BANNARI AMMAN SUGARS LIMITED

Regd. Office : 1212, Trichy Road Coimbatore - 641 018 Tamilnadu India
Phone : 91 - 422 - 2204100 Fax : 2309999 (Sales) 2204222 (Purchase) 2204233 (Accounts)
E-Mail : bascbe@bannari.com Website : www.bannari.com CIN : L15421TZ1983PLC001358

SEC/MAIL/2016 3.12.2016

National Stock Exchange of India Ltd Exchange Plaza C-1, Block G Bundera-Kurla Complex, Bandra (E) Mumbai 400051 NSE CODE : BANARISUG ISIN No. : INE459A01010	Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001 BSE CODE : 500041 ISIN No. : INE459A01010

Dear Sirs,

Sub: Notice of 32nd Annual General Meeting given to the shareholders by Advertisement.

*** *** ***

We are attaching herewith a copy of Notice dated 02.12.2016 published in `Business Standard' (in English) and Makkal Kural (in Tamil) on 3rd December, 2016 regarding Notice of 32nd Annual General Meeting of the members of the company for your records.

We are also attaching herewith a copy of our 32nd Annual Report containing notice to shareholders, Report of the Board of Directors and Financial Statements etc., for the financial year ended 31.3.2016 for your records.

Thanking you

Yours faithfully
For **BANNARI AMMAN SUGARS LIMITED**

Palaniswamy
COMPANY SECRETARY

Encl:

Business Standard Date ; 3.12.2016

BANNARI AMMAN SUGARS LIMITED

Registered office : 1212, Trichy Road, Coimbatore - 641 018
Tel: 0422-2302277, Fax: 0422-2309999 Web : www.bannari.com
Email-Id : shares@bannari.com CIN: L15421TZ1983PLC001358

NOTICE

Notice is hereby given that the Thirty second Annual General Meeting of the Members of Bannari Amman Sugars Limited will be held on Thursday the 29th December 2016 at 11.15 A.M at Jennys Residency, 2/2 Avinashi Road, Civil Aerodrome Post, Coimbatore - 641 014 to transact the business contained in the Notice dated 23rd November, 2016, sent to the Members together with the Annual Report for the year ended 31st March 2016.

Pursuant to Section 91 of the Companies Act, 2013 read with Rule 10 of the Companies (Management and Administration) Rules, 2014, notice is also hereby given that the Register of Members and Share Transfer Books of the Company shall remain closed from Friday, the 23rd December 2016 to Thursday, 29th December 2016 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend.

The Annual Report along with Notice, Attendance Slip and Proxy Form have been electronically sent to the members whose E-mail IDs are registered with the Company or their depository participants on 29.11.2016. Physical copies have been sent to the other members on 1st December, 2016. Notice of the 32nd Annual General Meeting and Annual Report 2015-16 is displayed at the website of the Company (i.e. http:\\www.bannari.com/InvestorInformation.html)

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Company is providing remote e-voting facility for transacting the businesses contained in the Notice. The remote e-voting period commences on Monday, 26th December 2016 (9.00 A.M IST) and ends on Wednesday, 28th December, 2016 (5.00 P.M IST). During this period, members of the Company, holding shares either in physical form or in dematerialised form as on 22nd December, 2016, may cast their vote electronically. Thereafter, the e-voting module shall be disabled by CDSL.

The facility for voting through Ballot paper shall also be made available at the meeting and the members attending the meeting who have not already casted their vote through electronic mode may exercise their vote through ballot at the meeting.

If you require any clarification on this subject, you may write an e-mail to shares@bannari.com or Investor@cameoindia.com

By order of the Board
For Bannari Amman Sugars Limited
C PALANISWAMY
Company Secretary

Coimbatore
02.12.2016

Makkal Kural Date ; 3.12.2016

பண்ணாரி அம்மன் சுகர்ஸ் லிமிடெட்

பதிவு அலுவலகம் : 1212 திருச்சி சாலை, கோயமுத்தூர்-641 018
தொலைபேசி : 0422-2302277, பேக்ஸ் : 0422-2309999
CIN: L15421TZ1983PLC001358
மின் அஞ்சல் : shares@bannari.com இணையதளம் : www.bannari.com

பங்குதாரர்களுக்கு அறிவிப்பு

பண்ணாரி அம்மன் சுகர்ஸ் லிமிடெட்டின் 32-வது ஆண்டுப் பொதுப் பேரவைக் கூட்டம் 2016 ஆம் ஆண்டு டிசம்பர் மாதம் 29-ஆம் நாள் வியாழக்கிழமை காலை 11.15 மணிக்கு கோயமுத்தூர்-641014, அவிநாசி சாலை கதவு எண் 2/2, சிவில் ஏரோட்ராம் முகவரியில் அமைந்துள்ள "ஜென்னீஸ் ரெசிடென்சியில்" நடைபெற உள்ளது.

கம்பெனிகள் சட்டம் 2013 பிரிவு 91 மற்றும் கம்பெனிகள் (மேலாண்மை மற்றும் நிர்வாக) விதிகள், 2014 விதி 10ன் படி பங்குதாரர்கள் பதிவேடும், பங்கு மாற்று புத்தகங்களும் 23.12.2016 வெள்ளிக்கிழமை முதல் 29.12.2016 வியாழக்கிழமை வரை (இரு தேதிகளும் உட்பட) மூடி வைக்கப்படும்.

ஆண்டறிக்கை மற்றும் 32-வது ஆண்டுப் பொது பேரவைக் கூட்ட அறிவிப்பு, பங்குதாரர்கள் வருகைப்பதிவு / பதிலி தாள் ஆகிய அனைத்தும், பங்குதாரர்களுக்கு கம்பெனி மற்றும் பங்குதாரர்களின் டீமேட் கணக்கு வைத்துள்ள ஏஜென்டிடம் (Depository Participants) பதிவு செய்துள்ள மின் அஞ்சல் முகவரி மூலமாக 29.11.2016 அன்றும் மற்ற பங்குதாரர்களுக்கு தபால் மூலமாக 1.12.2016 அன்றும் அனுப்பப்பட்டுள்ளன.

கூட்டத்தில் நிறைவேற்றப்பட உள்ள தீர்மானங்கள் பற்றிய விவரங்கள் ஆண்டறிக்கையுடன் அனுப்பப்பட்டுள்ள அறிவிப்பில் குறிப்பிடப்பட்டுள்ளன.

32-வது ஆண்டுப் பொதுப்பேரவை கூட்டம் குறித்த அறிவிப்பு மற்றும் ஆண்டறிக்கை ஆகியவற்றை கம்பெனியின் இணையதளமான http:\\www.bannari.com/InvestorInformation.html-ல் காணலாம்.

கம்பெனிகள் சட்டம் 2013 பிரிவு 108 மற்றும் கம்பெனிகள் (மேலாண்மை மற்றும் நிர்வாக) விதிகள், 2014 விதி 20-ன் படியும் மேலும் 2015 ஆம் வருடாந்திய செபி (பட்டியலிடுதல் கடமைகள் மற்றும் அறிவித்த தேவைகள்) விதிமுறை 44-ன் படியும் அறிவிப்பில் கண்டுள்ள அனைத்து தீர்மானங்களுக்கும் மின்னஞ்சல் (e-voting) வாயிலாக வாக்கை பதிவு செய்யும் வசதியை கம்பெனி அதன் பங்குதாரர்களுக்கு வழங்கி உள்ளது. 2016 ஆம் ஆண்டு டிசம்பர் மாதம் 22ஆம் நாள் வியாழக்கிழமை அன்று பங்குதாரர்களாக இருப்பவர்கள் மின்னஞ்சல் வாக்குப்பதிவை 26.12.2016 (இந்திய நேரப்படி காலை 9.00 மணி) முதல் 28.12.2016 (இந்திய நேரப்படி மாலை 5.00 மணி) வரை பதிவு செய்யலாம். அதன் பிறகு மின்னஞ்சல் வாக்குபதிவு செய்ய இயலாது.

கூட்டத்தில் பங்கு கொள்ளும் பங்குதாரர்கள் அதற்கு முன்னரே வாக்களிக்காமல் இருந்தால் கூட்டத்தின் பொழுது வழங்கும் வாக்குச் சீட்டை பயன்படுத்தி வாக்களிக்கலாம்.

இயக்குனர் குழு உத்தரவுபடி
பண்ணாரி அம்மன் சுகர்ஸ் லிமிடெட்காக
சி பழனிச்சாமி
கம்பெனி செயலாளர்

கோயம்புத்தூர்
02.12.2016

32nd Annual Report 2015 - 2016

BANNARI AMMAN SUGARS LIMITED

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

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 - 2302277 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
Dr M P Vijayakumar
Dr Radha Ramani

Auditors

M/s P N Raghavendra Rao & Co
Chartered Accountants

Bankers

Punjab National Bank
Bank of Baroda
Canara Bank
The Federal Bank Limited
The Karur Vysya Bank Limited
Union Bank of India
Indian Overseas Bank
State Bank of Travancore
State Bank of India
State Bank of Hyderabad
Bank of India
The Lakshmi Vilas Bank Limited
AXIS Bank Limited
ICICI Bank Limited
HDFC Bank Limited
Central Bank of India
Allahabad Bank

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

Notice to Shareholders

NOTICE is hereby given that the 32nd Annual General Meeting of the Members of the Company will be held at JENNYS RESIDENCY 2/2 AVINASHI ROAD CIVIL AERODROME POST COIMBATORE 641 014 on Thursday the 29th day of December 2016 at 11.15 A.M to transact the business set out in the agenda below

You are requested to make it convenient to attend the meeting

Agenda

Ordinary Business

1 Adoption of Audited Financial Statments 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 2016 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 7.50 per share on 1,14,39,700 equity shares of Rs10/- each be and is hereby declared for the financial year ended March 31, 2016 and that the same be paid to the members whose names appeared in the Register of Members of the company as on December 29, 2016 and in the Register of beneficial owners maintained by the depositories as on December 22, 2016.

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 B Saravanan (DIN:00002927) who retires by rotation and being eligible for re-appointment be and is hereby re-appointed as Director of the Company.

4 Ratification of Appointment of Auditors

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

RESOLVED that pursuant to the provisions of Section 139(1) and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder and pursuant to the recommendations of the Audit Committee of the Board the re-appointment of M/s P N Raghavendra Rao & Co Chartered Accountants (Registration No 003328S) as the auditors of the Company for the financial year 2016-2017 be and is hereby ratified by the members of the company at such remuneration as may be determined by the Board of Directors on the recommendation of Audit Committee.

Special Business

5 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 service tax 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 2017 be and is hereby ratified and confirmed.

By Order of the Board
C PALANISWAMY
Company Secretary

Place: Coimbatore
Date : 23.11.2016

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 the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto

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 the Annual General Meeting

4. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd December 2016 to 29th December 2016 (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 2.1.2017 and 14.1.2017 to those members whose names appear on the Register of Members as on 29.12.2016 In respect of shares held in electronic form the dividend will be payable 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 22.12.2016

6. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants 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

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 to the Company Secretary a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting

9. Pursuant to the provisions of Section 123, 124 of the Companies Act 2013 and Section 205C of the Companies Act 1956 the Company has transferred the unpaid or unclaimed dividends up to the financial years 2008-2009 to the Investor Education and Protection Fund (the IEPF) established by the Central Government Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules 2012 the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on 23rd September 2015 (date of last Annual General Meeting) on the website of the Company (www.bannari.com) as also on the website of the Ministry of Corporate Affairs

10. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agent

11. Electronic copy of the Notice convening the 32nd Annual General Meeting of the Company Annual Report 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

Voting through electronic means

I Pursuant to the provisions of Section 108 of the Companies Act 2013 read with the Rules made thereunder 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 businesses to be transacted at the 32nd Annual General Meeting (AGM) of the company scheduled to be held on Thursday the 29th December 2016 at 11.15 A M The Company has engaged Central Depository Services (India) Limited (CDSL) to provide e-voting facility

The instructions for voting through electronic means are as under

1) The remote e-voting will be available from 26.12.2016 (9:00 am) to 28.12.2016 (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 22.12.2016 may cast their vote electronically The remote 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) 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)
* 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 * 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	
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. 22.12.2016 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 mentioned herein can be used only for remote 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 the 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 Custodians

- 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 remote e-voting / poll process in a fair and transparent manner

22) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the remote e-voting period unblock the votes 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 within a day (i.e. 24 hours) of passing of the resolutions at the Annual General Meeting of the Company to be held on 29th December 2016 and communicated to the Stock Exchanges viz Bombay Stock Exchange Limited and National Stock Exchange of India Limited

Annexure to Notice

Statement Pursuant to Section 102 of the Companies Act 2013

Item No 5

The Board of Directors on the recommendation of the Audit Committee has approved the appointment of Sri M Nagarajan Cost Accountant as Cost Auditor to conduct audit of cost records of the company for the financial year ending March 31 2017 and fixed his remuneration at Rs 2,00,000/- (Rupees Two Lakhs only) plus reimbursement of actual out of pocket expenses

In accordance with the provisions of Section 148 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules 2014 the remuneration payable to the cost auditor has to be ratified by the shareholders of the company

Accordingly consent of the members is sought for passing an ordinary resolution as set out at Item No 5 of the notice for ratification of the remuneration payable to the cost auditor for the financial year ending March 31 2017

None of the Directors Key Managerial Personnel or their relatives are in any way concerned or interested in the proposed ordinary resolution

By Order of the Board
C PALANISWAMY
Company Secretary

Place: Coimbatore
Date : 23.11.2016

In terms of Regulation 36 (3) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 read with secretarial standard on General Meeting a brief profile of the director who proposed to be re-appointed is given below

Sri B Saravanan

Sri B Saravanan (DIN 00002927) aged 43 years is the Managing Director of the company He is in-charge of the entire operations of the company He has more than 16 years experience in sugar industry

He is also the Managing Director of Shiva Distilleries Private Ltd and Director of the following companies viz Annamallai Enterprise Private Ltd Bannari Amman Enterprises Private Ltd Bannari Amman Exports Private Ltd Bannariamman Finance Private Ltd Kerala Alcoholic Products Private Ltd Shiva Cargo Movers Private Ltd Shiva Hi-Tech Infrastructure Private Ltd Annamallai Estates Private Ltd Bannari Enterprises Private Ltd Kandiamman Enterprise Private Ltd Kumaraguru Enterprise Private Ltd Soundaram Enterprise Private Ltd SVB Enterprise Private Ltd SVB Holdings Private Ltd and Velmuruga Enterprises Private Ltd

He is a member of the Risk Management Committee of Bannari Amman Sugars Limited

He holds 175758 equity shares in the company and he is related to Sri S V Balasubramaniam Chairman of the company

Report of the Board of Directors

Dear Members

Your Directors have pleasure in presenting the 32nd Annual Report of the company together with audited financial statements for the year ended 31st March 2016

Amalgamation of M/s Madras Sugars Limited with the Company

The Hon'ble High Court of Judicature at Madras has approved the Scheme of Amalgamation of Madras Sugars Limited with your company on 15th November 2016 The Appointed date for the Scheme of Amalgamation was fixed as 1.1.2016

In view of the Amalgamation the Annual General Meeting of the Company could not be held before 30.9.2016 Extension of time has been obtained from the Registrar of the Companies Coimbatore

(Rs in Lakhs)

Financial Results	Financial Year	
	2015-16	2014-15
Profit for the year before depreciation	**9139.79**	5159.42
Less: Depreciation	**6154.07**	5125.55
Profit Before Tax	**2985.72**	33.87
Less: Provisions: Income Tax - Current	**634.99**	8.38
MAT Credit Entitlement	**(634.99)**	(8.38)
Deferred Tax	**(193.68)**	(69.16)
Profit After Tax	**3179.40**	103.03
Add : Surplus brought forward from previous year	**1906.26**	2117.66
Amount available for appropriation	**5085.66**	2220.69
Appropriations		
Provision for diminution in value of investment (Long term)	**(1.94)**	(29.78)
Provision for Proposed Dividend on equity shares	**857.98**	285.99
Provision for Tax on Dividend	**174.66**	58.22
Transfer to General Reserve	**2000.00**	---
Surplus carried over to Balance Sheet	**2054.96**	1906.26
TOTAL	**5085.66**	2220.69

Dividend

Your Directors are glad to recommend dividend @ Rs 7.50 per share on 1,14,39,700 equity shares of Rs10/- each

Review of Operations

Sugar Division

The comparative operational performances for the last two years are as under

Particulars	Sugar Unit I Alathukombai Tamilnadu		Sugar Unit II Alaganchi Karnataka		Sugar Unit III Kunthur Karnataka		Sugar Unit IV Kolundampattu Tamilnadu		Sugar Unit V * Vengur Tamilnadu
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16
No of days crushed	**170**	117	**256**	214	**249**	194	**200**	105	**86**
Sugarcane crushed (Lakh tonnes)	**3.67**	2.20	**13.05**	11.88	**7.65**	5.97	**7.88**	4.12	**3.19**
Recovery (%)	**9.30**	9.37	**9.80**	10.16	**9.91**	10.12	**9.02**	9.04	**9.49**
Sugar bagged (Lakh quintals)	**3.38**	1.99	**12.80**	12.09	**7.59**	5.96	**7.05**	3.64	**3.01**

* Acquired by way of amalgamation with effect from 1.1.2016

Co-generation of Power

The Co-generation plants had generated 424.72 million units of power and exported 292.23 million units of power to grids compared to the generation of 304.18 million units and export of 205.46 million units in the previous year The 25 MW Co-generation plant in the sugar factory acquired by way of amalgamation had generated 39.86 million units of power and exported 29.36 million units of power during the period from 1.1.2016 to 31.3.2016

Distillery Division

During the year the distilleries had produced 28.70 million B.Ltrs of Alcohol as against 29.26 million BLtrs in the previous year

Granite Division

In the Granite Processing Unit 128150 square metres of Granite Slabs and 38262 square metres of Tiles were produced compared to production of 170381 square metres of Granite Slabs and 28420 square metres of Tiles in the previous year

Wind Mill

Wind Mills had generated 8.61 million units of power and exported 7.50 million units to grid compared to the generation of 11.67 million units and export of 10.07 million units in the previous year

Prospects for the current year 2016 - 2017

In the current financial year the operational performances of the sugar units till 31st October 2016 are

Particulars	Unit I	Unit II	Unit III	Unit IV	Unit V
No of days crushed (from 1.4.2016 to 31.10.2016)	87	68	59	76	106
Sugarcane crushed (Lakh tonnes)	1.78	2.75	1.56	2.64	3.50
Recovery (%)	9.82	9.23	9.62	8.27	8.34
Sugar produced (Lakh quintals)	1.85	2.56	1.51	2.33	3.03

During the period from 1.4.2016 to 31.10.2016 the co-generation plants have generated 168.31 million units of power and exported 115.24 million units of power to grids

The distilleries have produced 17.26 million B.Ltrs of Alcohol from 1.4.2016 to 31.10.2016

98762 square metres of Granite Slabs and 9803 square metres of Tiles were produced in the Granite Processing Unit during the period from 1.4.2016 to 31.10.2016

Wind Mills have generated 11.43 million units of power and exported 9.85 million units to the grid from 1.4.2016 to 31.10.2016

It is estimated to crush another 22 lakh tonnes of sugarcane in aggregate in the remaining months Performance of co-generation plants will be based on bagasse availability in the sugar mills Improved working results are expected in the Distillery and Granite Division The sugar prices are expected to be steady at current level The financial results are expected to be satisfactory

Directors and Key Managerial Personnel

In accordance with the provisions of Companies Act 2013 read with the Articles of Association of the Company Sri B Saravanan is liable to retire by rotation

All the independent directors have given declarations that they meet the criteria of independence as specified under Section 149 (6) of the Companies Act 2013 All Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation

The Company has devised a policy on director's appointment remuneration and for performance evaluation of Independent Directors Board Committees and other individual directors which include performance evaluation of non-executive and executive directors

The details of programmes for familiarization of independent directors with the company their roles rights responsibilities in the company nature of the industry in which the company operations business models and related matters are placed on the website of the company at the link http://www.bannari.com/InvestorInformation.html

Sri S V Balasubramaniam Chairman Sri B Saravanan Managing Director Sri C Palaniswamy Company Secretary and Sri M Ramprabhu Chief Financial Officer were designated as "Key Managerial Personnel" of the Company in terms of Sections 2(51) and 203 of the Companies Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

Particulars of Loans Guarantees or Investments

During the year the company has not made any loan or guarantee or investment or provided any security under Section 186 of the Companies Act 2013

