS:	As at 31st March 2013	As at 31st March 2012	As at 31st March 2013	As at 31st March 2012
	4.1 Long - Term		4.2 Current Maturity	
Term Loans				
Indian Rupee Loans from banks (Secured)	--	266.05	260.20	1042.95
	-----	-----	-----	-----
	--	266.05	260.20	1042.95
	-----	-----	-----	-----
Other Loans and advances:				
Deferred sales tax loan (unsecured)	4195.34	4440.93	346.80	161.40
Deposits (unsecured)				
Deposits from Directors / Related Parties	7216.05	7543.35	2733.80	927.50
Deposits from Others	2198.10	1336.25	1216.20	2240.20
	-----	-----	-----	-----
	13609.49	13320.53	4296.80	3329.10
	-----	-----	-----	-----
Total Amount	13609.49	13586.58	4557.00	4372.05
	-----	-----	-----	-----
The above amount includes				
Secured borrowings	--	266.05	260.20	1042.95
Unsecured borrowings	13609.49	13320.53	4296.80	3329.10
Amount disclosed under the head "other current liabilities"(Note 9.2)	--	--	4557.00	4372.05
	-----	-----	-----	-----
Net Amount	13609.49	13586.58	--	--
	-----	-----	-----	-----

Notes Forming Part of Consolidated Accounts

(Rs.in Lakhs)

		Note-5	
5 Deferred Tax Liability (Net)		As at 31st March 2013	As at 31st March 2012
Deferred Tax Liability			
Fixed Assets : Difference Between Tax Depreciation and Depreciation / Amortisation charged for the Financial reporting		10841.54	10128.72
		-----	-----
Gross Deferred tax Liability		10841.54	10128.72
		-----	-----
Deferred Tax Asset			
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purpose on payment basis		880.86	741.19
Provision for doubtful Debts and advances		19.56	8.70
Loss as per Income tax to be Carried forward		40.57	29.43
		-----	-----
Gross Deferred tax Asset		940.99	779.32
		-----	-----
Net Deferred Tax Liability /(Asset)		9900.55	9349.40
		-----	-----

		Note-6	
6 OTHER LONG-TERM LIABILITIES:		As at 31st March 2013	As at 31st March 2012
Trade payables		--	--
Others			
Outstanding Liabilities for others		6123.92	4463.20
Staff Security Deposits		14.75	10.50
Trade Deposits		126.34	115.19
		-----	-----
Total		6265.01	4588.89
		-----	-----

		Note-7			
7 PROVISIONS		Long-Term		Short-Term	
		As at 31st March 2013	As at 31st March 2012	As at 31st March 2013	As at 31st March 2012
Provision for employee benefits:					
Provision for gratuity		574.50	1048.36	218.12	125.84
Provision for leave benefits		253.32	281.65	340.30	358.12
		-----	-----	-----	-----
		827.82	1330.01	558.42	483.96
		-----	-----	-----	-----
Other Provisions:					
Provision for Wealth tax				14.00	13.00
Provision for Income tax				13089.25	11143.31
Proposed equity dividend				1919.66	2141.86
Provision for tax on Distributed Profits				284.73	315.75
		-----	-----	-----	-----
		--	--	15307.64	13613.92
		-----	-----	-----	-----
Total		827.82	1330.01	15866.06	14097.88
		-----	-----	-----	-----

Notes Forming Part of Consolidated Accounts

(Rs.in Lakhs)

	Note-8
	As at 31st
8 SHORT-TERM BORROWINGS	March 2013
	As at 31st
	March 2012
Cash credit from Banks (Secured)	7018.22
Foreign Currency loan from banks - Buyers Credit (Secured)	505.56
Short-Term Loan from HDFC (unsecured)	1000.00
Deposits (unsecured)	
: from Directors	107.07
: from Others	1076.60
Total	9707.45
The above amount includes	
Secured borrowings	7523.78
Unsecured borrowings	2183.67
	Note-9
	As at 31st
9 Other Current Liabilities:	March 2013
	As at 31st
	March 2012
9.1 Trade payables	1943.11
9.2 Other Liabilities:	
Current maturities of long-term borrowings	4557.00
Interest accrued but not due on borrowings	369.14
Interest accrued and due on borrowings	12.56
Advance from customers	250.09
Unpaid dividend	126.72
Unpaid matured deposits and interest accrued thereon	50.17
Accrued Salaries and Benefits	739.08
Directors Remuneration Payable	1123.93
Staff Security Deposits	5.17
Statutory Dues	2064.85
Others	2356.77
Total	13598.59

Notes Forming Part of Consolidated Accounts

FIXED ASSETS

Note - 10
(Rs. in lakhs)

