



## **31<sup>st</sup> Annual Report 2014 - 2015**



**BANNARI AMMAN SUGARS LIMITED**

### Motto

Strive to perform best at all times

### Objectives

Our endeavour is to

- Identify and improve the processes to have a continuous upgradation of the quality of the end products
- Serve in the best interest of cane growers and shareholders
- Maximise productivity by optimising all inputs
- Expand and diversify utilising by-products in a planned manner

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## **Board of Directors**

### **Executive**

Sri S V Balasubramaniam  
Chairman

Sri B Saravanan  
Managing Director

### **Non-Executive Independent Directors**

Sri A K Perumalsamy

Sri E P Muthukumar

Sri T Gundan

Dr M P Vijayakumar

Dr Radha Ramani

### **Company Secretary**

Sri C Palaniswamy

### **Auditors**

M/s P N Raghavendra Rao & Co  
Chartered Accountants

### **Chief Financial Officer**

Sri M Ramprabhu

### **Bankers**

Punjab National Bank

Bank of Baroda

Canara Bank

The Federal Bank Limited

The Karur Vysya Bank Limited

Union Bank of India

Indian Overseas Bank

State Bank of Travancore

State Bank of India

State Bank of Hyderabad

Bank of India

The Lakshmi Vilas Bank Limited

AXIS Bank Limited

ICICI Bank Limited

HDFC Bank Limited

### **Internal Auditors**

M/s B M & Associates  
Chartered Accountants

M/s Bakthavachalam & Co  
Chartered Accountants

### **Cost Auditor**

Sri M Nagarajan  
Cost Accountant

### **Secretarial Auditors**

M/s C Thirumurthy & Associates  
Company Secretaries

### **Registered Office**

1212 Trichy Road Coimbatore - 641 018  
Tel: 0422 - 2302277 Fax: 0422 - 2309999  
Email: shares@bannari.com  
Website: www.bannari.com  
CIN : L15421TZ1983PLC001358

### **Registrar and Share Transfer Agent**

M/s Cameo Corporate Services Limited  
"Subramanian Building"  
1 Club House Road Chennai 600 002  
Tel : 044 - 28460395 Fax : 044 - 28460129  
Email : investor@cameoindia.com



## Notice to Shareholders

NOTICE is hereby given that the 31st Annual General Meeting of the Members of the Company will be held at JENNYS RESIDENCY 2/2 AVINASHI ROAD CIVIL AERODROME POST COIMBATORE 641 014 on WEDNESDAY the 23rd day of September 2015 at 3.45 PM to transact the business set out in the agenda below

You are requested to make it convenient to attend the meeting

### Agenda

#### Ordinary Business

- 1 To consider and adopt the audited financial statements of the company for the financial year ended 31st March 2015 the reports of the Board of Directors and Auditors thereon
- 2 To declare dividend on equity shares
- 3 To appoint a Director in the place of Sri S V Balasubramaniam (DIN:00002405) who retires by rotation and being eligible offers himself for re-appointment
- 4 To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**

RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder and pursuant to the recommendations of the Audit Committee of the Board the re-appointment of M/s P N Raghavendra Rao & Co Chartered Accountants (Registration No 003328S) as auditors of the Company for the financial year 2015-2016 be and is hereby ratified on such remuneration as may be determined by the Board of Directors on the recommendation of Audit Committee

#### Special Business

- 5 To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**  
  
RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement Dr Radha Ramani (DIN : 07083381) who was appointed as an Additional Director of the company with effect from 11.2.2015 and holds office as such up to the date of this Annual General Meeting and in respect of whom the company has received notice in writing from a member under Section 160 of the Companies Act 2013 proposing her candidature for the office of Independent Director be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years up to 22nd September 2020
- 6 To consider and if thought fit to pass with or without modification(s) the following resolutions as **Special Resolutions**  
  
RESOLVED that pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions if any of the Companies Act 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) approval of the company be and is hereby accorded to the re-appointment of Sri S V Balasubramaniam (DIN:00002405) as Chairman of the Company with substantial powers of management for a period of five years with effect from 2.6.2015 on such remuneration and terms as set out in the statement annexed to the notice convening the meeting with the liberty to the



