



Ponni Sugars (Erode) Limited



26th
Annual Report
2021-22



Year Scorecard

- ❖ *Stepped up cane volume*
- ❖ *Strong rebound in recovery*
- ❖ *Sky rocketing fuel prices*
- ❖ *Stable product prices*
- ❖ *Strong bottom line – the highest in a decade*

Directors

N Gopala Ratnam (*Chairman*)
 Dr L M Ramakrishnan (*Vice Chairman*)
 N Ramanathan (*Managing Director*)
 Arun G Bijur
 Bimal K Poddar
 V Sridar
 Dr Nanditha Krishna
 K Bharathan
 Mohan Verghese Chunkath (*from 06.05.2022*)
 Bharti Chhotubhai Pithawalla (*from 06.05.2022*)

Audit Committee

V Sridar (*Chairman*)
 Bimal K Poddar
 Dr L M Ramakrishnan
 K Bharathan

Nomination and Remuneration Committee

V Sridar (*Chairman*)
 N Gopala Ratnam
 Dr L M Ramakrishnan

Stakeholders Relationship Committee

N Gopala Ratnam (*Chairman*)
 Arun G Bijur
 N Ramanathan
 V Sridar

CSR Committee

N Gopala Ratnam (*Chairman*)
 N Ramanathan
 Dr Nanditha Krishna

Chief Financial Officer

K Yokanathan

Banks

Canara Bank
 IDBI Bank Limited
 HDFC Bank Limited

Auditors

M/s. S Viswanathan LLP
 Chartered Accountants
 17, Bishop Wallers Avenue (West)
 Mylapore
 Chennai 600 004

Registered Office

“ESVIN HOUSE”
 13 Rajiv Gandhi Salai (OMR)
 Perungudi, Chennai 600 096
 Phone: (044) 24961920 / 24960156
 Email: admin@ponnisugars.com
 Web: www.ponnisugars.com

Email ID for Investor Grievance

investor@ponnnisugars.com

Works

Odappalli, Cauvery RS (Post)
 Erode 638 007, Tamil Nadu
 Phone: (04288) 247351 to 355
 Email: gen@ponnisugars.com