	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	Cost as at 31-3-12	Additions during the year	Deductions during the year	Cost as at 31-3-13	Dep. upto 31-3-12	Dep. for 12-13	Dep. Dedn. for 12-13	Dep. upto 31-03-13	WDV as at 31-3-13	WDV as at 31-3-12
10.1. Tangible Assets:										
1) Land	3308.39	--	--	3308.39	--	--	--	--	3308.39	3308.39
2) Buildings	6682.37	247.84	--	6930.21	2578.96	200.01	--	2778.97	4151.24	4103.41
3) Plant and Equipment	77556.07	5020.46	131.72	82444.81	36713.45	4126.87	120.11	40720.21	41724.60	40842.62
4) Vehicles and Materials Handling Equipment	2819.61	534.49	170.33	3183.77	1578.61	291.81	148.85	1721.57	1462.20	1241.00
5) Furniture & Fittings	501.81	13.21	6.56	508.46	374.51	29.79	6.08	398.22	110.24	127.30
6) Office Equipment	335.99	210.18	19.29	526.88	226.82	25.36	17.83	234.35	292.53	109.18
7) Tramways and Railway Sidings	717.70	19.57	2.94	734.33	327.14	31.69	2.93	355.90	378.43	390.56
8) Renewable Energy Plant: Wind Farm	8748.95	--	--	8748.95	2085.18	442.97	--	2528.15	6220.80	6663.77
TOTAL	100670.89	6045.75	330.84	106385.80	43884.67	5148.50	295.80	48737.37	57648.43	56786.23
10.2. Intangible Assets:	55.26	3.50	--	58.76	3.77	5.90	--	9.67	49.09	51.49
GRAND TOTAL	100726.15	6049.25	330.84	106444.56	43888.44	5154.40	295.80	48747.04	57697.52	56837.72
Previous year (Rupees in lakhs)	94408.22	6577.84	259.91	100726.15	39285.78	4856.14	253.48	43888.44	56837.72	55122.44

Notes Forming Part of Consolidated Accounts

(Rs. in Lakhs)

	As at 31st March 2013	Note-11 As at 31st March 2012
11 Non-current Investments		
A) Trade Investment — Quoted		
1) Investment in Associate		
2,90,94,594 (31st March 2012 : 2,56,35,194) fully paid Equity Shares of Rs.10/- each in The Andhra Petrochemical Ltd.	7600.65	6971.75
2) Investment in Other Companies		
a) 1,40,000 (31st March 2012: 1,40,000) fully paid Equity Shares of Rs.10/- each in Sree Akkamamba Textiles Ltd.	1.75	1.75
b) 38,704 (31st March 2012: 25,052) fully paid Equity Shares of Rs.10/- each in Andhra Bank	7.48	7.48
B) Trade Investment —Unquoted		
96,64,080 (31st March 2012 : 96,64,080) fully paid Equity Shares of Rs.10/- each in Andhra Pradesh Gas Power Corporation Ltd.	3656.74	3656.74
C) Other Investments		
1) 1391(31st March 2011: 1391) Equity Shares of Rs.10/- each , fully paid-up in Indian Bank (Quoted)	1.27	1.27
2) As at 31st March 2012 , 100000 Equity Shares of Rs.10/- each in Agri Business Finance (AP) Ltd., (Un Quoted)	--	10.00
3) 200 Equity Shares of Rs. 10 each fully paid-up in The Industrial Finance Corporation of India	0.04	0.05
4) 11,360 Equity Shares of Rs.10 each fully paid up in Industrial Development Bank of India	9.23	9.23
3) Investment in Govt. Securities :-		
a) National Plan Saving Certificates (lodged with Govt. Department towards Security)	0.58	0.59
b) 500 Bonds of Rural Electrification Corporation Ltd.	50.00	50.00
4) Nil (31st March 2012 : 7,12,110.482) Units of UTI Mutual Fund Service Industries fund Sector (Amount invested towards 15% Liquidity on Fixed Deposits held u/s 58A of The Companies Act) (Sold During the Year)	--	201.10
Total	11327.75	10909.96
Aggregate amount of unquoted Investments	3694.63	3726.56
Aggregate amount of quoted investments	7633.12	7183.40
Aggregate Market Value of quoted investments	7833.86	8516.67
Aggregate amount of Diminution in Value of Investment	--	--

Notes Forming Part of Consolidated Accounts

(Rs. in Lakhs)