Board of Directors (the term "Board" includes Nomination and Remuneration Committee of Directors) to alter or vary the remuneration and terms of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Sri S V Balasubramaniam subject to the same not exceeding the limit specified under Schedule V of the Companies Act 2013 or any statutory modification(s) or re-enactment thereof

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to do all such acts as may be necessary proper or expedient to give effect to this resolution

- 7 To consider and if thought fit to pass with or without modification(s) the following resolutions as **Ordinary Resolutions**

RESOLVED that pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions if any of the Companies Act 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) approval of the company be and is hereby accorded to the re-appointment of Sri B Saravanan (DIN:00002927) as Managing Director of the Company for a period of five years with effect from 2.6.2015 on such remuneration and terms as set out in the statement annexed to the notice convening the meeting with the liberty to the Board of Directors (the term "Board" includes Nomination and Remuneration Committee of Directors) to alter or vary the remuneration and terms of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Sri B Saravanan subject to the same not exceeding the limit specified under Schedule V of the Companies Act 2013 or any statutory modification(s) or re-enactment thereof

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to do all such acts as may be necessary proper or expedient to give effect to this resolution

- 8 To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**

RESOLVED that pursuant to Section 148 and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder and pursuant to the recommendations of the Audit Committee of the Board the remuneration of Rs 150000/- (Rupees one lakh fifty thousand only) (plus service tax and out of pocket expenses if any for the purpose of audit) payable to Sri M Nagarajan (Membership No. F-6384) Cost Accountant as approved by the Board of Directors for conducting the audit of Cost Accounting Records of the company for the financial year ending 31st March 2016 be and is hereby ratified and confirmed

- 9 To consider and if thought fit to pass with or without modification(s) the following resolutions as **Special Resolutions**

RESOLVED that pursuant to the provisions of Sections 5, 14 and other applicable provisions if any of the Companies Act 2013 read with Companies (Incorporation) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company

RESOLVED FURTHER that the Board of Directors of the Company and/or Sri C Palaniswamy Company Secretary be and are hereby severally authorised to do all acts and take all such steps as may be necessary proper or expedient to give effect to this resolution

Coimbatore  
27.7.2015

By Order of the Board  
**C PALANISWAMY**  
Company Secretary





**NOTES**

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND ON A POLL VOTE INSTEAD OF HIMSELF/HERSELF 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 later than forty-eight hours before the commencement of the meeting Proxies submitted on behalf of companies societies etc must be supported by an appropriate resolution/authority as applicable A person shall not act as proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the company However a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the company provided that such person shall not act as a proxy for any other person
- 2 Explanatory Statement pursuant to Section 102 of the Companies Act 2013 in respect of the Special Business to be transacted at the Meeting is annexed hereto
- 3 Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all working days except Sundays and Public Holidays up to the date of Annual General Meeting
- 4 The Register of Members and Share Transfer Books of the Company will remain closed from 19th September 2015 to 23rd September 2015 (both days inclusive)
- 5 Dividend if declared at the Annual General Meeting will be credited/dispatched between 28.9.2015 and 7.10.2015 to those members whose names appear on the Register of Members as on 23.9.2015 In respect of shares held in electronic form the dividend will be payable on the basis of beneficial ownership furnished by the National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as at the close of business hours on 18.9.2015
- 6 Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants The address/ bank mandate as furnished to the company by the respective Depositories viz NSDL and CDSL will be printed on the dividend warrants Members holding shares in physical form are requested to inform the changes in address/mandate/bank details directly to the Registrar & Share Transfer Agent
- 7 Members are requested to bring their copies of the Annual Report to the Meeting Members are requested to hand over the Attendance slip duly signed in accordance with their specimen signature(s) registered with the company for admission to the meeting hall Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for identification
- 8 Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting to the Company Secretary
- 9 Pursuant to the provisions of Sections 123, 124 of the Companies Act 2013 and Section 205C of the Companies Act 1956 the Company has transferred the unpaid or unclaimed dividends upto the financial year 2006-07 to the Investor Education and Protection Fund (IEPF) established by the Central Government Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules 2012 the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on 15th September 2014 (date of last Annual General Meeting) in the website of the Company (<http://www.bannari.com/InvestorInformation.html>) and also on the website of the Ministry of Corporate Affairs