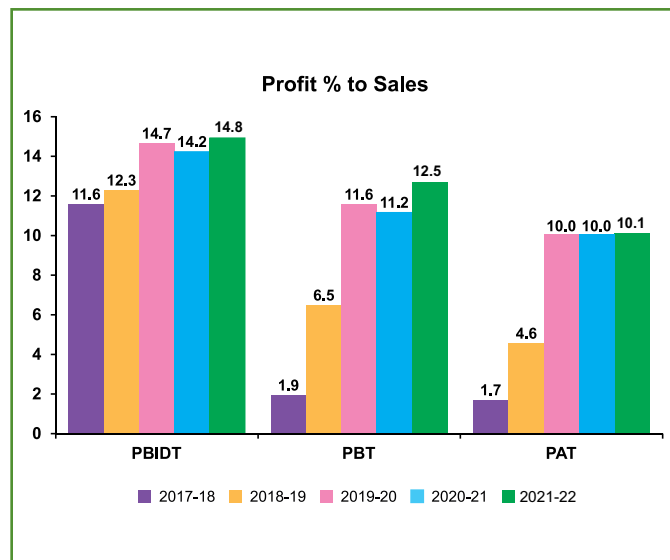
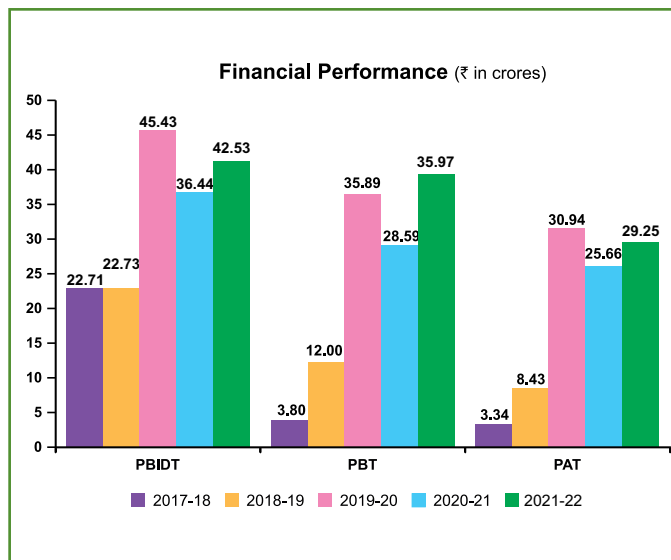
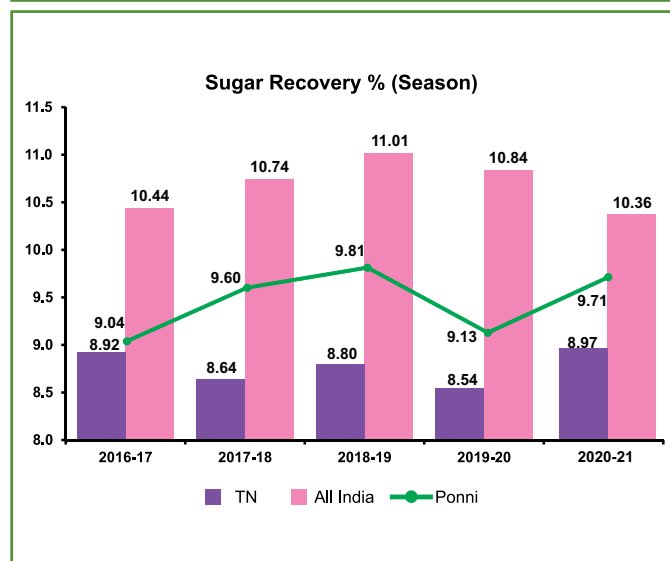
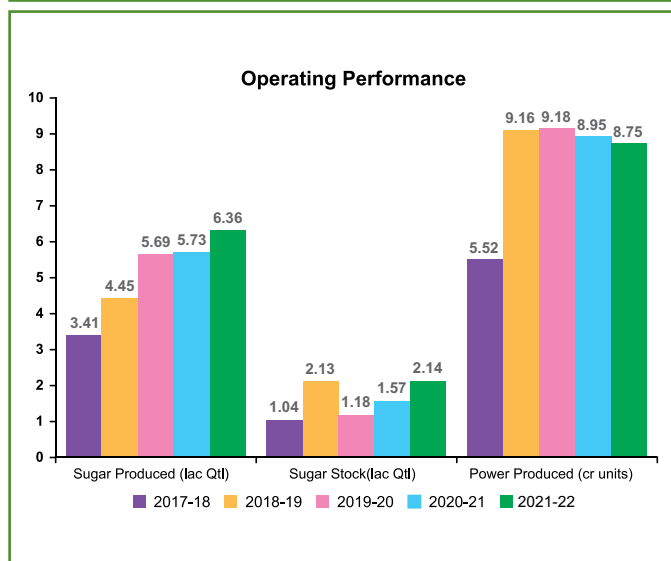
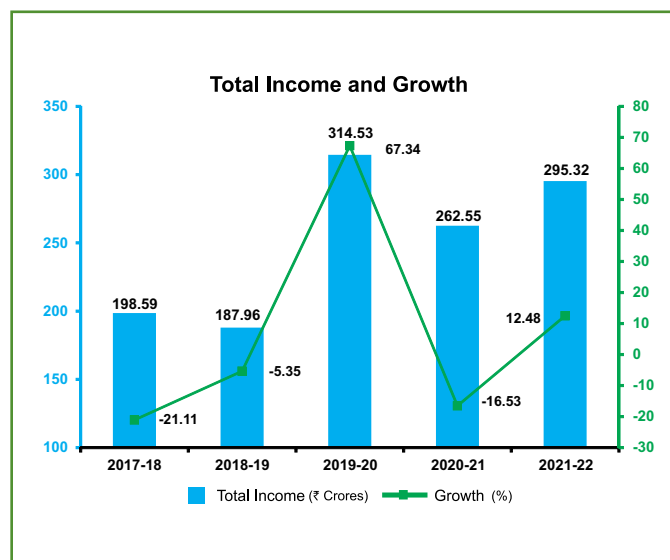
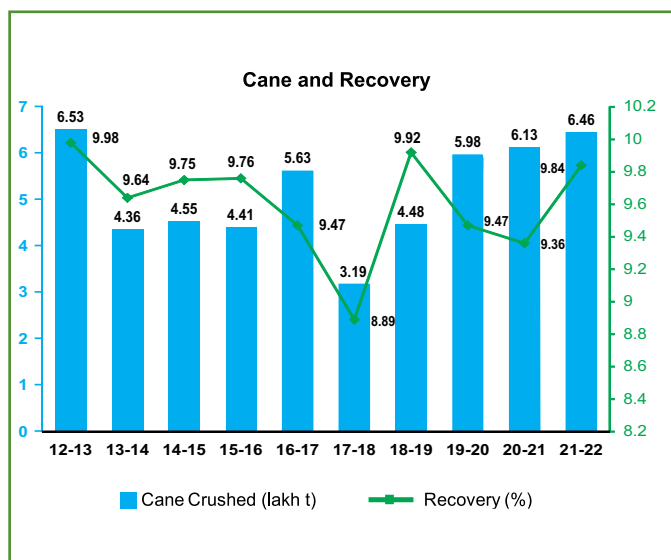
Registrar & Transfer Agent

