



**Ponni Sugars (Erode) Limited**

**20<sup>th</sup>**  
**Annual Report**  
**2015-16**



### *Year Scorecard*

- ◆ *Water stress weltering cultivation and withering cane crop*
- ◆ *Whopping losses till Q3*
- ◆ *Resurgence in sugar prices in Q4 on macro correction in fundamentals*
- ◆ *Tariff revision by Regulator bestowing a booster dose to bottom line*
- ◆ *Dividend resumed*
- ◆ *Near-term outlook optimistic*

## Directors

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

## Audit Committee

V Sridar (*Chairman*)  
 Bimal Poddar  
 Dr L M Ramakrishnan  
 N R Krishnan

## Nomination Cum Remuneration Committee

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

## Stakeholders Relationship Committee

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

## CSR Committee

N Gopala Ratnam (*Chairman*)  
 N R Krishnan  
 N Ramanathan

## Chief Financial Officer

K Yokanathan

## Auditors

R Subramanian And Company  
 Chartered Accountants  
 No.6 ( Old No. 36) Krishnaswamy Avenue  
 Luz, Mylapore  
 Chennai - 600 004  
 Maharaj N R Suresh And Co.  
 Chartered Accountants  
 No.9 (Old No.5) II Lane, II Main Road  
 Trustpuram, Kodambakkam  
 Chennai - 600 024

## Banks

Bank of India  
 IDBI Bank Limited  
 Canara Bank

## Registered Office

“ESVIN HOUSE”  
 13 Rajiv Gandhi Salai (OMR)  
 Perungudi, Chennai 600 096  
 Ph: (044) 39279300  
 Email: admin@ponnisugars.com  
 Web: www.ponnisugars.com

## Works

Odappalli, Cauvery R S (Post)  
 Erode 638 007, Tamil Nadu  
 Phone: (04288) 247351 to 358  
 Email: gen@ponnisugars.com

