

PONNI SUGARS (ERODE) LIMITED

CIN : L15422 TN1996 PLC037200

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PEL: SH: 184

September 18, 2015

National Stock Exchange of India Ltd
Exchange Plaza
5 th Floor, Flat No. C / 1 – G Block
Bandra-Kurla Complex
Bandra East
Mumbai 400 051

BSE Ltd
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400 001

Attention: Listing Department

Dear Sirs,

Sub: Information under Clause 36 of the Equity Listing Agreement

Government of India, Department of Food & Public Distribution by communication F.No.1(10)/2015-SP-I dt.18.09.2015 has made factory-wise Minimum Indicative Export Quota (MIEQ) for sugar under tradeable export scrip scheme. Accordingly our company has been allocated MIEQ of 6612.50 tonnes for 2015-16 sugar season commencing from 1st October 2015. Such export of sugar can be in any grade of sugar, namely, raw, plantation white as well as refined.

The Government in this process has allocated an overall export quota of 40 lac tonnes with a view to achieve desired correction in inventory levels and thereby to improve financial liquidity of sugar factories.

Currently world sugar prices have considerable adverse price parity to domestic realization. Hence the directed export quota would entail significant lower price realization and loss to our company. However domestic market prices can be expected to record a robust price recovery by reason of supply side correction and consequent improved market sentiments. Thus the move of the Government is intended and expected to result in overall gain for the industry, though its financial impact cannot be readily quantified at the current juncture.

This information is furnished pursuant to Clause 36 of the Equity Listing Agreement.

Thanking you

Truly yours

N Ramanathan
Managing Director