



30th Annual Report 2013 - 2014

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

Non-Executive Independent Directors

Sri A K Perumalsamy

Sri E P Muthukumar

Sri T Gundan

Dr M P Vijayakumar

Auditors

M/s P N Raghavendra Rao & Co
Chartered Accountants

Internal Auditors

M/s Srivatsan & Gita
Chartered Accountants

M/s Bakthavachalam & Co
Chartered Accountants

Cost Auditor

Sri M Nagarajan
Cost Accountant

Company Secretary

Sri C Palaniswamy

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

Registered Office

1212 Trichy Road Coimbatore - 641 018
Tel: 0422 - 2302277 Fax: 0422 - 2309999
Email: shares@bannari.com
Website: www.bannari.com
CIN : L15421TZ1983PLC001358

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 30th 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 MONDAY the 15th day of September 2014 at 4.30 PM 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 To consider and adopt the audited financial statements of the company for the financial year ended 31st March 2014 the reports of the Board of Directors and Auditors thereon
- 2 To declare dividend on equity shares
- 3 To consider and if thought fit to pass with or without modification(s) the following resolutions as **Ordinary Resolutions**

RESOLVED that pursuant to Section 139 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 M/s P N Raghavendra Rao & Co Chartered Accountants (Registration No 003328S) be and are hereby appointed as Auditors of the Company to hold office for a period of three years from the conclusion of this Annual General Meeting till the conclusion of 33rd Annual General Meeting of the company subject to ratification by the members at every Annual General Meeting in accordance with the provisions of Section 139(1) of the Companies Act 2013 or as may be amended or clarified by the Government of India from time to time

FURTHER RESOLVED that the Board of Directors be and are hereby authorized to fix the remuneration payable to Auditors on the recommendation of Audit Committee each year

Special Business

- 4 To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**

RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement Sri E P Muthukumar (DIN : 00003740) a Director of the company who retires by rotation at the ensuing Annual General Meeting under the provisions of the Companies Act 1956 and in respect of whom the company has received notice in writing from a member under Section 160 of the Companies Act 2013 proposing his candidature for the office of Independent Director be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years up to 14th September 2019

- 5 To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**

RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement Dr M P Vijayakumar (DIN : 05103089) a Director of the company who retires by rotation at the ensuing Annual General Meeting under the provisions of the Companies Act 1956 and in respect of whom the company has received notice in writing from a member under



Section 160 of the Companies Act 2013 proposing his candidature for the office of Independent Director be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years up to 14th September 2019

- 6 To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**

RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement Sri A K Perumalsamy (DIN : 00313769) Director of the company whose period of office was liable to retirement by rotation under the provisions of the Companies Act 1956 and in respect of whom the company has received notice in writing from a member under Section 160 of the Companies Act 2013 proposing his candidature for the office of Independent Director be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years up to 14th September 2019

- 7 To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**

RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement Sri T Gundan (DIN : 00624804) Director of the company whose period of office was liable to retirement by rotation under the provisions of the Companies Act 1956 and in respect of whom the company has received notice in writing from a member under Section 160 of the Companies Act 2013 proposing his candidature for the office of Independent Director be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years up to 14th September 2019

- 8 To consider and if thought fit to pass with or without modification(s) 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 thereunder and pursuant to the recommendations of the Audit Committee of the Board the remuneration of Rs 150000/- (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 2015 be and is hereby ratified and confirmed

- 9 To consider and if thought fit to pass with or without modification(s) the following resolutions as **Special Resolutions**

RESOLVED that in supersession of the Ordinary Resolution passed under Section 293(1) (d) of the Companies Act 1956 at the 11th Annual General Meeting held on 22nd January 1996 and pursuant to Section 180(1)(c) and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) the consent of the company be and is hereby accorded to the Board of Directors (which term shall be deemed to include any committee thereof) to borrow money in excess of the aggregate of paid up share capital and free reserves of the company provided the total amount borrowed and outstanding at any point of time apart from temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business shall not be in excess of Rs 500 Crores (Rupees Five hundred crores) over and above the aggregate of the paid up share capital and free reserves of the Company



FURTHER RESOLVED that for the purpose of giving effect to this resolution the Board or any Committee or person(s) authorized by the Board be and is/are hereby authorized to finalise settle and execute such documents / deeds / writings / papers / agreements and to do all acts deeds matters and things as may be required

10 To consider and if thought fit to pass with or without modification(s) the following resolutions as **Special Resolutions**