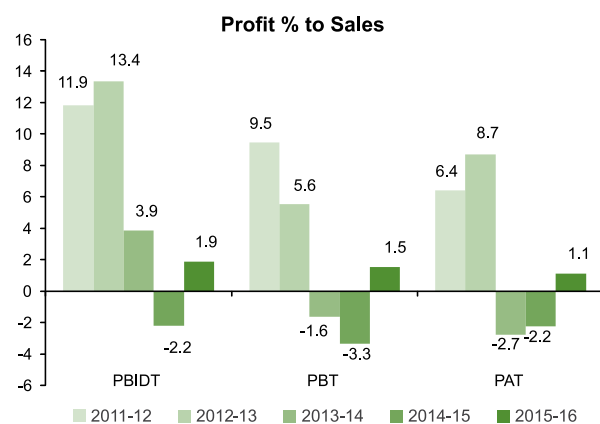
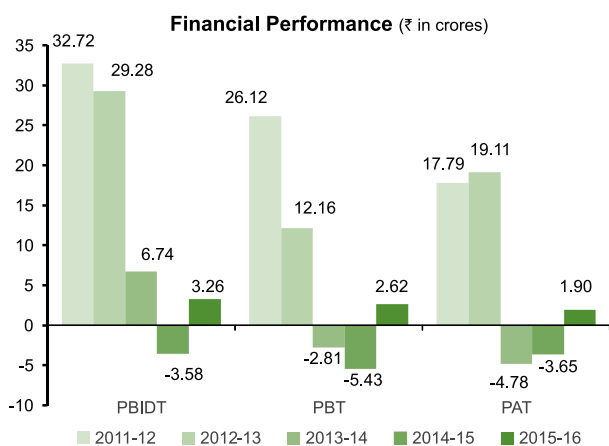
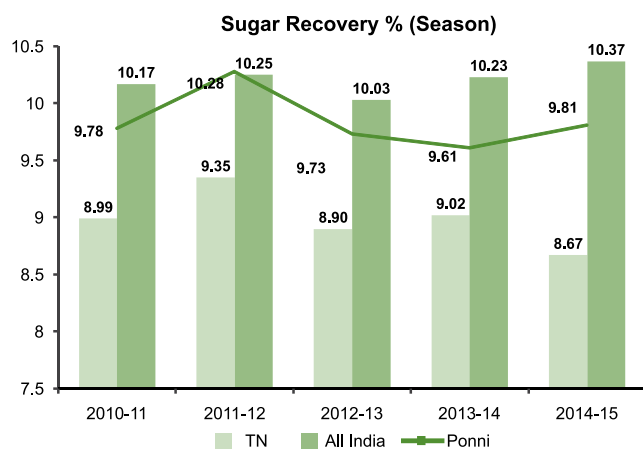
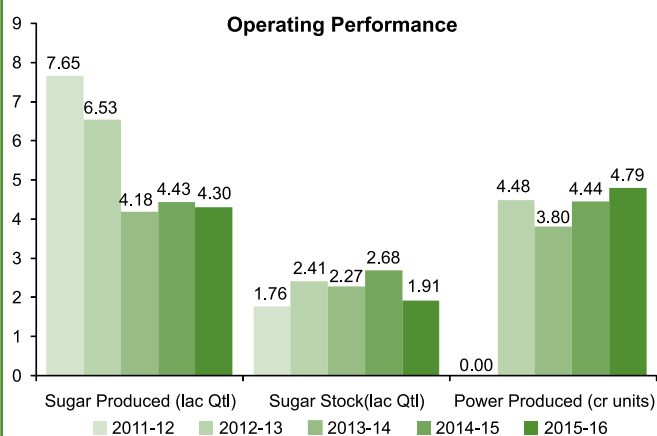
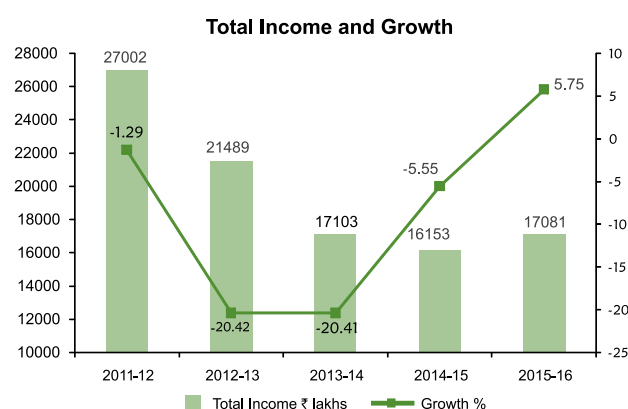
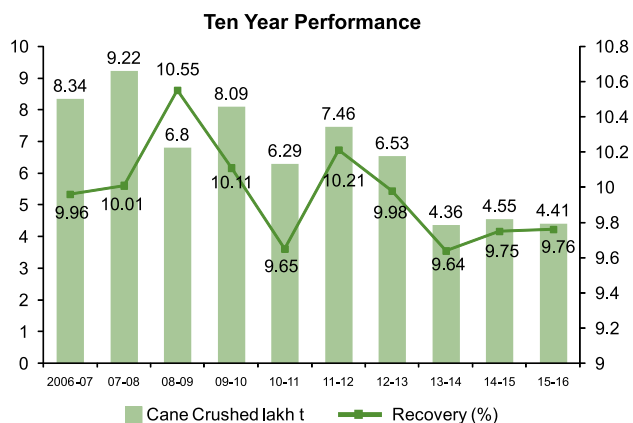
## Registrar & Transfer Agent