Conservation of Energy Technology Absorption Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy Technology absorption Foreign Exchange earnings and outgo as required to be disclosed under the Companies Act 2013 are provided in Annexure I to this Report

Particulars of Employees

The information required as per Section 197 of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is furnished in Annexure II forming part of this Report

Meetings of the Board

Five Meetings of the Board of Directors were held during the year The details are furnished in the Report on Corporate Governance attached herewith

Committees and Policies

The company has constituted Board Committees and framed policies as required under the provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 The details are furnished in the Corporate Governance Report attached herewith

Corporate Governance and Management Discussion and Analysis Report

A separate section on Corporate Governance Management Discussion and Analysis Report and a certificate from the Auditors of the company regarding compliance of conditions of Corporate Governance are annexed as Annexure - III

Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014 the company has formulated a policy on Corporate Social Responsibility and the policy was uploaded in the company's website at http://www.bannari.com/InvestorInformation.html

The report on CSR activities is attached as Annexure IV to this report

Risk Management / Risk Management policy

The company has formulated a Risk Management Policy including risk assessment and minimization procedures The Risk Management Committee has been assigned with the functions of monitoring and reviewing the risk management plans of the company In the opinion of the Board no element of risk that may threaten the existence of the company has been identified

Vigil Mechanism/Whistle Blower Policy

The company has established vigil mechanism for Directors and Employees to report concerns about the unethical behavior, actual or suspected incidents of fraud or violation of the code of conduct or ethics policy. The Whistle Blower Policy is posted in the company's website at the link http://www.bannari.com/InvestorInformation.html

Related Party Transactions

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Companies Act 2013 Listing Agreements with Stock Exchanges/ SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 There is no materially significant related party transaction made by the company with Promoters Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the company at large and therefore disclosure in Form AOC-2 is not required. All the related party transactions are placed before the Audit Committee and approved by the Audit Committee. The Related Party Transactions Policy as approved by the Board is uploaded on the company's website at http://www.bannari.com/InvestorInformation.html

The details of transactions with Related Parties are provided in the accompanying financial statements

Board Evaluation

Pursuant to the provisions of the Companies Act 2013 and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the Board has evaluated the performance of Independent Directors The Independent Directors at their meeting without participation of non-independent directors and management considered and evaluated the Boards' performance and performance of the Chairman and Managing Director

The Board has carried out an annual evaluation of its own performance of the individual directors as well as the Committees of Directors

Material changes and commitments

The Hon'ble High Court of Judicature at Madras has approved the Scheme of Amalgamation of Madras Sugars Limited with your company on 15.11.2016 The appointed date fixed for the Amalgamation is 1st January 2016 Accordingly workings of Madras Sugars Limited during the period from 1.1.2016 to 31.3.2016 have been incorporated in the financial statements of the company As per the scheme of Amalgamation the Company has to allot 11,00,000 equity shares of Rs 10/- each to the shareholders of Madras Sugars Limited

There is no change in the nature of business of the company

Directors' Responsibility Statement

As stipulated in Section 134(3)(c) and 134 (5) of the Companies Act 2013 your Directors confirm that

a) in the preparation of the annual accounts, all the applicable accounting standards had been followed along with proper explanation relating to material departures

b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period

c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities

d) they had prepared the annual accounts on a going concern basis

e) they had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and

f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

Extract of Annual Return

The extract of Annual Return in MGT 9 is annexed as Annexure V

Auditors / Auditors' Report

M/s P N Raghavendra Rao & Co was appointed as Statutory Auditors of the company for a period of 3 years and they shall hold office until the conclusion of 33rd Annual General Meeting of the company Their appointment is subject to ratification by members at every Annual General Meeting Accordingly, required resolution is placed for ratifying their appointment The Auditors' Report does not contain any qualification reservation or adverse remark

Secretarial Auditors and Secretarial Audit Report

M/s C Thirumurthy & Associates Company Secretaries Coimbatore was appointed as Secretarial Auditor to conduct secretarial audit for the financial year 2015-2016 The Report of Secretarial Auditors is annexed to this report as Annexure VI The Report does not contain any qualification reservation or adverse remark

Internal Control Systems and their Adequacy

Details of internal control system and their adequacy are provided in the Management Discussion Analysis Report attached herewith

Cost Audit

Sri M Nagarajan Cost Accountant, Coimbatore was appointed as Cost Auditor to conduct audit of cost accounting records for the financial year 2015-16 The cost Audit Report does not contain any qualification reservation or adverse remark

Industrial Relations

The relationship with employees continued to remain cordial throughout the year under review

General

Your Directors state that no disclosure or reporting is required in respect o the following items as there were no transaction on these items during the year under review

i) Details relating to deposits covered under Chapter V of the Act

ii) Issue of equity shares with differential rights as to dividend voting or otherwise

iii) Issue of shares (including sweat equity shares) to employees of the company under any scheme

iv) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future

Your Directors further state that during the year under review no cases were filed pursuant to the Sexual Harassment or Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Acknowledgement

Your Directors acknowledge with gratitude the timely assistance and help extended by the Government of India, Governments of Tamilnadu and Karnataka, Banks, Karnataka and Tamilnadu Electricity Authorities. Your Directors thank the cane growers who have supplied sugarcane to the factories and wish to place on record their appreciation to the contributions made by all the employees

By Order of the Board
S V BALASUBRAMANIAM
Chairman
DIN : 00002405

Place: Coimbatore
Date : 23.11.2016

ANNEXURE - I

Particulars of Conservation of Energy Technology Absorption Foreign Exchange earnings and outgo (Section 134(3)(m) of the Companies Act 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014)

A) Conservation of energy

i) the steps taken or impact on conservation of energy

- 56 Nos of LED lamps have been provided in the place of old S V lamps to save energy and improved illumination
- Raw sugar melter vent out vapour utilized for melt heating

ii) the steps taken by the company for utilising alternate sources of energy

- Nil

iii) the capital investment on energy conservation equipments

- Nil

B) Technology absorption

i) the efforts made towards technology absorption

- Nil

ii) the benefits derived like product improvement, cost reduction, product development or import substitution

- Nil

iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

- Nil

Details	2013-14	2014-15	2015-16
a) the details of technology imported	--	--	–
b) the year of import	--	--	–
c) whether the technology been fully absorbed	--	--	–
d) if not fully absorbed areas where absorption has not taken place and the reasons thereof	--	--	–

iv) the expenditure incurred on Research and Development

- Rs 10.33 lakhs

C) Foreign exchange earnings and outgo

- The Foreign Exchange earned in terms of actual inflows during the year Rs 21677.78 lakhs
- The Foreign Exchange outgo during the year in terms of actual outflows Rs 1547.86 lakhs

By Order of the Board
S V BALASUBRAMANIAM
Chairman
DIN 00002405

Place: Coimbatore
Date : 23.11.2016

ANNEXURE - II

The Information required pursuant to Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

A) Information as per Section 197(12) read with Rule 5(1) of The Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014

1 The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year

Name of the Director	Designation	Ratio
Sri S V Balasubramaniam	Executive Chairman	52.62
Sri B Saravanan	Managing Director	35.68

The Non-Executive Directors were paid only sitting fee for attending the meetings of the Board and Committees thereof

2 The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer Company Secretary or Manager if any in the financial year

Name	Designation	% increase/ (decrease) in remuneration
Sri S V Balasubramaniam	Chairman	165.75
Sri B Saravanan	Managing Director	159.44
Sri C Palaniswamy	Company Secretary	3
Sri M Ramprabhu	Chief Financial Officer	36

Due to inadequate profit the commission was not paid to the Chairman and the Managing Director in the previous year

3 Percentage increase in the median remuneration of employees in the financial year 12.50%

4 Number of permanent employees on the rolls of company 1596

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

The average percentile increase in salaries of employees other than managerial personnel was 13% Due to inadequate profit the commission was not paid to the Chairman and the Managing Director in the previous year Hence it cannot be compared with the percentile increase in the salaries of other employees

6. Affirmation that the remuneration is as per the remuneration policy of the company

The company affirms that remuneration is as per the Remuneration Policy of the company

B) Information pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

1) Employed throughout the year ended March 31 2016 with remuneration aggregating to the amount specified in the above Rules

Name	Sri S V Balasubramaniam	Sri B Saravanan
Designation	Chairman	Managing Director
Remuneration Received (Rs in lakhs)	151.32	102.61
Nature of employment whether contractual or otherwise	Contractual	Contractual
Qualifications	B Com ACA ACS	B Com
Experience	51 Years	16 Years
Date of commencement of employment	9.10.1985	5.7.2000
Age in years as on 31.3.2016	76	43
Last employment	Vice Chairman Sakthi Sugars Limited	Joint Managing Director Shiva Distilleries Limited
Percentage of equity shares held by the employee who drawn remuneration in excess of that the remuneration drawn by the Managing Director	-	-
Whether any such employee is a relative of any director or manager of the company and if so name of such director or manager	Sri S V Balasubramaniam Chairman and Sri B Saravanan Managing Director are related to each other	

2) Employed for part of the year ended March 31 2016 with remuneration aggregating to not less than the amount specified in the above Rules

None

3) The employee if employed throughout the financial year or part thereof was in receipt of remuneration in that year which in the aggregate or as the case may be at a rate which in the aggregate is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children not less than two percent of the equity shares of the company

None

By Order of the Board
S V BALASUBRAMANIAM
Chairman
DIN : 00002405

Place: Coimbatore
Date : 23.11.2016

Corporate Governance

ANNEXURE - III

Company's Philosophy on Code of Governance

The Company is committed to achieve high standards of corporate governance

The Company's philosophy on corporate governance envisages the attainment of high levels of transparency accountability and equity in all facets of its operations and in all the interactions with its stakeholders including shareholders employees cane growers lenders and Governments

Board of Directors

The Board of Directors comprises of Executive Chairman, Managing Director and Non-Executive Independent Directors At present 5 Directors are Independent Directors None of the independent directors are promoters or related to promoters Each Independent Director gives declaration that he/she meets criteria of independence as required under Section 149(7) of the Companies Act, 2013 The company has issued a formal letter of appointment to all Independent Directors and the terms and conditions of their appointment have been uploaded in the website of the company at the link http://www.bannari.com/InvestorInformation.html

Attendance of Directors at the Board Meetings last Annual General Meeting (AGM) and Number of other Directorship and Chairmanships/Memberships of Committees of each Director in various companies

Category and Name of the Director	Number of Directorships held in other Public Companies	Number of Board Committee Memberships held in other Companies		Number of Board Meetings held	Number of Board Meetings Attended	Last AGM Attended
		Chairman	Member			
Executive						
Sri S V Balasubramaniam	2	–	2	5	5	YES
Sri B Saravanan	2	–	2	5	5	YES
Non-Executive-Independent						
Sri A K Perumalsamy	–-	–	2	5	5	YES
Sri E P Muthukumar	–	–	–	5	5	YES
Sri T Gundan	2	2	–	5	3	NO
Dr M P Vijayakumar	–	–	–	5	5	YES
Dr Radha Ramani	–	–	–	5	5	YES

Five Board Meetings were held during the year and the details are

Date of Board Meeting	Board Strength	No of Directors present
29.05.2015	7	7
27.07.2015	7	7
23.09.2015	7	6
11.11.2015	7	6
12.02.2016	7	7

The Board was given all material information in advance and in defined agenda format, viz budgets, review of budgets cane crush estimates actual cane crushed actual recovery sugar stock details details of power generation and power exported to grid production sales and stock details of granite and distillery products etc for facilitating meaningful and focused discussions at the meetings

Performance Evaluation of Directors

The Nomination and Remuneration Committee has formulated the methodology and criteria to evaluate the performance of the Board and each Director The evaluation of the performance of the Board and its committees are evaluated through a questionnaire circulated to all directors and based upon the response to the questionnaire the directors do a self evaluation of their performance Accordingly Board reviewed the performance of each of the directors and expressed their satisfaction The performance evaluation of the Chairman and the Managing Director was carried out separately by the Independent Directors The Independent Directors expressed their satisfaction on the performance of the Chairman and the Managing Director

Meeting of Independent Directors

Pursuant to the provisions of the Companies Act 2013 and Clause 25 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, a meeting of Independent Directors was held on 30.3.2016 to review the performance of the Board Chairman and the Managing Director and to assess the quality quantity and timeliness of flow of information between the management and the Board

Familiarisation Programme for Directors

At the time of appointing a Director a formal letter of appointment was given to him which inter alia explains the role function duties and responsibilities as a Director of the Company The Director was also explained in detail the compliance required under the Companies Act 2013 under clause 25 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and other relevant regulations and affirmation taken with respect to the same The Chairman also has one to one discussion with the Directors to familiarize them with the company's operations Further the company has put in place a system to familiarize the Independent Directors about the company its products, business modules etc

Code of Conduct

The company has adopted the code of conduct for all Board Members and Senior Management as required under Clause 26 (3) of the Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations 2015 The code is posted on the company's website at the link http://www.bannari.com/InvestorInformation.html All Board Members and Senior Management personnel have affirmed compliance with the code on an annual basis and a declaration to this effect signed by the Chairman is attached to this report

Whistle Blower Policy/Vigil Mechanism

The company has established a whistle blower policy/vigil mechanism for Directors and Employees to report concerns about unethical behavior, actual or suspected incidents of fraud or violation of the code of conduct or ethics policy This mechanism provides adequate safeguards against victimization of directors/employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee The whistle blower policy is posted on the company's website at the link http://www.bannari.com/InvestorInformation.html

Related Party Transactions

All transactions entered into with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act 2013 are not attracted Further there are no material related party transactions during the year under review with the Promoters Directors or Key Managerial Personnel All Related Party Transactions are placed before the Audit Committee as also to the Board of Directors Omnibus approvals are obtained for the transactions which are of repetitive nature Transactions entered into pursuant to omnibus approval are reviewed by Audit Committee on quarterly basis

The policy on related party transactions as approved by the Board of Directors has been uploaded on the website of the company at the link http://www.bannari.com/InvestorInformation.html None of the Independent Director has any pecuniary relationship or transactions vis-à-vis the company

Insider Trading

Pursuant to sub-regulation (1) of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015 the Board of Directors has formulated a code of practices and procedures for fair disclosure of unpublished Price Sensitive information in order to adhere to each of the principle set out in Schedule A to the said Regulations

Committees of the Board

Audit Committee

The Audit Committee consists of Dr M P Vijayakumar Sri T Gundan and Sri E P Muthukumar Dr M P Vijayakumar is the Chairman of the Audit Committee. During the financial year ended March 31, 2016 the Committee met 4 times at 1212 Trichy Road Coimbatore 641 018 on 22.5.2015, 27.7.2015, 11.11.2015 and 12.2.2016. Particulars of meetings attended by the members of the Audit Committee are given below

Name of the Director	Category	No of Meetings	
		Held	Attended
Dr M P Vijayakumar	Non - Executive - Independent	4	4
Sri T Gundan	Non - Executive - Independent	4	3
Sri E P Muthukumar	Non - Executive - Independent	4	4

The term of references to the Audit Committee inter alia include the followings

a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct sufficient and credible

b) Recommendation for appointment remuneration and terms of appointment of auditors of the company

c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors

d) Reviewing, with the management the annual financial statements and auditor's report thereon before submission to the board for approval with particular reference to

   i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act 2013

   ii) Changes, if any, in accounting policies and practices and reasons for the same

   iii) Major accounting entries involving estimates based on the exercise of Judgment by Management

   iv) Significant adjustments made in the financial statements arising out of audit findings

   v) Compliance with listing and other legal requirements relating to financial statements

   vi) Disclosure of any related party transactions

   vii) Qualifications in the draft audit report

e) Reviewing with the management the quarterly financial statements before submission to the board for approval

f) Reviewing with the management the statement of uses / application of funds raised through an issue (public issue rights issue preferential issue etc) the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter

g) Review and monitor the auditor's independence and performance and effectiveness of audit process

h) Approval or any subsequent modification of transactions of the company with related parties

i) Scrutiny of inter-corporate loans and investments

j) Valuation of undertakings or assets of the company wherever it is necessary

k) Evaluation of internal financial controls and risk management systems

l) Reviewing with the management performance of statutory and internal auditors adequacy of the internal control systems

m) Reviewing the adequacy of internal audit function if any including the structure of the internal audit department staffing and seniority of the official heading the department reporting structure coverage and frequency of internal audit

n) Discussion with internal auditors of any significant findings and follow up there on

o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board

p) Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern

q) To look into the reasons for substantial defaults in the payment to the depositors debenture holders shareholders (in case of non-payment of declared dividends) and creditors

r) To review the functioning of the Whistle Blower mechanism

s) Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate

t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

Nomination and Remuneration Committee

The Committee consists of Dr M P Vijayakumar Sri T Gundan and Sri E P Muthukumar Dr M P Vijayakumar is the Chairman of the Nomination and Remuneration Committee During the financial year ended March 31, 2016 the Committee met 1 time at 1212 Trichy Road Coimbatore 641018 on 15.05.2015 Particulars of meeting attended by the members of the Nomination and Remuneration Committee are given below

Name of the Member	Category	No of Meetings	
		Held	Attended
Dr M P Vijayakumar	Non - Executive - Independent	1	1
Sri T Gundan	Non - Executive - Independent	1	1
Sri E P Muthukumar	Non - Executive - Independent	1	1

The term of references to the Nomination and Remuneration Committee inter alia include the followings

a) Formulation of the criteria for determining qualifications, positive attributes and Independence of a director and recommend to the Board a policy relating to the remuneration of the directors key managerial personnel and other employees

b) Formulation of criteria for evaluation of Independent Directors and the Board

c) Devising a policy on Board diversity

d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report

Remuneration Policy

The remuneration policy is directed towards rewarding performance, based on the review of achievements It is aimed at attracting and retaining talents The remuneration structure shall be determined after taking into consideration of age, qualification, experience in the respective field, past performance of the concerned individual regulatory frame work competition in the industry financial position of the company

The appointment and remuneration of Executive Directors viz Chairman and Managing Director is governed by the recommendation of Nomination and Remuneration Committee resolutions passed by the Board of Directors and shareholders of the company The remuneration consists of salary perquisites allowances and commission which are subject to the limitations specified under the Companies Act 2013 and Schedule V to the said Act

The Non-Executive Directors are paid sitting fees of Rs 5,000/- for each meeting of the Board or Committee thereof The company shall also reimburse the out of pocket expenses incurred by the Directors for attending the meetings

The remuneration paid to the Chairman Managing Director and other Key Managerial Personnel are disclosed at page No 16
The company does not have any Employees Stock Option Scheme

Stakeholders' Committee

The Stakeholders' Committee was formed to specifically look into the shareholders'/investors' complaints if any on transfer of shares non receipt of Balance Sheet non receipt of declared dividend etc and this committee consists of Sri T Gundan Sri S V Balasubramaniam Dr M P Vijayakumar and Sri A K Perumalsamy Sri T Gundan is the Chairman of the Stakeholders' Committee During the financial year ended March 31, 2016 the Committee met 4 times at 1212 Trichy Road Coimbatore 641018 on 22.5.2015, 27.7.2015, 19.10.2015 and 12.2.2016 Particulars of meetings attended by the members of the Stakeholders' Committee are given below

Name of the Member	Category	No of Meetings	
		Held	Attended
Sri T Gundan	Non-Executive - Independent	4	4
Sri S V Balasubramaniam	Executive - Non-Independent	4	4
Dr M P Vijayakumar	Non-Executive - Independent	4	4
Sri A K Perumalsamy	Non-Executive - Independent	4	4

The term of references to the Stakeholders Committee inter alia include the followings

a) Oversee and review all matters connected with the grievances of investors/ shareholders and other stakeholders of the company; &

b) Oversee the performance of the company's registrars and share transfer agents

Sri C Palaniswamy Company Secretary is the compliance officer

The Company received 2 complaints from the shareholders during the financial year 2015-2016 All the complaints have been resolved to the satisfaction of shareholders. No complaint was pending as on 31.3.2016

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee consists of Dr M P Vijayakumar Sri S V Balasubramaniam Sri T Gundan and Dr Radha Ramani Dr M P Vijayakumar is the Chairman of the Corporate Social Responsibility Committee During the financial year ended March 31, 2016 the Committee met 2 times at 1212 Trichy Road Coimbatore 641018 on 29.5.2015 and 12.2.2016 Particulars of meeting attended by the members of the Corporate Social Responsibility Committee are given below