Note-12

12 Loans and advances	Non - Current		Current	
	As at 31 March 2013	As at 31 March 2012	As at 31 March 2013	As at 31 March 2012
Capital Advances				
Secured, considered good	--	--	--	--
Unsecured, considered good	81.40	929.52	--	0.57
(A)	81.40	929.52	--	0.57
Security Deposit				
Secured, considered good	--	--	--	--
Unsecured, considered good	1103.28	520.45	84.38	148.52
Doubtful	--	--	--	--
(B)	1103.28	520.45	84.38	148.52
Loans and advances to related parties				
Unsecured, considered good	--	--	100.00	500.46
(C)	--	--	100.00	500.46
Advances recoverable in cash or kind				
Secured, considered good	--	--	--	--
Unsecured, considered good	--	--	1286.51	1692.77
Doubtful	--	--	20.62	11.82
Provision for doubtful advances	--	--	20.62	11.82
(D)	--	--	1286.51	1692.77
Other Loans and Advances				
Excise Duty Paid in Advance (Including Cenvat Credit Pending Utilisation)	--	--	584.21	666.35
Advances to Trade Payables	--	--	277.51	120.93
MAT Credit	--	--	7.97	8.64
Advance Income-tax	87.68	68.35	13168.49	10895.11
Income Tax Deducted at Source	--	--	109.97	85.76
Income Tax Refund Receivable	--	--	0.96	0.96
Prepaid expenses	12.94	14.37	178.01	123.84
Balances with statutory/government authorities	98.44	97.77	4.00	67.05
Others	--	--	43.67	10.69
(E)	199.06	180.49	14374.79	11979.33
Total [A+B+C+D+E]	1383.74	1630.46	15845.68	14321.65

Notes Forming Part of Consolidated Accounts

(Rs. in Lakhs)

Note-13.1

13.1 Trade receivables

	Non - Current		Current	
	As at 31 March 2013	As at 31 March 2012	As at 31 March 2013	As at 31 March 2012
Secured, considered good			4.26	4.52
Unsecured, considered good				
Less than 6 Months from the due date for payment			8877.89	8944.04
More than 6 Months from the due date for payment			440.84	419.22
Doubtful			36.91	15.02
			-----	-----
			9359.90	9382.80
Provision for doubtful receivables			36.91	15.02
			-----	-----
(A)			9322.99	9367.78
			-----	-----
Other receivables				
Secured, considered good			--	--
Unsecured, considered good			5377.40	4733.74
Doubtful			--	--
Provision for doubtful receivables				
(B)			5377.40	4733.74
			-----	-----
Total [A+B]			14700.39	14101.52
			-----	-----

Note-13.2

13.2 Other Assets

	Non - Current		Current	
	As at 31 March 2013	As at 31 March 2012	As at 31 March 2013	As at 31 March 2012
Unsecured, considered good unless stated otherwise				
Non-current bank balances				
[A]	--	--	--	--
Unamortised expenditure				
Unamortised Preliminary Expenses	0.94	0.94		
[B]	0.94	0.94	--	--
Others				
Interest accrued on fixed deposits			84.60	39.40
IT Refund Receivable	17.03	11.34		
Others			0.57	0.38
[C]	17.03	11.34	85.17	39.78
	-----	-----	-----	-----
Total [A+B+C]	17.97	12.28	85.17	39.78
	-----	-----	-----	-----

(Rs. in Lakhs)

Notes Forming Part of Consolidated Accounts

Note-14

14 Inventories (valued at lower of cost and net realisable value)

	As at 31 March 2013	As at 31 March 2012
Raw materials and components at Cost	4478.53	4969.43
Work-in-progresss		
: At Cost	1413.97	1630.45
: At Estimated Realisable Value	101.32	
Finished goods		
: At Cost	11891.06	10880.83
: At Estimated Realisable Value	11718.80	13392.43
Traded goods		
Stores and spares at Cost	5061.57	4438.08
Loose tools	50.68	50.43
Others	29.56	28.90
Total	34745.49	35390.55

Note-15

15 Cash and bank balances

	Non - Current		Current	
	As at 31 March 2013	As at 31 March 2012	As at 31 March 2013	As at 31 March 2012
Cash and Cash Equivalents :				
Balances with Banks:				
On current accounts			1749.88	989.78
Cheques/drafts on hand			849.13	763.81
Cash on hand			14.06	13.96
[A]			2613.07	1767.55
Other Bank Balances :				
Deposits with original maturity for more than 12 months			--	--
Deposits with original maturity more than 3 months but less than 12 months			104.70	95.03
On unpaid dividend account			126.88	120.61
Earmarked Balances with Banks (15% Liquidity on Fixed Deposits held U/s 58A of The Companies Act 1956)			49.80	
Margin money deposit			278.26	485.30
[B]			559.64	700.94
Total			3172.71	2468.49
MINORITY INTEREST			As at 31-03-13	As at 31-03-12
Share capital			412.32	412.32
Add: Share in				
General Reserve			4791.39	4566.54
Capital Reserve			19.00	19.00
Securities Premium			352.45	352.45
Provision for dividend(including tax)			280.35	232.09
Statement of Profit and loss			630.12	486.18
Total			6485.63	6068.58