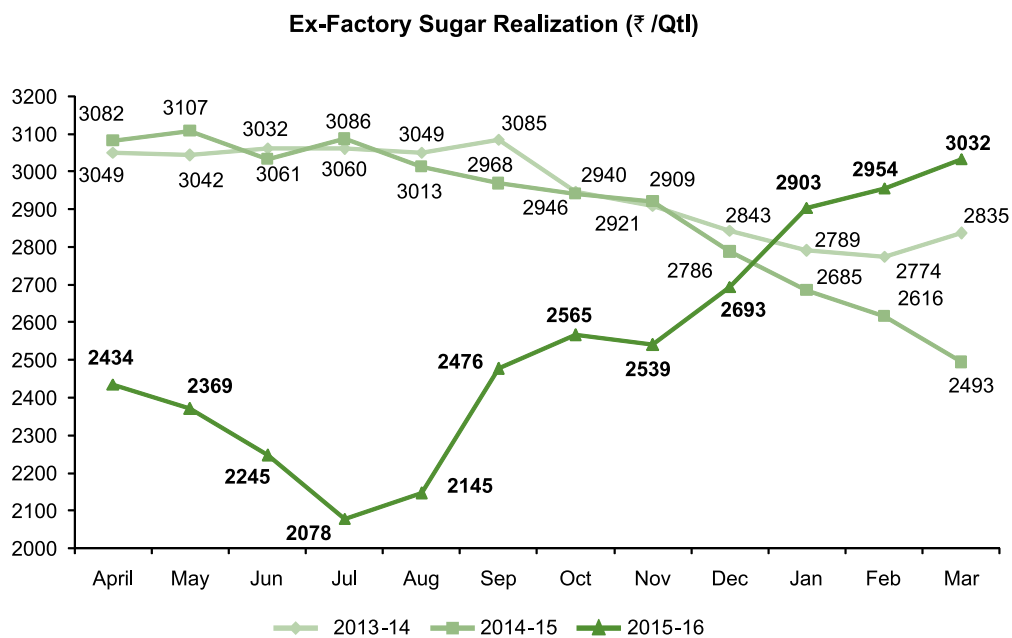
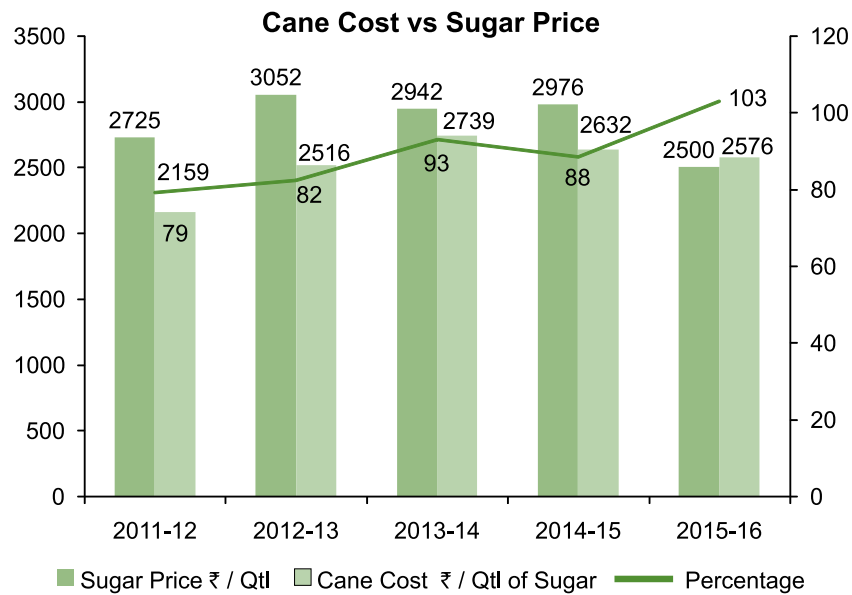
Cameo Corporate Services Ltd  
 “Subramanian Buildings”, 5th Floor  
 No.1, Club House Road, Chennai 600 002  
 Phone: (044) 28460390  
 Email: investor@cameoindia.com