Cameo Corporate Services Ltd
 “Subramanian Buildings”, 5th Floor
 No.1, Club House Road, Chennai 600 002
 Phone: (044) 28460390
 Email: investor@cameoindia.com

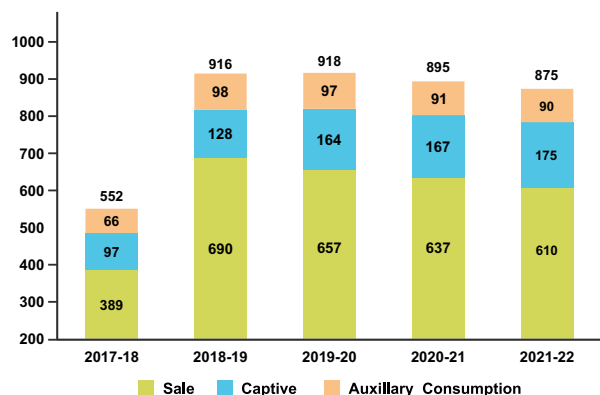
Main contents	Page
Notice	6
Board's Report	21
MDA Report	26
Corporate Governance Report	37
Secretarial Audit Report	66
Auditors' Report	69
Financial Statements	78



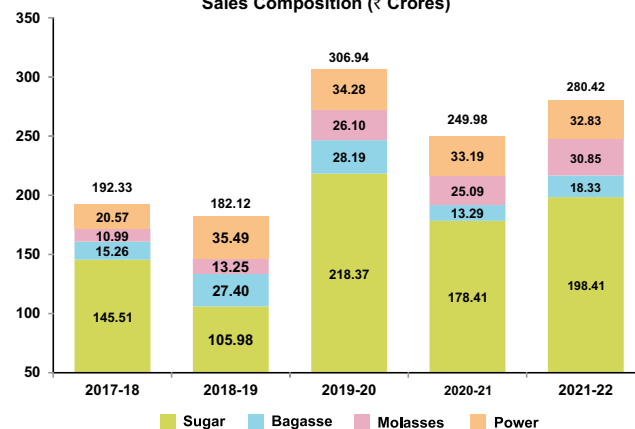
Performance Chart



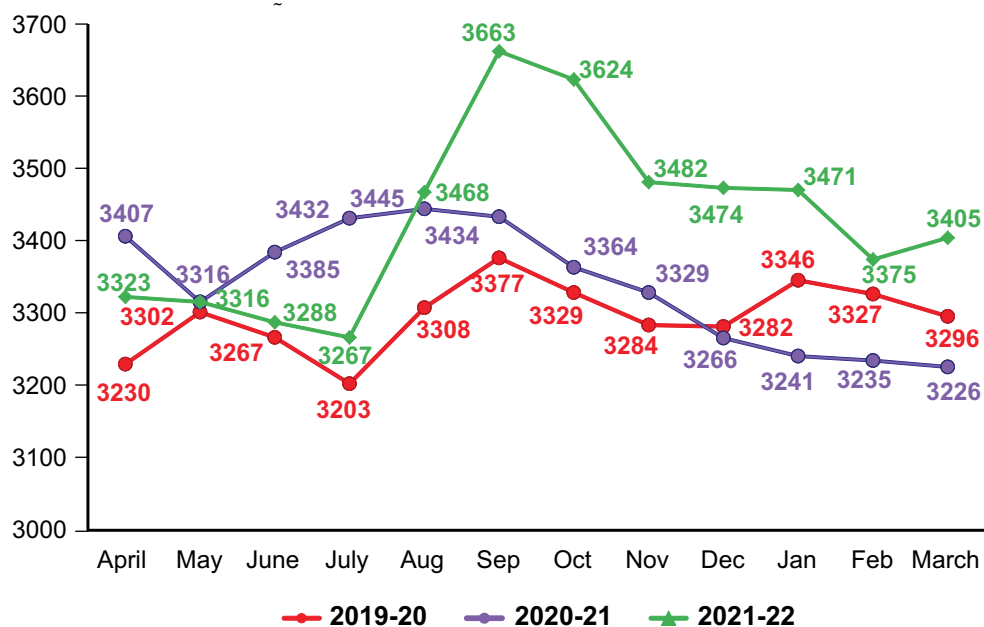
Power Production / Export (Lakh Units)



