



Ponni Sugars (Erode) Limited



27th Annual Report 2022-23



Year Scorecard

- ❖ *All round operational excellence*
- ❖ *All time high Turnover*
- ❖ *Adverse market overcome by cost optimization*
- ❖ *Bottom line boosted by one-off gains*
- ❖ *PBT the second best ever*
- ❖ *PAT records a new peak*

Directors

N Gopala Ratnam (*Chairman*)
 Dr L M Ramakrishnan (*Vice Chairman*) (*till 30.09.2022*)
 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*)
 P Manoharan (*from 01.10.2022*)

Audit Committee

V Sridar (*Chairman*)
 Dr L M Ramakrishnan (*till 30.09.2022*)
 Bimal K Poddar
 K Bharathan
 Mohan Verghese Chunkath (*from 01.10.2022*)

Nomination and Remuneration Committee

V Sridar (*Chairman*)
 N Gopala Ratnam
 Dr L M Ramakrishnan (*till 30.09.2022*)
 K Bharathan (*from 01.10.2022*)

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

Company Secretary

R Madhusudhan

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

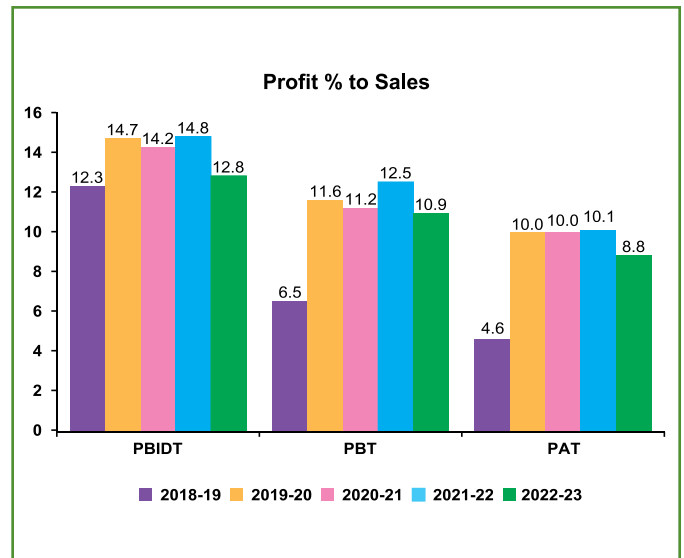
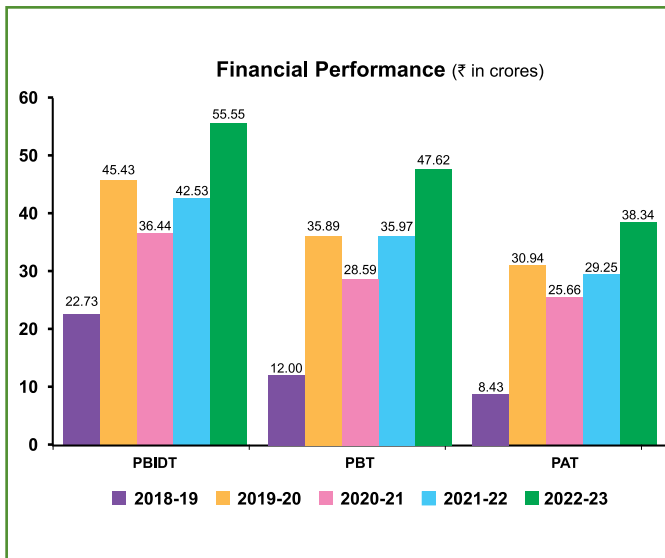
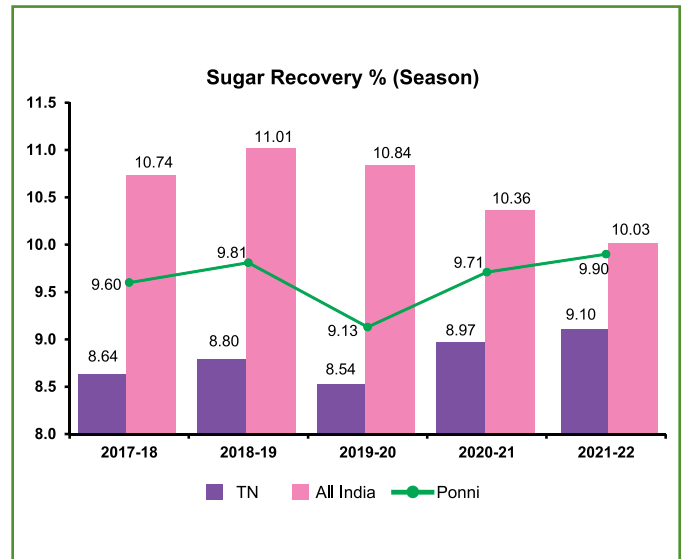
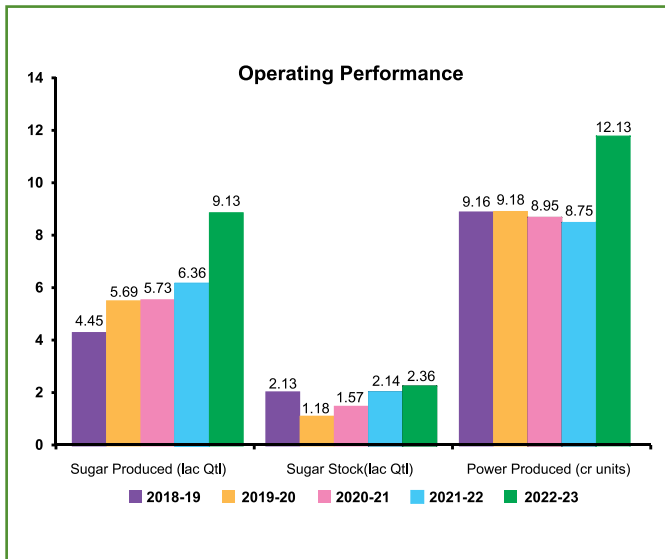
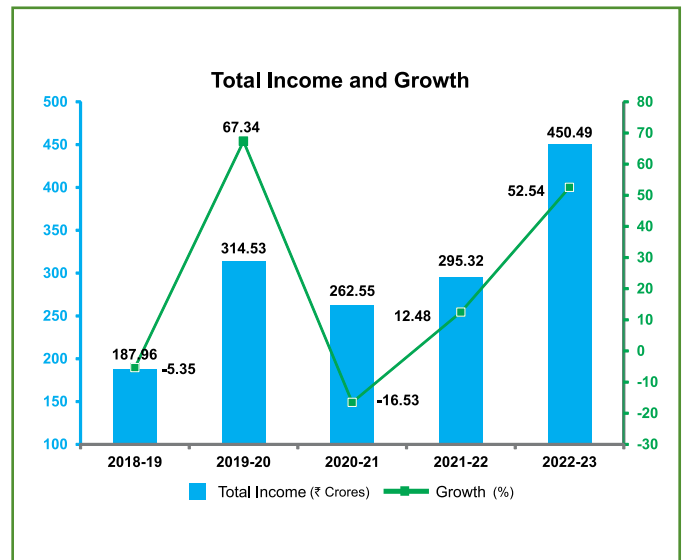
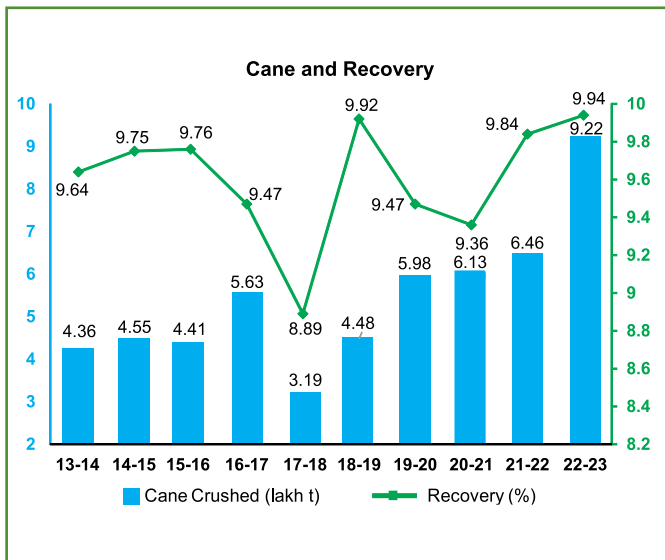
Registrar & Transfer Agent