Name of the Member	Category	No of Meetings	
		Held	Attended
Dr M P Vijayakumar	Non-Executive - Independent	2	2
Sri S V Balasubramaniam	Executive - Non-Independent	2	2
Sri T Gundan	Non-Executive - Independent	2	2
Dr Radha Ramani	Non-Executive - Independent	2	2

The term of references to the Corporate Social Responsibility Committee inter alia include the followings

a) To formulate and recommend to the Board a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the company in compliance with the provisions of the Companies Act 2013 and Rules made there under

b) To recommend the amount of expenditure to be incurred on CSR activities

c) To monitor the implementation of the framework of the CSR Policy

d) To approve the Annual Report on CSR activities

Risk Management Committee

The Risk Management Committee consists of Dr M P Vijayakumar Sri S V Balasubramaniam Sri B Saravanan and Sri T Gundan Dr M P Vijayakumar is the Chairman of the Risk Management Committee No meeting was conducted during the financial year ended 31.3.2016

The term of references to the Risk Management Committee inter alia include the followings

a) Oversight of the risk management performed by the executive management

b) To ensure that the risk management plan and policies implemented by the company is effective in identifying analyzing and mitigating all material risks involved in the business of the company

c) To assist the Board in formulation of Risk Management Plan and strategies

General Body Meeting

Location and time where last three Annual General Meetings were held

AGM	Date	Venue	Time	Special Resolution Passed
29th	5.9.2013	Jenneys Residency 2/2 Avinashi Road Coimbatore 641 014	4.30 PM	No Special Resolution passed
30th	15.9.2014		4.30 PM	Special Resolutions were passed for borrowing of money under Section 180(1)(c) and for creation of mortgage, pledge and hypothecation of immovable properties of the company under Section 180(1)(a) of the Companies Act 2013
31st	23.9.2015		3.45 PM	Special Resolutions were passed for the Re-appointment of Chairman of the company and for adoption of new set of Articles of Association of the Company

Special Resolutions passed thro' Postal Ballot / e-voting

Pursuant to the Order dated 28th July 2016 passed by the Hon'ble High Court of Madras the company has conducted Postal Ballot / e-voting for the purpose of approval of the Scheme of Amalgamation of Madras Sugars Limited with the company by way of special resolutions The Court had appointed M/s C Thirumurthy & Associates Company Secretaries as the Chairperson / Scrutinizers to conduct the postal ballot / e-voting process in a fair and transparent manner

The Scrutinizers conducted the voting process and submitted their report and based on the voting results the special resolutions were passed The details of voting were submitted to the stock exchanges and uploaded in the company's website http://www.bannari.com/InvestorInformation.html

Details of Shareholding of Non-Executive Directors as on 31.3.2016

Name of the Director	No of Shares held
Sri E P Muthukumar	1000
Sri A K Perumalsamy	900
Sri T Gundan	NIL
Dr M P Vijayakumar	NIL
Dr Radha Ramani	NIL

Disclosures

- None of the transactions with related parties during the year 2015-2016 were in conflict with the interest of the company
- There was no instance of non-compliance of any matter related to the capital markets during the last 3 years
- In the preparation of the financial statements the company has followed the Accounting Standards referred to in Section 133 of the Companies Act 2013 The significant accounting policies which are consistently applied are set out in the notes to the financial statements
- The Company has complied with all mandatory requirements of Listing Agreements / SEBI (LODR) Regulations 2015 Adoption of non-mandatory requirements of the said clause is being reviewed by Board from time-to-time

Means of Communication

The quarterly/half-yearly/annual financial results of the Company are announced within the stipulated period and are normally published in an English and Tamil newspaper The financial results are also accessible on the Company's website at the link http://www.bannari.com/InvestorInformation.html

Shareholders' Information

Annual General Meeting

Day and Date	:	Thursday the 29th December 2016
Time	:	11.15 A M
Venue	:	Jenneys Residency 2/2 Avinashi Road Civil Aerodrome Post Coimbatore 641 014
Financial Year	:	2015 - 2016
Date of Book Closure for the purpose of Dividend and AGM	:	23.12.2016 to 29.12.2016 (both days inclusive)
Dividend	:	Rs 7.50 per equity share (proposed)
Dividend Payment Date	:	On or before 14th January 2017

Financial Calendar

Announcement of Quarterly Results for the financial year 2016-2017	:	Within the time specified in SEBI (LODR) Regulations 2015

Share Price Movement

The high and low quotations of the company's shares on the Bombay Stock Exchange together with Sensex from April 2015 to March 2016 were given below

Month		BSE		SENSEX	
		High (Rs. Ps)	Low (Rs. Ps)	High	Low
APRIL	2015	925.00	825.00	29094.61	26897.54
MAY		970.00	835.25	28071.16	26423.99
JUNE		885.00	750.25	27968.75	26307.07
JULY		835.00	730.00	28578.33	27416.39
AUGUST		890.00	640.00	28417.59	25298.42
SEPTEMBER		715.00	575.00	26471.82	24833.54
OCTOBER		1125.00	710.00	27618.14	26168.71
NOVEMBER		1276.00	950.00	26824.30	25451.42
DECEMBER		1144.00	992.00	26256.42	24867.73
JANUARY	2016	1210.00	1010.00	26197.27	23839.76
FEBRUARY		1144.00	940.50	25002.32	22494.61
MARCH		1467.00	1066.50	25479.62	23133.18

Based on the closing quotation of Rs 1,442/- as at 31.3.2016 at the Bombay Stock Exchange the market capitalization of the company was Rs 1649.60 crores

Share Details

The company's Equity Shares are listed on the following Stock Exchanges	Stock Code
BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001	500041
National Stock Exchange of India Limited "Exchange Plaza" Bandra-Kurla Complex Bandra (E) Mumbai 400 051	BANARISUG

The Company has paid the annual listing fees for the year 2016-2017 to the above Stock Exchanges

Outstanding GDRs/ADRs/Warrants or any convertible instruments

The company does not have any GDRs/ADRs/Warrants or any convertible instruments

Dematerialisation of Shares

The shares of the company are in compulsory demat segment. Members have option to hold their shares in demat form either through National Securities Depository Limited (NSDL) or the Central Depository Services (India) Limited (CDSL) About 96.58% shares of the company have been dematerialized ISIN allotted to our company is INE459A01010

Share Transfer Agent

M/s Cameo Corporate Services Limited
"Subramanian Building" 1 Club House Road Chennai 600 002
Telephone : 044-28460395 Fax : 044-28460129
E-mail : investor@cameoindia.com

Share Transfer documents Non-receipt of share certificates sent for transfer Nomination forms and Change of address may be directly sent to the above address

Share Transfer System

The Share transfers in physical form are registered and returned within a period of 15 days from the date of receipt if the documents are in order The share transfers are approved by the Share Transfer Committee which usually meets twice in a month

Distribution of Shareholding as on 31.3.2016

S No	Shareholding	No of shareholders	% of shareholders	No of shares	% of shareholding
1	1 - 100	5022	72.25	205176	1.79
2	101 - 500	1442	20.75	328465	2.87
3	501 - 1000	241	3.47	192681	1.68
4	1001 - 2000	104	1.50	149842	1.31
5	2001 - 3000	34	0.49	83739	0.73
6	3001 - 4000	16	0.23	56114	0.49
7	4001 - 5000	15	0.22	69663	0.61
8	5001 - 10000	16	0.23	103938	0.91
9	10001 and above	61	0.88	10250082	89.60
	Total	**6951**	**100.00**	**11439700**	**100.00**

Shareholding Pattern as on 31.3.2016

	Category	No of Shares	%
1	Promoters	6260276	54.72
2	UTI & Mutual Funds	100	--
3	Banks Financial Institutions & Insurance Companies	264	–
4	Foreign Institutional Investors	20153	0.18
5	Private Corporate Bodies	1310090	11.45
6	Indian Public	3637539	31.80
7	NRI/OCB's	203679	1.79
8	Clearing Members	3783	0.03
9	Escrow Account	3816	0.03
	TOTAL	**11439700**	**100.00**

Unclaimed Suspense Account

In compliance with requirements under Regulation 34(3) and 53(f) of Schedule V of SEBI (LODR) the Company has opened the Unclaimed Suspense Account and transferred the shares remained unclaimed even after three reminders as required by SEBI (LODR) were sent to the shareholders The details as required under this regulations are as follows

Aggregate number of shareholders at the beginning of the year	-	26
Outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	-	3816
Number of shareholders claimed	-	–
Aggregate number of shareholders at the end of the year	-	26
Outstanding shares lying in the Unclaimed Suspense Account at the end of the year	-	3816

Plant Locations

Sugar Unit I Co-Generation Bio-Diesel & Granite Processing
Alathukombai Village Erode District Tamilnadu

Sugar Unit II & Co-Generation
Alaganchi Village Mysore District Karnataka

Sugar Unit III & Co-Generation
Kunthur Village Chamarajanagar District Karnataka

Sugar Unit IV & Co-Generation
Kolundampattu Village Thiruvannamalai District Tamilnadu

Sugar Unit V & Co-Generation
Vengur Village Villupuram District Tamilnadu

Distillery
I Sinnapuliyur Village Erode District Tamilnadu
II Alaganchi Village Mysore District Karnataka

Bio-Compost
I Modur Village Erode District Tamilnadu
II Alaganchi Village Mysore District Karnataka

Wind Mills
Radhapuram Irukkandurai and Karunkulam Villages Thirunelveli District Tamilnadu

Address for Correspondence

Non-receipt of dividend Transmission Consolidation Split and other queries may directly be sent to the following address

The Company Secretary
Bannari Amman Sugars Limited
1212 Trichy Road Coimbatore 641 018 Tamilnadu
Email: shares@bannari.com

Management Discussion and Analysis Report

Overview of the World Sugar Industry

Sugar is produced in more than 123 countries. Over 70% of the production is consumed domestically and the rest is being traded. Since only 30 % of the world sugar production is traded freely small changes in production and government policies tend to have large effect on world sugar markets

Raw Sugar and refined sugar are two different products traded internationally Beet sugar producing countries export refined sugar while cane sugar producing countries export either raw or refined sugar In recent years, the share of raw sugar in total sugar exports has been about 60 % The major sugar exporting countries are Brazil Thailand, Australia and Guatemala These countries account for 68% of global exports

The annual global sugar production is approximately 175 million MTs with about 30% of production exported from exporting countries The largest sugar producing region is Brazil followed by India and European Union

Global sugar production for 2015-16 was estimated at 172 million MTs down by 3 million MTs with decrease in Brazil India and EU Global sugar consumption for 2016-17 is estimated at around 174 million MTs exceeding production

Brazil the largest sugar producer and supplier will continue to play a key role on world markets but its dual use of sugarcane as feedstock for ethanol and for sugar production will continue to be affected by relative price competition between export-oriented market for sugar and the largely domestic ethanol market

Indian Sugar Industry

India is the World's second largest producer of sugar The Annual sugar production is in the range of 25 - 28 million tonnes The Indian Sugar industry is amongst the few industries that have successfully contributed to the rural economy The industry is a source of livelihood for 50 million farmers and their families and provides direct and indirect employment to over 2 million people

The sugar season 2015-16 ended with a total sugar production of 25.1 million tonnes with an additional 9.1 million tonnes as opening stock The total availability during the season was 34.2 million tonnes out of which the total off-take was 26.5 millions tonnes including export of 1.65 million tonnes leaving behind almost 7.7 million tonnes of sugar for the current season 2016-17

Domestic Sugar Statistics

(Lakh Tonns)

Particulars	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Estimates
Opening Stock as on 1st Oct	66.01	92.98	74.74	90.80	77.00
Production during the Season	251.40	243.96	283.10	251.25	234.00
Imports	6.76	0.98	0.00	0.00	0.00
Total Availability	324.17	337.92	357.84	342.05	311.00
Off-take					
i) Internal Consumption	227.71	241.91	256.10	248.49	255.00
ii) Exports	3.48	21.27	10.94	16.56	0.00
Total off-take	231.19	263.18	267.04	265.05	0.00
Closing Stock as on 30th Sep	92.98	74.74	90.80	77.00	56.00

Sugarcane Price

The Fair and Remunerative Price (FRP) is fixed by the Central Government every year at the beginning of the sugar season which is the minimum price the sugar mills have to pay to the farmers In addition to the above, some State Governments also announce State Advised Price (SAP) The prices of sugarcane announced by the Central/State Governments are very high compared to other major sugar producing countries in the world Brazil the largest sugar producing nation and other major sugar producing countries have linked the sugarcane prices in line with market sugar prices There is an urgent need to rationalise the cane pricing policy to keep Indian sugar industry viable

Sugar Price

The prices of sugar witnessed a significant recovery during the second half of the financial year 2015-16 The prices are expected to be stable due to lower cane crush estimates and steady increase in consumption

Operational performance of the company

Particulars	Year ended 31.3.2016	Year ended 31.3.2015
Sugar		
Installed Capacity (TCD)	**23700** *	20100
Sugarcane Crushed (Lakh Tonnes)	**35.44**	24.17
Recovery %	**9.57**	9.89
Sugar bagged (Lakh Quintals)	**33.82**	23.68
Power Division		
Installed Capacity		
Co-gen power (MW)	**129.80** *	104.80
Wind Mills (MW)	**8.75**	8.75
Units Generated (Million Units)	**473.19**	315.85
Distillery		
Installed Capacity (KLPD)	**127.50**	127.50
Alcohol Produced (Million B Ltrs)	**28.70**	29.26
Granite Products		
Polished slabs produced (sq mtrs)	**128150**	170381
Polished tiles produced (sq mtrs)	**38262**	28420

* The factory having 3600 TCD of sugar & 25 MW of cogeneration have been acquired by way of amalgamation

Financial performance of the company

(Rs. in Lakhs)

Particulars	Year ended 31.3.2016	Year ended 31.3.2015
Revenue		
Sugar	**108299.47**	61155.13
Power	**16385.04**	9355.03
Distillery	**13145.56**	12716.79
Granite Products	**7731.24**	9759.22
Profit Before Interest and Tax (PBIT)		
Sugar	**(2258.81)**	(5381.01)
Power	**12583.95**	9004.72
Distillery	**3172.47**	2670.41
Granite Products	**972.05**	2680.35
Profit After Tax (PAT)	**3179.40**	103.03

Policies relating to sugar industry

- The FRP (Fair & Remunerative Price) for the season 2016-17 was fixed at Rs 230 per quintal linked to a basic recovery of 9.5%, subject to a premium of Rs 2.42 per quintal for every 0.1% increase in recovery above that level
- Hike in the import duty on sugar from 25% to 40%, to improve the price sentiments in the domestic market
- Notified a scheme on 23rd June, 2015 extending soft loans to sugar mills to help the industry to clear cane arrears for the season 2014-15
- Specified a Minimum Indicative Export Quota (MIEQ) for each sugar mill to reduce their inventories aggregating to 4.00 million MTs for the 2015-16 sugar season
- Production subsidy of Rs 4.50 per quintal of sugarcane crushed in 2015-16, to be paid directly to sugarcane farmers towards cane dues for 2015-16 cane arrears for 2014-15, subject to the concerned mills having fulfilled a minimum of 80% of their MIEQ and also 80% of the ethanol supply target assigned to their attached distilleries under the Ethanol Blending Programme
- Cess payable on sugar has been increased from Rs 24 per quintal to Rs 124 per quintal by amending the Sugar Cess (Amendment) Bill 2015

Internal Control and their adequacy

The company has proper and effective internal control systems commensurate with its nature of business and size of operations to ensure that all controls and procedures function satisfactorily at all times and all policies are duly complied with as required These are considered adequate in reasonable safeguarding the assets against loss or misappropriation through unauthorised or unintended use

The Audit Committee of Directors regularly reviews the effectiveness of internal control system in order to ensure due and proper implementation and due compliance with applicable laws accounting standards and regulatory guidelines

Strengths

- The Indian sugar industry is the second largest producer of sugar in the world after Brazil
- Industry is a source of livelihood for 50 million farmers and their families
- Provides direct employment to over 5 lakh to skilled and semi skilled workers
- Provides raw material for a number of downstream industries
- Makes substantial contribution to the Central and State Governments in the form of taxes and levies

Weakness

- The government still controls raw material pricing apart from other regulatory measures
- Soil deterioration following an overuse of fertilisers
- Industry cyclicality
- Sugar price volatility

Opportunities

- High value by-products
- Potential to increase the productivity of sugarcane by up grading technology
- Mandatory blending of ethanol with the Petroleum products.

Threats

- Fixing cane price by Central and State Governments without any relation to realisation of sugar price.
- Industry cyclicality.

Outlook

- Sugar production during 2016-17 season is expected to be lower at 23.4 million Mts Consumption is expected to be higher The selling price of sugar would be stable at economical levels

The way forwarded

- The future for the industry lies with effective utilization of by products Due to continuous increase in cane price and sugar price being always under scanner due to large scale public consumption the economy of the sugar industry is highly dependent on the utilization of by products viz. co generation of power and Alcohol Technology available in India for the manufacture of power and alcohol products is proven and highly acclaimed The ethanol and power produced by the sugar industry can significantly address the emission generated by coal and petroleum products
- The Government must take adequate steps to remove the interstate restriction of the movement of molasses and Alcohol
- The Government must provide all support for the manufacture of these eco-friendly products by removing all restrictions
- By encouraging utilization of by products which are environmental friendly the farmers could be paid without delay and industry would be viable at all point of time
- Internationally 30% of the total sugar production is traded through imports/exports. Steps are to be taken through Trade Agreements to achieve economical production levels at the world level with uniform price This would majorly stabilize the sugar industry all over the world

Human Resources/Industrial Relations

- The Company employs 1596 number of employees and the company maintains excellent relationship with its employees During the year under review no case was filed under Sexual Harassment of women at workplace (Prevention Prohibition and Redressal) Act 2013
- The company has created an excellent relationship with the farmers as well as other stakeholders including bankers

By Order of the Board
S V BALASUBRAMANIAM
Chairman
DIN 00002405

Place: Coimbatore
Date : 23.11.2016

Nomination and Remuneration Policy

The Board of Directors of Bannari Amman Sugars Limited ("the Company") constituted the "Nomination and Remuneration Committee" at its Meeting held on May 30 2014

Compliance

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act 2013 and Listing Agreements / Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations 2015

Role of the Committee

The role of the committee will be the following

a) Formulation of criteria for determining qualifications positive attributes and Independence of a director and recommend to the Board a policy relating to the remuneration of Directors Key Managerial Personnel and other employees

b) Formulation of criteria for evaluation of Independent Directors and the Board

c) Devising a policy on Board diversity

d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal

Objective

The objective of the policy is to ensure that

a) the level and composition of remuneration is reasonable and sufficient to attract retain and motivate directors

b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks and

c) remuneration to Directors Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals

Appointment and Removal of Director Key Managerial Personnel and Senior Management

a) The Committee shall identify and ascertain the integrity qualification expertise and experience of the person for appointment as Director Key Managerial Personnel or at Senior Management level and recommend his / her appointment as per Company's Policy

b) A person should possess adequate qualification expertise and experience for the position he / she is considered for appointment The Committee has authority to decide whether qualification expertise and experience possessed by a person are sufficient / satisfactory for the position

c) The company may appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years subject to the approval of shareholders by passing a special resolution

Term / Tenure

a) Managing Director/Whole-time Director

The Company shall appoint or re-appoint any person as its Executive Chairman Managing Director or Executive Director for a term not exceeding five years at a time No re-appointment shall be made earlier than one year before the expiry of term

b) Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director

Provided that an Independent Director shall not during the said period of three years be appointed in or be associated with the Company in any other capacity either directly or indirectly

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act

Evaluation

The Committee shall carry out evaluation of performance of Director Key Managerial Personnel and Senior Management Personnel yearly or at such intervals as may be considered necessary

Removal

The Committee may recommend with reasons recorded in writing removal of a Director Key Managerial Personnel or Senior Management Personnel subject to the provisions and compliance of the Companies Act 2013 rules and regulations and the policy of the Company

Retirement

The Director Key Managerial Personnel and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company The Board will have the discretion to retain the Director Key Managerial Personnel Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age for the benefit of the company

Policy for remuneration to Directors / Key Managerial Personnel / Senior Management Personnel

1) Remuneration to Executive Chairman / Managing Director / Whole-time Directors

   The Remuneration/ Commission etc to be paid to Managing Director / Whole-time Directors etc shall be governed as per provisions of the Companies Act 2013 and rules made thereunder or any other enactment for the time being in force and the approvals obtained from the members of the company

   The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors as it may consider appropriate with regard to remuneration to Executive Chairman/Managing Director / Wholetime Directors