RESOLVED that pursuant to Section 180(1)(a) and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force) consent of the company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) to create such charges mortgages pledges and hypothecations in addition to existing charges mortgages pledges and hypothecations created by the company on such movable and/or immovable tangible and/or intangible properties of the company both present and future in such form and manner and with such ranking as to priority and for such time and on such terms as the Board may deem fit together with the power to take over the management of the business and concern of the company in certain events of default in favour of the lender(s) agent(s) trustee(s) for securing the borrowings of the company availed/to be availed by way of loan(s) (in Indian rupee and/or foreign currency) and /or debentures bonds or any other debt instruments issued by the company from time to time subject to the limits approved under Section 180(1)(c) of the Companies Act 2013 and temporary loans obtained / to be obtained from the company's bankers in the ordinary course of business together with interest at the respective agreed rates additional interest compound interest in case of default accumulated interest liquidated damages commitment charges premia on prepayment remuneration of agent(s)/trustee(s) premium if any on redemption all other costs charges expenses and all other moneys payable by the company in terms of loan agreement(s) head of agreement(s) debenture trust deed(s) or any other document entered into/to be entered into between the company and the lender(s)/agent(s)/trustee(s) in respect of the said loans/borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the lender(s)/agent(s)/trustees

FURTHER RESOLVED that for the purpose of giving effect to this resolution the Board or any Committee or person(s) authorized by the Board be and is/are hereby authorized to finalise settle and execute such documents / deeds writings / papers / agreements and to do all acts deeds matters and things as may be required

Coimbatore
30.7.2014

By Order of the Board
C PALANISWAMY
Company Secretary



NOTE

- 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 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 13.9.2014 to 15.9.2014 (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 19.9.2014 and 30.9.2014 to those members whose names appear on the Register of Members as on 15.9.2014 In respect of shares held in electronic form the dividend will be payable on the basis of details 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 12.9.2014
- 6 The Company is presently using National - ECS (NECS) for dividend remittance Members holding shares in physical form are requested to notify/send the following
 - i) Any change in their address/mandate/bank details
 - ii) Particulars of their bank account in case the same have not been sent earlier to the Company's Registrar and Share Transfer Agent at Cameo Corporate Services Limited Subramanian Building No.1 Club house Road Chennai - 600 002 at the earliest but not later than 10.9.2014
- 7 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
- 8 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
- 9 Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting to the Company Secretary



- 10 In terms of Sections 205A and 205C of the Companies Act 1956 the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) Upon such transfer no claim shall lie against the company/Central Government for such unclaimed dividend Therefore shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF
- 11 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
- 12 Electronic copy of the Notice convening the 30th Annual General Meeting of the Company and the Annual Report the Attendance Slip and Proxy Form are being sent to the members whose e-mail address is 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 address physical copies of the above documents are being sent to the members in the permitted mode Members who have not registered their e-mail address so far are requested to register the same to enable the company to send all communications including Annual Report Notices Circulars 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 Clause 35B of the Listing Agreement the Company is providing facility of e-voting to the members to exercise their right to vote electronically in respect of the business to be transacted at the 30th Annual General Meeting (AGM) of the company scheduled to be held on Monday the 15th September 2014 at 4.30 PM 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 e-voting will be available from 9th September 2014 (9:00 am) to 11th September 2014 (6:00 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 1st August 2014 may cast their vote electronically The 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) Now fill up the following details in the appropriate boxes:

For Members holding shares in Demat Form and Physical Form	
PAN*	PAN Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
<p>* 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</p> <p>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</p>	
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 1st August 2014 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 can be used only for 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 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 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 should be created 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 Scrutinizers to scrutinize the e-voting 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 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 Scrutinizers' Report shall be placed on the Company's website www.bannari.com and on the website of CDSL www.cdslindia.com within two (2) days of passing of the resolutions at the Annual General Meeting of the Company to be held on 15th September 2014 and communicated to the Stock Exchanges viz Bombay Stock Exchange Limited and National Stock Exchange of India Limited

II In case of members desiring to exercise vote by Postal Ballot

- a) In terms of Clause 35B of the Listing Agreement in order to enable its members who do not have access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this notice a postal ballot form is annexed. A member desiring to exercise vote by postal ballot shall complete the enclosed postal ballot form with assent (for) or dissent (against) and send it to Scrutinizers M/s C Thirumurthy & Associates Company Secretaries C/o Bannari Amman Sugars Limited 1212 Trichy Road Coimbatore 641 018 Tamilnadu so as to reach him on or before 11th September 2014. Any Postal Ballot Form received after the said date shall be treated as the reply from the members has not been received
- b) The items of Business given in this notice are proposed to be transacted through electronic voting/postal ballot system/ poll. Voting by show of hands will not be available to the members at the 30th Annual General Meeting in view of provisions of Section 107 read with section 114 of the said Act