- 10 The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agent.
- 11 Electronic copy of the Notice convening the 31st Annual General Meeting of the Company, the Annual Report, the Attendance slip and Proxy form are being sent to the members whose e-mail addresses are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the above documents are being sent to the members in the permitted mode. **Members who have not registered their e-mail addresses so far are requested to register the same to enable the company to send all communications including Annual Report, Notices, Circulars etc. in electronic mode.**

#### **Voting through electronic means**

- I Pursuant to the provisions of Section 108 of the Companies Act 2013 read with the Rules made thereunder and Clause 35B of the Listing Agreement, the Company is providing facility of remote e-voting to the members to exercise their right to vote electronically in respect of the business to be transacted at the 31st Annual General Meeting (AGM) of the company scheduled to be held on Wednesday the 23rd September 2015 at 3.45 P.M. The Company has engaged Central Depository Services (India) Limited (CDSL) to provide e-voting facility.

#### **The instructions for voting through electronic means are as under**

- 1) The remote e-voting will be available from 20.9.2015 (9:00 am) to 22.9.2015 (5:00 pm). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form as on the cut-off date viz 16.9.2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL thereafter.
- 2) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- 3) Click on "Shareholders"
- 4) Now Enter your User ID
  - i) For CDSL: 16 digits beneficiary ID
  - ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - iii) Members holding shares in Physical Form should enter Folio Number registered with the Company
- 5) Next enter the Image Verification as displayed and Click on Login
- 6) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user, follow the steps given below.



7) Now fill up the following details in the appropriate boxes

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat and physical shareholders)
<p>* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio number in the PAN field</p> <p>* In case the folio number is less than 8 digits enter the applicable number of 0's (Zero) before the number after the first two characters of the name in CAPITAL letters Eg If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field</p>	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio

# Please enter the DOB or Dividend Bank Details in order to login If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date viz 16.9.2015 in the Dividend Bank details field

- 8) After entering these details appropriately click on "SUBMIT" tab
- 9) Members holding shares in physical form will then reach directly the Company selection screen However members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote provided that company opts for e-voting through CDSL platform It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential
- 10) For Members holding shares in physical form the details can be used only for e-voting on the resolutions contained in this Notice
- 11) Click on Electronic Voting Sequence Number (EVSN) relevant for "BANNARI AMMAN SUGARS LIMITED" on which you choose to vote
- 12) On the voting page you will see Resolution Description and against the same the option "YES/NO" for voting Select the option YES or NO as desired The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution
- 13) Click on the "Resolutions File Link" if you wish to view the entire Resolutions details
- 14) After selecting the resolution you have decided to vote on click on "SUBMIT" A confirmation box will be displayed If you wish to confirm your vote click on "OK" else to change your vote click on "CANCEL" and accordingly modify your vote
- 15) Once you "CONFIRM" your vote on the resolution you will not be allowed to modify your vote
- 16) You can also take print out of the voting done by you by clicking on "Click here to print" option on the voting page
- 17) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system





18) Note for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals HUF NRI etc) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian if any should be uploaded in PDF format in the system for the scrutinizer to verify the same

19) In case of members receiving the physical copy please follow all steps from Sl No (1) to (18) above to cast vote

20) In case you have any queries or issues regarding e-voting you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**II In case of members desiring to exercise vote by Ballot**

