



Ponni Sugars (Erode) Limited

21st
Annual Report
2016-17





Year Scorecard

- ❖ *Robust recovery in sugar prices*
- ❖ *Record high power sales*
- ❖ *Resultant resurgence in profits*
- ❖ *Step up in dividend*
- ❖ *Outlook daunted by dreaded drought*

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 LLP
 Chartered Accountants
 No.6 (Old No. 36) Krishnaswamy Avenue
 Luz, Mylapore
 Chennai - 600 004

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

Email ID for Investor Grievance

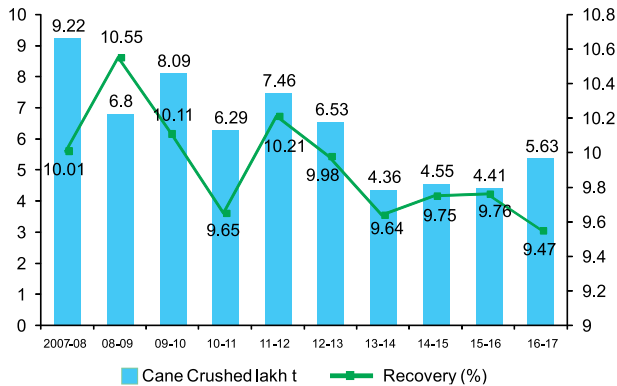
investor@ponnisugars.com

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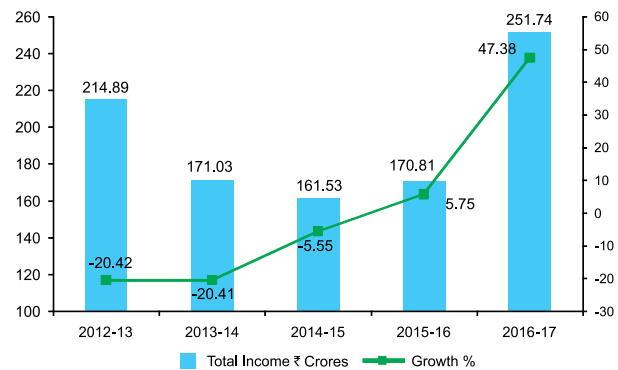