- 13 Kindly note that members can opt for only one mode of voting i.e either through e-voting or by postal ballot. If members are opting for e-voting then do not vote by postal ballot or vice versa. However in case of members casting their vote both by postal ballot and e-voting then voting done through e-voting shall prevail and voting done by postal ballot will be treated as invalid



ANNEXURE TO NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

ITEM NOS. 4 & 5

Sri E P Muthukumar and Dr M P Vijayakumar Independent Directors are liable to retire at the ensuing Annual General Meeting of the Company under the provisions of the Companies Act 1956. The company has received notices along with requisite deposits proposing the candidature of above Directors for the office of Independent Directors under Section 160 of the Companies Act 2013.

Pursuant to provisions of Sections 149, 152 Schedule IV of the Companies Act 2013 read with the Companies (Appointment and Qualification of Directors) Rules 2014 it is proposed to appoint the above Independent Directors of the Company for a term of five consecutive years up to 14th September 2019.

Brief profiles along with other details of Sri E P Muthukumar and Dr M P Vijayakumar are as follows:

I	Name of the Director	Sri E P Muthukumar
	Director Identification Number	00003740
	Date of joining the Board	6.2.1984
	Profile of the Director	Sri E P Muthukumar B E aged 66 years is associated with the Company as a Director since 6.2.1984. He has more than 37 years experience in sugarcane cultivation. He is a member of Audit Committee.
	No. of shares held in the company	1000 equity shares
	Directorships and Committee Membership in other companies	Stream Technologies (P) Ltd GeoEdge Technologies (P) Ltd
II	Name of the Director	Dr M P Vijayakumar
	Director Identification Number	05103089
	Date of joining the Board	14.11.2011
	Profile of the Director	Dr M P Vijayakumar aged 66 years is associated with the company as Director since 14.11.2011. Dr M P Vijayakumar IAS (Retd) is a post graduate in Economics and a member of Institute of Cost and Works Accountant of India (AICWA). He also holds Degree in Law. He was conferred doctoral degree in Education and Management by Alagappa University. He joined Tamilnadu Government Civil Service in the year 1975 and occupied various positions in the Government including position as District Collector Commissioner of Chennai Corporation etc. He served as General Manager of Government Undertakings viz SIPCOT SIDCO etc and as Managing Director of Tamilnadu State Marketing Corporation Limited and Southern Agrifurane Industries Limited. He has rich experience in administration of undertakings. Dr M P Vijayakumar is the Chairman of Audit Committee & Remuneration Committee.
	No. of shares held in the company	Nil
	Directorships and Committee Membership in other companies	Nil



The company has received the following Forms/details from the above Independent Directors

- Consent in writing to act as Director in Form DIR-2 under Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014
- Intimation in Form DIR-8 under Rule 14 of the Companies (Appointment & Qualification of Directors) Rules 2014 to the effect that they are not disqualified under Section 164 of the Companies Act 2013 and
- A declaration to the effect that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act 2013

In the opinion of the Board of Directors the above Independent Directors fulfil the conditions specified in the Companies Act 2013 and the Rules made thereunder and they are independent of management

The Board considers that their continued association would be of immense benefit to the company and it is desirable to continue to avail the services of above Directors as Independent Directors

None of the Directors Key Managerial Personnel or their relatives except the said Independent Directors and their relatives are concerned or interested in the proposed Ordinary Resolutions

ITEM NOS. 6 & 7

Sri A K Perumalsamy and Sri T Gundan are the Independent Directors of the company whose period of office were liable to retirement by rotation under the provisions of the Companies Act 1956. The company has received notices along with requisite deposits proposing the candidature of above Directors for the office of Independent Directors under Section 160 of the Companies Act 2013

Pursuant to provisions of Sections 149, 152 Schedule IV of the Companies Act 2013 read with Companies (Appointment and Qualification of Directors) Rules 2014 it is proposed to appoint the above Independent Directors of the Company for a term of five consecutive years up to 14th September 2019

Brief profiles along with other details of the Independent Directors are as follows

I	Name of the Director	Sri A K Perumalsamy
	Director Identification Number	00313769
	Date of joining the Board	18.5.1984
	Profile of the Director	Sri A K Perumalsamy aged 73 years is associated with the company as Director since 18.5.1984. He has more than 50 years experience in sugarcane cultivation
	No. of shares held in the company	1500 equity shares
	Directorships and Committee Membership in other companies	Nil
II	Name of the Director	Sri T Gundan
	Director Identification Number	00624804
	Date of joining the Board	23.6.2008
	Profile of the Director	Sri T Gundan aged 72 years is associated with the company as Director since 23.6.2008. Sri T Gundan a Senior Cambridge is the Managing Director of Kothagiri Rob Roy Tea Estates Private Limited and has got rich experience in business. He is a member of Audit Committee