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## Performance Chart

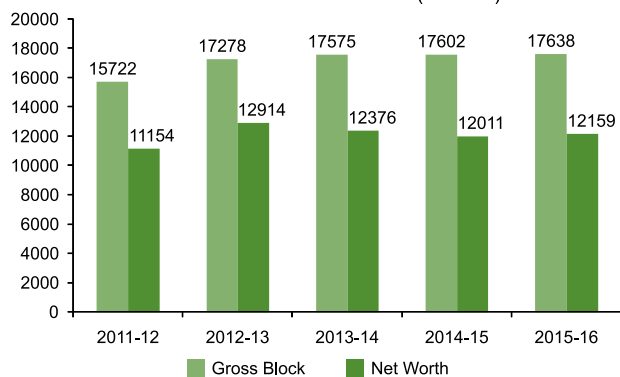




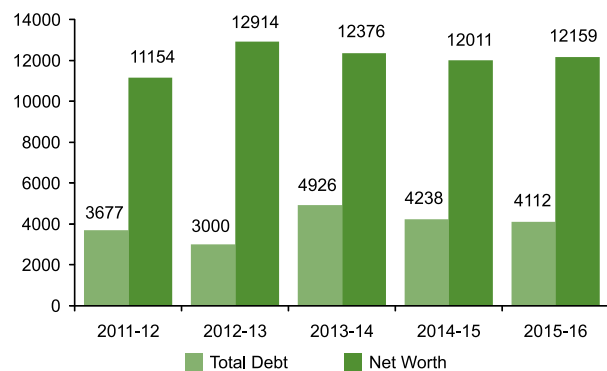


## Ponni Sugars (Erode) Limited

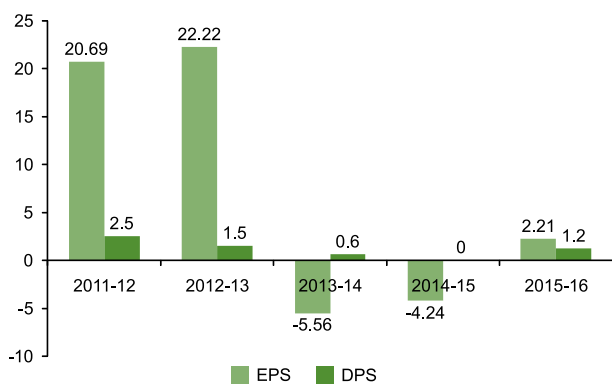
**Gross Block and Net Worth (₹ Lakhs)**



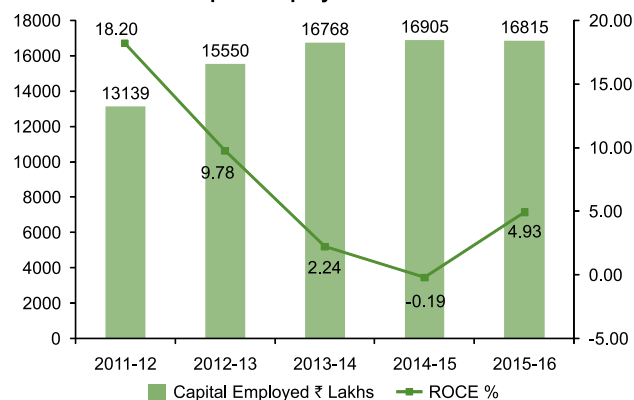
**Debt & Net Worth (₹ Lakhs)**



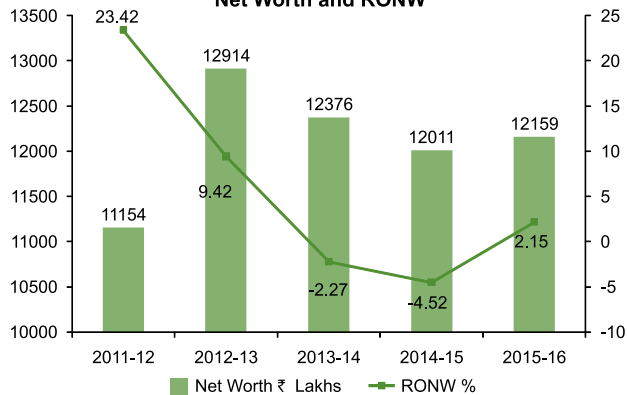
**EPS and DPS (₹)**



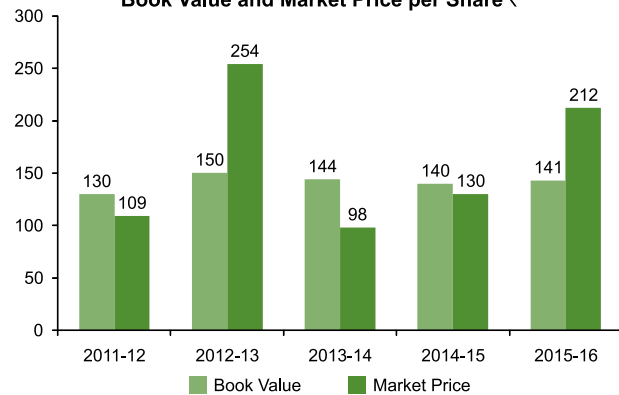
**Capital Employed and ROCE**



**Net Worth and RONW**



**Book Value and Market Price per Share ₹**



## Financial Highlights – Ten Years at a Glance

₹ in Lakhs

For the year	2006-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16
Total Income	14263	13961	15122	28591	27356	27002	21489	17103	16153	17081
Total Expenditure	13021	13984	12763	21154	25546	23730	18561	16429	16511	16755
PBIDT	1242	-23	2359	7437	1810	3272	2928	674	-358	326
Interest	139	112	189	179	148	119	358	671	512	590
Depreciation	245	282	297	306	309	329	1161	825	566	564
Profit before exceptional items	858	-417	1873	6952	1353	2824	1409	-822	-1436	-828
Exceptional Items	0	-108	0	1411	-1411	212	193	-541	-893	-1090
PBT	858	-309	1873	5541	2764	2612	1216	-281	-543	262
Tax	368	-121	647	1856	903	833	-695	197	-178	72
PAT	490	-188	1226	3685	1861	1779	1911	-478	-365	190
EPS (₹)	5.97	-2.29	14.46	42.86	21.64	20.69	22.22	-5.56	-4.24	2.21
Cash EPS (₹)	8.70	-1.72	21.02	56.40	14.54	24.18	27.64	0.03	1.81	9.61
Dividend %	9	6	25	40	20	25	15	6	--	12
<b>As at year end</b>										