Notes Forming Part of Consolidated Accounts

(Rs. in Lakhs)

Note-16

16 Revenue from operations	This Year	Previous Year
Sale of products:		
Finished goods	129710.51	118173.33
Traded goods	247.46	93.27
Sale of services	405.95	392.24
Other operating revenue :		
Freight & Sale Expenses Recovered	1843.14	1909.04
Subsidy Received on Superphosphate Sales	1073.69	2067.34
Export Premium on Sugar	70.25	351.56
Carbon Credits from Wind Mills	--	75.14
Minimum off Take Commitment income from ISRO	249.93	--
Processing & Job Work Income	580.04	361.53
	-----	-----
Revenue from operations (gross)	134180.97	123423.45
Less: Excise Duty	10958.55	9105.76
	-----	-----
Revenue from operations (net)	123222.42	114317.69
	-----	-----

Note-17

17 Other Income	This Year	Previous Year
Interest income on		
Bank deposits	249.47	267.49
Others	127.68	75.30
Dividend income on		
Long-term investments	377.09	457.47
Rent received	92.73	74.71
Net gain on sale of Long-term investments	0.00	5.00
Net gain on sale of Assets	62.06	25.69
Net gain on Sale of Current Investment	12.79	--
Other non-operating income #	609.31	627.77
	-----	-----
Total	1531.13	1533.43
	-----	-----

Other non-operating income includes :

	This Year	Previous Year
Unclaimed balances Credited Back	5.66	0.72
Excess Provision in Earlier Years Credited Back	28.86	3.84
Claims Received	14.22	63.07
Difference in Exchange-(Net)	0.61	81.67
Weighment Charges Received	4.46	3.71
Income not relating to this year	0.34	0.60
Income from Agriculture (Net)	--	2.50
Misc.Scrap Sales	533.41	471.24
Misc. Receipts	21.75	0.42
	-----	-----
Total	609.31	627.77
	-----	-----

Notes Forming Part of Consolidated Accounts

(Rs. in Lakhs)

		Note-18	
		This Year	Previous Year
18 Cost of raw material consumed			
Inventory at the beginning of the year		4969.42	6831.19
Add: Purchases		59284.05	60422.96
Less: Sale of raw material		865.43	862.95
Less: Inventory at the end of the year		4478.53	4969.43
		-----	-----
Cost of raw material consumed		58909.51	61421.77
		-----	-----
		Note-19	
		This Year	Previous Year
19 (Increase)/decrease in inventories			
Inventories at the end of the year			
Traded goods			
Work-in-progress		115.16	139.80
Finished goods		663.02	(5724.58)
		-----	-----
		778.18	(5584.78)
		-----	-----
Inventories at the beginning of the year			
Traded goods			
Work-in-progress		139.80	(621.99)
Finished goods		(5724.58)	(10582.05)
		-----	-----
		(5584.78)	(11204.04)
		-----	-----
Details of purchase of traded goods		This Year	Previous Year
Acetic Anhydride		163.26	61.12
		-----	-----
		163.26	61.12
		-----	-----
		Note-20	
		This Year	Previous Year
20 Employee benefit expense			
Salaries, wages and bonus		8058.26	7434.67
Contribution to provident and other fund		937.86	834.49
Gratuity expense		157.62	420.36
Staff welfare expenses		341.83	318.54
		-----	-----
Total		9495.57	9008.06
		-----	-----
		Note-21	
		This Year	Previous Year
21 Depreciation and amortisation expense			
Depreciation of tangible assets		5125.34	4831.58
Amortisation of intangible assets		5.90	0.58
		-----	-----
Total		5131.24	4832.16
		-----	-----

Notes Forming Part of Consolidated Accounts

(Rs. in Lakhs)

	Note-22	
	This Year	Previous Year
22 Finance Costs		
Interest	2207.79	2289.72
Diff. in Exchange treated as Finance Cost	45.18	7.34
Other Borrowing Costs	62.48	67.20
	-----	-----
Total	2315.45	2364.26
	-----	-----

