



BANNARI AMMAN SUGARS LIMITED



Annual Report 2018 - 2019

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

Company Secretary

Sri C Palaniswamy

Chief Financial Officer

Sri M Ramprabhu

Internal Auditors

M/s B M & Associates
Chartered Accountants

M/s Nandakumar & Sundaran
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 - 2204100 Fax: 0422 - 2309999
Email: shares@bannari.com
Website: www.bannari.com
CIN : L15421TZ1983PLC001358

Non-Executive

Independent Directors

Sri A K Perumalsamy
Sri E P Muthukumar
Sri T Gundan
Sri M P Vijayakumar
Dr Radha Ramani

Auditors

M/s P K Nagarajan & Co
Chartered Accountants

Bankers

Punjab National Bank
Canara Bank
The Federal Bank Limited
The Karur Vysya Bank Limited
Indian Overseas Bank
State Bank of India
Bank of India
AXIS Bank Limited
ICICI Bank Limited
HDFC Bank Limited

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
CIN : U67120TN1998PLC041613



Notice to Shareholders

NOTICE is hereby given that the 35th Annual General Meeting of the Members of the Company will be held at JENNEYS RESIDENCY 2/2 AVINASHI ROAD CIVIL AERODROME POST COIMBATORE 641 014 on Thursday the 12th day of September 2019 at 4.30 PM to transact the following businesses:

Ordinary Business

1. Adoption of Audited Financial Statements, Reports of the Board of Directors and Auditors thereon

To consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:

RESOLVED that the audited financial statements of the company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon as circulated to the members and presented to the meeting be and are hereby adopted.

2. Declaration of Dividend

To consider and if thought fit to pass the following resolution as an **Ordinary Resolution** :

RESOLVED that a dividend at the rate of Rs.10/- (Rupees Ten only) per equity share as recommended by the Board of Directors be and is hereby declared on 1,25,39,700 equity shares of Rs.10/- each for the year ended March 31, 2019 and that the same be paid to the members whose names appeared in the Register of Members of the company as on 12th September, 2019 and in the Register of beneficial owners maintained by the depositories as at the close of business hours on 5th September, 2019

3. Appointment of Director who retires by rotation

To consider and if thought fit to pass the following resolution as an **Ordinary Resolution** :

RESOLVED that Sri S V Balasubramaniam, Director (DIN:00002405) who retires by rotation and being eligible for re-appointment be and is hereby re-appointed as Director of the Company.

Special Business

4. Re-appointment of Sri E P Muthukumar as Independent Director

To consider and if thought fit to pass the following resolution as a **Special Resolution**:

RESOLVED that pursuant to the provisions of Sections 149,152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV and Regulation 17(1A) and other applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) Sri E P Muthukumar (DIN:00003740) who was appointed as an Independent Director at the 30th Annual General Meeting of the Company and holds such office upto 14th September, 2019 and who is eligible for re-appointment on passing of Special Resolution be and is hereby re-appointed as an Independent Director of the company, not liable to retire by rotation and to hold office for a second term of 5 (Five) consecutive years from 15th September, 2019 to 14th September, 2024.

5. Re-appointment of Sri M P Vijayakumar as Independent Director

To consider and if thought fit to pass the following resolution as a **Special Resolution** :

RESOLVED that pursuant to the provisions of Sections 149,152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV and Regulation 17(1A) and other applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) Sri M P Vijayakumar (DIN : 05103089) who was appointed as an



Independent Director at the 30th Annual General Meeting of the Company and holds such office upto 14th September, 2019 and who is eligible for re-appointment on passing of Special Resolution be and is hereby re-appointed as an Independent Director of the company, not liable to retire by rotation and to hold office for a second term of 5 (Five) consecutive years from 15th September, 2019 to 14th September, 2024.

6. Re-appointment of Sri A K Perumalsamy as Independent Director

To consider and if thought fit to pass the following resolution as a **Special Resolution** :

RESOLVED that pursuant to the provisions of Sections 149,152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV and Regulation 17(1A) and other applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) Sri A K Perumalsamy (DIN : 00313769) who was appointed as an Independent Director at the 30th Annual General Meeting of the Company and holds such office upto 14th September, 2019 and who is eligible for re-appointment on passing of Special Resolution be and is hereby re-appointed as an Independent Director of the company, not liable to retire by rotation and to hold office for a second term of 5 (Five) consecutive years from 15th September, 2019 to 14th September, 2024.

7. Re-appointment of Sri T Gundan as Independent Director

To consider and if thought fit to pass the following resolution as a **Special Resolution** :

RESOLVED that pursuant to the provisions of Sections 149,152 read with Schedule IV and other

applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV and Regulation 17(1A) and other applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) Sri T Gundan (DIN : 00624804) who was appointed as an Independent Director at the 30th Annual General Meeting of the Company and holds such office upto 14th September, 2019 and who is eligible for re-appointment on passing of Special Resolution be and is hereby re-appointed as an Independent Director of the company, not liable to retire by rotation and to hold office for a second term of 5 (Five) consecutive years from 15th September, 2019 to 14th September, 2024.

8. Ratification of Remuneration payable to Cost Auditor

To consider and if thought fit to pass 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 there under and pursuant to the recommendations of the Audit Committee of the Board the remuneration of Rs.2,00,000/- (Rupees two lakhs only) (plus applicable GST and out of pocket expenses if any for 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 2020 be and is hereby ratified and confirmed.