Gross Block	5752	6673	6962	7095	7564	15722	17278	17575	17602	17638
Net Block	4093	4737	4771	4703	4917	12834	13309	13339	12773	12261
Loan Funds	2456	4328	3358	3430	1645	5005	8208	8283	7791	7663
Net Worth	3951	3705	4679	7964	9625	11154	12914	12376	12011	12159
Book value per share (₹)	45.75	42.75	54.42	92.62	111.94	129.72	150.19	143.93	139.69	141.41
<b>Share Price at NSE (in Rupees)</b>										
High	93.75	61.95	47.50	188.00	142.80	126.50	415.00	359.45	251.00	248.00
Low	30.20	28.10	20.00	25.05	82.00	71.15	108.00	87.10	100.50	110.90



## PONNI SUGARS (ERODE) LIMITED

CIN : L15422TN1996PLC037200

ESVIN House, 13 Rajiv Gandhi Salai (OMR), Perungudi, Chennai 600 096  
Phone : 044 3927 9300 Fax : 044 2496 0156 E Mail: admin@ponnisugars.com

### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 20th Annual General Meeting of the Company will be held at New Woodlands Hotel Pvt Ltd, 72-75 Dr Radhakrishnan Road, Mylapore, Chennai 600 004 on Tuesday, the 26th July 2016 at 10.00 AM to transact the following business.

#### ORDINARY BUSINESS

##### 1. Adoption of Financial Statements

To consider and adopt the Financial Statements of the company for the year ended 31st March 2016 and the Reports of the Board of Directors and Auditors thereon.

##### 2. Dividend declaration

To declare dividend on Equity Shares.

##### 3. Reappointment of retiring Director

To appoint director in the place of Mr N Gopala Ratnam who retires by rotation and being eligible, offers himself for reappointment.