Sales Composition (₹ Crores)

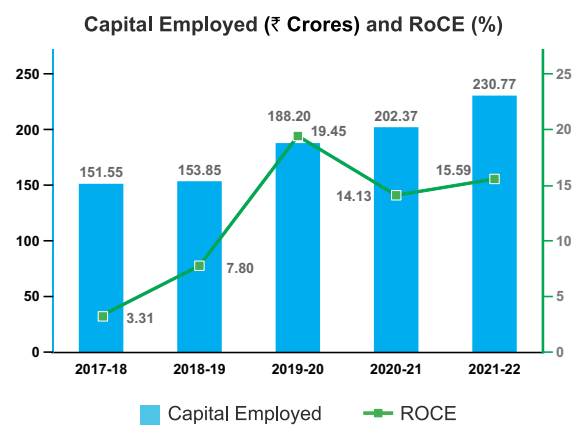
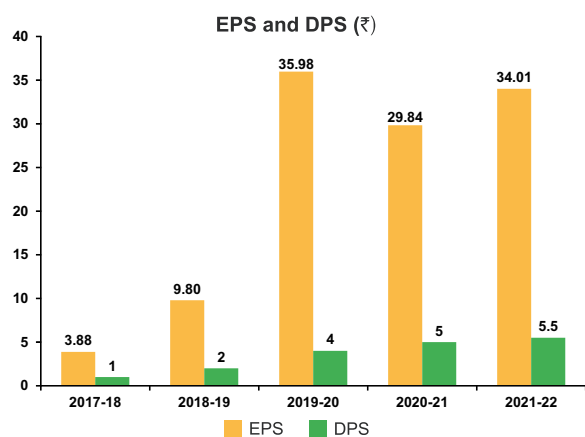
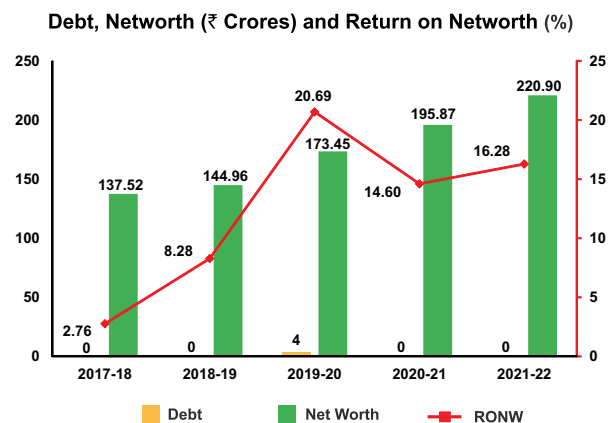
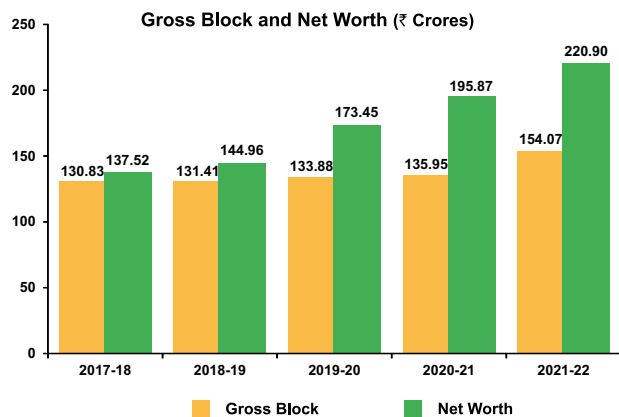


Ex-Factory Sugar Realization (₹ /Qtl)