Coimbatore
29.05.2019

By order of the Board
C PALANISWAMY
Company Secretary



NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY 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 Item Nos. 4 to 8 to be transacted at the Annual General Meeting as set out in the notice is annexed hereto. Additional information pursuant to applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial standards on General Meetings issued by the Institute of Company Secretaries of India in respect of Director seeking appointment / re-appointment at this Annual General Meeting is furnished as Annexure to the Notice.
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 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 Friday 6th September, 2019 to Thursday 12th September, 2019 (both days inclusive).
5. Dividend recommended by the Board of Directors, if approved by the Members at the Annual General Meeting, will be credited / dispatched between 16th September, 2019 and 30th September, 2019 to those members whose names appear on the Register of Members as on 12th September, 2019. In respect of shares held in electronic form, the dividend will be paid 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 5th September, 2019.
6. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants (DPs). 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 and Share Transfer Agents. Members who have not furnished the details of bank accounts so far are requested to furnish the details to their respective DPs or to the Registrar and Transfer Agent as the case may be to enable the company to make dividend payments.
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. The Company has transferred the unpaid or unclaimed dividends upto the financial year





2010-2011 to the Investor Education and Protection Fund (the IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 20th September, 2018 (date of last Annual General Meeting) on the website of the Company (www.bannari.com) and also on the website of the Ministry of Corporate Affairs www.iepf.gov.in.

10. As required under section 124(6) read with IEPF Rules as amended, all the shares in respect of which dividend remains unpaid / unclaimed for seven consecutive years have been transferred to IEPF Authority.
11. Electronic copy of the Notice convening the 35th 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 purposes 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, Circular etc. in electronic mode.
12. The notice of AGM and Annual Report 2018-19 will also be available on the Company's website at the link : <http://www.bannari.com/investorinformation.html>.

Voting through electronic means

- I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Rules made there under and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, 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 35th Annual General Meeting (AGM) of the company scheduled to be held on 12th September, 2019 at 4.30 P.M. The Company has engaged Central Depository Services (India) Limited (CDSL) to provide e-voting facility.

The instructions for remote voting through electronic means are as under :

- 1) The remote e-voting will be available from 08.09.2019 (9.00 am) to 11.09.2019 (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 of 05.09.2019, 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
- 3) Click on "Shareholders" tab.
- 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 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 shareholders as well as 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., 05.09.2019 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.
- 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 out print 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 same 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 Custodian
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to 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
 - After receiving the login details they have to create a compliance user 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 should be mailed to 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 under help section or write an email to helpdesk.evoting@cdslindia.com.
- 21) M/s C Thirumurthy & Associates, Company Secretaries, have been appointed as the Scrutinizer to Scrutinize the e-voting process in a fair and transparent manner.
- 22) The Scrutinizer shall immediately after the conclusion of AGM unblock the votes casted through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report forthwith to the Chairman of the Company.
- 23) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.bannari.com and on the website of CDSL www.cdslindia.com immediately after the result is declared by the company and communicated to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited.

SEBI has amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, which deals with transfer, transmission and transposition of securities. According to this amendment, any requests for effecting **the transfer of listed securities shall not be processed unless the securities are held in dematerialised form** with the Depository with effect from 01.04.2019. Therefore, the members are advised to dematerialise the shares held by them in physical form.

**STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item Nos. 4 to 7**

Sri E P Muthukumar (DIN : 00003740), Sri M P Vijaya Kumar (DIN : 05103089), Sri A K Perumalsamy (DIN : 00313769) and Sri T Gundan (DIN : 00624804) were appointed as Independent Directors of the company at the 30th Annual General Meeting of the company held on 15th September, 2014 for a consecutive period of five years (first term) and they hold office as Independent Directors of the Company upto 14th September, 2019.

Pursuant to the provisions of Section 149 (10) read with 149(11) of the Companies Act, 2013, the Independent Directors may hold office for two consecutive term of 5 (five) consecutive years each. They are eligible for re-appointment upon completion of the first term on passing of special resolutions by the company and disclosure of such appointment in the report of the Board of Directors. They shall meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board of Directors, the aforesaid Directors fulfil the conditions laid down in the Companies Act 2013 read with rules made thereunder and other applicable regulations.

The above Directors are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and given their consents to act as Directors. The company has also received declarations from the aforesaid Directors that they met the criteria of independence as prescribed in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The Nomination and Remuneration Committee on the basis of the report of the performance evaluation of Independent Directors, has recommended the re-appointment of the aforesaid directors as Independent Directors for a second term of 5 (five) consecutive years on the Board of Directors of the company. The Independent Directors of the company are not liable to retire by rotation

and to hold office for a second term of 5 (five) consecutive years on the Board i.e from 15th September 2019 to 14th September, 2024.

The Board of Directors based on the performance evaluation of the Independent Directors and as per the recommendation of the Nomination and Remuneration Committee and considering the experience and contribution made by the above Directors during their tenure recommended the proposal of re-appointment of above Independent Directors.

The Board also felt that the core skills / expertise / competencies of the above Independent Directors would be required for the Company in the context of its businesses and sector to function effectively.

Pursuant to Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, continuance of Sri A K Perumalsamy, aged 79 years and Sri T Gundan aged 78 years, is justified by the Board of Directors considering their experience and contribution. Sri E P Muthukumar at present aged 71 years and Sri M P Vijayakumar at present aged 71 years would continue to hold their Directorship even after attaining the age of 75 years. Their continuation is justified by the Board. In the opinion of the Board their continued association would be beneficial to the company.

The Board recommends the Special Resolutions set out in Item Nos. 4 to 7 of the notice for the approval of shareholders.

Copies of the draft letter of re-appointment setting out the terms and conditions are available for inspection by the members at the registered office of the company.

A brief profile of the Directors proposed to be re-appointed is given in Annexure to Notice.

The above Directors and their relatives of the aforesaid directors may deemed to be interested in the respective resolutions to the extent of their shareholding if any in the company.