No. of shares held in the company Nil

Directorships and Committee

Membership in other companies

Madras Sugars Limited

Glenburn Estates and Enterprises Pvt Limited

Hotel Jagadeeswari Pvt Limited

Kothagiri Rob Roy Tea Estates Pvt Limited

Ootacamund Gymkhana Club

He is Chairman of Audit Committee of Madras Sugars Limited

The company has received the following Forms/details from the above Independent Directors:

- Consent in writing to act as Director in Form DIR-2 under Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014
- Intimation in Form DIR-8 under Rule 14 of the Companies (Appointment & Qualification of Directors) Rules 2014 to the effect that they are not disqualified under Section 164 of the Companies Act 2013 and
- A declaration to the effect that they meet the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act 2013

In the opinion of the Board of Directors the above Independent Directors fulfils the conditions specified in the Companies Act 2013 and the Rules made thereunder and they are independent of management

The Board considers that their continued association would be of immense benefit to the company and it is desirable to continue to avail the services of above Directors as Independent Directors

None of the Directors Key Managerial Personnel or their relatives except the said Independent Directors and their relatives are concerned or interested in the proposed Ordinary Resolutions

ITEM NO. 8

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, 2015 and fixed his remuneration at Rs 150000/- 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 8 of the notice for ratification of the remuneration payable to the cost auditor for the financial year ending March 31, 2015

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

ITEM NOS. 9 & 10

The members had accorded their consent to the Board of Directors to borrow a sum of Rs 300 crores over and above the aggregate of the paid up share capital and free reserves of the company under Section 293(1)(d) at the Annual General Meeting held on 22nd January 1996. Thereafter the company has acquired a sugar factory at Kunthur Village Kollegal Taluk in Karnataka and established a sugar factory at Kolundampattu Village Thiruvannamalai District in Tamilnadu. The company has established co-generation facilities in all sugar factories. Hence it has become necessary to borrow more funds from time to time



and considering the increase in volume of business the Board recommended the revised limit of Rs 500 crores over and above the aggregate of the paid up share capital and free reserves of the Company

The members of the company have authorized the Board of Directors through Postal Ballot on 5th October 2012 to create charges mortgages and hypothecations on the movable and immovable properties of the company under section 293(1)(a) of the Companies Act 1956

Under Section 180 of the Companies Act 2013 the power to borrow money in excess of the aggregate of paid up share capital and free reserves of the company and to create mortgages charges and hypothecations are required to be exercised only with the consent of the company by Special Resolutions

Hence approval of the members to borrow Rs 500 crores over and above the aggregate of the paid up share capital and free reserves of the company apart from temporary loans obtained / to be obtained from the company's bankers in the ordinary course of business under Section 180(1)(c) of the Companies Act 2013 and to create mortgages charges and hypothecations on the total assets of the company (both movable and immovable) under Section 180(1)(a) of the Companies Act 2013 is therefore now sought by way of Special Resolutions

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

Coimbatore
30.7.2014

By Order of the Board
C PALANISWAMY
Company Secretary



Financial Highlights

(Rs in Lakhs)

Financial Year	2009-10	2010-11	2011-12	2012-13	2013-14
Turnover	85346.50	111880.36	125861.44	148321.54	107709.57
Other Income	897.93	452.90	322.74	193.33	230.82
Total Income	86244.43	112333.26	126184.18	148514.87	107940.39
Raw Materials	42995.38	73309.74	79223.38	92297.46	66375.68
Traded Goods	--	110.69	406.47	1899.35	4100.31
Overhead & Other Exp	18910.88	23905.18	23556.33	26370.70	22862.58
PBIDT	24338.17	15007.65	22998.00	27947.36	14601.82
Depreciation	3834.06	7083.08	6676.92	5995.44	5195.53
Finance Cost	530.34	2315.40	5077.85	4516.47	6191.64
Pre-Tax Profit	19973.77	5609.17	11243.23	17435.45	3214.65
Tax	5610.44	303.03	676.24	3186.71	345.90
Post-Tax Profit	14363.33	5306.14	10566.99	14248.74	2868.75
Equity Capital	1143.97	1143.97	1143.97	1143.97	1143.97
Reserves	67301.16	71273.33	80355.33	93055.51	94256.37

Turnover = Net Sales + Closing Stock – Opening Stock

The figures of the financial year 2010-11 to 2013-14 are in accordance with the revised Schedule VI to the Companies Act 1956