Performance Chart

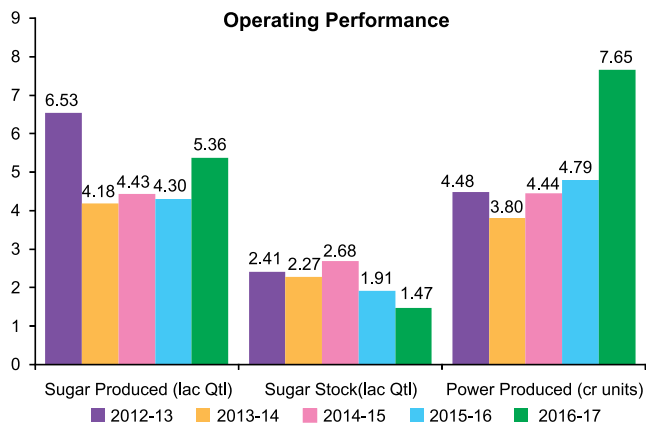
Ten Year Performance



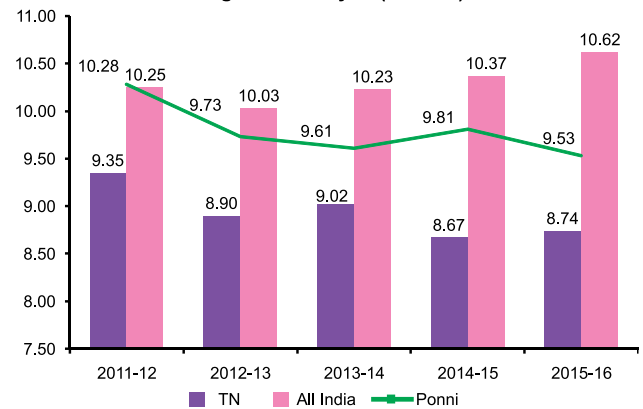
Total Income and Growth



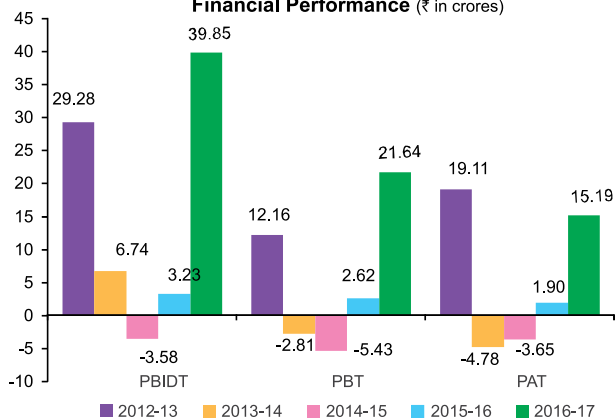
Operating Performance



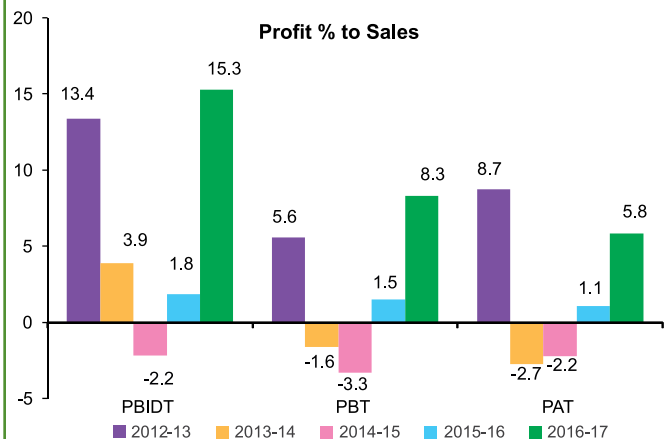
Sugar Recovery % (Season)