Ponni Sugars (Erode) Limited



Financial Highlights – Ten Years at a Glance

₹ in Lakhs

For the year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Total Income	21489	17103	16153	17081	25174	19859	18796	31453	26255	29532
Total Expenditure	18561	16429	16511	16758	21189	17588	16523	26910	22611	25279
PBIDT	2928	674	-358	323	3985	2271	2273	4543	3644	4253
Interest	358	671	512	587	475	197	347	268	54	12
Depreciation	1161	825	566	564	570	568	593	739	731	644
Profit before exceptional items	1409	-822	-1436	-828	2940	1506	1333	3536	2859	3597
Exceptional Items	193	-541	-893	-1090	776	1126	133	-53	0	0
PBT	1216	-281	-543	262	2164	380	1200	3589	2859	3597
Tax	-695	197	-178	72	645	46	357	495	293	672
PAT	1911	-478	-365	190	1519	334	843	3094	2566	2925
EPS (₹)	22.22	-5.56	-4.24	2.21	17.66	3.88	9.80	35.98	29.84	34.01
Cash EPS (₹)	27.64	0.03	1.81	9.61	31.80	10.49	18.55	44.14	35.93	42.41
Dividend %	15	6	--	12	25	10	20	40	50	55
As at year end										
Gross Block	17278	17575	17602	17638	17747	13083	13141	13388	13595	15048
Net Block	13309	13339	12773	12261	11840	11952	11417	10932	10419	11234
Loan Funds	8208	8283	7791	7663	4905	725	3487	2013	0	0
Net Worth	12914	12376	12011	12159	13678	13752	14496	17345	19587	22090
Book value per share (₹)	150.19	143.93	139.69	141.41	159.08	159.94	168.59	201.72	227.80	256.91
Share Price at NSE (in ₹)										
High	415.00	359.45	251.00	248.00	357.05	228.80	189.40	182.00	197.00	380.00
Low	108.00	87.10	100.50	110.90	172.70	141.00	102.30	81.00	112.10	145.30



PONNI SUGARS (ERODE) LIMITED

CIN : L15422TN1996PLC037200

ESVIN House, 13 Rajiv Gandhi Salai (OMR), Perungudi, Chennai 600 096

Phone : 044 24961920 / 24960156

E Mail: admin@ponnisugars.com Website: www.ponnisugars.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting of the Company will be held on Wednesday, the 20th July 2022 at 10.30 AM through Video Conference / Other Audio Visual means (VC / OAVM) to transact the following business:

ORDINARY BUSINESS

1. Adoption of Financial Statements

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

"RESOLVED that the audited Financial Statements for the year ended 31st March 2022 and the reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted."

2. Dividend declaration

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

"RESOLVED that

- (i) a dividend of ₹ 5.50 (Rupees five and paise fifty only) per Equity Share, for the Financial Year 2021-22 be and is hereby declared on the 8598418 Equity Shares of ₹10/- each fully paid-up;
- (ii) the dividend amount to each shareholder be rounded off to the nearest rupee.
- (iii) the dividend be paid to the shareholders whose names appear in the Register of Members of the company in the case of physical holding and to the beneficial owners of shares recorded with the Depositories in the case of demat holding as per details to be furnished by National Securities Depository Ltd/ Central Depository Services (India) Ltd for the purpose, as on Wednesday, the 20th July 2022."

3. Reappointment of retiring Director

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

RESOLVED that Mr Arun G Bijur (DIN: 00024434) who retires by rotation, be and is hereby reappointed as a director of the company, liable to retire by rotation"

4. Appointment of Auditor

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

"RESOLVED that pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder the Company do hereby appoint M/s S Viswanathan LLP, Chartered Accountants, Chennai (LLP Identification No.AAE-7072) as the Auditors of the company for a second term to hold office from the conclusion of this Annual General Meeting till the conclusion of the 31st Annual General Meeting of the company on such remuneration fixed by the Board of Directors on the recommendation of Audit Committee from time to time."

SPECIAL BUSINESS

5. Appointment of Director

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

RESOLVED that Mrs Bharti Chhotubhai Pithawalla (DIN: 00341382) who was earlier appointed as an additional director of the company from 6th May 2022 and who holds office till the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company liable to retire by rotation.

6. Appointment of Independent Director

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

“RESOLVED that pursuant to the provisions of Section 149 and 152 of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act and other applicable provisions of the Act, and the Rules made there under and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, [including any statutory modification(s) or re-enactment thereof for the time being in force], Mr. Mohan Verghese Chunkath (DIN:01142014) who was earlier appointed as an additional director of the company from 6th May 2022 and who holds office till the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, to hold office for a fixed term of five years from 6th May 2022 to 5th May 2027.”

7. Remuneration to Cost Auditor

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

“RESOLVED that the Company do hereby confirm and ratify in terms of Section 148 and other applicable provisions of the Companies Act, 2013 and the Rules made there under the remuneration approved by the Board of Directors on the recommendations of the Audit Committee for M/s S Mahadevan & Co., Cost Accountants (Firm Registration No.000007), for conducting the audit of cost records of the Company for the financial year 2022-23 at ₹ 150000 (Rupees one lakh fifty thousand only) plus tax and reimbursement of travel and out of pocket expenses incurred for purpose of such audit.”