2) Remuneration to Non-Executive / Independent Directors

   The Non-Executive / Independent Directors may receive sitting fees as per the provisions of Companies Act 2013 The amount of sitting fees as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors shall be subject to ceiling/ limits as provided under Companies Act 2013 and rules made thereunder or any other enactment for the time being in force

3) Remuneration to Key Managerial Personnel and Senior Management

   The remuneration to Key Managerial Personnel and Senior Management shall be in accordance with the Company's Policy

Implementation

The Committee may issue guidelines procedures formats reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate

Annual Report on CSR Activities

ANNEXURE - IV

1. A brief outline of the company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs

   The Company's philosophy on Corporate Social Responsibility (CSR) is that "as the organization grows the society and community around it should also grow" The company is consistently making contributions for the welfare of the people living in and around the neighbouring villages of its sugar factories The areas mainly focused on health sanitation irrigation education environment water conservation livelihood etc

   Web link to the CSR Policy : http://www.bannari.com/InvestorInformation.html

2. The Composition of the CSR Committee

   Dr M P Vijayakumar - Independent Director & Chairman

   Sri S V Balasubramaniam - Executive Non-Independent Director

   Sri T Gundan - Independent Director

   Dr Radha Ramani - Independent Director

3. Average net profit of the company for last three financial years : Rs 75.89 Crores

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above) : Rs 1.52 Crores

5. Details of CSR spent during the financial year

   a) Total amount to be spent for the financial year : Rs 1.52 Crores

   b) Amount unspent if any : Rs 1.05 Crores

   c) Manner in which the amount spent during the financial year :

1	CSR Project or activity indentified	Animal welfare	Promoting sanitation	Promotion of Sports and Cultural Activities for participation in State and National level.
2	Sector in which the project is covered	Covered under item No (iv) of Schedule VII to the Companies Act 2013	Covered under item No. (i) of Schedule VII to 2013	Covered under item No (vii) of Schedule VII to the Companies Act 2013
3	Projects or programs 1) Local area of other 2) Specify the State and District where the project or programs was undertaken	Coimbatore Zoological Park Tamilnadu India	Contribution for construction of toilets in Elementary Middle High & Higher Secondary Schools in Tiruvannamalai District Tamilnadu India	Contribution to Karnataka State Basketball Association

4	Amount outlay (budget) projects or programs wise	Monthly Rs 10,000/-	Rs 21,00,000/-	Rs 25,00,000/-
5	Amount spent on projects or programs (sub-heads : Direct expenditure on projects or programs	Rs 1,20,000/-	Rs 21,00,000	Rs 25,00,000/-
6	Cumulative Expenditure upto reporting period	Rs 1,20,000/-	Rs 21,00,000/-	Rs 25,00,000/-
7	Amount spent : Directly or through implementing agency	Coimbatore Zoological Park Tamilnadu India	District Collector & Chairman District Rural Development Agency Tiruvannamalai	Karnataka State Basketball Association Bangalore

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof the company shall provide the reasons for not spending the amount in its Board report

   Consequent to adverse financial position and negative impact in the sugar sector during the financial year 2014-2015 the company could not spent the specified amount during the financial year ended 31.3.2016 also

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the company

   The CSR Committee confirmed that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the company

Place: Coimbatore
Date : 23.11.2016

B SARAVANAN
Managing Director

M P VIJAYAKUMAR
Chairman - CSR Committee

ANNEXURE - V

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31st March 2016

[Pursuant to Section 92(3) of the Companies Act 2013 and rule 12(1) of the Companies (Management and Administration) Rules 2014]

I Registration and other details

i	CIN	L15421TZ1983PLC001358
ii	Registration Date	01.12.1983
iii	Name of the Company	Bannari Amman Sugars Limited
iv	Category / Sub-Category of the Company	Public Company Limited by Shares
v	Address of the Registered Office and contact details	1212 Trichy Road Coimbatore 641018 Ph - 0422 2302277 Fax - 0422 2309999 E-mail : shares@bannari.com Website : www.bannari.com
vi	Whether Listed Company	Yes
vii	Name Address and Contact details of Registrar and Transfer Agent	Cameo Corporate Services Ltd Subramanian Building 1 Club House Road Chennai - 600002 Ph - 044 28460395 FAX - 044 28460129

II Principal Business Activities of the Company

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

Sl No	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	White Crystal Sugar	10721	74.40
2	Power	35106	11.26
3	Alcohol	1101	9.03
4	Granite	08102	5.31

III Particulars of Holding Subsidiary and Associate Companies

Sl No	Name and address of the company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
		Not Applicable			

IV Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

S No	Category of shareholders	No. of shares held at the beginning of the year (As on 1-4-2015)				No. of shares held at the end of the year (As on 31-3-2016)				% of change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A.	**Promoters**									
1)	Indian									
	a) Individual/HUF	1837535	-	1837535	16.06	1837535	-	1837535	16.06	-
	b) Central Govt.	-	-	-	-	-	-	-	-	-
	c) State Govt. (s)	-	-	-	-	-	-	-	-	-
	d) Bodies Corp.	4422741	-	4422741	38.66	4422741	-	4422741	38.66	-
	e) Banks / FI	-	-	-	-	-	-	-	-	-
	f) Any Other	-	-	-	-	-	-	-	-	-
	Sub-total (A) (1)	**6260276**	**-**	**6260276**	**54.72**	**6260276**	**-**	**6260276**	**54.72**	**-**
2)	**Foreign**									
	a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
	b) Other - Individuals	-	-	-	-	-	-	-	-	-
	c) Bodies Corp.	-	-	-	-	-	-	-	-	-
	d) Banks / FI	-	-	-	-	-	-	-	-	-
	e) Any Other	-	-	-	-	-	-	-	-	-
	Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**6260276**	**-**	**6260276**	**54.72**	**6260276**	**-**	**6260276**	**54.72**	**-**
B.	**Public Shareholding**									
1.	**Institutions**									
	a) Mutual Funds	-	100	100	-	-	100	100	-	-
	b) Banks /FI	114	150	264	-	114	150	264	-	-
	c) Central Govt	-	-	-	-	-	-	-	-	-
	d) State Govt (s)	-	-	-	-	-	-	-	-	-
	e) Venture Capital funds	-	-	-	-	-	-	-	-	-
	f) Insurance Companies	-	-	-	-	-	-	-	-	-
	g) FIIs	22122	-	22122	0.20	20153	-	20153	0.18	-0.02
	h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
	i) Others (specify)	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1)	**22236**	**250**	**22486**	**0.20**	**20267**	**250**	**20517**	**0.18**	**-0.02**
2.	**Non-Institutions**									
	a) Bodies Corporates									
	i) Indian	1225218	2060	1227278	10.73	1308530	1560	1310090	11.45	0.72
	ii) Overseas	-	45000	45000	0.39	-	45000	45000	0.39	-
	b) Individuals									
	i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	706333	243767	950100	8.31	721578	233997	955575	8.35	0.04
	ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2541058	50000	2591058	22.65	2477646	50000	2527646	22.10	-0.55
	c) Others (specify)									
	Clearing Members	10935	-	10935	0.10	3783	-	3783	0.03	-0.07
	Escrow Account	3816	-	3816	0.03	3816	-	3816	0.03	-
	Hindu Undivided Families	148111	-	148111	1.29	145826	-	145826	1.28	-0.02
	Non Resident Indians	109276	62872	172148	1.50	98307	60372	158679	1.39	-0.11
	Independent Directors and their Relatives	8442	50	8492	0.07	8442	50	8492	0.07	-
	Sub-total (B)(2)	**4753189**	**403749**	**5156938**	**45.08**	**4767928**	**390979**	**5158907**	**45.10**	**0.02**
	Total Public Shareholding (B)=(B)(1)+(B)(2)	**4775425**	**403999**	**5179424**	**45.28**	**4788195**	**391229**	**5179424**	**45.28**	**-**
C.	Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	11035701	403999	11439700	100.00	11048471	391229	11439700	100.00	-

ii) Shareholding of Promoters

S No	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1	Balasubramaniam S V	1056232	9.23	-	1056232	9.23	-	-
2	Soundaram B	479349	4.19	-	479349	4.19	-	-
3	Annamallai Enterprise Ltd	255732	2.24	-	255732	2.24	-	-
4	Saravanan B	175758	1.54	-	175758	1.54	-	-
5	Murali B	126196	1.10	-	126196	1.10	-	-
6	Shiva Cargo Movers Ltd	106500	0.93	-	106500	0.93	-	-
7	Bannariamman Finance Ltd	87193	0.76	-	87193	0.76	-	-
8	SVB Enterprise Private Ltd	10700	0.09	-	10700	0.09	-	-
9	Bannari Amman Enterprises Ltd	9703	0.08	-	9703	0.08	-	-
10	Kerala Alcholic Products Ltd	4900	0.04	-	4900	0.04	-	-
11	SVB Holdings Private Ltd	3948013	34.51	-	3948013	34.51	-	-
	Total	**6260276**	**54.72**	**-**	**6260276**	**54.72**	**-**	**-**

iii) Change in Promoters' Shareholding (please specify if there is no change)

S No	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Balasubramaniam S V				
	At the beginning of the year	1056232	9.23		
	At the end of the Year			1056232	9.23
2	Soundaram B				
	At the beginning of the year	479349	4.19		
	At the end of the Year			479349	4.19
3	Annamallai Enterprise Limited				
	At the beginning of the year	255732	2.24		
	At the end of the Year			255732	2.24
4	Saravanan B				
	At the beginning of the year	175758	1.54		
	At the end of the Year			175758	1.54

iii) Change in Promoters' Shareholding (please specify, if there is no change) contd....

S No	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	Murali B				
	At the beginning of the year	126196	1.10		
	At the end of the Year			126196	1.10
6	Shiva Cargo Movers Limited				
	At the beginning of the year	106500	0.93		
	At the end of the Year			106500	0.93
7	Bannariamman Finance Limited				
	At the beginning of the year	87193	0.76		
	At the end of the Year			87193	0.76
8	SVB Enterprise Private Limited				
	At the beginning of the year	10700	0.09		
	At the end of the Year			10700	0.09
9	Bannari Amman Enterprises Limited				
	At the beginning of the year	9703	0.08		
	At the end of the Year			9703	0.08
10	Kerala Alcholic Products Limited				
	At the beginning of the year	4900	0.04		
	At the end of the Year			4900	0.04
11	SVB Holdings Private Limited				
	At the beginning of the year	3948013	34.51		
	At the end of the Year			3948013	34.51

iv) Shareholding Pattern of top ten Shareholders (other than Directors Promoters and Holders of GDRs and ADRs)

S No	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Anuj Anantrai Sheth				
	Jt1 Parul Anuj Sheth				
	At the beginning of the year 01-Apr-2015	492955	4.3091	492955	4.3091
	Purchase 10-Apr-2015	25000	0.2185	517955	4.5276
	Purchase 17-Apr-2015	34864	0.3047	552819	4.8324
	Purchase 31-Jul-2015	7500	0.0655	560319	4.8979
	At the end of the Year 31-Mar-2016	560319	4.8979	560319	4.8979
2	GAGANDEEP CREDIT CAPITAL PVT LTD				
	At the beginning of the year 01-Apr-2015	452444	3.9550	452444	3.9550
	Purchase 16-Oct-2015	184000	1.6084	636444	5.5635
	Sale 8-Jan-2016	-89700	0.7841	546744	4.7793
	Purchase 8-Jan-2016	89700	0.7841	636444	5.5635
	At the end of the Year 31-Mar-2016	636444	5.5635	636444	5.5635
3	NEMISH S SHAH				
	JT1 : REKHA N SHAH				
	At the beginning of the year 01-Apr-2015	325000	2.8409	325000	2.8409
	At the end of the Year 31-Mar-2016	325000	2.8409	325000	2.8409
4	MAYANK JASHWANTLAL SHAH				
	JT1 : SHRUTI MAYANK SHAH				
	At the beginning of the year 01-Apr-2015	237193	2.0734	237193	2.0734
	Purchase 01-May-2015	250	0.0021	237443	2.0756
	Sale 29-May-2015	-50000	0.4370	187443	1.6385
	Sale 09-Oct-2015	-7500	0.0655	179943	1.5729
	At the end of the Year 31-Mar-2016	179943	1.5729	179943	1.5729
5	NILESH KISHOR SHAH				
	JT1 : KISHOR NANDLAL SHAH				
	At the beginning of the year 01-Apr-2015	207299	1.8121	207299	1.8121
	Purchase 10-Apr-2015	4032	0.0352	211331	1.8473
	Purchase 12-Jun-2015	968	0.0084	212299	1.8558
	Purchase 26-Jun-2015	3050	0.0266	215349	1.8824
	Sale 23-Oct-2015	-349	0.0030	215000	1.8794
	At the end of the Year 31-Mar-2016	215000	1.8794	215000	1.8794

iv) Shareholding Pattern of top ten Shareholders (other than Directors Promoters and Holders of GDRs and ADRs) contd...

S No	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	PRESCIENT SECURITIES PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2015	198334	1.7337	198334	1.7337
	Sale 08-Jan-2016	-1254	0.0109	197080	1.7227
	At the end of the Year 31-Mar-2016	197080	1.7227	197080	1.7227
7	ANVIL SHARE & STOCK BROKING PVT. LTD.				
	At the beginning of the year 01-Apr-2015	121000	1.0577	121000	1.0577
	Purchase 29-May-2015	49638	0.4339	170638	1.4916
	Sale 05-Jun-2015	-49638	0.4339	121000	1.0577
	Purchase 26-Jun-2015	100	0.0008	121100	1.0585
	Sale 30-Jun-2015	-100	0.0008	121000	1.0577
	Purchase 07-Aug-2015	37	0.0003	121037	1.0580
	Purchase 14-Aug-2015	191	0.0016	121228	1.0597
	Sale 21-Aug-2015	-228	0.0019	121000	1.0577
	Purchase 28-Aug-2015	860	0.0075	121860	1.0652
	Sale 04-Sep-2015	-628	0.0054	121232	1.0597
	Sale 11-Sep-2015	-232	0.0020	121000	1.0577
	Purchase 16-Sep-2015	100	0.0008	121100	1.0585
	Sale 18-Sep-2015	-100	0.0008	121000	1.0577
	Purchase 09-Oct-2015	1900	0.0166	122900	1.0743
	Sale 16-Oct-2015	-1700	0.0148	121200	1.0595
	Sale 23-Oct-2015	-200	0.0017	121000	1.0577
	Purchase 25-Dec-2015	121000	1.0577	242000	2.1154
	Sale 25-Dec-2015	-121000	1.0577	121000	1.0577
	Purchase 22-Jan-2016	50	0.0004	121050	1.0581
	Sale 29-Jan-2016	-50	0.0004	121000	1.0577
	Purchase 31-Mar-2016	100	0.0008	121100	1.0585
	At the end of the Year 31-Mar-2016	121100	1.0585	121100	1.0585

iv) Shareholding Pattern of top ten Shareholders (other than Directors Promoters and Holders of GDRs and ADRs) contd...

S No	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	ARUN NAHAR				
	At the beginning of the year 01-Apr-2015	110914	0.9695	110914	0.9695
	At the end of the Year 31-Mar-2016	110914	0.9695	110914	0.9695
	NEW TOP 10 AS ON (31-Mar-2016)				
9	AMRIT PETROLEUMS PVT LIMITED				
	At the beginning of the year 01-Apr-2015	-	-	-	-
	Purchase 31-Dec-2015	290241	2.5371	290241	2.5371
	At the end of the Year 31-Mar-2016	290241	2.5371	290241	2.5371
10	MADHUSUDAN SHAH				
	JT1 : CHANDRA SHAH				
	At the beginning of the year 01-Apr-2015	92500	0.8085	92500	0.8085
	At the end of the Year 31-Mar-2016	92500	0.8085	92500	0.8085

v) Shareholding of Directors and Key Managerial Personnel

S No	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Balasubramaniam S V (Chairman)				
	At the beginning of the year	1056232	9.23		
	At the end of the Year			1056232	9.23
2	Saravanan B (Managing Director)				
	At the beginning of the year	175758	1.54		
	At the end of the Year			175758	1.54
3	Perumalsamy A K (Director)				
	At the beginning of the year	900	0.01		
	At the end of the Year			900	0.01
4	Muthukumar E P (Director)				
	At the beginning of the year	1000	0.01		
	At the end of the Year			1000	0.01

v) Shareholding of Directors and Key Managerial Personnel (Contd....)

S No	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	T Gundan (Director)				
	At the beginning of the year	-	-	-	-
	At the end of the Year	-	-	-	-
6	M P Vijayakumar (Director)				
	At the beginning of the year	-	-	-	-
	At the end of the Year	-	-	-	-
7	Radha Ramani (Director)				
	At the beginning of the year	-	-	-	-
	At the end of the Year	-	-	-	-
8	Palaniswamy C (Company Secretary)				
	At the beginning of the year	10	-		
	At the end of the Year			10	-
9	Ramprabhu (Chief Financial Officer)				
	At the beginning of the year	-	-	-	-
	At the end of the Year	-	-	-	-

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	88026.12	34053.51	Nil	122079.63
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	22.53	Nil	Nil	22.53
Total (i+ii+iii)	88048.65	34053.51	Nil	122102.16
Change in Indebtedness during the financial year				
Addition	59241.51	92294.61	Nil	151536.12
Reduction	24678.44	95502.11	Nil	120180.55
Net Change Indebtedness	34563.07	(3207.50)	Nil	31355.57
At the end of the financial year				
i) Principal Amount	122560.40	30846.01	Nil	153406.41
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	51.32	Nil	Nil	51.32
Total (i + ii + iii)	122611.72	30846.01	Nil	153457.73

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director Whole-time Directors and/or Manager

(Rs in Lakhs)

S No	Particulars of Remuneration	Name of MD/WTD/Manager		Total
		Sri S V Balasubramaniam (Chairman)	Sri B Saravanan (Managing Director)	
1	Gross salary			
	a) Salary as per provisions contained in Section 17(1) of the Income-tax Act 1961	54.00	36.00	90.00
	b) Value of perquisites u/s 17(2) Income-tax Act 1961	3.03	3.76	6.79
	c) Profits in lieu of salary under Section 17(3) Income-tax Act 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	- as % of profit (3% & 2% respectively)	94.29	62.85	157.14
	- others specify			
5	Others please specify			
	Total (A)	151.32	102.61	253.93
	Ceiling as per the Act			
	i) in case the company has profit	5% of the net profit	5% of the net profit	10% of the net profit
	ii) in case the company has no profit or profit is inadequate	Minimum remunerations as prescribed in Part II of Section II of Schedule V to the Companies Act 2013		

B. Remuneration to other directors

(Rs in Lakhs)

Sl No	Particulars of Remuneration	Name of Director					Total
		Sri T Gundan	Dr M P Vijayakumar	Sri A K Perumalsamy	Sri E P Muthukumar	Dr Radha Ramani	
1	Independent Directors Fee for attending Board / Committee meetings	0.55	0.70	0.45	0.50	0.35	2.55
	Commission	-	-	-	-	-	-
	Others please specify	-	-	-	-	-	-
	Total (1)	0.55	0.70	0.45	0.50	0.35	2.55
2	Other Non-Executive Directors	-	-	-	-	-	-
	Fee for attending Board / Committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	0.55	0.70	0.45	0.50	0.35	2.55
	Total Managerial Remuneration	0.55	0.70	0.45	0.50	0.35	2.55
	Overall Ceiling as per the Act	1% of the net profit					

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Rs in Lakhs)

S No	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	Chief Financial Officer	
1	Gross salary			
	a) Salary as per provisions contained in Section 17(1) of the Income-tax Act 1961	23.85	13.77	37.62
	b) Value of perquisites u/s 17(2) Income-tax Act 1961	1.34	0.67	2.01
	c) Profits in lieu of salary under Section 17(3) Income-tax Act 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit - others specify			
5	Other please specify			
	Total	25.19	14.44	39.63

VII. Penalties / Punishment / Compounding of Offences (Under the Companies Act):

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made if any (give Details)
A. COMPANY					
Penalty					
Punishmen					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

- - NIL - -

By Order of the Board
S V BALASUBRAMANIAM
Chairman
DIN 00002405

Place: Coimbatore
Date : 23.11.2016

ANNEXURE - VI

Secretarial Audit Report
for the financial year ended on 31st March 2016

[Pursuant to Section 204(1) of the Companies Act 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014]

To

The Members
Bannari Amman Sugars Limited
1212 Trichy Road
Coimbatore - 641018

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to Good Corporate Practices by M/s Bannari Amman Sugars Limited (hereinafter called the 'Company') Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon

Based on our verification of the Company's books papers minute books forms and returns filed and other records maintained by the Company and also the information provided by the Company its officers agents and authorized representatives during the conduct of Secretarial Audit we hereby report that in our opinion the Company has during the audit period covering the financial year ended on 31st March 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent in the manner and subject to the reporting made hereinafter

We have examined the books papers minute books forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2016 according to the provisions of

i) The Companies Act 2013 (the Act) and the rules made thereunder and the Companies Act 1956 (to the extent applicable)

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder

iv) Foreign Exchange Management Act 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment Overseas Direct Investment and External Commercial Borrowings - Not Applicable

v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act 1992 ('SEBI Act')

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992 / 2015

   c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with client

   d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009

vi) and other laws applicable to the Company viz.