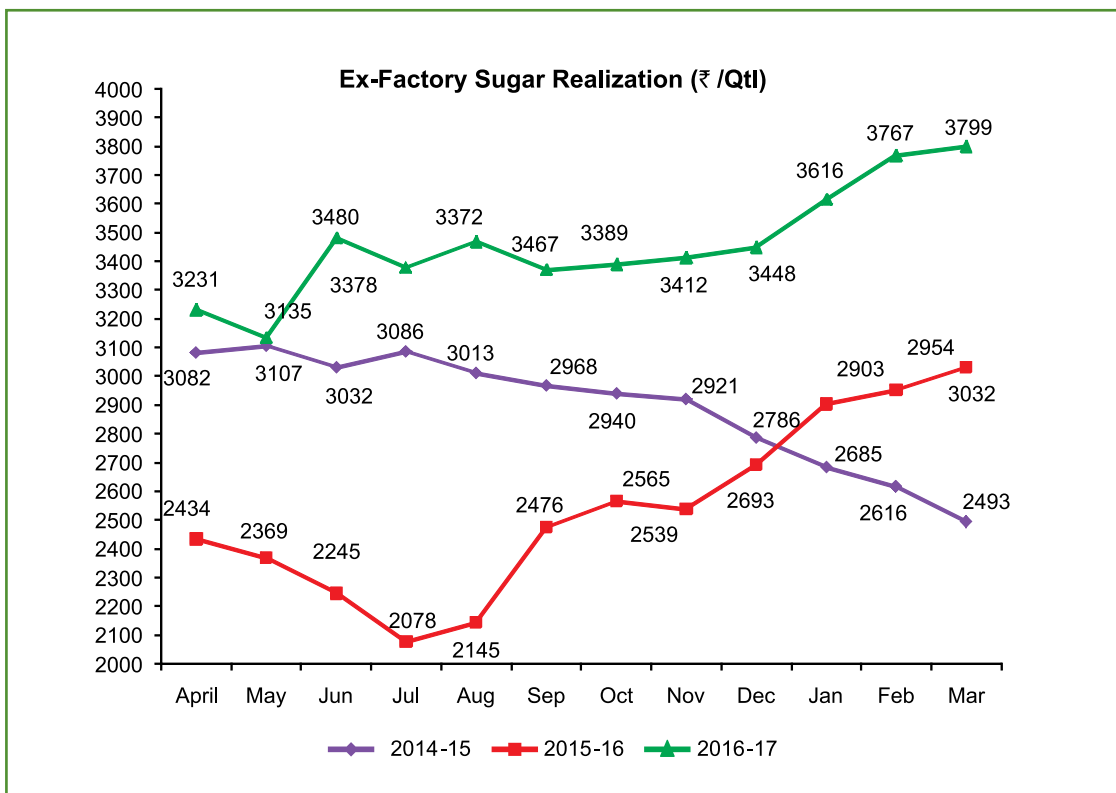
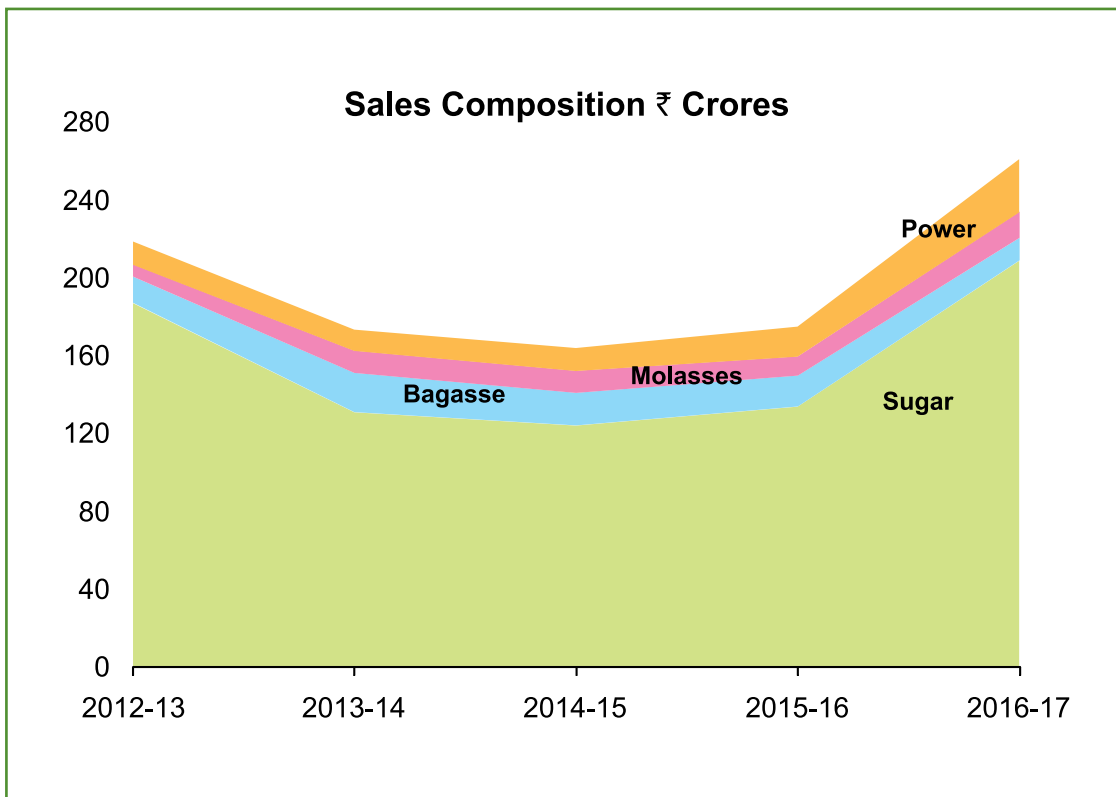


Financial Performance (₹ in crores)



