



**TILAN SUGAR LIMITED**

**ACCOUNTS**

**31.12.2009**



## **TILAN SUGAR LIMITED**

### **Board of Directors**

Sri K. Nagendran  
Sri P Natarajan  
Sri S. Baskar  
Sri P. Sankararaja Pandian

### **Registered Office**

102 Anna Salai  
Chennai 600 101

### **Corporate Office**

Sakthi Sugars Building  
180 Race Course Road  
Coimbatore 641018

### **Auditors**

Raman Associate  
Chartered Accountants  
R E Apartments (First floor)  
70 Arya Gowda Road  
West Mambalam  
Chennai 600033

**TILAN SUGAR LIMITED**  
**NOTICE TO THE MEMBERS**

Notice is hereby given that the Eleventh Annual General Meeting of the Company will be held at the Registered Office of the Company, 102 Mount Road, Guindy, Chennai 600 032, on Wednesday the 30<sup>th</sup> June 2010, at 3.00 PM.

Ordinary Business

1. To consider and adopt the audited Balance Sheet as at 31<sup>st</sup> December 2009 and Directors Report and the Auditors Report thereon.
2. To appoint a Director in the place of Sri P Natarajan, who retires by rotation and is eligible for reappointment.
3. To appoint M/s. Raman Associate, Chartered Accountants, as Auditors of the Company for holding office upto the conclusion of the next Annual General Meeting and fix their remuneration.

By Order of the Board

Place : Coimbatore  
Date: 25<sup>th</sup> February 2010

Sd..  
P.Sankararaja Pandian  
Director

---

Note:

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the company. Proxies, in order to be effective, must be received by the Company at its Registered Office not less than 48 hours before the meeting.

## **TILAN SUGAR LIMITED**

### **REPORT OF THE DIRECTORS**

To

The Members

Your Directors present their 11th Annual Report together with the audited financial accounts for the year ended 31<sup>st</sup> December 2009.

#### **Operations**

During the year under review the Company has not commenced its operation.

#### **Directors**

Sri P Natarajan, Director, retire by rotation at the ensuing Annual General Meeting and is eligible for reappointment.

#### **Directors' Responsibility Statement**

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby stated and confirm that:

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

#### **Public Deposit**

The Company has not accepted deposits from public and provisions of Section 58A of the Companies Act, 1956 and rules made thereunder do not apply.

### **Particulars of Employees**

The Company has no employee drawing remuneration attracting the provisions of Section 217(2A) of the Companies Act,1956.

### **Conservation of Energy,Technology Absorption, Foreign Exchange Earnings and Outgo**

The Company is not carrying on any manufacturing activity and hence the particulars of conservation of energy,etc. are not given. During the year there was no foreign exchange earning or outgo.

### **Auditors**

M/s Raman Associate, Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. A certificate under Section 224(1B) of the Companies Act has been obtained from them.

### **Auditors Report**

The notes to the accounts referred to in the Auditors Report are self explanatory and therefore do not require any further comments or explanations under Section 217(3) of the Companies Act,1956.

### **Secretarial Compliance Certificate**

The Company obtained Secretarial Compliance Certificate from a Practicing Company Secretary in practice u/s 383A(1) of the Companies Act,1956, and the same is enclosed.

### **Acknowledgement**

Your Directors wish to place on record their appreciation of the valuable service and co-operation extended by all concerned.