   1. Essential Commodities Act 1955
   2. Sugarcane (Control) Order 1966
   3. Sugar Cess Act 1982
   4. Sugar Development Fund Act 1982
   5. Food Safety and Standards Act 2006

6. The Boiler Act 1923
7. The Electricity Act 2003
8. The Legal Metrology Act 2011
9. Karnataka Sugar Cane (Regulation of Purchase and Supply) Act 2013

As per the information and explanation provided by the management and officers of the Company and also on verification of reports and certificates of professionals we report that the adequate systems are in place to monitor and ensure compliance of Laws relating to Direct and Indirect Taxes Labour and other Legislations

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited till 30th November 2015 and the Securities Exchange Board of India (listing Obligations and Disclosures Requirements) Regulations, 2015 from 1st December 2015 and upto 31st March 2016 and Secretarial Standards issued by The Institute of Company Secretaries of India since its applicability from 01.07.2015

During the period under review the Company has complied with all the applicable Acts Rules Regulations Guidelines Standards etc. including the laws mentioned above

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors Non-Executive Directors Independent Directors and a Woman Director The changes in the composition of the Board of Directors if any that took place during the period under review were carried out in compliance with the provisions of the Act

Adequate notice is given to all directors to schedule the Board Meetings agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting

As per the minutes of the Meeting duly recorded and signed by the Chairman the decisions of the Board were unanimous and no dissenting views have been recorded

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws rules regulations and guidelines

We further report that during the audit period there were no instances of

a) Public/Rights/Preferential Issue of shares/Debentures/Sweat Equity

b) Redemption/Buy Back of Securities

c) Foreign Technical Collaboration

The Scheme of Amalgamation (Merger) of Madras Sugars Limited with the Company was approved by the Hon'ble High Court Judicature of Madras on 15.11.2016

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report

For M/s C Thirumurthy & Associates
C Thirumurthy B Com BL FCS
Practising Company Secretary
FCS 3454 CP 5179

Place: Coimbatore
Date : 23.11.2016

Annexure A

To

The Members
Bannari Amman Sugars Limited
1212 Trichy Road
Coimbatore - 641018

Our report of even date is to be read along with this letter

1 Maintenance of secretarial records is the responsibility of the management of the Company Our responsibility is to express an opinion on these secretarial records based on our audit

2 We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records We believe that the processes and practices we followed provide a reasonable basis for our opinion

3 We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company

4 We have obtained wherever required the Management representation about the compliance of laws rules and regulations and happening of events etc

5 The compliance of the provisions of Corporate and other applicable laws rules regulations standards is the responsibility of management Our examination was limited to the verification of procedures on test basis

6 The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

For M/s C Thirumurthy & Associates
C Thirumurthy B Com BL FCS
Practising Company Secretary
FCS 3454 CP 5179

Place: Coimbatore
Date : 23.11.2016

Declaration on Code of Conduct

To

The Members of
Bannari Amman Sugars Limited

In compliance with the requirements of the Listing Agreement / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 I declare that the Board of Directors and Members of Senior Management have affirmed the compliance with the code of conduct during the financial year ended 31.3.2016

S V BALASUBRAMANIAM
Chairman
DIN 00002405

Place: Coimbatore
Date : 23.11.2016

Auditors' Certificate on Corporate Governance

To

The Members of
Bannari Amman Sugars Limited

We have examined the compliance of conditions of Corporate Governance by Bannari Amman Sugars Limited ('the Company') for the year ended on 31st March 2016 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange for the period from 1st April 2015 to 30th November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations) as referred to in Regulation 15(2) of the Listing Regulations for the period from 1st December 2015 to 31st March 2016

The compliance of conditions of corporate governance is the responsibility of the management Our examination was limited to a review of the procedures and implementation thereof adopted by the company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Listing agreement /Listing Regulations It is neither an audit nor an expression of an opinion on the financial statements of the company

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company

For **P N RAGHAVENDRA RAO & CO**
Chartered Accountants

P R VITTEL
Partner
M No 200/18111
ICAI Firm Regn. No: 003328S

Place: Coimbatore
Date : 23.11.2016

Independent Auditors' Report to the Members of Bannari Amman Sugars Limited

Report on the Financial Statements

We have audited the accompanying financial statements of BANNARI AMMAN SUGARS LIMITED("the Company") which comprise the Balance Sheet as at 31st March 2016 the Statement of Profit and Loss the Cash Flow Statement (Giving effect to the Scheme of Amalgamation sanctioned by the Hon'ble High Court of Madras) for the year then ended, and a summary of the significant accounting policies and other explanatory information

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules 2014 This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities selection and application of appropriate accounting policies making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement whether due to fraud or error

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit

We have taken into account the provisions of the Act the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10)of the Act Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements The procedures selected depend on the auditors' judgment including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error In making those risk assessments the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2016 and its profit and its cash flows for the year ended on that date

Other Matters

We draw attention to the Note No. 1.19 to the financial statements which, describes the amalgamation of Madras Sugars Limited with the company with effect from the appointed date of 1st January 2016 vide Madras High Court Order dated 15th November 2016

Our opinion is not modified in respect of the above

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order 2016 ("the Order") issued by the Central Government of India in exercise of the powers conferred by sub-section (11) of Section 143 of the Companies Act 2013 we give in the "Annexure -A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable

As required by Section 143(3) of the Act we report that

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit

b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

c) The Balance Sheet the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

d) In our opinion the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014

e) On the basis of the written representations received from the directors as on 31st March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 from being appointed as a director in terms of Section 164(2) of the Act

f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls referred to our separate report in "Annexure B" and

g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014 in our opinion and to the best of our information and according to the explanations given to us

   i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note No 28 to the financial statements

   ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses and

   iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company

For **P N RAGHAVENDRA RAO & CO**
Chartered Accountants

P R VITTEL
Partner
M No 200/18111
ICAI Firm Regn. No: 003328S

Place: Coimbatore
Date : 23.11.2016

Annexure - A to the Independent Auditors' Report

The Annexure 'A' referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2016, we report that:

i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets

b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner. In accordance with this programme certain fixed assets were verified by the management during the year and no material discrepancies were noticed on such verification In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets

c) In our opinion and according to the information and explanations given to us and on the basis of examination of the records of the company the title deeds of immovable properties are held in the name of the company

ii) The inventory has been physically verified by the management at reasonable intervals during the year No material discrepancy was noticed on physical verification of stocks by the management as compared to book records

iii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans secured or unsecured to companies firms Limited Liability partnerships or other parties listed in the register maintained under section 189 of the Companies Act 2013 ('the Act'). Consequently the provisions of Clauses iii (a) iii (b) and iii(c) of the Order are not applicable to the Company

iv) In our opinion and according to the information and the explanations given to us the Company has not granted any loans or provided any guarantees or securities to the parties covered under the section 185 of the Act The Company has complied with the provisions of section 186 of the Act in respect of investments made or loans or guarantee or security provided

v) The Company has not accepted any deposits from the public

vi) As per the information and explanation given by the management maintenance of cost records has been prescribed by the Central Government and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained under section 148(1) of the Act by the company

vii) a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the undisputed statutory dues including provident fund Employee's State Insurance, income tax sales tax service tax, duty of customs duty of excise value added taxes cess and any other material statutory dues as applicable have been regularly deposited during the year by the Company with the appropriate authorities According to the information and explanations given to us no undisputed amounts payable in respect above dues were in arrears as at 31st March 2016 for a period of more than six months from the date they became payable

b) According to the information and explanations given to us, the disputed statutory dues in case of income tax sales tax wealth tax service tax duty of customs duty of excise value added taxes and cess aggregating to Rs1579.62 Lakhs that have not been deposited on account of matters pending before appropriate authority are as under

Name of the Statute	Nature of Dues	Amount (Rs in Lakhs)	Period to which the Amount Relates to	Forum where dispute is pending
Income Tax Act 1961	Income Tax	1579.62	Assessment Year 2012 - 13	Commissioner of Income Tax (Appeals) Coimbatore

viii) According to the information and explanations given to us the Company has not defaulted in repayment of dues to financial institutions banks and Government during the year The company has not issued any debentures and hence there are no dues to debenture holders

ix) The Company has not raised any money by way of Initial Public Offer or further public offer (including Debt instruments) during the year According to the information and explanations given to us the term loans are applied for the purposes for which the loans were obtained

x) According to the information and explanations given to us no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year

xi) According to the information and explanations given to us and based on the examination of the records the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company Accordingly para 3(xii) of the Order is not applicable

xiii) According to the information and explanations given to us and based on our examination of the records of the Company transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable The details of such related party transactions have been disclosed in the financial statements as required under the Accounting Standard (AS 18 - Related Party Transactions)

xiv) According to the information and explanations given to us and based on our examination of the records the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review

xv) According to the information and explanations given to us and based on our examination of the records the Company has not entered into non-cash transactions with the Directors or persons connected with them Accordingly para 3(xv) of the Order is not applicable

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 Accordingly the provisions of Clause 3(xvi) of the Order are not applicable to the Company

For **P N RAGHAVENDRA RAO & CO**
Chartered Accountants

P R VITTEL
Partner
M No 200/18111
ICAI Firm Regn. No: 003328S

Place: Coimbatore
Date : 23.11.2016

Annexure 'B' to the Independent Auditors' Report of even date on the Financial Statements of Bannari Amman Sugars Limited

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Act

We have audited the internal financial controls over financial reporting of Bannari Amman Sugars Limited ("the Company") as of 31st March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date

Management's responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of the internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI) These responsibilities include the design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to Company's policies the safeguarding of its assets the prevention and detection of frauds and errors the accuracy and completeness of the accounting records and the timely preparation of reliable financial information as required under the Companies Act 2013

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit We conducted our audit in accordance with Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects

Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls system over financial reporting and their operating effectiveness Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risks The procedures selected depend on the auditor's judgment including the assessment of the risk of material misstatements of the financial statements whether due to fraud or error

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles A Company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditure of the company are being made only in accordance with authorizations of management and directors of the company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls material misstatements due to error or fraud may occur and not be detected Also projections of any evaluation of internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in condition or that the degree of compliance with the policies or procedures may deteriorate

Opinion

In our opinion the Company has in all material respects an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016 based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by ICAI

For **P N RAGHAVENDRA RAO & CO**
Chartered Accountants

P R VITTEL
Partner
M No 200/18111
ICAI Firm Regn. No: 003328S

Place: Coimbatore
Date : 23.11.2016

Balance Sheet as at 31.3.2016

PARTICULARS	Note No	As at 31.3.2016 Details (Rs in lakhs)	As at 31.3.2016 Total (Rs in lakhs)	As at 31.3.2015 Details (Rs in lakhs)	As at 31.3.2015 Total (Rs in lakhs)
I. **EQUITY AND LIABILITIES**					
1) **SHAREHOLDERS' FUNDS**					
a) Share Capital	2	1143.97		1143.97	
b) Pending allotment on account of amalgamation	2	110.00		-	
c) Reserves and Surplus	3	90805.37		94044.97	
			92059.34		95188.94
2) **NON-CURRENT LIABILITIES**					
a) Long term borrowings	4	67174.75		27216.95	
b) Deferred tax liabilities (Net)	5	6390.54		9422.17	
c) Long term provisions	6	333.74		310.08	
			73899.03		36949.20
3) **CURRENT LIABILITIES**					
a) Short term borrowings	7	71803.09		90842.61	
b) Trade payables	8	13230.62		6204.94	
c) Other current liabilities	9	21043.96		6557.01	
d) Short term provisions	10	10009.04		4711.82	
			116086.71		108316.38
TOTAL			**282045.08**		240454.52
II. **ASSETS**					
1) **NON-CURRENT ASSETS**					
a) Fixed Assets					
i) Tangible assets	11	113809.67		91688.36	
ii) Capital work in progress		1511.38		2159.77	
b) Non - current investments	12	37.57		35.00	
c) Long - term loans and advances	13	10396.56		9472.73	
			125755.18		103355.86
2) **CURRENT ASSETS**					
a) Inventories	14	127690.24		121084.20	
b) Trade Receivables	15	13260.62		4020.03	
c) Cash and cash equivalents	16	2046.52		1080.20	
d) Short - term loans and advances	17	7076.06		5446.60	
e) Other current assets	18	6216.46		5467.63	
			156289.90		137098.66
TOTAL			**282045.08**		240454.52

Significant Accounting policies 1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For **P N RAGHAVENDRA RAO & CO**
Chartered Accountants

P R VITTEL
Partner
M No 200/18111
ICAI Firm Regn. No: 003328S

Place: Coimbatore
Date : 23.11.2016

S V BALASUBRAMANIAM
Chairman
DIN 00002405

B SARAVANAN
Managing Director
DIN 00002927

C PALANISWAMY
Company Secretary

M RAMPRABHU
Chief Financial Officer

Statement of Profit and Loss for the year ended 31.3.2016

	PARTICULARS	Note No	Year ended 31.3.2016 Details (Rs in lakhs)	Year ended 31.3.2016 Total (Rs in lakhs)	Year ended 31.3.2015 Details (Rs in lakhs)	Year ended 31.3.2015 Total (Rs in lakhs)
I	**REVENUE FROM OPERATIONS (GROSS)**	19	149366.99		94636.88	
	Less : Excise duty		3805.68		1650.71	
	Revenue from operations (Net)		145561.31		92986.17	
II	Other Income	20	283.70		1630.79	
III	Total Revenue (I + II)			**145845.01**		94616.96
IV	**EXPENSES**					
	Cost of materials consumed	21	89115.09		58336.90	
	Purchase of traded goods	22	4172.52		3130.66	
	Changes in inventories of finished goods and work-in-progress	23	2820.31		(3123.06)	
	Employee benefit expenses	24	7843.20		6591.78	
	Finance Costs	25	11587.47		9284.48	
	Depreciation and amortisation expenses		6154.07		5125.55	
	Other Expenses	26	21166.63		15236.78	
	TOTAL EXPENSES			**142859.29**		94583.09
V	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III - IV)			**2985.72**		33.87
VI	Exceptional items			**--**		--
VII	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V - VI)			**2985.72**		33.87
VIII	Extraordinary Items			**--**		--
IX	**PROFIT BEFORE TAX (VII - VIII)**			**2985.72**		33.87
X	Tax Expenses					
	a) Current tax		634.99		8.38	
	b) MAT credit entitlement		(634.99)		(8.38)	
	c) Deferred tax		(193.68)		(69.16)	
				(193.68)		(69.16)
XI	**PROFIT FOR THE PERIOD (IX - X)**			**3179.40**		103.03
XII	**Earnings per Share [Basic and diluted] (Rs.)**			**27.79**		0.90

Significant Accounting policies 1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For **P N RAGHAVENDRA RAO & CO**
Chartered Accountants

P R VITTEL
Partner
M No 200/18111
ICAI Firm Regn. No: 003328S

Place: Coimbatore
Date : 23.11.2016

S V BALASUBRAMANIAM
Chairman
DIN 00002405

B SARAVANAN
Managing Director
DIN 00002927

C PALANISWAMY
Company Secretary

M RAMPRABHU
Chief Financial Officer

Notes forming part of the financial statements for the year ended 31.3.2016

NOTE 1 : Significant accounting policies

1.1 The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 The financial statements have been prepared on going concern basis under the historical cost convention The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year

1.2 **Fixed Assets :** The Fixed Assets are carried at Cost less accumulated depreciation and impairment losses, if any. Cost includes related taxes duties freight insurance etc. attributable to acquisition and installation of assets and borrowing cost incurred up to the date of commencing operations, but excludes duties and taxes that are recoverable from taxing authorities Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Assets which are not ready for their intended use and other capital work in progress are carried at cost comprising direct cost related incidental expenses and attributable interest

1.3 **Long Term Investments:** Investments are accounted at cost The diminution in the market value of long term investments, is recognized when diminution is considered permanent

1.4 **Depreciation :** Straight line method has been adopted for providing depreciation on fixed assets over the useful life of the assets prescribed under Schedule II to the Companies Act 2013 other than for Co-Generation Division and Wind Mill Division For the assets of Co-Generation division and Wind Mill Division depreciation has been provided under written down value method For additions and deletions depreciation is provided from/to the date of addition/deletion on pro-rata basis Depreciation on asset additions costing Rs 5000/- or less is provided at the rate of 100% in the year of capitalisation

1.5 **Valuation of Inventory :**

i) Finished Goods

Sugar Granite Blocks Polished Granite slabs and tiles Molasses Bagasse Industrial Alcohol Fusel Oil Bio-compost	At weighted average cost or Net Realisable value whichever is lower
Sawn Granite slabs and process stock	- At cost or net realisable value whichever is lower
Raw material consumables stores & spares and others	At weighted average cost or Net Realisable value whichever is lower

ii) The cost for the finished goods and process stock is inclusive of cost of purchase cost of conversion Excise duty cess if any and other costs incurred in bringing the inventories to their present location and condition

1.6 **Revenue Recognition:** All Income and Expenses are accounted on accrual basis in line with Accounting Standard 9 (AS-9) The turnover is accounted without considering inter-division transfers for own consumption

1.7 **Foreign Currency transactions :** Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction Foreign currency monetary items as at the balance sheet date are reported using the closing rate or at the rate that is likely to be realised from / required to be disbursed The gain or loss due to increase or decrease in value of reporting currency due to fluctuations in rates of exchange are recognized in the statement of profit and loss

1.8 **Provision Contingent liabilities & Contingent assets :** Provision is recognised only when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are shown by way of notes Contingent assets are neither recognised nor disclosed in the financial statements

1.9 **Impairment of assets:** Impairment of assets are assessed as at the close of each financial year and appropriate provision if any are recognised and given effect to the Accounts

1.10 **Taxation:** Current tax is determined at the current rates of Income Tax on taxable income and tax credits are computed in accordance with the provisions of the Income Tax Act 1961 Minimum Alternate Tax (MAT) paid in accordance with the tax laws which give future economic benefit in the form of adjustment to future income tax liability is considered as an asset if there is convincing evidence that the company will pay normal income tax Accordingly MAT is recogonised as an asset in the balance sheet when it is probable that future economic benefit associated with it will flow to the Company

1.11 **Deferred Tax:** Deferred tax is recognized on timing difference between the accounting income and the taxable income for the year and quantified using the tax rates and laws that have been substantially enacted as at the balance sheet date. The deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that these would be realized in future

1.12 **Government grants:** Government grants are recognized based on the reasonable assurance that the Company will comply with the condition attached to the grants and the grants will be received Government grant in the nature of revenue has been recognized on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same

1.13 **Segment reporting:** The segment reporting is in line with the accounting policies of the Company Inter segment transactions have been accounted for based on the price which has been arrived at considering cost and market price Revenue and expenses that are directly identifiable with or allocable to segments are considered for determining the segment results Segment assets and liabilities include those directly identifiable with the respective segments Business segments are identified on the basis of the nature of products the risk/return profile of individual business the organizational structure and the internal reporting system of the Company

1.14 **Leases:** The Company's significant leasing arrangements are operating leases and cancelable in nature The lease rentals paid/received under such agreements are accounted in the statement of profit and loss

1.15 **Employee benefits :** Provident Fund, Employees State Insurance and Gratuity are defined contribution schemes and contributions are charged to statement of profit and loss of the year in which the contributions to the respective funds are due The Company has opted for LIC group gratuity scheme which is a defined benefit scheme For calculating gratuity liability the premium ascertained by LIC has been taken into account Long term accumulated absences are provided based on the actuarian valuation

1.16 **Excise duty :** The Excise Duty on sale of finished goods is deducted from turnover to arrive at net sales as shown in the statement of profit and loss The Excise Duty appearing in the statement of profit and loss as an expenditure represents excise duty provision for difference between opening and closing stock of finished goods