	Note-23	
	This Year	Previous Year
23 Other expenses		
Consumption of stores and spares	4184.16	4021.79
Increase/(decrease) of excise duty on inventory	(182.62)	269.11
Power and fuel	16056.60	12117.06
Sugarcane development Expenses	130.04	143.74
Rent	30.69	24.20
Rates and taxes	780.11	782.97
Insurance	184.46	166.38
Repairs and maintenance		
Plant and machinery	3634.72	3865.05
Buildings	418.80	298.85
Others	630.21	633.29
Advertising and sales promotion	112.97	65.82
Handling Transport & Expenses	3392.94	3310.43
Sales commission	705.06	699.90
Bank Charges	77.18	77.19
Travelling Expenses	2.65	1.80
Legal and professional fees	0.25	0.31
Directors' sitting fees	16.56	13.59
Payment to auditors (Refer details below)	27.78	25.12
Exchange differences (net)	250.14	129.70
Donations	280.35	285.57
Assets Written off	21.07	20.12
Stores & Spares written off	60.26	286.57
Provision for doubtful debts and advances	30.69	1.00
Bad Debts written off	0.50	--
Excess off take charges to ISRO	39.63	--
Net loss on Sale of long-term Investments	15.24	--
Loss from Agriculture(Net)	4.68	--
Miscellaneous expenses	1098.96	889.22
	-----	-----
Total	32004.08	28128.78
	-----	-----

	This Year	Previous Year
Payment to Auditors		
As Auditor	13.85	12.15
For Taxation Matters	3.21	4.68
For Limited review & Other Certifications	5.32	4.85
For Reimbursement of Expenses	1.31	0.85
As Cost Auditors	2.90	2.15
Fee for Certification	0.75	0.25
For Reimbursement of Expenses	0.44	0.19
	-----	-----
Total	27.78	25.12
	-----	-----

ANNEXURE - I

Particulars disclosed pursuant to "Accounting Standard -18 Related Party Disclosures"

(A) LIST OF RELATED PARTIES:

1) Key Management Personnel :(Viz., Whole-time directors)

The Andhra Sugars Limited

Dr. B.B.Ramaiah
Sri P.Narendranath Chowdary
Sri M.Narendranath
Sri M.Thimmaraja
Sri P.Achuta Ramayya
Sri P.S.R.V.K.Ranga Rao

JOCIL Limited

Sri J.Murali Mohan

The Andhra Farm Chemicals Corporation Limited

Sri P.V.Krishna Rao

2) Relatives of Key Management Personnel

Sri B.V.V.S.Ramesh Kumar	Son of Dr. B.B.Ramaiah
Smt. Pendyala Jhansi Jayalakshmi	Wife of Sri P.Narendranath Chowdary
Kum. Pendyala Anantha Lakshmi Satyavathi Devi	Daughter of Sri P.Narendranath Chowdary
Smt. Sri Balusu Ranganayaki	Sister of Sri P.Narendranath Chowdary
Smt. Ethirajulu Rama Lakshmi	Sister of Sri P.Narendrnath Chowdary
Smt. Jagarlamudi Akkamamba	Sister of Sri P.Narendrnath Chowdary
Smt. Jujjavarapu Usha Rani	Sister of Sri P.Narendrnath Chowdary
Smt. Maddipoti Kamala Devi	Sister of Sri P.Narendrnath Chowdary
Smt. Mullapudi Satyanarayanamma	Sister of Sri P.Narendrnath Chowdary
Smt. Nutakki Anantha Lakshmi	Sister of Sri P.Narendrnath Chowdary
Smt. Jayaraman Anantha Lakshmi	Sister of Sri M.Narendranath
Smt. Nidadavolu Venkataramanamma	Sister of Sri M.Narendranath
Smt. Yalamarathi Narayanamma	Sister of Sri M.Narendranath
Smt. Mullapudi Narayanamma	Wife of Sri M.Narendranath
Smt. Gaddipati Jayashree	Daughter of Sri M.Narendranath
Smt. Goli Anuradha	Daughter of Sri M.Narendranath
Sri Mullapudi Vikram Prasad	Son of Sri M.Narendranath
Smt. Mullapudi Renuka	Wife of Sri M.Thimmaraja
Smt. Goli Devi	Daughter of Sri M.Thimmaraja
Sri Mullapudi Mrutyamjaya Prasad	Son of Sri M.Thimmaraja
Smt. Pendyala Archana	Daughter of Sri P.V.Krishna Rao
Sri Pendyala Venkata Rayudu	Son of Sri P.V.Krishna Rao

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Sri. Pendyala Ravi	Son of Sri P.V.Krishna Rao
Smt. Pendyala Sessa Shailaja	Wife of Sri P.Achuta Ramayya
Smt. Pendyala Divya Atchamamba	Daughter of Sri P.Achuta Ramayya
Kum. Pendyala Sruthi Rajeswari	Daughter of Sri P.Achuta Ramayya
Smt. Pendyala Sujatha	Mother of Sri P.S.R.V.K.Ranga Rao
Smt. Pendyala Usha Lakshmi	Wife of Sri P.S.R.V.K.Ranga Rao
Kum. Pendyala Meghana Sri Sai Sujatha	Daughter of Sri P.S.R.V.K.Ranga Rao
Chy. Pendyala Pridvi Sri Narendrarayudu	Son of Sri P.S.R.V.K.Ranga Rao
Smt. Jagarlamudi Gangabhavani Devi	Mother of Sri J.Murali Mohan
Smt. Vemana Indira	Sister of Sri J.Murali Mohan
Smt. Jagarlamudi Sunitha Mohan	Wife of Sri J.Murali Mohan
Smt. Jagarlamudi Namrata	Daughter of J.Murali Mohan