By Order of the Board

Sd..  
S. Baskar  
Director

Sd..  
P. Sankararaja Pandian  
Director

Place: Coimbatore  
Date : 25<sup>th</sup> February 2010



# RAMAN ASSOCIATE

Chartered Accountants

Branch : I Floor, RE. Apartments,

No. 70, Arya Gowda Road, West Mambalam, Chennai - 600 033

Telephone : 091-044-24716226 / 24717337  
Tele Fax : 091-044-24717337  
E-mail : ramanassociate@rediffmail.com  
ramanassociate@yahoo.com

## AUDIT REPORT TO THE MEMBERS OF TILAN SUGAR LIMITED

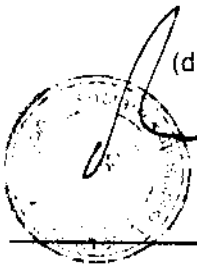
We have audited the attached Balance Sheet of M/s. Tilan Sugar Limited, as at 31<sup>st</sup> December 2009. No Profit & Loss Account of the Company for the year ending 31<sup>st</sup> December 2009 has been prepared, as the company has not commenced any manufacturing, trading or specified activities during the year. The financial statements are responsibility of the company management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes (a) Examining, on a test basis, evidence to support the financial statement amounts and disclosures in the financial statement (b) Assessing the accounting principles used in the preparation of financial statements (c) Assessing significant estimates made by the management in the preparation of the financial statements and (d) Evaluating overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to in paragraph (3) above, 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 purposes of 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 the books of the Company;
- (c) The Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the books of account of the Company;
- (d) In our opinion, the accounts comply with the accounting standards referred to in section 211(3C) of the Companies Act, 1956;



Chennai - H.O. Mylapore : 044-24996255 Chennai Branch - Kodambakkam : 044-2480 1097

Branch - Bangalore : 091-080-22280874 Branch - Chidambaram : 091-04144-222697



- (e) On the basis of written representations received from the directors, and taken on record by the Board of Directors, in our opinion, none of the directors is disqualified from being appointed as director u/s. 274(j)(g) of the Companies Act, 1956;
- (f) The Company is not covered under section 441A of the Companies Act, 1956 with regard to payment of cess.
- (g) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet together with other notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India: -
- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> December 2009.

For Raman Associate  
Chartered Accountants

**S. Vasudevan**  
Partner  
M. No. 020739



Chennai, 25<sup>th</sup> February 2010



### ANNEXURE TO AUDITORS' REPORT

In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under:

#### Fixed Assets

- (i) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets. The company has a programme of physical verification of fixed assets in a phased manner over two years. In our opinion, the programme is reasonable, having regard to the size of the company and nature of its assets. The Company does not hold any fixed assets.

#### Inventory and its physical verification

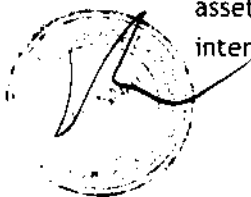
- (ii) There was no stock of inventory as at 31<sup>st</sup> December 2009.

#### Loans granted / taken from related Companies

- (iii) The Company has not taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (iv) The Company has granted loans to Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956, and/or Companies under the same management. In our opinion, the terms and conditions of such loans are not *prima facie* prejudicial to the interests of the Company.

#### Internal Control

- (v) In our opinion, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets. In our opinion, there is no continuing failure to correct major weaknesses in internal control.







**Transactions with parties' u/s. 301**

- (vi) There were no transactions exceeding the value of five lakh rupees in the financial year in respect of any party.

**Public Deposits**

- (vii) The Company has not accepted deposits from the public during the year.

**Internal Audit**

- (viii) The Company has no internal audit system. However, in our opinion and according to the information given to us, the existing internal control procedures are sufficient considering the size and nature of its business.
- (ix) Since the Company is yet to commence its business activities, the question of appointing internal auditors does not arise.

**Cost Records**

- (x) The Company is yet to commence its business activities. Hence, the maintenance of cost records pursuant to the order made by the Central Government for the same under Section 209(1) (d) of the Companies Act, 1956, is not applicable to this Company for the year under review.

**Statutory Dues**

- (xi) (a) The provisions of the Employees Provident Fund and Employees State Insurance Scheme Act do not apply to this Company, since the Company is yet to commence its business activities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Sales tax, Wealth tax, Customs duty and Excise duty were outstanding as at 31<sup>st</sup> December 2009, for a period of more than six months from the date they became payable.