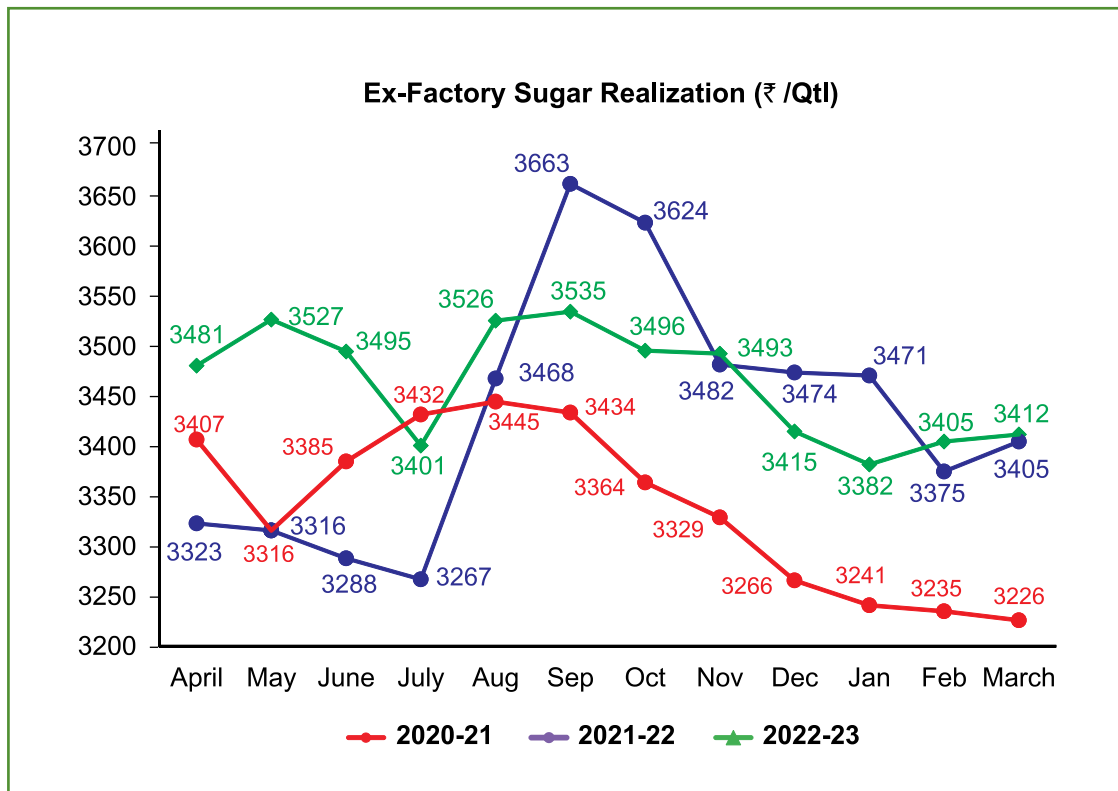
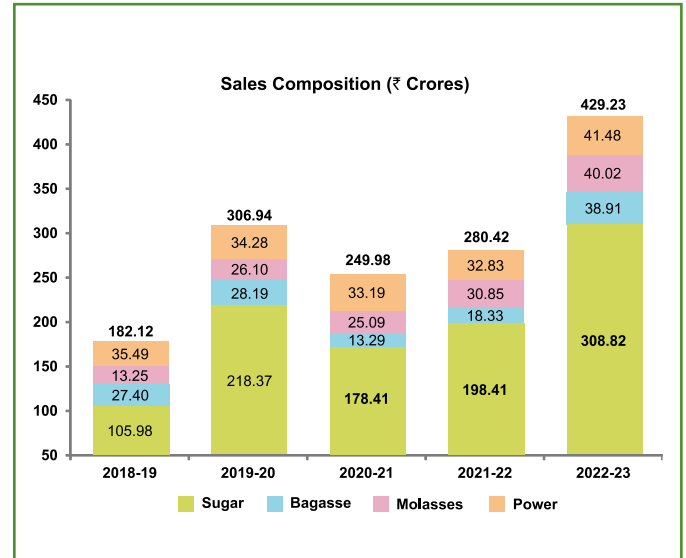
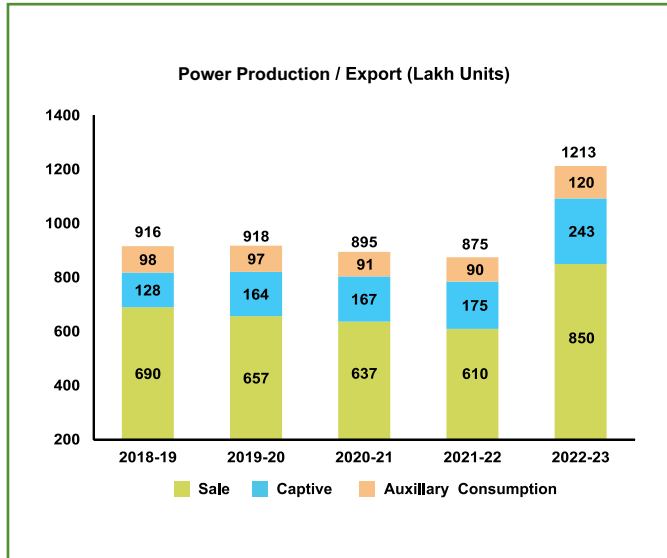
Cameo Corporate Services Ltd
 “Subramanian Buildings”, 5th Floor
 No.1, Club House Road, Chennai 600 002
 Phone: (044) 28460390
 Email: investor@cameoindia.com