3) Entities in which Key Management Personnel and/or their relatives have significant influence:

Andhra Pradesh Gas Power Corporation Limited
J J Finance
J L Finance
Jaya Agro Chemicals
Jaya Finance
Jaya Industries
Jayalakshmi Chemical Enterprises Pvt. Limited
Jayalakshmi Estates
Jayalakshmi Estates Limited
Jayalakshmi Fertilisers
Jayalakshmi Finance
Jayalakshmi Plastics and Chemicals
Ramaiah & Co.
Royal Printing Works
Sree Akkamamba Textiles Limited
Sree Mullapudi Kamala Devi Cardio Vascular Centre
Sree Mullapudi Thimmaraju Memorial Library and Cultural Centre
Sree Mullapudi Venkataramanamma Memorial Hospital
Sree Rangaraya Estates
Sree Sarvaraya Sugars Limited
Sree Satyanarayana Spinning Mills Limited
Sri Pendyala Venkata Krishna Rao Memorial Trust
Sugarfield Constructions Pvt. Limited
Sree Harischandra Prasad Investment & Finance Co. Limited
Sree Mullapudi Venkatarayudu Memorial Education Trust
Sree Mullapudi Venkataraya Memorial Polytechnic
Sree Mullapudi Venkatarayudu Memorial Medical Trust
The Mullapudi Investment & Finance Co. Pvt. Limited
Thimmaraja Investmet & Finance Co. Pvt. Limited
Vibhas Polymers Pvt. Limited

4) Associate:

The Andhra Petrochemicals Limited

(B) TRANSACTIONS WITH THE RELATED PARTIES:

(Corresponding figures related to 31st March, 2012)

(Rs. in Lakhs)

PARTICULARS	Entities in which KMP or their relatives have significant influence	Associate Company	Key Management Personnel	Relatives of Key Management Personnel
Purchase of Goods from	5037.56 (5305.15)	0.00 (2.30)	21.80 (23.72)	10.75 (28.96)
Inter-Corporate Loans given to	0.00 (500.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Inter-Corporate Loans re-payment from	400.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Fixed Deposits Received from	0.00 (0.00)	0.00 (0.00)	1072.47 (923.30)	1521.13 (1895.60)
Fixed Deposits re-paid on maturity	0.00 (0.00)	0.00 (0.00)	501.50 (442.00)	307.35 (894.40)
Services Rendered by	6.60 (6.95)	0.00 (0.00)	19.55 (17.70)	2.28 (2.12)
Sale of Goods to	1264.00 (1120.13)	60.73 (61.45)	4.37 (3.40)	0.00 (0.00)
Sale of Fixed Assets to	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Services Rendered to	0.00 (0.00)	1.40 (0.77)	0.00 (0.00)	0.00 (0.00)
Interest Paid on Fixed Deposits	0.11 (0.11)	0.00 (0.00)	342.06 (290.64)	681.52 (593.46)
Interest Received on IC Loan	47.19 (23.12)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Remuneration (including Commission) paid to	0.00 (0.00)	0.00 (0.00)	1450.68 (1371.64)	6.11 (6.76)
Donations Paid to	205.00 (235.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Dividend Paid to	108.02 (77.10)	0.00 (0.00)	262.80 (179.40)	491.51 (364.27)
Dividend Received from	1.40 (2.80)	123.94 (246.27)	0.00 (0.00)	0.00 (0.00)
Balances as at 31-03-2013				
a) Share Capital held by the Company	3658.49 (3658.49)	3660.56 (3127.47)	0.00 (0.00)	0.00 (0.00)
b) Receivables- Trade dues from	90.11 (82.51)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
c)Loans/Inter-corporate loans	100.00 (500.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
d) Share Capital of the company held by	154.31 (154.20)	0.00 (0.00)	376.58 (376.07)	695.83 (675.41)
e) Fixed Deposits Payable	1.00 (1.00)	0.00 (0.00)	3373.87 (2834.09)	6851.78 (5823.19)
f) Loans/ Inter-corporate loans given to	100.00 (500.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
g) Payables : - Trade dues	349.89 (427.73)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
- Interest on F D's.	0.02 (0.02)	0.00 (0.00)	76.02 (59.04)	156.55 (146.04)
- Remuneration (including Commission)	0.00 (0.00)	0.00 (0.00)	1158.04 (1190.58)	0.37 (0.35)