**Sick Company**

- (xii) The Company is yet to commence its business activities. As such, the company is not a Sick Company within the meaning of clause (o) of sub-section 1 of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.





**Default in dues to Bank / Financial Institutions / Debenture holders**

- (xiii) The Company has not taken any loan during the year and the question of default does not arise.

**Loans and advances made by the Company**

- (xiv) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

**Nidhi / Mutual Benefit Fund / Chit Funds**

- (xv) The Company is not a chit fund, nidhi or mutual benefit fund/society.

**Record of Shares, Securities**

- (xvi) The Company is not dealing or trading in shares, securities, debentures and other investments.

**Guarantees given by the Company**

- (xvii) The Company has not given any guarantee for loans taken by others from bank or financial institutions.

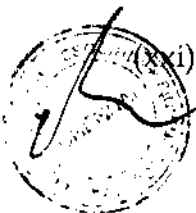
**Term Loans and Short-term funds taken**

- (xviii) No term loans were taken during the year.
- (xix) No funds were raised during the year to confirm that the funds raised on short-term basis have not been used for long-term investment and *vice versa*.

**Preferential allotment of shares**

- (xx) The Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Act.

**Debenture Security**



- (xxi) No Securities have been created in respect of debentures as no Debentures have been issued by the Company.



**Disclosure of end use of funds raised in public issues**

- (xxii) The Company has not raised any equity during the year and as such the question of disclosure of end use of such money raised does not arise.

**Frauds noticed**

- (xxiii) During the checks carried out by us, no fraud on or by the Company has been noticed or reported during the year under report.

For Ramam Associate  
Chartered Accountants

G. Vasudevan  
Partner  
M. No. 020739



Chennai, 25<sup>th</sup> February 2010

Balance Sheet

Particulars	Schedule	As at	
		31 <sup>st</sup> December 2009	31 <sup>st</sup> December 2008
<b>Sources of Funds</b>			
1. Shareholders Funds			
a. Share Capital	1		
<b>Application of Funds</b>			
2. Fixed Assets			
Gross Block		Nil	Nil
Less : Depreciation		Nil	Nil
Net Block			Nil
3. Current Assets, Loans & Advances			
a. Cash & Bank Balances	2	375	675
b. Loans & Advances	3	3,97,58,025	3,97,61,125
		3,97,58,400	3,97,61,800
Less : Current Liabilities & Provisions	4	1,79,060	1,51,485
Net Current Assets			
4. Miscellaneous Expenditure	5		
[to the extent not written off or adjusted]			
5. Notes on Accounts	6		
			7,31,74,000

As per our report of even date  
For Ramani Associate  
Chartered Accountants

G. Vasudevan  
Partner  
M. No. 020739



Chennai, 25th February 2010

For and on behalf of the Board

*S. Baskar*  
S. Baskar  
Director

*P. Sankararaja Pandian*  
P. Sankararaja Pandian  
Director

CERTIFIED TRUE COPY

For TILAN SUGAR LTD

*[Signature]*  
Director

**Tilan Sugar Ltd.**  
No. 102, Mount Road, Guindy, Chennai - 600 032

**Schedules to Account**

Particulars	As at 31-12-2009	As at 31-12-2008
	Rs.	Rs.
<b>1. SHARE CAPITAL</b>		
Authorised :		
1,20,00,000 Equity Shares of Rs. 10 each	<b>12,00,00,000</b>	12,00,00,000
Issued, Subscribed & Fully Paid-up :		
73,37,300 Equity Shares of Rs. 10 each	7,33,73,000	7,33,73,000
	<b>7,33,73,000</b>	<b>7,33,73,000</b>
<b>2. CASH &amp; BANK BALANCES</b>		
Cash on hand - as certified by the Management	375	675
Cash at banks in Current Accounts	Nil	Nil
	<b>375</b>	<b>675</b>
<b>3. LOANS &amp; ADVANCES</b>		
(Unsecured - Considered Good)		
Advances recoverable in cash or in kind or for value to be received or adjusted	3,97,58,025	3,97,61,125
	<b>3,97,58,025</b>	<b>3,97,61,125</b>
<b>4. CURRENT LIABILITIES</b>		
(Unsecured - Considered Good)		
Creditors for Expenses	1,79,060	1,51,485
	<b>1,79,060</b>	<b>1,51,485</b>
<b>5. MISCELLANEOUS EXPENDITURE</b>		
Preliminary Expenses	53,565	53,565
Pre-operative Expenses	3,37,09,120	3,35,90,995
Audit Fees	27,575	33,840
Consultancy Charges	600	10,000
General Expenses	300	780
Filing Fees	2,500	16,750
Office Expenses	0	9,610
Loss on Sale of Assets	0	47,145
	<b>3,37,93,660</b>	<b>3,37,62,685</b>