Key Financial Ratios

Financial Year	2009 - 10	2010 - 11	2011 - 12	2012 - 13	2013 - 14
Financial Ratios					
Other Income/Turnover %	1.05	0.40	0.26	0.13	0.21
Overheads/Turnover %	23.09	21.37	18.72	17.74	21.23
Finance Cost /Turnover %	0.62	2.07	4.03	3.05	5.75
PBIDT/Turnover %	28.52	13.41	18.25	18.87	13.56
NP/Total Turnover %	23.40	5.01	8.92	11.77	2.98
Cash Profit/Total Turnover %	27.90	11.34	14.22	15.82	7.81
ROCE (PBIDT/Average Capital Employed) %	28.60	14.36	18.94	21.99	8.76
ROCE (PBIT/Average Capital Employed) %	24.09	7.58	13.44	17.27	5.65
Capital Output Ratio (Turnover / Average Capital Employed)	100.29	107.06	103.82	116.52	64.65
Balance Sheet Ratios					
Debt Equity Ratio (Long Term Debt to Equity)	0.23	0.07	0.06	0.05	0.25
Debtors' Turnover (Days)	19	32	27	23	14
Inventory Turnover (Days)	79	173	177	187	399
Current Ratio	1.72	1.15	1.27	1.46	1.31
Quick Ratio	1.04	0.27	0.25	0.25	0.11
Average Turnover Ratio (Total Revenue / Total Assets)	0.87	0.55	0.76	0.78	0.29
Per Share Data					
EPS (Rs)	125.56	46.38	92.37	124.56	25.08
CEPS (Rs)	159.07	108.30	150.74	176.96	70.49
Dividend / Share - Equity (Rs)	10.00	10.00	10.00	12.50	12.50
Dividend (Rs in Lakhs) (including tax on dividend)	1338.39	1333.97	1329.55	1672.98	1672.98
Net Profit after tax (Rs in Lakhs)	14363.33	5306.14	10566.99	14248.74	2868.75
Book Value (Rs)	598.31	633.03	712.43	823.44	833.94

Turnover = Net Sales + Closing Stock - Opening Stock

The ratios of the financial year 2010-11 to 2013-14 are worked out on the basis of the revised Schedule VI to the Companies Act 1956



Directors' Report

Dear Members

Your Directors have pleasure in presenting the 30th Annual Report together with audited accounts of the company for the year ended 31st March 2014

(Rs in Lakhs)

Financial Results	Financial Year	
	2013-14	2012-13
Profit for the year before depreciation	8410.18	23430.89
Less: Depreciation	5195.53	5995.44
Profit Before Tax	3214.65	17435.45
Less: Provisions: Income Tax - Current	674.43	3497.58
MAT Credit Entitlement	(674.43)	(614.35)
Deferred Tax	345.90	303.48
Profit After Tax	2868.75	14248.74
Add : Surplus brought forward from previous year	2916.80	1216.62
Amount available for appropriation	5785.55	15465.36
Appropriations		
Provision for diminution in value of investment (Long Term)	(5.09)	(124.42)
Provision for Proposed Dividend on equity shares	1429.96	1429.96
Provision for Tax on Dividend	243.02	243.02
Transfer to General Reserve	2000.00	11000.00
Surplus carried over to Balance Sheet	2117.66	2916.80
TOTAL	5785.55	15465.36

Dividend

Your Directors are glad to recommend dividend @ Rs 12.50/- per equity share of Rs.10/- each (125% on equity capital)



Review of Operations

Sugar Division

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

	Sugar Unit I Alathukombai, Tamilnadu		Sugar Unit II Alaganchi, Karnataka		Sugar Unit III Kunthur, Karnataka		Sugar Unit IV Kolundampattu, Tamilnadu	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
No of days crushed	135	202	262	272	--	37	156	245
Sugarcane crushed (Lakh tonnes)	3.75	6.47	16.06	16.82	--	0.69	6.02	11.29
Recovery (%)	9.80	10.39	10.12	10.27	--	10.95	9.21	9.86
Sugar bagged (Lakh quintals)	3.69	6.84	16.24	17.29	--	0.79	5.62	11.17

During the year under review 25.83 lakh tonnes of sugarcane was crushed against the estimated cane crush of 30.00 lakh tonnes. Drought in the cane area had affected the cane availability and recovery. The expansion of crushing capacity from 2500 TCD to 3600 TCD in the sugar factory at Kunthur Village Karnataka is nearing completion and the factory is expected to commence its operation before September 2014.

Increase in sugarcane cost coupled with unfavorable sugar price have resulted in loss in sugar segment.