- a) In terms of Clause 35B of the Listing Agreement in order to enable the members who do not have access to remote e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this notice a ballot form is annexed. A member desiring to exercise vote by ballot shall complete the enclosed ballot form with assent (for) or dissent (against) and send it to Scrutinizers M/s C Thirumurthy & Associates Company Secretaries C/o Bannari Amman Sugars Limited 1212 Trichy Road Coimbatore 641 018 Tamilnadu so as to reach them on or before 22nd September 2015 (5.00 p m ). Any Ballot Form received after the said date shall be treated as no reply received from the members
- b) The items of Business given in this notice are proposed to be transacted through electronic voting/ballot system/poll. Voting by show of hands will not be available to the members at the 31st Annual General Meeting in view of provisions of Section 107 read with Section 114 of the said Act

III The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already casted their vote may exercise their vote through ballot paper at the meeting

IV The members who have casted their vote by remote e-voting/ballot paper may also attend the meeting but shall not be entitled to cast their vote again

V M/s C Thirumurthy & Associates Company Secretaries have been appointed as Scrutinizers to scrutinize the e-voting and poll process in a fair and transparent manner

VI The Results declared along with the Scrutinizer's Report shall be placed in the Company's website [www.bannari.com](http://www.bannari.com) and in the website of CDSL [www.cdslindia.com](http://www.cdslindia.com) within two (2) days of passing of the resolutions at the Annual General Meeting of the Company to be held on 23.9.2015 and communicated to the Stock Exchanges where the company's shares are listed



**Annexure to Notice**

**Statement Pursuant to Section 102 of the Companies Act 2013**

**Item No 5**

Dr Radha Ramani (DIN: 07083381) aged 66 years was co-opted as an Additional Director on 11.2.2015. In terms of Section 161 of the Companies Act 2013 read with Article 74 of the Articles of Association of the Company she holds office up to the date of ensuing Annual General Meeting.

Dr Radha Ramani who is a Doctor in Profession and a co-founder of Sankara Eye Hospital has got rich experience in implementing and administering social philanthropic projects. She has no business relationship with the company and does not hold any shares in the company.

The company has received a notice from a member along with requisite deposit under Section 160 of the Companies Act 2013 proposing the candidature of Dr Radha Ramani for the office of Independent Director.

Pursuant to the provisions of Sections 149, 152 and Schedule IV of the Companies Act 2013 read with Companies (Appointment and Qualification of Directors) Rules 2014 it is proposed to appoint Dr Radha Ramani as an Independent Director of the Company for a term of five consecutive years up to 22nd September 2020.

Brief resume of Dr Radha Ramani as required under Clause 49 of the Listing Agreement is annexed to the notice.

The company has received the following Forms/Details from the above Independent Director:

- Consent in writing to act as Director in Form DIR-2 under Rule 8 of Companies (Appointment and Qualification of Directors) Rules 2014.
- Intimation in Form DIR-8 under Rule 8 of Companies (Appointment and Qualification of Directors) Rules 2014 to the effect that she is not disqualified under Section 164 of the Companies Act 2013 &
- A declaration to the effect that she meets the criteria of independence as provided in Section 149 of the Companies Act 2013.

In the opinion of the Board of Directors Dr Radha Ramani fulfils the conditions specified in the Companies Act 2013 and the Rules made thereunder and she is independent of management.

The Board considers that her association would be of immense benefit to the company and it is desirable to continue to avail her services as Independent Director.

None of the Directors, Key Management Personnel or their relatives except Dr Radha Ramani is in any way concerned or interested in the proposed Ordinary Resolution.

**Item No 6**

The Board of Directors at its meeting held on 29.5.2015 has re-appointed Sri S V Balasubramaniam as Chairman of the Company with substantial powers of management for a period of five years with effect from 2.6.2015 on the recommendation of Nomination and Remuneration Committee.

Sri S V Balasubramaniam aged 75 years has more than 50 years experience in sugar industry. He was the President of South Indian Sugar Mills Association (SISMA) Tamilnadu and Karnataka and was the President of the Indian Sugar Mills Association (ISMA). Sri S V Balasubramaniam has been actively involved in the affairs of the company right from incorporation of the company and served as the Managing Director from 9.10.1985 till 1.6.2010 and thereafter as the Chairman of the company with substantial powers of management. The company has achieved substantial growth under his leadership. Considering his