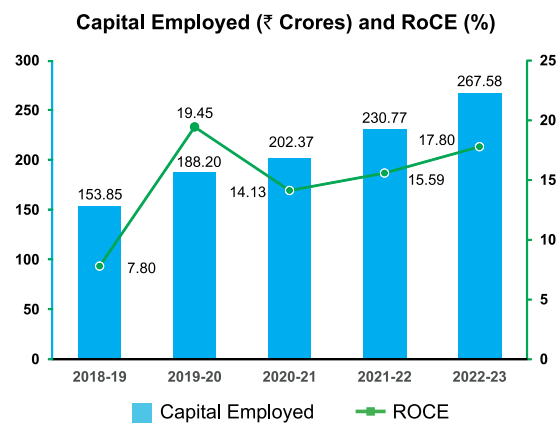
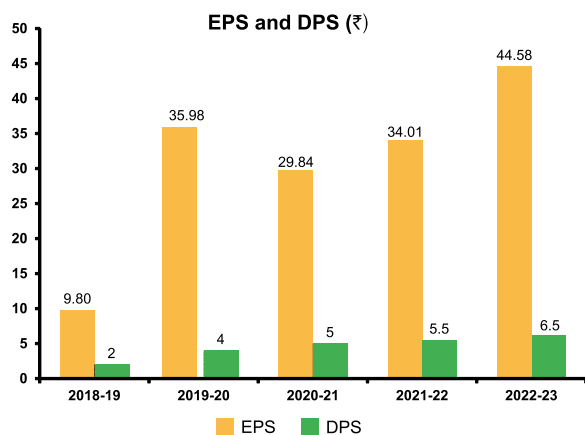
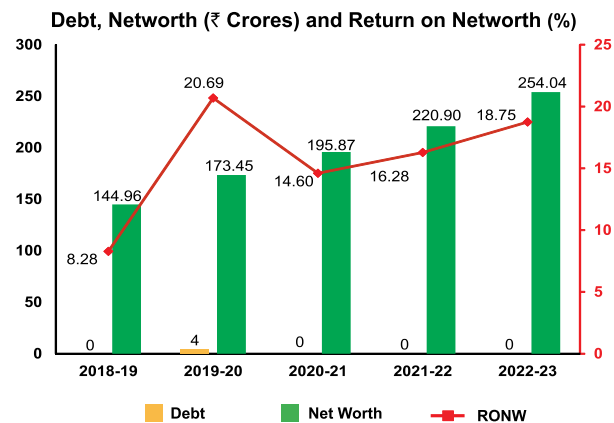
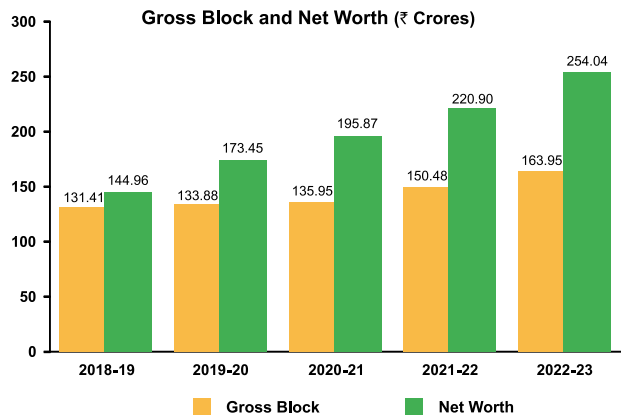
Main contents	Page
Notice	6
Board's Report	18
MDA Report	23
Corporate Governance Report	34
Secretarial Audit Report	66
Auditors' Report	69
Financial Statements	80