ANNEXURE - II

STATEMENT SHOWING SEGMENT WISE ANALYSIS AS ON 31.03.2013

(Rs. in Lakhs)

Description	SUGAR		CAUSTIC SODA		POWER GENERATION		INDUSTRIAL CHEMICALS		SOAPS		OTHERS		ELIMINATIONS		CONSOLIDATED	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
REVENUE:																
External sales	25942.20	18975.17	36882.52	36188.91	2119.14	1242.10	29589.23	28800.42	23196.28	22858.92	5493.05	6252.17			123222.42	114317.69
Inter-segment sales	2698.09	3169.66	3223.47	2805.10	4370.50	3887.03	16453.92	15271.09	--	--	46.06	86.47	26792.04	25219.35		
Total revenue	28640.29	22144.83	40105.99	38994.01	6489.64	5129.13	46043.15	44071.51	23196.28	22858.92	5539.11	6338.64	26792.04	25219.35	123222.42	114317.69
RESULT:																
Segment result before Interest, Extra-ordinary items	3427.52	604.74	9108.57	12468.19	944.67	207.03	5422.93	5895.15	1096.57	882.57	1078.40	2046.23			21078.66	22103.91
Unallocated corporate expenses less Income															4958.75	4545.73
Operating Profit															16119.91	17566.68
Interest expenses															2315.45	2289.72
Interest income															377.15	342.787
Profit before tax															14181.61	15619.75
Provision for current and deferred tax															5268.74	5055.51
Net profit after tax															9008.68	11481.97
OTHER INFORMATION:																
Segment Assets	31605.80	34725.65	36208.31	33896.13	14977.83	15076.47	15222.65	15129.10	6367.59	4645.96	7542.05	5437.38			111924.23	108910.69
Unallocated Corporate Assets											27911.30	27628.77			27911.30	27628.77
Total Assets															139835.53	136539.46
Segment Liabilities (Current)	4504.54	11186.15	5292.02	4535.31	152.09	201.69	1300.07	4046.89	82.78	160.52	1097.98	1419.58			12429.48	21550.14
Unallocated Corporate Liabilities											24881.32	22646.08			24881.32	22646.08
Total Liabilities															37310.80	44196.22
Capital expenditure	1142.00	410.04	3616.59	727.98	150.31	2626.79	1017.16	845.96	129.08	1217.02	478.95	750.06			6534.09	6577.85
Depreciation	877.07	831.65	2037.93	2011.33	1020.22	912.72	674.71	634.44	227.00	182.55	296.09	262.41	1.78	2.94	5131.24	4832.16
Non-cash Expenditure other than depreciation															--	--

Notes :

1. The Company and its subsidiaries have disclosed Business Segment as the Primary Segments. Segments have been identified taking into account the nature of Products, the different risks and returns, the organisation structure and internal reporting system.
2. The Operations of the Parent Company and its subsidiaries predominantly relate to manufacture of Sugar, Caustic Soda, Soaps, Industrial Chemicals comprising mainly Fatty Acids, Industrial Alcohol, Acetic acid, Sulphuric Acid and its related products and Liquid propellants.
3. The business segments that are disclosed under "Others" comprise Fertilisers, Bulk Drugs, Edible Oils and Transportation receipts etc.
4. All the Group companies operate predominantly in the Indian markets and have no production facilities outside India. Hence there are no separately reportable Geographical segments.
5. Inter-segment transfers are priced at market rates.

GROUP CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2012-13

	2012-13	(Rs.in Lakhs) 2011-12
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and extra-ordinary items	14181.61	15619.75
ADJUSTMENTS FOR:		
Depreciation	5131.24	4832.14
Assets written off	5.05	20.12
Interest (Net)	1830.66	1946.94
Profit/Loss on sale of assets(Net)	(62.06)	(25.69)
Profit/Loss on sale of investments	2.45	(5.00)
Dividends received	(377.09)	(457.47)
Wealth Tax	3.76	5.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	20715.62	21935.79
Trade and other receivables	(895.78)	(3217.92)
Inventories	645.06	(3437.71)
Trade payables	(1485.71)	(1119.13)
Other current liabilities & provsions	2005.47	(555.34)
Short-term loans & other current assets	460.13	(166.84)
CASH GENERATED FROM OPERATIONS	21444.79	13438.86
Direct taxes paid	5091.29	4639.58
NET CASH FROM OPERATING ACTIVITIES.... A	16353.50	8799.28
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets (Including Capital Work-in-progress, unallocated capital expenditure)	(5232.72)	(6035.50)
Sale of Fixed assets	114.73	33.68
Sale of investments	196.86	55.00
Purchase of Non-current Investments	(533.10)	(0.48)
Purchase of Current Investments	(1575.00)	--
Interest received	377.13	345.98
Sale of current Investments	1586.79	--
Deposits/Withdrawal of Inter-corporate advances	(7.00)	(22.00)
Dividends received	132.77	262.01
NET CASH USED IN INVESTING ACTIVITIES....B	(4939.54)	(5361.31)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings/loans	(6128.61)	384.96
Dividends paid	(2373.35)	(1860.85)
Interest paid	(2207.78)	(2292.93)
NET CASH FROM FINANCING ACTIVITIES.....C	(10709.74)	(3768.82)
INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	704.22	(330.85)
Cash and Cash equivalents as on 01.4.2012	2468.49	2799.34
Cash and Cash equivalents as on 31.3.2013	3172.71	2468.49
	704.22	(330.85)