Profit % to Sales

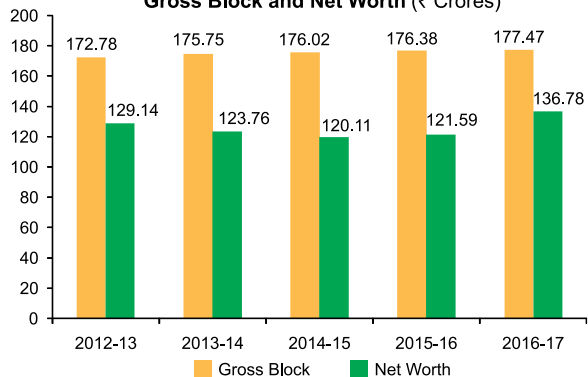




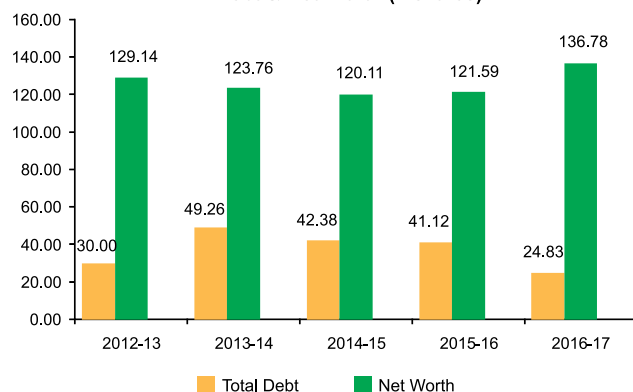


Ponni Sugars (Erode) Limited

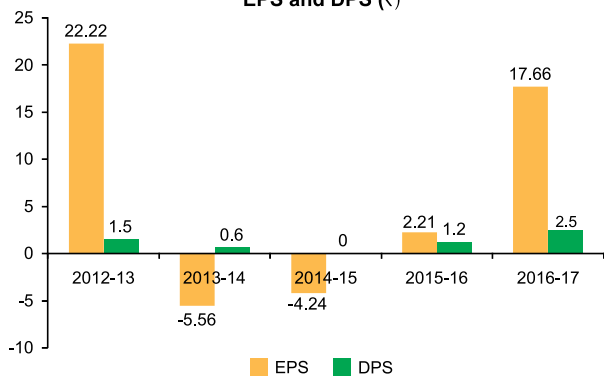
Gross Block and Net Worth (₹ Crores)



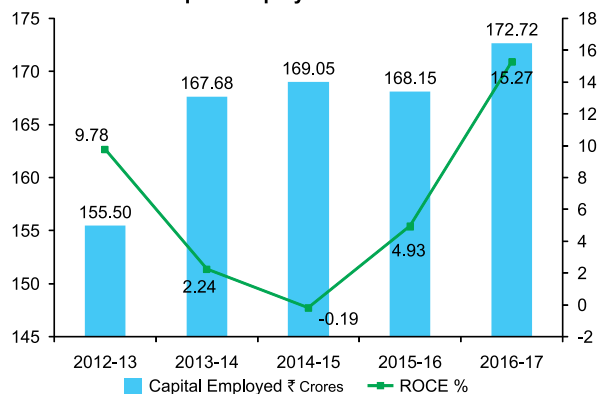
Debt & Net Worth (₹ Crores)



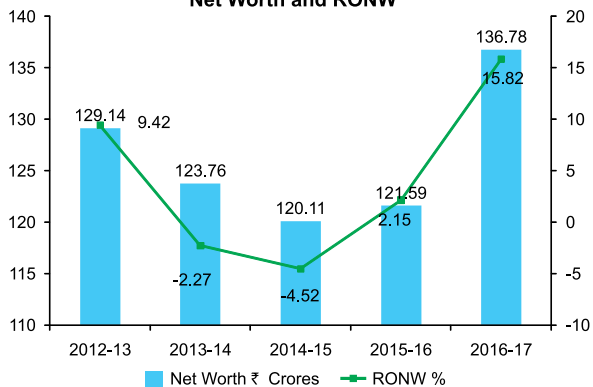
EPS and DPS (₹)