Performance Chart







Financial Highlights – Ten Years at a Glance

₹ in Lakhs

For the year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Total Income	17103	16153	17081	25174	19859	18796	31453	26255	29532	45049
Total Expenditure	16429	16511	16758	21189	17588	16523	26910	22611	25279	39494
PBIDT	674	-358	323	3985	2271	2273	4543	3644	4253	5555
Interest	671	512	587	475	197	347	268	54	12	35
Depreciation	825	566	564	570	568	593	739	731	644	758
Profit before exceptional items	-822	-1436	-828	2940	1506	1333	3536	2859	3597	4762
Exceptional Items	-541	-893	-1090	776	1126	133	-53	0	0	0
PBT	-281	-543	262	2164	380	1200	3589	2859	3597	4762
Tax	197	-178	72	645	46	357	495	293	672	928
PAT	-478	-365	190	1519	334	843	3094	2566	2925	3834
EPS (₹)	-5.56	-4.24	2.21	17.66	3.88	9.80	35.98	29.84	34.01	44.58
Cash EPS (₹)	0.03	1.81	9.61	31.80	10.49	18.55	44.14	35.93	42.41	54.27
Dividend %	6	--	12	25	10	20	40	50	55	65
As at year end										
Gross Block	17575	17602	17638	17747	13083	13141	13388	13595	15048	16395
Net Block	13339	12773	12261	11840	11952	11417	10932	10419	11234	11834
Loan Funds	8283	7791	7663	4905	725	3487	2013	0	0	0
Net Worth	12376	12011	12159	13678	13752	14496	17345	19587	22090	25404
Book value per share (₹)	143.93	139.69	141.41	159.08	159.94	168.59	201.72	227.80	256.91	295.45
Share Price at NSE (in ₹)										
High	359.45	251.00	248.00	357.05	228.80	189.40	182.00	197.00	380.00	581.00
Low	87.10	100.50	110.90	172.70	141.00	102.30	81.00	112.10	145.30	209.50



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 27th Annual General Meeting of the Company will be held on Wednesday, the 21st June 2023 at 11.00 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 2023 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 ₹ 6.50 (Rupees six and paise fifty only) per equity share, for the financial year 2022-23 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 the National Securities Depository Ltd/ Central Depository Services (India) Ltd as on Wednesday, the 21st June 2023.”

3. Reappointment of retiring Director

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

RESOLVED that Mr N Gopala Ratnam (DIN: 00001945) who retires by rotation, be and is hereby reappointed as a director of the company, liable to retire by rotation”

SPECIAL BUSINESS

4. Commission to Non-Executive Directors

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

- (i) RESOLVED that pursuant to Section 197 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions of any other Law, Rules and Regulations for the time being in force, consent of the company be and is hereby accorded for payment of commission to Non-Executive Directors out of the net profit of the company, over and above the sitting fees, for a period of three financial years from 1st April 2023 to 31st March 2026.

PROVIDED that the commission for all the non-executive directors shall in aggregate not exceed in any year one percent of the net profit of the Company computed in terms of Section 198 of the Companies Act, 2013.

- (ii) RESOLVED FURTHER that the commission within the above ceiling be divisible among the directors in such manner and proportion as the Board of Directors may deem fit.

5. 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 2023-24 at ₹ 200000 (Rupees two lakh 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
28th April 2023

R Madhusudhan
Company Secretary

NOTES:

1. AGM thro VC / OAVM

Ministry of Corporate Affairs (“MCA”) vide its Circular dated 28.12.2022 in continuation of its earlier circulars on the subject have allowed companies to hold their Annual General Meeting (“AGM”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) till 30th September 2023.

Accordingly, the 27th AGM of the Company will be held through VC / OAVM (e-AGM) and shareholders can attend and participate in the e-AGM through VC/OAVM only. The deemed venue of the e-AGM will be registered office of the company.

2. Quorum/ Proxy form / Attendance slip

A shareholder entitled to attend and vote at the meeting 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 through 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 under Section 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 Director seeking reappointment pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI-LODR) 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 SEBI-LODR 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 MCA General Circular no 20/2020 dt.5th May 2020 and subsequent circulars, the matters of Special Business as appearing at item Nos.4 & 5 of the accompanying Notice, are considered to be unavoidable by the Board and hence form 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 9th June 2023 to Wednesday, the 21st June 2023 (both days inclusive).



6. Dividend

Dividend on declaration will be paid on or before 29.06.2023.

Shareholders are advised to refer to 'Shareholder information' section of the Corporate Governance Report (page 54 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 55 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 55 of the Annual Report for details.

8. Attending e-AGM

The Company has appointed Central Depository Services 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 through remote e-Voting in advance or at the AGM through 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 2022-23 are being sent only by electronic mode to shareholders whose email address is registered either 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 S.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 with details of Folio number and attaching a self-attested copy of PAN card.
- After due verification, the Company/ RTA will send login credentials for attending the AGM and voting to the registered email address.

12. Inspection of documents

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred in notice will be available for inspection in electronic mode. Shareholder can send an email for this purpose to admin@ponnisugars.com.