1.17 **Cash Flow Statement :** Cash flows are reported using the indirect method whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non cash nature and any difference are accruals of past or future cash receipts or payments The cash flows from operating investing and financing activities of the company are segregated based on the available information

1. 18 **Borrowing Cost :** Borrowing cost which are directly attributable to the construction of qualifying assets are capitalised as a part of the cost of the asset

1.19 **Amalgamation of Madras Sugars Limited with the Company**

Pursuant to the scheme of amalgamation which has been approved by the Hon'ble High Court of Judicature at Madras by its Order dated 15.11.2016 and filed with the Registrar of Companies Coimbatore on 23.11.2016 the entire undertaking and all the properties assets liabilities obligations etc. of Madras Sugars Limited have been trasnferred to and vested in the Company with effect from the appointed date viz. 1.1.2016 The scheme has accordingly been given effect to

a) Madras Sugars Limited carried on the business of manufacture of sugar and co-generation of power

b) The above amalgamation is effective from 1.1.2016 as sanctioned by the High Court of Madras vide its order dated 15.11.2016

c) The scheme has been accounted in the nature of merger under the method of pooling of interest as prescribed by the Accounting Standard -14 (AS-14) The assets and liabilities of erstwhile Madras Sugars Limited as on 31.12.2015 have been taken over at their book value

d) Pursuant to the scheme of amalgamation 11,00,000 Equity shares of Rs 10/- each fully paid would be allotted to the equity shareholders of Madras Sugars Limited

e) The difference between the share capital issued under the scheme of amalgamation and the share capital of Madras Sugar Limited and debit balance of Statement of Profit and Loss of Madras Sugars Limited have been adjusted in the General Reserve of the Company

PARTICULARS	As at 31.3.2016 Details (Rs in lakhs)	As at 31.3.2016 Total (Rs in lakhs)	As at 31.3.2015 Details (Rs in lakhs)	As at 31.3.2015 Total (Rs in lakhs)
2 **SHARE CAPITAL**				
AUTHORISED				
4,40,00,000 Equity Shares of Rs. 10/- each (2,90,00,000 of Equity Shares of Rs. 10/- each)		**4400.00**		2900.00
21,00,000 Redeemable Preference shares of Rs. 100/- each (21,00,000 Redeemable Preference shares of Rs. 100/- each)		**2100.00**		2100.00
		6500.00		5000.00
ISSUED SUBSCRIBED AND FULLY PAID UP				
A. 11439700 Equity Shares of Rs 10/- each	1143.97			1143.97
B. Pending allotment on account of amalgamation 11,00,000 Equity Shares of Rs 10/- each to M/s SVB Holdings (P) Ltd as per the scheme of Amalgamation of Madras Sugars Ltd with the Company	110.00	**1253.97**		
		1253.97		1143.97

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

PARTICULARS	As at 31.3.2016 No. of shares	As at 31.3.2016 Amount (Rs. in lakhs)	As at 31.3.2015 No. of shares	As at 31.3.2015 Amount (Rs. in lakhs)
Equity shares				
At the beginning of the period	**11439700**	**1143.97**	11439700	1143.97
At the end of the period	**11439700**	**1143.97**	11439700	1143.97

b. Details of shareholders holding more than 5% shares in the company

Name of the Shareholder	As at 31.3.2016 No. of shares	As at 31.3.2016 % of holding	As at 31.3.2015 No. of shares	As at 31.3.2015 % of holding
i. Sri S V Balasubramaniam	**1056232**	**9.23**	1056232	9.23
ii. M/s SVB Holdings Private Limited *	**3948013**	**34.51**	3948013	34.51

c. Terms / rights attached to equity shares

The company has issued only one class of equity shares having face value of Rs 10/- each. One equity share carries one vote. The members are entitled to vote in accordance with their shareholding. The Company declares and pays dividend in Indian rupees. The dividend recommended by the board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

* As per the scheme of amalgamation the Company has to allot 11,00,000 equity shares to SVB Holdings Private Limited which holds the entire share capital of Madras Sugars Limited On allotment the percentage of shareholding of SVB Holdings Private Limited will be increased from 34.51% to 40.26%

PARTICULARS	As at 31.3.2016 Details (Rs in lakhs)	Total	As at 31.3.2015 Details (Rs in lakhs)	Total
3 **RESERVES AND SURPLUS**				
Capital Reserve		**656.25**		656.25
Capital Redemption Reserve		**1846.00**		1846.00
Securities Premium account		**8503.35**		8503.35
General Reserve				
Opening Balance	81133.11		81133.11	
Add : a) Transfer from statement of profit and loss	2000.00		–	
b) General Reserve on Amalgamation	1390.00		--	
	84523.11		81133.11	
Less : Adjustment on account of Amalgamation	6778.30		–	
Closing Balance		**77744.81**		81133.11
Surplus in the statement of profit and loss				
Opening balance	1906.26		2117.66	
Add: Profit after tax for the year	3179.40		103.03	
	5085.66		2220.69	
Less : Appropriations:				
Provision for Diminution in Value of Investment (long term)	(1.94)		(29.78)	
Provision for Proposed Dividend on Equity Shares	857.98		285.99	
Provision for Tax on Dividend	174.66		58.22	
Transferred to General Reserve	2000.00		--	
	3030.70		314.43	
Closing balance		**2054.96**		1906.26
TOTAL		**90805.37**		94044.97
4 **LONG TERM BORROWINGS**				
Secured :				
Term Loan from banks	13199.84		17200.00	
Corporate Loan from banks	28500.00			
Term Loan from Sugar Development Fund	1813.34		2395.28	
Loan under SEFASU-2014 notified by the Central Govt	5720.32		7621.67	
Soft Loan notified by the Central Govt	2941.25			
		52174.75		27216.95
Unsecured :				
Interest Free Loan - from a related party (as specified in the scheme of amalgamation)		**15000.00**		
TOTAL		**67174.75**		27216.95

4.1 Rupee term loan of Rs 8550 Lakhs (Rs 9000 Lakhs) from HDFC Bank Ltd is secured by pari passu first charge on the movable plant and machinery of the Sugar and Co-generation Plant at Sugar Unit III

The loan carries Interest at the rate of Bank's Base rate plus 1% and repayable in 20 equal quarterly instalments starting from January 2016

The loan amount repayable within twelve months is Rs 1800 lakhs (Rs 450 Lakhs) is grouped under Other Current Liabilities

4.2 Rupee term loan of Rs 6750 Lakhs (Rs 8550 Lakhs) from State Bank of India is secured by pari passu first charge on the movable plant and machinery of the Sugar and Co-generation Plant at Sugar Unit III

The loan carries Interest at the rate of Bank's Base rate plus 1% and repayable in 20 equal quarterly instalments starting from March 2015

The loan amount repayable within twelve months is Rs 1800 lakhs (Rs 1800 Lakhs) is grouped under Other Current Liabilities

4.3 Rupee term loan of Rs. 1900 Lakhs (Rs 2000 Lakhs) from The Federal Bank Ltd is secured by pari passu first charge on the movable plant and machinery of the Sugar and Co-generation Plant at Sugar Unit III

The loan carries Interest at the rate of Bank's Base rate and repayable in 20 equal quarterly instalments starting from January 2016

The loan amount repayable within twelve months is Rs 400 lakhs (Rs 100 Lakhs) is grouped under Other Current Liabilities

4.4 Rupee term loan of Rs 2170 Lakhs from Central Bank of India is secured by pari passu first charge on the block assets of the Sugar and Co-generation Plant at Sugar Unit V

The loan carries Interest at the rate of Bank's Base rate plus 1.50% and repayable in 20 equal quarterly instalments starting from June 2012

The loan amount repayable within twelve months is Rs 2170 lakhs is grouped under Other Current Liabilities

4.5 Rupee term loan of Rs. 1250 Lakhs from Axis Bank Ltd is secured by pari passu first charge on the block assets of the Sugar and Co-generation Plant at Sugar Unit V

The loan carries Interest at the rate of Bank's Base rate plus 2.25% and repayable in 20 equal quarterly instalments starting from June 2012

The loan amount repayable within twelve months is Rs 1250 lakhs is grouped under Other Current Liabilities

4.6 Corporate loan of Rs. 7500 Lakhs (Nil) from State Bank of India is secured by pari passu first charge on the fixed assets (excluding vehicles) of the Sugar Unit II

The loan carries Interest at the rate of Bank's Base rate plus 0.75% and repayable in 16 equal quarterly instalments starting from December 2017

4.7 Term loan of Rs 5000 Lakhs (Nil) from HDFC Bank Ltd is secured by pari passu first charge on the fixed assets (excluding vehicles) of the Sugar Unit II

The loan carries Interest at the rate of Bank's Base rate plus 0.75% and repayable in 16 equal quarterly instalments with moratorium of 12 months from the date of first availment

4.8 Term loan of Rs 10000 Lakhs (Nil) from ICICI Bank Ltd is secured by pari passu first charge on the fixed assets (excluding vehicles) of the Sugar Complex at Sugar Unit II

The loan carries Interest at the rate of Bank's Base rate plus 0.75% and repayable in 16 equal quarterly instalments with moratorium of 24 months from the date of first availment

4.9 Term loan of Rs 3500 Lakhs from State Bank of India is secured by pari passu first charge on the fixed assets of the Sugar Complex at Sugar Unit V

The loan carries Interest at the rate of Bank's Base rate plus 2.50% and repayable in 20 equal quarterly instalments starting from December 2017

4.10 Term loan of Rs 3750 Lakhs from The Karur Vysya Bank Ltd is secured by pari passu second charge on the fixed assets of the Sugar Unit V

The loan carries Interest at the rate of Bank's Base rate plus 1.50% and repayable in 16 equal quarterly instalments with moratorium of 12 months from the date of first availment

The loan amount repayable within twelve months is Rs 1250 lakhs is grouped under Other Current Liabilities

4.11 Loan from Sugar Development Fund (Government of India) availed for setting up of co-generation plant in Sugar Unit-IV, amounting to Rs 1922.79 Lakhs (Rs 2403.48 lakhs) is secured by way of first charge on the movable and immovable properties of Sugar Unit-IV and first pari passu charge on the movable and immovable properties of co-generation plant in Sugar Unit IV

The loan carries interest at the rate of 2% below the bank rate prevailing on the date of disbursement. Repayment of principal commenced after the expiry of three years and in ten equal half yearly installments The interest on the loan shall be paid half-yearly from the date of disbursement The loan was disbursed during the financial year 2013

The loan amount repayable within twelve months is Rs 480.70 lakhs (Rs 480.70 Lakhs) is grouped under Other Current Liabilities

4.12 Loan from Sugar Development Fund (Government of India) availed for implementation of the schemes aimed at development of sugar cane in the factory area of Sugar Unit-II, amounting to Rs 472.50 Lakhs (Rs 540 lakhs) is secured by way of exclusive second charge on the movable and immovable properties of Sugar Unit-II

Repayment of principal commenced after the expiry of three years and in four equal annual installments. The loan carries interest at the rate of 2% below the bank rate prevailing on the date of disbursement. The loan was disbursed in two instalments of Rs 270 lakhs each The interest on the first instalment of Rs 270 lakhs disbursed during the financial year 2013 is payable annually and the interest on the second instalment of Rs 270 lakhs disbursed during the financial year 2014 is payable half yearly from the date of disbursement

The loan amount repayable within twelve months is Rs 101.25 lakhs (Rs 67.50 Lakhs) is grouped under Other Current Liabilities

4.13 Loan of Rs 7556.67 Lakhs (Rs 7840 Lakhs) under SEFASU notified by Government of India availed from Punjab National Bank, The HDFC Bank Ltd and Indian Overseas Bank is secured by residual third charge on all fixed assets forming part of block assets and land and buildings of Sugar Units I, II, III and IV

The loan availed from Punjab National Bank and HDFC Bank Ltd carries interest at the rate of 12% per annum and loan availed from Indian Overseas Bank carries interest at the rate of Bank's base rate plus 0.50% The loan is eligible interest subvention upto 12% and is re-payble in 36 equal monthly installments after the expiry of 2 years from the date of disbursement

The loan amount repayable within twelve months is Rs 2620 lakhs (Rs 218.33) is grouped under Other Current Liabilities

4.14 Loan of Rs 1127.99 under SEFASU notified by Government of India availed from Central Bank of India and The Karur Vysya Bank Ltd is secured by residual first charge on all fixed assets of Sugar Units V

The loan availed from Central Bank of India carries interest at the rate of 12% per annum and loan availed from The Karur Vysya Bank Ltd carries interest at the rate of Bank's base rate plus 0.50% The loan is eligible interest subvention upto 12% and is re-payble in 36 equal monthly installments after the expiry of 2 years from the date of disbursement

The loan amount repayable within twelve months is Rs 344.33 is grouped under Other Current Liabilities

4.15 Loan of Rs 4250 Lakhs (Nil) under SOFT LOAN notified by Government of India availed from The HDFC Bank Ltd and Union Bank of India is secured by residual third charge on all fixed assets forming part of block assets and land and buildings of Sugar Units I, II, III and IV

The loan availed from HDFC Bank Ltd carries interest at the rate of 10% per annum for the first twelve months and at HDFC bank rate for the second and third year of loan or subject to change as per Government / Reserve Bank of India The loan availed from Union Bank of India carries interest at the rate of Bank's base rate The loan availed from HDFC Bank Ltd is repayable in 8 equal quarterly instalments after expiry of one year from the date of first disbursement The loan availed from Union Bank of India is repayable in 16 equal quarterly instalments after expiry of one year The loan is eligible interest subvention for one year

The loan amount repayable within twelve months is Rs 1308.75 lakhs (Nil) is grouped under Other Current Liabilities

4.16 The interest free loan availed by M/s Madras Sugars Limited from a related party is repayable as specified in the scheme of amalgamation and the same will continue to be interest free loan until repayment

PARTICULARS	As at 31.3.2016 Details (Rs in lakhs)	Total	As at 31.3.2015 Details (Rs in lakhs)	Total
5 DEFERRED TAX LIABILITIES				
Deferred tax liabilities arising on account of depreciation	13808.80		14096.73	
Less : Deferred tax assets arising on account of carry forward loss	7418.26		4674.56	
Deferred tax liabilities (Net)		**6390.54**		9422.17
6 LONG TERM PROVISIONS				
Provision for employee benefits - compensated absences		**333.74**		310.08
7 SHORT TERM BORROWINGS				
Loan from banks repayable on demand				
SECURED :				
Cash Credit Loan	56860.61		57192.64	
Packing Credit Loan	-		500.00	
		56860.61		57692.64
UNSECURED :				
Short Term Loan from banks	10389.34		33149.97	
Inter Corporate Deposit } from the related parties	1800.00		-	
Others } (as specified in the scheme of amalgamation)	2753.14		-	
		14942.48		33149.97
TOTAL		**71803.09**		90842.61

7.1 Cash Credit and other Working Capital Limits/ Demand Loan sanctioned by Punjab National Bank consortium consists of Punjab National Bank Bank of Baroda Canara Bank The Federal Bank Ltd The Karur Vysya Bank Ltd Union Bank of India Indian Overseas Bank State Bank of Travancore State Bank of India State Bank of Hyderabad Bank of India Axis bank Ltd ICICI Bank Ltd and The HDFC Bank Ltd to the company's Sugar Units I, II, III and IV are secured by way of hypothecation of current assets and other movable block assets of the sugar units and third mortgage on the immovable properties of the Sugar units I, II, III and IV

The credit limit availed as at 31.3.2016 is Rs 43961.29 Lakhs (Rs 56945.04 Lakhs)

The availed limits are repayable on demand and carries interest rates between Bank's base rate plus 0.25% and 1.35% per annum

7.2 Cash Credit and other Working Capital Limits/ Demand Loan sanctioned by State Bank of India, Axis Bank Ltd, Central Bank of India and Allahabad Bank to the company's Sugar Unit - V are secured by way of hypothecation of current assets and other movable block assets of the sugar unit and cogeneration units and third mortgage on the immovable properties of the Sugar and Cogeneration units

The credit limit availed as at 31.3.2016 is Rs 12670.26 Lakhs

The availed limits are repayable on demand and carries interest rates between Bank's base rate plus 1% and 2% per annum

7.3 Packing Credit Limit and other working capital limits sanctioned by Punjab National Bank and State Bank of India to Granite Division are secured by of hypothecation of current assets and second mortgage on other movable and immovable properties of Granite Division

The credit limit availed as at 31.3.2016 is Nil (Rs 500 Lakhs)

The credit limits availed are repayable on demand and carries interest ranges between Bank's base rate plus 0.45% and 0.50% per annum

7.4 Cash Credit Limits sanction by Canara Bank and The Lakshmi Vilas Bank Ltd to Distillery unit at Tamilnadu are secured by way of Hypothecation of current assets and second charge on other movable and immovable properties of the Distillery unit in Tamilnadu

The credit limit availed as at 31.3.2016 is Rs 229.06 Lakhs (Rs.247.60 Lakhs)

The cash credit limits are repayable on demand and carries interest ranges between Bank's base rate plus 0.30% and 1.25% per annum

7.5 The Unsecured Short term loan of Rs 5000 lakhs from HDFC Bank Ltd is repayable within ninety days from the date of availment and carries interest at the rate of 9.30% per annum

The Unsecured Shot term Vendor Financing/Purchase Invoice Discounting facility of Rs. 2389.34 lakhs from Axis Bank Ltd is repayable within one hundred and twenty days from the date of availment and carries interest at the bank's rate plus 0.1% per annum

The Unsecured Short term loan of Rs. 3000 lakhs from HDFC Bank Ltd is repayable within ninety days from the date of availment and carries interest at the rate of 10.25% per annum

7.6 The Inter Corporate Deposit and other loans availed by M/s Madras Sugars Limited from the related parties will be repaid as specified in the scheme of amalgamation

PARTICULARS	As at 31.3.2016 Details (Rs in lakhs)	Total	As at 31.3.2015 Details (Rs in lakhs)	Total
8 TRADE PAYABLES				
Purchases and Services	10555.00		5216.60	
Expenses	2675.62		988.34	
TOTAL		**13230.62**		6204.94

The vendors of the Company are yet to submit their status under Micro, Small and Medium Enterprises; hence the relevant information is not available with the company. Accordingly no disclosures relating to Micro, Small and Medium Enterprises have been made in the accounts

PARTICULARS	As at 31.3.2016 Details (Rs in lakhs)	Total	As at 31.3.2015 Details (Rs in lakhs)	Total
9 OTHER CURRENT LIABILITIES				
Current maturities of long term borrowings	14428.57		4020.07	
Payable on purchase of fixed assets	447.91		1314.64	
Interest accrued but not due on borrowings	51.32		22.53	
Unpaid Dividend	60.75		63.27	
Statutory remittances	2481.34		209.01	
Trade or security deposits received	178.85		119.92	
Advance from customers	3370.46		785.25	
Others	24.76		22.32	
TOTAL		**21043.96**		6557.01
10 SHORT TERM PROVISIONS				
For excise duty on closing stock	7975.18		4197.84	
For employee benefits - bonus/exgratia	387.11		169.77	
For proposed Dividend	857.98		285.99	
For tax on Proposed Dividend	174.66		58.22	
For Income-tax	614.11			
TOTAL		**10009.04**		4711.82

NON - CURRENT ASSETS

11 FIXED ASSETS (Tangible Assets)

(Rs in Lakhs)

DETAILS	GROSS BLOCK					DEPRECIATION				NET BLOCK		
	As at 31.3.2015	Additions	Additions on Amalga-mation	Deduction/ Adjust ments	As at 31.3.2016	Upto 31.3.2015	on Amalga-mation	For the year	Withdrawn	Upto 31.3.2016	As at 31.3.2015	As at 31.3.2016
Land - Free hold	3583.27	0.63	1715.22	5.96	**5293.16**	-	-	-	-	-	3583.27	**5293.16**
Land - Lease hold	1.17			0.02	**1.15**	-	-	-	-	-	1.17	**1.15**
Buildings	38206.36	2008.43	13047.27	1.48	**53260.58**	7402.54	1917.02	1528.11	-	**10847.67**	30803.82	**42412.91**
Plant and Machinery	107152.52	1284.50	20579.24	79.78	**128936.48**	50766.85	8556.31	4375.58	33.65	**63665.09**	56385.67	**65271.39**
Furniture and Fixtures	593.84	0.70	71.31	0.43	**665.42**	361.56	25.85	59.43		**446.84**	232.28	**218.58**
Office Equipments	697.14	12.49	74.04	2.08	**781.59**	515.98	48.04	55.91	1.04	**618.89**	181.16	**162.70**
Live Stock	11.98	-	-	0.38	**11.60**	-	-	-	-	-	11.98	**11.60**
Motor Vehicles	1257.07	14.52	135.39	11.32	**1395.66**	768.06	63.37	135.04	8.99	**957.48**	489.01	**438.18**
T O T A L	151503.35	3321.27	35622.47	101.45	**190345.64**	59814.99	10610.59	6154.07	43.68	**76535.97**	91688.36	**113809.67**
Capital Works-in- Progress	2159.77	1511.38	-	2159.77	**1511.38**	-	-	-	-	-	2159.77	**1511.38**
Total for the year	153663.12	4832.65	35622.47	2261.22	**191857.02**	59814.99	10610.59	6154.07	43.68	**76535.97**	93848.13	**115321.05**
Total for the previous year	144696.44	35872.46	-	26905.78	**153663.12**	54739.27	-	5125.55	49.83	**59814.99**	89957.17	**93848.13**