**Tilan Sugar Limited**  
No. 102, Mount Road, Guindy, Chennai - 600 032

**6. Notes forming part of the Balance Sheet as at 31<sup>st</sup> December 2009**

**A) Significant Accounting Standards Compliance**

The financial statements have been prepared in accordance with the norms and principles prescribed in the Accounting Standards issued by The Institute of Chartered Accountants of India, which is itemised below.

**AS - 1: Disclosure of Accounting Policies**

The Accounts of the Company are prepared on accrual basis in accordance with normally accepted accounting policies. The Company follows mercantile system of accounting. However, insurance premium, leave payments to employees and bonus to employees are accounted on cash basis.

**AS - 2: Valuation of Inventories**

Since the Company does not hold any stocks, the applicability of this standard does not arise.

**AS - 6: Depreciation accounting**

Depreciation is provided on Straight Line Method at the rates and in the manner specified in the Schedule XIV to the Companies Act, 1956, as amended. During the year under review, there are no fixed assets in the Company.

**AS - 9: Revenue Recognition**

Income and expenditure are accounted on a going concern basis. However, the Company did not commence any business activities during the year under review.

**AS - 10: Accounting for Fixed Assets**

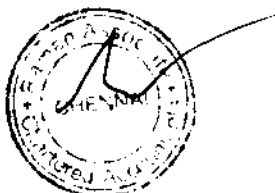
Fixed assets are recorded at cost and cost includes appropriate direct and allocated expenses. However, there are no fixed assets during the year under review.

**AS - 13: Accounting for Investments**

Investments are stated at cost, which includes interest on borrowing, upfront fees brokerage. Provision for diminution in value is made only if such a decline is other than temporary in the opinion of the management. During the year under review, the Company made no investments.

**AS - 15: Accounting for Retirement Benefits**

Gratuity and other employee's benefits are accounted for as and when they arise and are paid.



**AS - 22: Accounting for Taxes on Income**

Since the Company has not commenced its business activities, no Profit and Loss account is prepared and no income is reported. Hence the applicability of this standard does not arise for the year under review.

**B) Balance Sheet:**

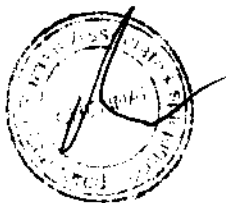
- a) No investments had been made during the year under review.
- b) There is no dues payable by the Company to a Small Scale Industrial undertaking since the Company did not carry any business activities during the year under review.

**C) Profit & Loss Account:**

- a) No business activities were carried out during this period under review. Hence no Profit & Loss Account has been prepared.

**D) General:**

- a) No remuneration has been paid to the Managing Director/Director during the year under review.
- b) During the year, there was no foreign exchange inflow or outflow.
- c) Auditors Remuneration: Rs. 27,575/- towards Statutory Audit Fees including service tax.
- d) Figures have been rounded off to the nearest rupee.
- e) Previous year's figures have been regrouped and reclassified wherever necessary to conform to the current year's classification.