##### 4. Ratification of Auditors' appointment

To consider and, if thought fit, to pass with or without modifications, 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 ratify the appointment of auditors made by the shareholders at the 19th AGM as under:

- i) M/s Maharaj N.R.Suresh And Co., Chennai (Firm Registration No.001931S) shall cease to hold office on the conclusion of 20th Annual General Meeting.

- ii) M/s R.Subramanian And Company, Chennai (Firm Registration No.004137S) to hold office till the conclusion of 21st Annual General Meeting.

- iii) The Board of Directors be and are hereby authorized to fix their remuneration on the recommendation of Audit committee."

#### SPECIAL BUSINESS

##### 5. Remuneration to Cost Auditor

To consider and, if thought fit, to pass with or without modifications, 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 thereunder the remuneration approved by the Board of Directors on the recommendations of the Audit Committee for M/s S Mahadevan & Co., Cost Accountants (Firm Regn.No. 000007), for conducting the audit of cost records of the Company, including its Sugar and Cogen segments for the financial year 2016-17 at Rs 100000/- (Rupees One Lakh only) plus 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  
27th May 2016

**N Ramanathan**  
Managing Director



**NOTES:****1. Proxy**

**A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of himself and such proxy need not be a Member of the company.**

**Deposit of proxy**

Proxies in order to be effective, must be received at the registered office of the Company not later than 24 hours before the meeting.

**2. Particulars of Director**

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

**3. Book Closure**

The Register of Members and the Share Transfer Register will remain closed from Tuesday, the 19th July 2016 to Tuesday, the 26th July 2016 (both days inclusive).

**4. Dividend**

Dividend on Declaration will be paid by 1st August 2016.

Members are advised to refer to 'Shareholder information' section of the Corporate Governance Report (Page 39 of the Annual Report) for details on dividend entitlement and payment options.

**5. Unpaid Dividend**

Unpaid dividend for over 7 years will be transferred to the Investor Education and Protection Fund. Members may refer to Page 39 of the Annual Report and lodge their claim, if any, immediately.

**6. E-Communication**

Members are requested to opt for electronic mode of communication and support the Green initiatives of the Government.

**7. Member identification**

Members are requested to bring the attendance slips duly filled and copy of the Annual Report to the meeting.

**8. Gifts**

No gifts, gift coupons, or cash in lieu of gifts shall be distributed to Members at or in connection with the Annual General Meeting in terms of Clause 14 of Secretarial Standard (SS-2) pertaining to distribution of Gifts at Annual General Meeting.

**9. Voting facilities****a) Remote e-Voting**

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules 2014 as amended on 19th March 2015, the company provides facility for its members to exercise their voting right by electronic means and the business set out in the Notice may be transacted through such voting.

**b) Voting at AGM**

The company also offers the facility for voting through polling paper at the meeting.

**c) Voting option**

Please note that a member can vote under only any one of the two options mentioned above.

**d) Voting instructions**

Process and manner of voting containing detailed instructions is given in Appendix-B that forms part of this Notice.



STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.5

Remuneration to Cost Auditor

The Company is engaged in two business segments namely Sugar and Cogen. It has been maintaining cost accounting records and getting them audited under the provisions of the Companies Act, 2013.

While the remuneration for the audit of cost records is determined by the Board of Directors on the recommendations of Audit Committee, it will have to be ratified by the shareholders at the following General Meeting.

The Board of Directors have appointed M/s S Mahadevan & Co., Cost Accountants (Firm Registration No.000007) for the audit of Cost Records of the company for the financial year 2016-17 pertaining to both Sugar and Cogen segments and determined the remuneration at Rs 100000/- based on the recommendations of the Audit Committee.

It is now placed for the approval of shareholders in accordance with Section 148 (3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules 2014.

Copies of relevant resolutions of the Audit Committee and Board are available for inspection of the members at the registered office on any working day of the Company during business hours.

No Director or Key Managerial Personnel of the company or their relatives are concerned or interested financially or otherwise, in this business.

(By Order of the Board)  
For **PONNI SUGARS (ERODE) LIMITED**

Chennai  
27th May 2016

**N Ramanathan**  
Managing Director

ROUTE MAP