Co-generation of Power

The Co-generation plants had generated 326.44 million units of power and exported 224.56 million units of power to grids compared to the generation of 425.55 million units and export of 286.24 million units in the previous year. The 20 MW Co-generation plant in the sugar factory at Kunthur Village Karnataka is expected to commence its operation before September 2014.

Distillery Division

During the year the distilleries had produced 27.30 million B Ltrs of Alcohol as against 29.39 million B Ltrs in the previous year.

Granite Division

During the year under review the demand for your company's granite products steadily increased because of the quality and the working results were encouraging. In the Granite Processing Unit 183974 square metres of Granite Slabs and 25160 square metres of Tiles were produced compared to production of 162206 square metres of Granite Slabs and 20139 square metres of Tiles in the previous year.

Wind Mill

Wind Mills had generated 12.10 million units of power and exported 10.48 million units to grid compared to the generation of 16.76 million units and export of 15.27 million units.

Prospects for the current year 2014 - 2015

Due to lower cane availability it is estimated to crush 25 lakh tonnes of sugarcane in aggregate. Performance of co-generation plant will be based on baggase availability in our sugar mills. It is estimated to produce 29 million B Ltrs of alcohol in the Distillery.



Units Improved working results are expected in Granite Division The overall working results of the company are expected to be satisfactory

Fixed Deposit

The company has no fixed deposits as on 31.3.2014

Directors

Sri V Venkata Reddy Vice Chairman who retired at the last Annual General Meeting did not seek re-appointment and hence he was not re-appointed The Board of Directors wish to place on record their appreciation for the valuable services rendered by Sri V Venkata Reddy during his tenure of office as Vice Chairman in the growth of the company

Sri S V Alagappan and Sri S V Arumugam have resigned from the Board of Directors on 16.7.2014 The Board of Directors wish to place on record their appreciation for the valuable services rendered by Sri S V Alagappan and Sri S V Arumugam during their tenure of office as Directors

Sri E P Muthukumar and Dr M P Vijayakumar Directors retire at the ensuing Annual General Meeting and are eligible for re-appointment The company has received notices along with requisite deposits under Section 160 of the Companies Act 2013 proposing the candidature of above Directors for the office of Independent Directors Accordingly it is proposed to appoint Sri E P Muthukumar and Dr M P Vijayakumar as Independent Directors for a period of 5 consecutive years and they shall hold office up to 14th September 2019

In compliance with the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 and Clause 49 of the Listing Agreement with the Stock Exchanges it is proposed to appoint Sri A K Perumalsamy and Sri T Gundan as Independent Directors for a period of 5 consecutive years and they shall hold office up to 14th September 2019 The company has received notices along with requisite deposits under Section 160 of the Companies Act 2013 proposing Sri A K Perumalsamy and Sri T Gundan for the office of Independent Directors

Directors' Responsibility Statement

As stipulated in Section 217(2AA) of the Companies Act 1956 your Directors confirm that

- i. they have followed the applicable accounting standards in the preparation of annual accounts
- ii. they have 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 2013-2014 and of the profit of the company for that period
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities and
- iv. they have prepared the annual accounts on a going concern basis

Particulars of Employees

The information required as per Section 217(2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules 1975 is furnished in Annexure-I forming part of this Report



Conservation of Energy Technology Absorption Foreign Exchange Earnings and Outgo

The particulars required to be included in terms of Section 217(1) (e) of the Companies Act 1956 with regard to Conservation of Energy Technology Absorption Foreign Exchange Earnings and Outgo are given in Annexure-II forming part of this Report

Corporate Governance

A separate section on Corporate Governance Management Discussion and Analysis and a certificate from the Auditors of the company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement form part of this Report

Auditors

M/s P N Raghavendra Rao & Co the present auditors of the company retire at the ensuing Annual General Meeting and are eligible for re-appointment

The Board of Directors on the recommendation of the Audit Committee has proposed to appoint M/s P N Raghavendra Rao & Co Chartered Accountants Coimbatore as the Statutory Auditors of the company for a period of three years at the ensuing Annual General Meeting. The Auditors have confirmed their willingness for reappointment as Auditors of the company and has submitted necessary certificates in compliance of Section 139 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules 2014

Cost Audit

Sri M Nagarajan Cost Accountant Coimbatore was appointed as Cost Auditor to conduct audit of cost accounting regards for the financial year 2013-2014 with the approval of Central Government

Industrial Relations

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

Acknowledgement

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

Coimbatore
30.7.2014

By Order of the Board
S V BALASUBRAMANIAM
Chairman

Annexure-I

Statement Pursuant to Section 217(2A) of the Companies Act 1956 and the Companies (Particulars of Employees) Rules 1975