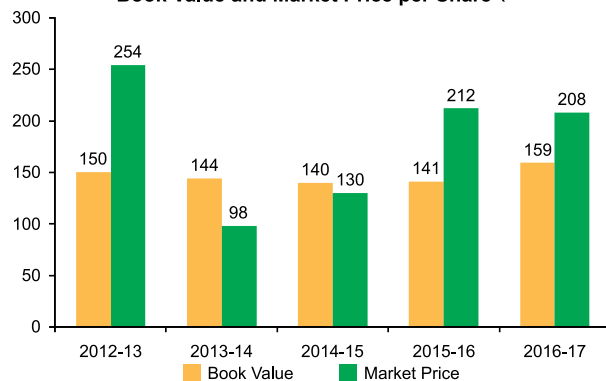
Capital Employed and ROCE



Net Worth and RONW



Book Value and Market Price per Share ₹



Financial Highlights – Ten Years at a Glance

₹ in Lakhs

For the year	2007-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17
Total Income	13961	15122	28591	27356	27002	21489	17103	16153	17081	25174
Total Expenditure	13984	12763	21154	25546	23730	18561	16429	16511	16758	21189
PBIDT	-23	2359	7437	1810	3272	2928	674	-358	323	3985
Interest	112	189	179	148	119	358	671	512	587	475
Depreciation	282	297	306	309	329	1161	825	566	564	570
Profit before exceptional items	-417	1873	6952	1353	2824	1409	-822	-1436	-828	2940
Exceptional Items	-108	0	1411	-1411	212	193	-541	-893	-1090	776
PBT	-309	1873	5541	2764	2612	1216	-281	-543	262	2164
Tax	-121	647	1856	903	833	-695	197	-178	72	645
PAT	-188	1226	3685	1861	1779	1911	-478	-365	190	1519
EPS (₹)	-2.29	14.46	42.86	21.64	20.69	22.22	-5.56	-4.24	2.21	17.66
Cash EPS (₹)	-1.72	21.02	56.40	14.54	24.18	27.64	0.03	1.81	9.61	31.80
Dividend %	6	25	40	20	25	15	6	--	12	25
As at year end										
Gross Block	6673	6962	7095	7564	15722	17278	17575	17602	17638	17747
Net Block	4737	4771	4703	4917	12834	13309	13339	12773	12261	11840
Loan Funds	4328	3358	3430	1645	5005	8208	8283	7791	7663	4905
Net Worth	3705	4679	7964	9625	11154	12914	12376	12011	12159	13678
Book value per share (₹)	42.75	54.42	92.62	111.94	129.72	150.19	143.93	139.69	141.41	159.08
Share Price at NSE (in ₹)										
High	61.95	47.50	188.00	142.80	126.50	415.00	359.45	251.00	248.00	357.05
Low	28.10	20.00	25.05	82.00	71.15	108.00	87.10	100.50	110.90	172.70



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 21st 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 Wednesday, the 2nd August 2017 at 10.30 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 2017 and the Reports of the Board of Directors and Auditors thereon.

2. Dividend declaration

To declare dividend on Equity Shares.

3. Reappointment of retiring Directors

To appoint a director in the place of Ms Bharti Chhotubhai Pithawalla who retires by rotation and being eligible, offers herself for reappointment.

4. Auditors' appointment

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 (Firm Registration No.004770S/S200025) as the Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 26th 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.

PROVIDED THAT the appointment as above shall be subject to ratification by members at every AGM if so required by the Companies Act, 2013.

SPECIAL BUSINESS

5. Reappointment of Managing Director

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

- (i) RESOLVED that Mr N Ramanathan whose current term of office expired on 31.03.2017 be and is hereby re-appointed as Managing Director of the Company for a period of three years from 01.04.2017 to 31.03.2020.
- (ii) RESOLVED FURTHER that pursuant to the provisions of Section 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, approval be and is hereby accorded for the remuneration of Mr N Ramanathan as Managing Director during the above tenure as set out in the Statement pursuant to Section 102(1) of the Act attached hereto.
- (iii) RESOLVED FURTHER that the Board of Directors be and are hereby authorized to increase, vary or amend the remuneration and other terms of the appointment from time to time on the recommendation of the Nomination cum Remuneration Committee.
PROVIDED that such revised remuneration shall be within the limits of and in conformity with Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof or relaxation granted thereunder.
- (iv) RESOLVED FURTHER that the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.

6. 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, if any of the Companies Act, 2013, consent of the company be and is hereby accorded for payment of commission to Non Executive Directors out of the net profits of the company, over and above the sitting fees, for a period of three financial years from 1st April 2017 to 31st March 2020.

PROVIDED FURTHER that the aggregate commission for all the non-executive directors shall be within the ceiling prescribed from time to time under the Companies Act, 2013 or any modification or re-enactment thereof.

- (ii) RESOLVED FURTHER that the commission be divisible among the directors in such manner and proportion as the Board of Directors may deem fit.
- (iii) RESOLVED FURTHER that the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to the resolution.

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 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 Registration No.000007), for conducting the audit of cost records of the Company, including its Sugar and Cogen segments, for the financial year 2017-18 at ₹100000 (Rupees one lakh only) plus tax and reimbursement of travel & out of pocket expenses incurred for purpose of such audit.

(By Order of the Board)

For **PONNI SUGARS (ERODE) LIMITED**

Chennai
30th May 2017

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 Directors

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

3. Book Closure

The Register of Members and the Share Transfer Register will remain closed from Thursday, the 27th July 2017 to Wednesday, the 2nd August 2017 (both days inclusive)

4. Dividend

Dividend on Declaration will be paid by 8th August 2017.

Members are advised to refer to 'Shareholder information' section of the Corporate Governance Report (Page 44 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 44 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 continuous years or more will be transferred to Investor Education and Protection Fund. Members may refer to Page 44 of the Annual Report for additional details.



6. E-Communication

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

7. Member identification

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

8. 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, 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.

9. 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.

10. Route Map

Route Map showing the location of and directions to reach the venue of the 21st AGM is given hereunder pursuant to Secretarial Standard 2 on General Meetings.

ROUTE MAP