As per our report of even date for BRAHMAYYA & Company Chartered Accountants Firm Regn. No. 000513S T.V. Ramana Partner Membership No: 200523

Camp: TANUKU
Date: 27.05.2013

For and on behalf of the Board of Directors of The Andhra Sugars Limited

Dr. B.B. Ramaiah
A. Ranga Rao
M. Palachandra
P.V.S. Viswanadha Kumar

TANUKU
27.05.2013

Chairman & Managing Director
Director
Company Secretary
G.M.(Finance) & Asst. Secretary

STATEMENT REGARDING SUBSIDIARY COMPANIES AS ON 31-03-2013

(Rs. in lakhs)

Name of the Subsidiary Company	JOCIL Ltd.	The Andhra Farm Chemicals Corporation Limited	Hindustan Allied Chemicals Limited
1. Capital	888.16	45.00	10.63
2. Reserves	13321.00	272.45	87.21
3. Total Assets	24803.90	451.26	49.84
4. Total Liabilities	10730.17	133.83	2.00
5. Investments	135.40	0.03	50.00
6. Total Income	40927.54	637.57	6.24
7. Profit before Taxation	2294.46	(57.37)	5.66
8. Provision for Tax	831.37	17.56	1.75
9. Profit after Taxation	1462.06	(39.81)	3.92
10. Proposed Dividend	532.87	--	--



BANK PARTICULARS

To
The Company Secretary,
The Andhra Sugars Limited,
Venkatarayapuram
TANUKU - 534 215

Date :

FOR OFFICE USE ONLY
Ref. No. :
Date :

Dear Sir,

Sub : Payment of Dividend (Year 2012-2013) (Electronic Clearing Service / Bank Particulars)

ECS MANDATE

* I Wish to participate in the Electronic Clearing Service and give below the details of my bank account, to which you may electronically credit the payment due to me against the reference folio number mentioned below:

1. Name of the First Holder (In Block Letters) : _____

2. Regd. Folio No. :

--	--	--	--	--	--

3. Bank, Branch Name & Address : _____

4. Account Number : _____
(As appearing on your Cheque Book)

5. Ledger Folio Number : _____
(As appearing on your Cheque Book)

6. Account Type : _____
(Saving Bank / Current / Cash Credit A/c)

7. 9 Digit Code number of the Bank & Branch : _____
appearing on the MICR Cheque issued by the Bank. (Please attach a photocopy of cheque for verifying the accuracy of the MICR Code Number)

--	--	--	--	--	--	--	--	--	--

BANK MANDATE

* **I do not wish to opt for ECS facility** and therefore request the following Bank details to be incorporated on the Dividend Warrant.

Bank Name : _____

Branch Name & Address : _____

A/c Type (SB / Current / Cash Credit) : _____

A/c Number (as mentioned in Cheque Book) : _____

(* Strike out which is not applicable)

I hereby declare that the particulars given above are correct and complete. I undertake to inform of any subsequent changes in the above particulars. If the ECS payment transaction is delayed or not effected for any reasons beyond the control of the Company, I would not hold the Company responsible.

Signature of the first named shareholder : _____

Name : _____

Address : _____

Note : In case of shares held in demat form, the above particulars for ECS facility / bank particulars have to be provided to your Depository Participant (DP), quoting your Client ID No. to them.

THE ANDHRA SUGARS LIMITED
E-MAIL REGISTRATION FORM
(exclusively for Shareholders holding shares in physical form)

To
Company Secretary
The Andhra Sugars Limited
Venkatarayapuram
TANUKU – 534215
West Godavari District.
Andhra Pradesh

Dear Sir,

Sub: **Registration of E-mail**

Regd. Folio No. :

Name of First Shareholder : _____

Name(s) of Joint Shareholder(s) : _____

E-mail ID to be registered : _____

Date:

Signature of the first named Shareholder : _____

- Note : 1. On registration of e-mail, all the communications, including the Annual Reports, will be sent at the said registered e-mail.
2. Shareholders are requested to keep the Company informed of any change in their e-mail ID.