Sl No	Name	Designation/ Nature of Duties	Remuneration Received (Rs in lakhs)	Qualification	Age in Years as on 31.3.2014	Experience in Years	Date of Commencement of Employment	Particulars of Last Employment
1	Sri S V Balasubramaniam	Chairman	164.18	B Com ACA ACS	74	49	9.10.1985	Vice Chairman Sakthi Sugars Limited
2	Sri B Saravanan	Managing Director	109.85	B Com	41	17	5.7.2000	Joint Managing Director Shiva Distilleries Limited

Note

- 1 The nature of employment is contractual
- 2 Sri S V Balasubramaniam Chairman and Sri B Saravanan Managing Director are related to each other
- 3 Remuneration comprises of salary commission allowances contribution to provident fund and monetary value of perquisites

Coimbatore
30.7.2014

By Order of the Board
S V BALASUBRAMANIAM
Chairman



BANNARI AMMAN SUGARS LIMITED


Annexure-II
Information pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988
A Conservation of Energy

- (a) Energy conservation measures taken
 ➤ During the year no new equipment requiring substantial investment was installed
- (b) Additional investment and proposals if any being implemented for reduction of consumption of energy
 ➤ No significant additional investment / proposals being implemented for reduction of consumption of energy
- (c) Impact of measures (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

- (d) Particulars of energy consumption and energy consumption per unit of production in the sugar factories are furnished below

I Power and Fuel Consumption

	Year ended 31.3.2014	Year ended 31.3.2013
1 ELECTRICITY		
(a) Purchased		
Units	1869908	1659877
Total Amount (Rs)	12436271	11062215
Rate Per Unit (Rs)	6.65	6.66
(b) Own Generation		
(i) Through Diesel Generator		
Units	14835	78949
Units per Ltr of Diesel Oil	2.12	2.34
Cost per Unit (Rs)	23.58	19.94
(ii) Through Steam Turbine/Generator		
Units	7023397	95858518
Units per Ltr of Fuel Oil/Gas	--	--
Cost per Unit	Own Bagasse is used	Own Bagasse is used
2 COAL (specify quantity and where used)	Not used	Not Used
3 FURNACE OIL	Not used	Not Used
4 OTHERS	Not used	Not Used

II Consumption per Unit of Production

	Electricity (Units)		Furnace Oil (Ltr)		Others (Tonnes)	
Financial Year	2013-14	2012-13	2013-14	2012-13	2014-13	2012-13
Sugar	28.29/Qtl	27.81/Qtl	--	--	--	--



B Technology Absorption

I Research and Development (R & D)

1 Specific areas in which R & D is carried out by the company

- Co-ordinated Agronomic Experimental (CAE) Trials being conducted in association with Tamilnadu Agricultural University Coimbatore and Sugarcane Breeding Institute Coimbatore to study the performance and suitability of new clones to our command areas Trials are going on to know the performance of new clones viz Co212 Co0402 Co0211 and Co0403
- To minimize the cost of cultivation and to improve cane yield single bud cane planting is being recommended after conducting trials at various fields
- To maintain uniform micro nutrient contents viz ferrous zinc manganese boron magnesium copper and gypsum in the soil for better growth and yield our own micro nutrient mixture with appropriate proportion of all nutrients is being produced and supplied to the needy farmers

2 Benefits derived as a result of the above R & D

- Usage of Bio Fertilizer and micro nutrient mixtures has been increased

3 Future Plan of action

- Intensive training to the farmers are proposed to be undertaken for improving the yield per acre viz supply of fertilizers along with micro nutrients to correct the deficiency in soil and supply of good seed materials after treating the setts through Aerated Steam Therapy (AST)

4 Expenditure on R & D

- Capital : Rs 183479/-
- Recurring : Rs 2601789/-
- Total : Rs 2785268/-
- Total R & D expenditure as a percentage of total turnover : Negligible

II Technology absorption adaptation and innovation

- 1 Efforts in brief made towards technology absorption adaptation and innovation : --
- 2 Benefits derived as a result of the above efforts : --
- 3 Imported technology : --

C Foreign Exchange Earnings and Outgo

I Activities relating to exports initiatives taken to increase exports development of new export markets for products and services and export plans

- Efforts are being taken to increase the export of granite products

II Total foreign exchange used and earned

- Total foreign exchange used : Rs 3340.12 lakhs
- Total foreign exchange earned : Rs 11808.49 lakhs

Coimbatore
30.7.2014

By Order of the Board
S V BALASUBRAMANIAM
Chairman



Corporate 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 4 Directors are Independent Directors