# R. Ravichandran

Practising Company Secretary

## COMPLIANCE CERTIFICATE

To

The Members  
TILAN SUGAR LIMITED  
Chennai

I have examined the registers, records, books and papers of TILAN SUGAR LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31.12.2009. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The company has filed the forms/returns as stated in Annexure - B to this certificate with the Registrar of Companies, Tamil Nadu, Chennai. As per the information and explanations given to me, the company was not required to file any other forms/returns with the Regional Director, Central Government or the Company Law Board, other than stated above.
3. The company is a public limited company and has the minimum prescribed paid-up capital.
4. The Board of Directors duly met 4 times during the financial year, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. No circular resolution was passed by the company during the year.
5. The company has not closed its Register of Members during the financial year.
6. The annual general meeting for the financial year ended on 31.12.2008 was held on 25.03.2009 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose. In respect of the above, the company has filed Form 61 seeking approval of the Registrar of Companies for extension of financial year up to 31.12.2008 and extension of time for holding AGM upto 31.03.2009.
7. No Extra-ordinary General Meeting of members of the company was held during the financial year.
8. The company has not advanced loans to its Directors and/or other persons or firms or companies referred to under Section 295 of the Act.
9. The company has not entered into contracts falling within the provisions of Section 297 of the Act during the financial year.
10. The company has made necessary entries in the register maintained under section 301 of the Act wherever applicable.

R. Ravichandran



11. As per the information and explanations given to me, there were no circumstances falling within the purview of Section 314 of the Act, and the company has not obtained any approvals from the Board of Directors, members or Central Government, as the case may be.
12. The company has not issued any duplicate share certificates during the financial year.
13. The Company :
  - i. Has not declared any dividend during the financial year;
  - ii. Was not required to post dividend warrants to member of the company since no dividend was declared during the financial year.
  - iii. There were no amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
  - iv. Has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of Alternate Directors and directors to fill casual vacancy during the financial year.
15. The company has not appointed any Managing Director/Manager during the financial year.
16. The company has not appointed any sole-selling agents during the financial year.
17. As per the information given to me, the company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The company has not issued any equity shares, debentures or other securities during the year.
20. The company has not bought back any shares during the financial year.
21. The company has not issued any preference shares/debentures and hence the question of redemption of the same during the financial year does not arise.
22. There were no transactions necessitating the company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited/accepted any deposits including unsecured loans falling under the purview of Section 58A of the Act read with Companies (Acceptance of Deposits) Rules, 1975.
24. The amount borrowed by Company from directors, members, public, financial institutions, banks and others is within the borrowing limits of the company and that necessary resolution as per Section 293(1)(d) of the Act have been passed in duly convened Extra-ordinary General Meeting.

12. 12000

25. The company has given loans and advances to a company in which the erstwhile Directors are interested. The company has not made any investments or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered the articles of association during the financial year.
31. I am informed that there was no prosecution initiated against or show cause notices received by the company for alleged offences under the Act.
32. I am informed that the company has not received any money as security from its employees during the financial year.
33. I am informed that the provisions of Section 418 of the Act are not applicable to the company.



Signature: R. Ravichandran

Name of Company Secretary: R. Ravichandran  
C.P. No. 8149

Chennai, 25<sup>th</sup> February 2010

## Annexure A

### Registers maintained by the Company

Sl. No.	Particulars	Section Reference
1.	Register of Members	Section 150
2.	Copies of Annual Returns & Balance Sheets	Section 159
3.	Minutes of Board and General Meeting	Section 193
4.	Register of Contracts & Companies in which the Directors are interested	Section 301
5.	Books of Accounts	Section 209
6.	Register of Directors, Managing Directors etc	Section 303
7.	Register of Directors' Shareholdings	Section 307
8.	Register of Loans and Investments	Section 372A
9.	Fixed Assets Register	.....
10.	Attendance Register of Directors/Members	Table A

## Annexure B

### Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ending on 31<sup>st</sup> December 2009

Sl. No.	Particulars	Filed on
1.	Form 23	09.02.2009
2.	Form 18	24.02.2009

R. R. C. C. C.