PARTICULARS	As at 31.3.2016 Total (Rs in lakhs)	As at 31.3.2015 Total (Rs in lakhs)
12 NON - CURRENT INVESTMENTS		
I NON-TRADE QUOTED-AT COST-FULLY PAID UP		
INVESTMENT IN EQUITY INSTRUMENTS OF OTHER ENTITIES :		
i) 84375 Equity Shares (P.Y: 84375) of Sakthi Finance Ltd of Rs10 each	**30.09**	30.09
ii) 50000 Equity Shares (P.Y: 50000 of Rs 10 each) of Bank of Baroda of Rs 2 each	**8.50**	8.50
iii) 73400 Equity Shares (P.Y: 73400) of Indraprastha Medical Corporation Ltd of Rs10 each	**7.34**	7.34
iv) 14300 Equity Shares (P.Y: 14300) of Indian Overseas Bank of Rs10 each	**3.43**	3.43
TOTAL	**49.36**	49.36
II NON-TRADE UNQUOTED - AT COST		
i) IN GOVERNMENT SECURITIES :		
Kisan Vikas Patra (*)	**0.40**	0.40
ii) IN EQUITY INSTRUMENTS OF OTHER ENTITIES :		
Bannari Amman Sugars Employees' Co-operative Stores Ltd	**1.83**	1.20
TOTAL	**2.23**	1.60
TOTAL (QUOTED & UNQUOTED)	**51.59**	50.96
Less : Provision for diminution in value of investment in respect of item No. I (i)	**14.02**	15.96
TOTAL	**37.57**	**35.00**
Aggregate cost of Quoted Investments	**49.36**	49.36
Aggregate market value of Quoted Investments	**130.67**	142.65
Aggregate provision for diminution in value of investment	**14.02**	15.96
Aggregate cost of unquoted Investments	**2.23**	1.60

(*) Kisan Vikas Patra of Rs. 40000/- have been pledged with State Government Authorities

PARTICULARS	As at 31.3.2016 Details (Rs in lakhs)	As at 31.3.2016 Total (Rs in lakhs)	As at 31.3.2015 Details (Rs in lakhs)	As at 31.3.2015 Total (Rs in lakhs)
13 LONG TERM LOANS AND ADVANCES				
(Unsecured - considered good)				
Capital Advances		1731.60		1791.54
Security Deposits		290.95		224.97
Advance payment of Income Tax		1942.20		1674.94
MAT Credit Entitlement		6283.37		5632.84
Balance with Government Authorities		148.44		148.44
TOTAL		**10396.56**		9472.73
CURRENT ASSETS				
14 INVENTORIES				
(Valued at lower of cost and net realizable value)				
Raw material :				
Molasses at Distillery Units	1412.92		1098.72	
Granite Rough Blocks	208.48		196.10	
Press-mud	4.88		18.05	
Bio-products	1.93		2.28	
		1628.21		1315.15
Work in Progress :				
Sugar	1513.14		945.69	
Molasses	214.97		169.25	
Press mud	43.38		67.25	
		1771.49		1182.19
Finished Goods :				
Sugar	116355.03		110411.51	
Molasses at Sugar Units	2367.73		1892.31	
Bagasse	185.98		53.69	
Granite Products	1044.54		1214.02	
Industrial Alcohol	769.32		1525.09	
Bio-Compost	0.10		1.10	
		120722.70		115097.72
Stores and spare parts		**3384.69**		3311.24
Loose tools		**4.22**		15.36
Others		**178.93**		162.54
TOTAL		**127690.24**		121084.20
15 TRADE RECEIVABLES				
(Unsecured - considered good)				
a. Exceeding six months from the date of due for payment		187.27		119.93
b. Others		13073.35		3900.10
TOTAL		**13260.62**		4020.03

PARTICULARS	As at 31.3.2016 Details (Rs in lakhs)	As at 31.3.2016 Total	As at 31.3.2015 Details (Rs in lakhs)	As at 31.3.2015 Total
16 CASH AND CASH EQUIVALENTS				
Cash on hand		**58.17**		42.33
Balances with Scheduled Banks :				
in Current Accounts	1927.60		974.60	
in Unpaid Dividend Accounts	60.75		63.27	
		1988.35		1037.87
TOTAL		**2046.52**		1080.20
17 SHORT TERM LOANS AND ADVANCES				
(Unsecured - considered good)				
Security deposits		226.22		32.60
Advance to staffs for expenses		156.77		178.48
Prepaid expenses		616.60		541.62
Balance with Government Authorities		1258.02		1806.47
Others - Advances recoverable in cash or kind		4818.45		2638.79
Advance Income Tax				248.64
TOTAL		**7076.06**		5446.60
18 OTHER CURRENT ASSETS				
(Unsecured - considered good)				
Interest accrued on loans advances and deposits		1794.97		1272.73
Government subsidies receivable		4009.65		3350.68
Interest subsidies receivable		411.84		844.07
Income receivable		--		0.15
TOTAL		**6216.46**		5467.63

PARTICULARS	Year ended 31.3.2016 Details (Rs in lakhs)	Year ended 31.3.2016 Total	Year ended 31.3.2015 Details (Rs in lakhs)	Year ended 31.3.2015 Total
19 REVENUE FROM OPERATIONS				
SALE OF PRODUCTS				
MANUFACTURED GOODS				
Sugar	102395.04		54432.85	
Molasses	2498.98		476.10	
Baggase	984.27		592.60	
Granite Products	7761.34		9785.11	
Industrial Alcohol	12655.36		12291.40	

PARTICULARS	Year ended 31.3.2016 Details (Rs in lakhs)	Total	Year ended 31.3.2015 Details (Rs in lakhs)	Total
Bio-Compost	502.62		455.76	
Power	16385.04		9355.03	
Pressmud	7.45		6.25	
Bio-products	0.34		1.53	
		143190.44		87396.63
TRADED GOODS				
Sugar		4043.17		6195.53
SALE OF SERVICES				
Cane harvestor hire charges		**57.90**		28.78
OTHER OPERATING REVENUE				
Duty draw back and other export incentives	1613.08		899.09	
Sale of Scrap	48.83		58.17	
Claims Received	413.57		58.68	
		2075.48		**1015.94**
Revenue from operations (Gross)		**149366.99**		94636.88
Less : Excise duty		**3805.68**		1650.71
Revenue from operations (Net)		**145561.31**		92986.17
20 OTHER INCOME				
Interest Income				
From loans and advances	81.72		1350.82	
From deposits	15.07		12.11	
		96.97		1362.93
Dividend income from long term investments		**4.23**		3.84
Other non-operating income :				
Rent receipts from operating leases	54.04		52.09	
Profit on sale of fixed assets	26.78		188.53	
Agricultural Income	6.13		-	
Dairy Farm Income	3.29		-	
Miscellaneous income	92.44		23.40	
		182.68		264.02
TOTAL		**283.70**		1630.79

PARTICULARS	Year ended 31.3.2016 Details (Rs in lakhs)	Total	Year ended 31.3.2015 Details (Rs in lakhs)	Total
EXPENSES				
21 COST OF MATERIALS CONSUMED				
Opening Stock of Raw Materials :				
Molasses at Distillery Units	1098.72		803.44	
Granite Rough Blocks	196.10		167.97	
Press-mud	18.05		6.72	
Bio-products	2.28		4.77	
		1315.15		982.90
Add: Purchase of Raw Materials :				
Sugarcane	84154.87		52379.83	
Purchase Tax on sugar cane	620.94		385.65	
Sugarcane cess	175.31		70.84	
Freight and transport on sugar cane	1431.28		2019.91	
Molasses at Distillery Units	940.30		2116.68	
Granite Rough Blocks	260.81		445.46	
Press-Mud	45.29		84.38	
		87628.80		57502.75
		88943.95		58485.65
Less: Closing Stock of Raw Materials :				
Molasses at Distillery Units	1412.92		1098.72	
Granite Rough Blocks	208.48		196.10	
Press-mud	4.88		18.05	
Bio-products	1.93		2.28	
		1628.21		1315.15
Raw Material Consumed		**87315.74**		57170.50
Packing Material Consumed		**1799.35**		1166.40
TOTAL		**89115.09**		58336.90
Details of Raw Materials Consumed				
Sugarcane (includes cost tax and freight)		86382.40		54856.23
Packing Material for Sugar		1799.35		1166.40
Molasses at Distillery Units		626.10		1821.40
Granite Rough Blocks		248.43		417.33
Press-Mud		58.46		73.05
Bio-products		0.35		2.49
TOTAL		**89115.09**		58336.90

PARTICULARS	Year ended 31.3.2016 Details (Rs in lakhs)	Total	Year ended 31.3.2015 Details (Rs in lakhs)	Total
22 PURCHASE OF TRADED GOODS				
Sugar		**4168.89**		3130.66
Granite Products		**3.63**		--
TOTAL		**4172.52**		3130.66
23 (INCREASE) / DECREASE IN INVENTORIES				
I FINISHED GOODS:				
a) Opening Stock :				
Sugar	110411.51		109425.32	
Molasses at Sugar Units	1892.30		1587.47	
Baggase	53.69		29.51	
Granite Products	1214.02		816.31	
Industrial Alcohol	1525.10		752.20	
Bio-Compost	1.10		2.10	
	115097.72		112612.91	
Add: Opening stock of Madras Sugars Ltd as on appointed date as per the scheme of amalgamation :				
Sugar	8659.84			
Molasses at Sugar Unit	27.86			
	8687.70			
	123785.42		112612.91	
b) Closing Stock :				
Sugar	116355.03		110411.51	
Molasses at Sugar Units	2367.73		1892.31	
Baggase	185.98		53.69	
Granite Products	1044.54		1214.02	
Industrial Alcohol	769.32		1525.09	
Bio-Compost	0.10		1.10	
	120722.70		115097.72	
(a) - (b)		**3062.72**		(2484.81)

PARTICULARS	Year ended 31.3.2016 Details (Rs in lakhs)	Total	Year ended 31.3.2015 Details (Rs in lakhs)	Total
II WORK IN PROGRESS :				
a) Opening Stock :				
Sugar	945.69		408.35	
Molasses	169.25		87.41	
Press-mud	67.25		48.18	
	1182.19		543.94	
Add: Opening stock of Madras Sugars Ltd as on appointed date as per the scheme of amalgamation :				
Sugar	314.04			
Molasses at Sugar Unit	32.85			
	346.89			
	1529.08			543.94
b) Closing Stock :				
Sugar	1513.14		945.69	
Molasses	214.97		169.25	
Press-mud	43.38		67.25	
	1771.49		1182.19	
(a) - (b)		**(242.41)**		(638.25)
TOTAL		**2820.31**		(3123.06)
24 EMPLOYEE BENEFIT EXPENSES				
Salaries wages and allowances		**6591.75**		5457.62
Contribution to Provident and other funds		**616.77**		532.19
Staff Welfare expenses		**634.68**		601.97
TOTAL		**7843.20**		6591.78
25 FINANCE COSTS				
Interest Expenses		**11035.20**		9177.54
Other Borrowing Costs		**552.27**		106.94
TOTAL		**11587.47**		9284.48

PARTICULARS	Year ended 31.3.2016 Details (Rs in lakhs)	Total	Year ended 31.3.2015 Details (Rs in lakhs)	Total
26 OTHER EXPENSES				
Consumption of stores and spare parts		**2732.88**		2595.67
Loose tools		**4.47**		8.33
Increase / (decrease) of excise duty on inventory		**3585.51**		594.64
Power and fuel		**4658.69**		3319.44
Water charges		**153.18**		125.05
Rent		**82.21**		71.62
Lease / hire charges for equipments		**28.01**		18.00
Granite processing charges		**291.89**		284.80
Cane development expenses		**292.93**		384.75
Repairs and maintenance :-				
Buildings	463.35		420.56	
Plant and Machinery	2509.33		2717.59	
Vehicles	391.11		413.97	
Others	88.85		113.53	
		3452.64		3665.65
Effluent disposal expenses		**327.63**		449.15
Insurance charges		**247.19**		221.88
Rates and taxes		**2296.14**		612.85
Telephone & Fax charges		**52.06**		52.32
Travelling expenses		**209.97**		208.16
Printing and Stationery		**38.90**		49.50
Directors' sitting fees		**2.55**		1.35
Advertisement		**5.16**		5.39
Other Administrative expenses		**170.57**		178.36
Freight and forwarding		**893.80**		800.23
Selling and distribution expenses		**1429.81**		1462.64
Sales commission		**9.57**		19.05
Donations		**3.92**		11.18
Corporate Social responsibility expenses		**47.20**		

PARTICULARS	Year ended 31.3.2016 Details (Rs in lakhs)	Total	Year ended 31.3.2015 Details (Rs in lakhs)	Total
Legal and professional charges		**111.11**		52.40
Agricultural expenses		-		5.41
Dairy Farm Expenses		-		5.81
Loss on Sale of Investments		-		2.51
Auditor's Remuneration (net of service tax input credit where applicable)				
For statutory audit	15.14		11.24	
For taxation matters	12.22		14.85	
For Company law matters	1.71		0.84	
For other services	9.31		3.46	
Reimbursement of expenses	0.25		0.25	
		38.63		30.64
TOTAL		**21166.63**		15236.78

27 EMPLOYEE BENEFIT PLANS

Defined contribution plans

Contribution made by the company to defined contribution plan which are recognised and charged to statement of profit and loss during the year are as under

PARTICULARS	For the Year Ended 31.3.2016 (Rs in Lakhs)	31.3.2015
Provident Fund	**417.88**	371.43
Family Pension Fund	**22.85**	16.21
Employees State Insurance	**0.87**	1.92
Employees Group Insurance Fund	**21.71**	17.26
TOTAL	**463.31**	406.82

28 CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

Contingent liabilities

28.1 The company has preferred a Writ Appeal before the Division Bench of the Hon'ble High Court, Madras challenging the Order pronounced in Writ Petition No 4030/2002 dated 28.02.2006 in connection with increase in rate of water charges and the method of computation of water charges pursuant to the G O No 474 dated 13.11.2001 for the water drawn for industrial purposes The approximate amount under dispute is Rs 397.94 Lakhs (Rs 387.76 Lakhs)

28.2 Sugar Unit-I at Sathyamangalam was permitted to sell 100% of the sugar production as Free Sugar for a period of 8 years from 1985-86 Sugar Season Chief Director (Sugar) Directorate of Sugar Department of Food New Delhi has restricted the entitlement of Free sale Sugar Incentive to 275000 quintals production per season by a subsequent notification A Writ Petition has been filed in the Madras High Court Challenging the restriction imposed and interim injunction has been obtained By virtue of injunction order the entire production was sold as Free Sugar The approximate unprovided quantum under dispute is Rs 683.35 Lakhs

28.3 Sugar Unit-I at Sathyamangalam was allowed to sell 100% of the Sugar production as free sugar for a period of 8 years from 1985-86 sugar season and pay excise duty on incentive sugar as applicable to levy sugar and to retain the difference in excise duty between levy and free sale sugar In respect of incentive sugar sold by Unit-I from 20.09.1991 to 31.01.1994 the Central Excise Department has issued show cause notices to the Company to show cause why the difference of Rs 33/- per quintal being the difference between duty on levy sugar and free sugar should not be demanded from the Company The Company has filed Writ Petitions in Madras High Court and the Hon'ble High Court disposed the case with direction to submit all explanations before the adjudicating authority Now the matter is pending before the adjudicating authority The excise duty in dispute is Rs 149.99 lakhs

28.4 The Entry Tax of Rs 188.29 lakhs on Inter-state purchase of rough blocks is disputed

28.5 The Company has received a demand for payment of excise duty for Rs148.44 lakhs on the machineries purchased for co-generation plant which have been cleared by the manufacturers based on the certificates alleged to have been forged by an Official in the Ministry of Finance The Company has remitted the amount under protest The company opted for obtaining a valid certificate for which steps have been taken through a writ petition filed in Hon'ble High Court of Madras

28.6 The company has preferred an appeal before the Commissioner of Income Tax (Appeals) challenging the order of Assistant Commissioner of Income Tax in connection with disallowance of deduction for the Assessment year 2012-13 The quantum under dispute is Rs 1579.62 Lakhs

28.8 As at the year end The Company has an obligation under EPCG Scheme to export sugar of a value of USD 93,28,827

28.9 Estimated amount of contracts remaining to be executed on capital account - Tangible Assets not provided for is Rs 174.38 Lakhs (Rs 155.10 lakhs)

29 DISCLOSURE REPORT UNDER AS15

(Rs in Lakhs)

PARTICULARS	COMPENSATED ABSENCES		GROUP GRATUITY	
	31.3.2016	31.3.2015	31.3.2016	31.3.2015
PRINCIPAL ACTUARIAL ASSUMPTIONS [Assumption]				
Discount rate (%)	**7.64**	7.82	**7.64**	7.82
Salary escalation rate (%)	**8.00**	8.00	**8.00**	8.00
Expected return on plan assets (%)	–	–	**8.00**	8.00
Attrition rate (%)	**7.00**	7.00	**7.00**	7.00
A NET ASSET / (LIABILITY) RECOGNISED IN BALANCE SHEET AT THE BEGINNING OF THE YEAR				
Present Value of Defined Benefit Obligation	**145.12**	243.16	**1651.15**	1393.43
Fair Value of Plan Assets	–	–	**1649.48**	1517.12
Funded Status [Surplus/(Deficit)]	**(145.12)**	(243.16)	**(1.68)**	123.69
Unrecognised Past Service Costs	–	–	-	–
Net Asset / (Liability) Recognised in Balance Sheet	**(145.12)**	(243.16)	**(1.68)**	123.69
B DISCLOSURE OF EMPLOYER EXPENSE				
Current Service Cost (including risk Premium for fully insured benefits)	**154.29**	147.82	**157.67**	144.67
Interest Cost	**11.09**	19.01	**125.19**	105.49
Expected Return on Assets	–	–	**(134.76)**	(121.37)
Curtailment Cost /(Credit)	–	–	–	–
Settlement Cost / (Credit)	–	–	–	–
Past Service Cost	–	–	–	–
Actuarial (gains) and losses	**(31.54)**	(264.87)	**36.94**	85.46
Total Employer Expense Recognised in the Statement of Profit & Loss	**133.84**	(98.04)	**185.04**	214.25