(By Order of the Board)

For **PONNI SUGARS (ERODE) LIMITED**

Chennai
6th May 2022

N Ramanathan
Managing Director

NOTES:

1. AGM thro VC / OAVM

Ministry of Corporate Affairs (“MCA”) by Circular No. 2/2022 dated 05.05.2022 have allowed companies to hold their Annual General Meeting (“AGM”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) till end of 2022.

Accordingly, the 26th AGM of the Company will be held through VC/ OAVM (e-AGM) and the shareholders can attend and participate in the e-AGM through VC/ OAVM only. The deemed venue of the e-AGM will be the registered office of the company.

2. Quorum/ Proxy form / Attendance slip

A shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a shareholder of the company. However, as this AGM is being held thro’ VC/ OAVM, physical attendance of shareholders is dispensed with. Accordingly, the facility for appointment of proxies by the shareholders is not applicable for this e-AGM. Hence the proxy form and attendance slip are not being annexed to this Notice and the resultant requirement for submission of proxy forms does not arise.

The presence of shareholders through VC/ OAVM will be reckoned for the purpose of quorum u/s 103 of the Act.

Corporate shareholders entitled to appoint authorized representatives are requested to send a duly certified copy of Board Resolution authorizing their representative(s) to attend and vote at the e-AGM, pursuant to Section 113 of the Companies Act, 2013 (“the Act”).

3. Particulars of Directors

Particulars of Directors seeking appointment / reappointment pursuant to Regulation 36 (3) of the Listing Regulations is given in Appendix-A that forms part of this Notice.



4. Explanatory Statement / Special Business

Statement pursuant to Section 102(1) of the Act in respect of the Special Business and Regulation 17 (1A) of the Listing Regulations in respect of Special Resolution to be transacted at the meeting is annexed hereto.

As per the provisions of Clause 3 A II of the General Circular no 20/2020 dt.5th May 2020 and subsequent circulars, the matters of Special Business as appearing at item nos 5 to 7 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.

5. Book Closure

The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 8th July 2022 to Wednesday, the 20th July 2022 (both days inclusive).

6. Dividend

Dividend on declaration will be paid on 26.07.2022 (Tuesday).

Shareholders are advised to refer to 'Shareholder information' section of the Corporate Governance Report (page 55 of the Annual Report) for details on dividend entitlement, payment options, tax on dividend and procedure for claiming tax exemption.

7. Unpaid Dividend

Unpaid Dividend for over 7 years will be transferred to the Investor Education and Protection Fund. Shareholders may refer to page 56 of the Annual Report and lodge their claim, if any, immediately.

Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more had been transferred to Investor Education and Protection Fund. Shareholders may refer to page 56 of the Annual Report for details.

8. Attending e-AGM

The Company has appointed Central Depository Services (India) Limited (CDSL), to provide VC / OAVM facility. The detailed procedure and manner for participating in e-AGM through VC / OAVM is given in Appendix-B.

9. Voting Process

Shareholders can cast their votes thro' Remote e-Voting or at the AGM thro' e-Voting. The detailed process and instructions are given in Appendix-C

10. Mailing of AGM Notice & Annual Report

In deference to extant MCA / SEBI circulars, Notice of AGM and the Annual Report for FY 2021-22 are being sent in electronic mode to shareholders whose email address is registered with the Depository Participants (DP) or the Registrar & Transfer Agent (RTA). Shareholders holding shares in physical / demat form who have not registered their email address with the Company can get the same registered as per the procedure given (refer Sl. No.11).

The AGM Notice and Annual Report are available on the websites of the Company www.ponnisugars.com, Stock Exchanges i.e. BSE Ltd www.bseindia.com and National Stock Exchange of India Ltd www.nseindia.com. The AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility and e-Voting System during the AGM) www.evotingindia.com

11. Procedure for obtaining the Annual Report, AGM Notice and e-Voting instructions by the shareholders whose email addresses are not registered with the DPs/ RTA

Shareholders are advised to register/ update their email address and mobile number immediately, in case they have not done so earlier:

- In case of shares held in demat mode, with their respective DPs.
- In case of shares held in physical mode, by accessing the link <https://investors.cameoindia.com> or by email to the RTA at investor@cameoindia.com