29 DISCLOSURE REPORT UNDER As15 Contd.... : (Rs in Lakhs)

PARTICULARS	COMPENSATED ABSENCES		GROUP GRATUITY	
	31.3.2016	31.3.2015	31.3.2016	31.3.2015
C NET ASSET / (LIABILITY) RECOGNISED IN BALANCE SHEET				
Present Value of Defined Benefit Obligation	**278.96**	145.12	**1870.17**	1651.15
Fair Value of Plan Assets	–	–	**1854.01**	1649.48
Funded Status [Surplus / (Deficit)]	**(278.96)**	(145.12)	**(16.16)**	(1.67)
Unrecognised Past Service Costs	–	–	–	–
Net Asset / (Liability) recognised in Balance Sheet	**(278.96)**	(145.12)	**(16.16)**	(1.67)
D CHANGE IN OBLIGATIONS AND ASSETS				
Change in obligations				
Present Value of Defined Benefit Obligation at the Beginning of the period	**145.12**	243.16	**1651.15**	1393.43
Employer Service Cost	**154.29**	147.82	**157.67**	144.67
Interest Cost	**11.09**	19.01	**125.19**	105.49
Curtailment Cost / (Credit)	–	–	–	–
Settlement Cost / (Credit)	–	–	–	–
Plan Amendments	–	–	–	–
Acquisitions	–	–	–	–
Actuarial (Gains) / Losses	**(31.54)**	(264.87)	**36.57**	96.38
Benefit Payments	–	–	**(100.41)**	(88.82)
Present Value of Defined Benefit Obligation at the end of the period	**278.96**	145.12	**1870.17**	1651.15
Change in Assets				
Fair value of Plan Assets at the Beginning of the Period	–	–	**1649.41**	1517.12
Expected Return on Plan Assets (Para 108/109)	–	–	**134.76**	121.37
Actuarial Gain / (Loss)	–	–	**(0.38)**	10.92
Assets Distributed on Settlements	–	–	–	–
Actual Company contributions Less Risk Premium	–	–	**170.55**	88.89
Benefit Payments	–	–	**(100.41)**	(88.82)
Fair Value of Plan Assets at the End of the Period	–	–	**1853.93**	1649.48
E RECONCILIATION OF NET ASSET / (LIABILITY) RECOGNISED IN BALANCE SHEET				
Net Asset/(Liability) recognised in balance sheet at the beginning of the year	**(145.12)**	(243.16)	**(1.67)**	123.69
Employer Expenses	**(133.84)**	98.04	**(185.04)**	(214.25)
Employer Contributions	–	–	**170.55**	88.89
Acquisitions / Business Combinations	–	–	–	–
Net Asset/(Liability) Recognised in Balance Sheet at the end of the year	**(278.96)**	(145.12)	**(16.16)**	(1.67)

30 Segment Information for the year ended 31st March 2016

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Sugar Power Distillery and Granite products Revenues and expenses directly attributable to segments are reported under each reportable segment Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment/manpower efforts Income or Expenses which are not attributable or allocable to segments have been disclosed as unallocable Income / Expenses Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment Geographical revenues are allocated based on the location of the customer

(Rs in Lakhs)

PARTICULARS	Sugar		Power		Distillery		Granite Products		TOTAL	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
PRIMARY										
External Revenue	120509.32	71501.43	28427.57	18103.42	13137.80	12721.47	9560.03	11937.41	**171634.72**	114263.73
Operating Income	2123.19	1043.09	-	-	10.18	1.63	-	-	**2133.37**	1044.72
	122632.51	72544.52	28427.57	18103.42	13147.98	12723.10	9560.03	11937.41	**173768.09**	115308.45
Intersegment Revenue	14333.04	11389.39	12042.53	8748.39	2.42	6.31	1828.79	2178.19	**28206.78**	22322.28
	108299.47	61155.13	16385.04	9355.03	13145.56	12716.79	7731.24	9759.22	**145561.31**	92986.17
RESULT										
Segment Result	(2258.81)	(5381.01)	12583.95	9004.72	3172.47	2670.41	972.05	2680.35	**14469.66**	8974.47
Add: Un allocable Income									**103.53**	343.88
Operating Profit									**14573.19**	9318.35
Less: Finance Costs									**11587.47**	9284.48
Tax expenses									**(193.68)**	(69.16)
Profit after tax									**3179.40**	103.03
OTHER INFORMATION										
Segment Assets	216519.23	186559.00	34363.21	22773.13	10272.47	9961.58	10392.99	11003.61	**271547.90**	230297.32
Segment Liabilities	27591.57	10677.36	5514.41	956.97	223.18	196.10	770.04	820.49	**34099.20**	12650.92
Capital expenditure	1907.14	17564.64	163.75	13121.58	1227.60	407.54	22.78	2618.93	**3321.27**	33712.69
Depreciation	3225.39	2457.48	1507.95	1438.59	444.78	439.08	975.95	790.40	**6154.07**	5125.55
Non - Cash expenses other than Depreciation	--	--	--	--	--	--	--	--	**--**	–
SECONDARY										
Revenue by Geographical Market										
India	89663.65	47753.81	16385.04	9355.03	13145.56	12716.79	2441.93	3673.39	**121636.18**	73499.02
Outside India	18635.82	13401.32					5289.31	6085.83	**23925.13**	19487.15

31 Related Party disclosures as required under Accounting Standard on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below

1 KEY MANAGEMENT PERSONNEL :

Sri S V Balasubramaniam Chairman

Sri B Saravanan Managing Director

2 RELATIVES OF KEY MANAGEMENT PERSONNEL :

Sri S V Balasubramaniam

Relatives

Sri B Saravanan (Son)

Sri B Saravanan

Relatives

Sri S V Balasubramaniam (Father)

3 ENTERPRISES OVER WHICH KEY MANAGEMENT PERSONNEL OR THEIR RELATIVES ARE ABLE TO EXERCISE SIGNIFICANT INFLUENCE :

Annamallai Enterprise Private Limited
Bannari Amman Exports Private Limited
Shiva Cargo Movers Private Limited
Shiva Distilleries Private Limited
SVB Holdings Private Private Limited

RELATED PARTY TRANSACTIONS

PARTICULARS	Key Management Personnel	Relatives of Key Management Personnel	Enterprises as described in (3) above
		(Amount in Lakhs)	
Purchase of Goods			33.44 (4727.11)
Sale of Goods			5853.21 (7038.17)
Rendering of Service (Managerial Remuneration)	253.93 (96.49)		
Availing Services			971.15 (1401.69)
Rent		NIL	11.20 (13.11)
Interest			53.26 *
Loans and Advances / ICD			19553.14 *
Balance Outstanding as on 31st March 2016 is Rs 19553.14 lakhs			

* Transferred pursuant to Scheme of Amalgamation of M/s Madras Sugars Limited with the Company

PARTICULARS	For the Year Ended 31.3.2016 (Rs in Lakhs)	31.3.2015
32 Details of government grants		
Government grants received by the Company during the year towards		
Duty drawback and other export incentives (recognised under other operating revenues)	**1613.08**	899.09
Other incentives (reimbursement central sales tax) (recognised under other income)	--	4.35
TOTAL	**1613.08**	903.44

33 Earnings per share	**2015 - 16**	2014 - 15
a) Weighted average number of equity shares of Rs 10/-each		
i) Number of shares at the beginning of the year	**11439700**	11439700
ii) Number of shares at the end of the year	**11439700**	11439700
Weighted average number of equity shares outstanding during the year	**11439700**	11439700
b) Net Profit after tax available for equity shareholders (Rs in lakhs)	**3179.40**	103.03
c) Basic and diluted earnings per share (Rs)	**27.79**	0.90

34 Disclosure pursuant to Accounting Standard 28 (AS 28) on Impairment of assets - During the year the company had reviewed the carrying value of assets for finding out impairment if any The review has revealed that there is no impairment as per Accounting Standard 28

35 Details of research and development expenditure recognised as an expense

PARTICULARS	For the Year Ended 31.3.2016 (Rs in Lakhs)	31.3.2015
Materials	10.33	15.03

36 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure

37 Foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under :-

PARTICULARS	As at 31.3.2016		As at 31.3.2015	
	US DOLLAR	UEURO	US DOLLAR	EURO
Receivables	428360	985724	157034	674863
Payables		567168	32995	733213
Advance for Purchase	120490	10190	--	42128
Advance for Sale	--	--	--	4907

38 The dividend is paid to Non Resident shareholders in Indian Rupee by crediting to their Rupee Bank account

PARTICULARS	Consumption (Amount Rs in Lakhs)	% to total consumption
39 **Value of Raw Materials**		
39.1 **Imported Value of**		
Spares and Components	**212.22** (238.85)	**9.91%** (11.95%)
39.2 **Indigenous Value of**		
a Sugarcane	**86382.40** (54856.23)	**100%** (100%)
b Granite Rough Blocks	**2077.21** (2595.52)	**100%** (100%)
c Molasses	**5674.66** (6902.34)	**100%** (100%)
d Pressmud	**63.68** (73.92)	**100%** (100%)
e Spares and Components	**1930.22** (1759.44)	**90.09%** (88.05%)

PARTICULARS	Year ended 31.3.2016 (Amount Rs in Lakhs)	Year ended 31.3.2015 (Amount Rs in Lakhs)
40 **Value of Imports on C.I.F. basis:**		
a Components and spare parts	**1520.90**	1917.43
b Capital goods	**4.32**	2309.02
41 **Expenditure in foreign currency :**		
a Travelling	**14.13**	4.81
b Sales commission	--	2.71
c Subscription	**1.57**	1.00
d Sales promotion expenses	**6.94**	--
42 **Earnings in Foreign Exchange :**		
F O B Value of Exports	**21677.78**	19485.83

For **P N RAGHAVENDRA RAO & CO**
Chartered Accountants

P R VITTEL
Partner
M No 200/18111
ICAI Firm Regn. No: 003328S
Place: Coimbatore
Date : 23.11.2016

S V BALASUBRAMANIAM
Chairman
DIN 00002405

B SARAVANAN
Managing Director
DIN 00002927

C PALANISWAMY
Company Secretary

M RAMPRABHU
Chief Financial Officer

Cash Flow Statement for the year ended 31.3.2016

	Year ended 31.3.2016 (Rs in Lakhs)		Year ended 31.3.2015 (Rs in Lakhs)	
A OPERATING ACTIVITIES				
Net profit before tax and extraordinary items		**2985.72**		33.87
Adjustments for :				
Add :				
Depreciation	6154.07		5125.55	
Finance Costs	11587.47		9284.48	
Loss on sale of Fixed Assets	7.06		6.33	
		17748.60		14416.36
Less :				
Investment Income :				
Interest	96.79		1362.94	
Dividend	4.23		3.84	
Profit on sale of Fixed Assets	33.84		194.85	
		134.86		1561.63
Operating Profit before working capital changes		**20599.46**		12888.60
Add : Adjustments for :				
Inventories	(6606.04)		(3327.42)	
Trade Receivables	(9240.59)		119.33	
Short term loans and advances	(1629.46)		(748.25)	
Other Current Assets	(748.83)		(4086.29)	
Current Liabilities	15070.02		(2818.45)	
		(3154.90)		(10861.08)
Cash generated from operations		**17444.56**		2027.52
Less : Income tax		**(346.85)**		31.65
Cash flow before extraordinary items		**17791.41**		1995.87
Net cash from operating activities		**17791.41**		1995.87

Cash Flow Statement for the year ended 31.3.2016 Contd.....

	Year ended 31.3.2016 (Rs in Lakhs)		Year ended 31.3.2015 (Rs in Lakhs)	
B INVESTING ACTIVITIES				
Interest Received		**96.79**		1362.94
Dividend Received		**4.23**		3.84
Purchase of Fixed Assets		**(27684.76)**		(9087.55)
Sale of Fixed Assets		**84.55**		259.57
Sale of Investments		--		44.23
Purchase of Investment		(0.63)		–
Net cash used in investing activities		**(27499.82)**		(7416.97)
C FINANCING ACTIVITIES				
Increase in Borrowings		**30693.86**		17177.22
Increase in Share Capital		**110.00**		
Increase in Reserves		**(5388.30)**		
Deferred tax liabilities		**(2837.94)**		
Finance Costs paid		**(11558.68)**		(9356.31)
Dividends paid (Gross)		**(344.21)**		(1672.98)
Net cash from financing activities		**10674.73**		6147.93
Net increase in cash and cash equivalents (A+B+C)		**966.32**		726.83
Opening cash balance	1080.20		353.37	
Closing cash balance	2046.52		1080.20	
		966.32		726.83

For **P N RAGHAVENDRA RAO & CO**
Chartered Accountants

P R VITTEL
Partner
M No 200/18111
ICAI Firm Regn. No: 003328S
Place: Coimbatore
Date : 23.11.2016

S V BALASUBRAMANIAM
Chairman
DIN 00002405

B SARAVANAN
Managing Director
DIN 00002927

C PALANISWAMY
Company Secretary

M RAMPRABHU
Chief Financial Officer

Financial Performance - Year Wise

(Rs in Lakhs)

Financial Year	Equity Share Capital	Reserves & Surplus	Turnover*	Profit before Depreciation	Depreciation	Profit before Tax	Dividend on Equity Shares (%)
1985-1986	373.26	85.15	1421.08	247.65	192.32	55.33	15
1986-1987	374.81	150.60	1585.78	258.56	117.68	140.88	15
1987-1989 (18 months)	374.95	558.79	3157.49	743.55	200.87	542.68	25
1989-1990	375.00	821.84	2941.28	479.29	127.04	352.25	18
1990-1991	375.00	1097.53	3035.74	470.31	169.05	301.26	20
1991-1992	375.00	1381.32	4354.55	572.49	244.04	328.45	21
1992-1993	375.00	1526.96	6154.24	623.38	415.35	208.03	21
1993-1994	753.97	3004.49	5502.34	486.04	382.17	103.87	21
1994-1995	953.97	4937.00	12219.55	853.98	403.98	450.00	22
1995-1996	953.97	6107.79	15686.98	1895.45	533.78	1361.67	24
1996-1997	953.97	7201.67	16133.02	1884.43	560.90	1323.53	25
1997-1998	953.97	8704.64	14229.49	2292.81	568.50	1724.31	25
1998-1999	953.97	9737.98	20572.87	2009.33	598.43	1410.60	25
1999-2000	953.97	11071.16	23242.80	2425.92	675.51	1750.41	25
2000-2001	953.97	12728.83	30792.42	3655.88	1710.46	1945.42	27
2001-2002	953.97	12296.57	36158.79	4727.63	1652.41	3075.22	33
2002-2003	953.97	13265.96	34823.17	4429.97	2160.88	2269.09	30
2003-2004	953.97	16192.33	45778.58	7298.47	2705.14	4593.33	36
2004-2005	953.97	20070.14	38318.31	8826.31	3200.10	5626.21	45
2005-2006	953.97	27158.61	49408.86	13878.66	4307.00	9571.66	70
2006-2007	953.97	40572.76	69116.18	14570.19	3734.83	10835.36	70
2007-2008	1143.97	43825.26	60608.73	7397.92	3481.86	3916.06	70
2008-2009	1143.97	54270.49	67404.42	16597.74	3408.23	13189.51	100
2009-2010	1143.97	67301.16	85346.50	23807.83	3834.06	19973.77	100
2010-2011	1143.97	71273.33	111880.26	12692.25	7083.08	5609.17	100
2011-2012	1143.97	80355.33	126046.54	17920.15	6676.92	11243.23	100
2012-2013	1143.97	93055.51	148321.54	23430.89	5995.44	17435.45	125
2013-2014	1143.97	94256.37	107709.57	8410.18	5195.53	3214.65	125
2014-2015	1143.97	94044.97	96109.23	5159.42	5125.55	33.87	25
2015-2016	**1143.97**	**90805.37**	**142741.00**	**9139.79**	**6154.07**	**2985.72**	**75**

* Turnover = Net Sales + Closing Stock – Opening Stock

* Excludes inter-segment transfers

BANNARI AMMAN SUGARS LIMITED

Registered Office : 1212 Trichy Road Coimbatore 641 018 Tamilnadu

CIN : L15421TZ1983PLC001358

ATTENDANCE SLIP

DP ID Number		Name and Address of the registered Shareholder
Client ID/Regd. Folio No.		
No. of Shares held		

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company

I hereby record my presence at the 32nd Annual General Meeting of the company held on Thursday the 29th December2016 at 11.15 AM at Jennys Residency 2/2 Avinashi Road Civil Aerodrome Post Coimbatore 641 014

.....

Member's / Proxy's Signature

Note : Please complete this and hand it over at the entrance of the hall

Form No. MGT - 11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act 2013 and Rule 19(3) of the Companies (Management and Administration) Rules 2014]

CIN : L15421TZ1983PLC001358

Name of the Company : BANNARI AMMAN SUGARS LIMITED

Registered Office : 1212 Trichy Road Coimbatore 641018 Tamilnadu

Name of the Member(s) :

Registered Address :

E-mail ID :

Folio No / Client ID :

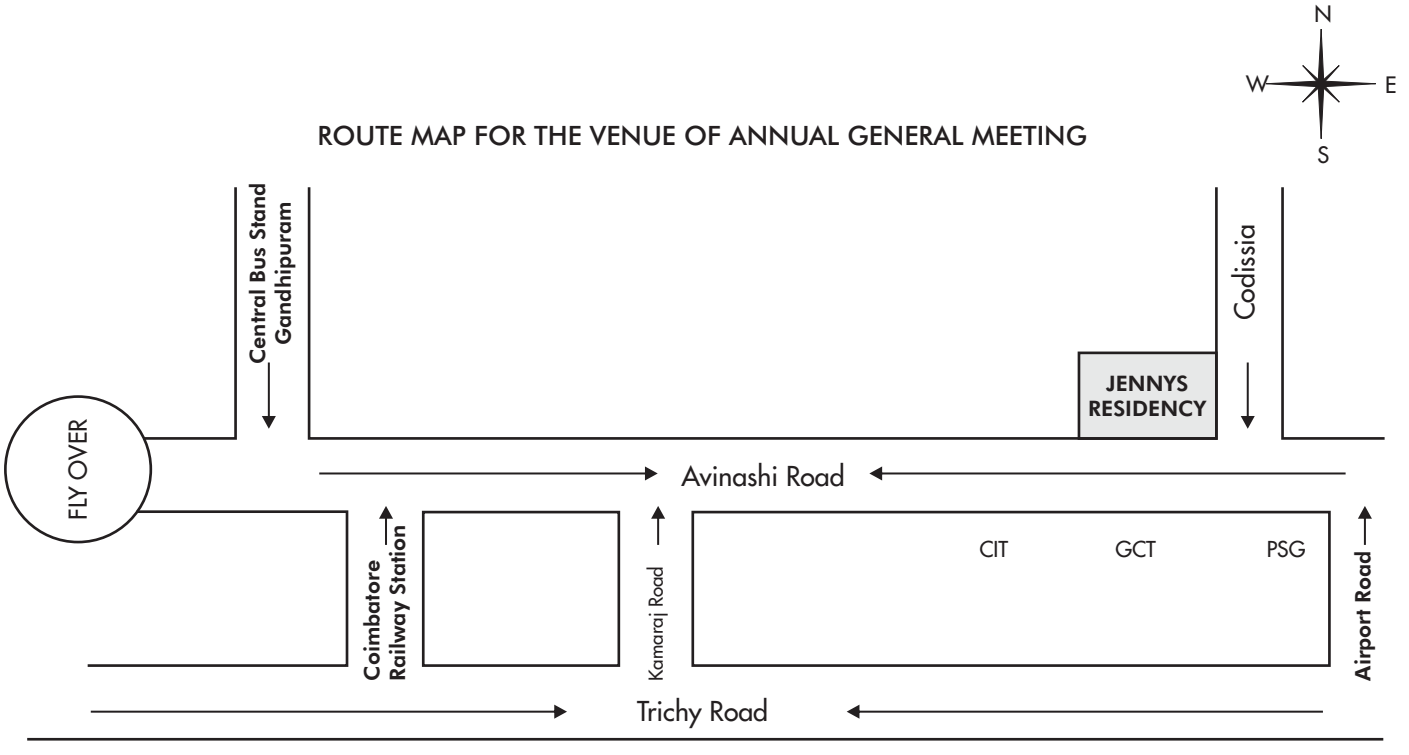
DP ID :

I/We being the member(s) of _____ shares of Bannari Amman Sugars Limited hereby appoint

Sl No	Name	Address & E-mail ID	Signature	
I				or failing him
II				or failing him
III				

P.T.O.

ROUTE MAP FOR THE VENUE OF ANNUAL GENERAL MEETING



As my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the company to be held on Wednesday the 29th day of December 2016 at 11.15 a m at Jennys Residency 2/2 Avinashi Road Civil Aerodrome Post Coimbatore 641 014 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution Nos	Resolutions	For	Against
1	Adoption of Audited Financial Statements, Reports of the Board of Directors and Auditors thereon		
2	Declaration of Dividend on equity shares		
3	Appointment of Director in the place of Sri B Saravanan (DIN:00002927) who retires by rotation and being eligible offers himself for re-appointment		
4	Ratification of appointment of Auditors for the financial year 2016-2017		
5	**Special Business** Ratification of Remuneration payable to Cost Auditor of the Company		

Signed this ____ day of _____ 2016

Affix Revenue Stamp

..... Signature of Shareholder(s)

..... Signature of Proxy holder(s)

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting

BANNARI AMMAN SUGARS LIMITED

Regd. Off. : 1212 Trichy Road Coimbatore - 641 018 India
Phone : 0422 - 2302277 Fax : 0422 - 2309999
E-mail : shares@bannari.com Website : http://www.bannari.com
CIN : L15421TZ1983PLC001358

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