Category and Name of the Directors	Number of Directorships held in other Public Companies	Number of Board Committee Memberships held in other Companies		Number of Board Meetings Attended	Last AGM Attended
		Chairman	Member		
Executive					
Sri S V Balasubramaniam	9	--	1	4	YES
Sri B Saravanan	9	--	1	5	YES
Non-Executive					
Sri S V Alagappan**	3	--	--	4	YES
Sri S V Arumugam**	7	--	2	4	YES
Non-Executive-Independent					
Sri V Venkata Reddy*	--	--	--	2	YES
Sri A K Perumalsamy	--	--	--	4	YES
Sri E P Muthukumar	--	--	--	5	YES
Sri T Gundan	2	1	--	4	NO
Dr M P Vijayakumar	--	--	--	4	YES

* Retired and not reappointed at the last Annual General Meeting

** Resigned from the Board on 16.7.2014



Board Meetings and AGM

During the financial year 5 Board Meetings were convened by giving appropriate notices to the Directors. The meetings were held on 30.5.2013, 12.8.2013, 5.9.2013, 12.11.2013 and 14.2.2014. The Board was given all material information 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 which are incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meetings.

Audit Committee

As at March 31, 2014 the committee consists of Sri E P Muthukumar, Sri T Gundan, Sri S V Arumugam and Dr M P Vijayakumar. During the financial year ended March 31, 2014 the Committee met 4 times at 1212 Trichy Road Coimbatore 641 018 on 30.5.2013, 12.8.2013, 12.11.2013 and 12.2.2014. Particulars of meetings attended by the members of the Audit Committee are given below:

Name of the Directors	Category	No of Meeting	
		Held	Attended
Sri V Venkata Reddy*	Non - Executive - Independent	4	1
Sri E P Muthukumar	Non - Executive - Independent	4	4
Sri T Gundan	Non - Executive - Independent	4	4
Dr M P Vijayakumar**	Non - Executive - Independent	4	2
Sri S V Arumugam*	Non - Executive	4	3

* Sri V Venkata Reddy who was the Chairman of Audit Committee retired at the last Annual General Meeting. Sri S V Arumugam resigned from the Board on 16.7.2014.

** Dr M P Vijayakumar was inducted in Audit Committee on 12.8.2013 and he is the Chairman of Audit Committee.

Keeping in view of the provisions of the Companies Act 2013 and Listing Agreement with the Stock Exchanges, the Board of Directors at its meeting held on 30.5.2014 reconstituted the Committee with the following Independent Directors:

- (1) Dr M P Vijayakumar
- (2) Sri T Gundan
- (3) Sri E P Muthukumar

The terms of reference to the Audit Committee inter alia include the following:

- 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 Directors' 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 thereon
- 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



Remuneration Committee / Nomination and Remuneration Committee

As at March 31, 2014 the committee comprised of Dr M P Vijayakumar Sri E P Muthukumar and Sri A K Perumalsamy Independent Directors

All the non-executive Directors are paid a sitting fee of Rs 5000/- for each Board Meeting attended by them

In line with the provisions of the Companies Act 2013 and the Rules made thereunder the Board of Directors at its meeting held on 30.5.2014 renamed the "Remuneration Committee" as "Nomination and Remuneration Committee" The Committee has been reconstituted with the following Independent Directors:

- (1) Dr M P Vijayakumar
- (2) Sri T Gundan
- (3) Sri E P Muthukumar

The terms of reference to the "Nomination and Remuneration Committee" are as follows:

- (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

Details of Shareholding of Non-Executive Directors as on 31.3.2014

Name of the Directors	No of Shares held
Sri E P Muthukumar	1000
Sri A K Perumalsamy	1500
Sri T Gundan	NIL
Dr M P Vijayakumar	NIL

Shareholders' / Stakeholders' Committee

The Shareholders' Committee was formed to specifically look into shareholders' /investors' complaints if any on transfer of shares non-receipt of balance sheet non-receipt of declared dividend etc and also the action taken by the company on those matters As at March 31, 2014 the Committee consists of Sri S V Arumugam Dr M P Vijayakumar and Sri B Saravanan

Sri C Palaniswamy Company Secretary is the compliance officer

The Company has received 10 complaints from the shareholders during the financial year 2013-2014 All the complaints have been resolved to the satisfaction of shareholders No complaint was pending as on 31.3.2014



In line with the provisions of the Companies Act 2013 and Listing Agreement with the Stock Exchanges the Board of Directors at its meeting held on 30.5.2014 renamed "Shareholders' Committee" as "Stakeholders Committee". The Committee has been reconstituted with the following Directors:

- 1) Dr M P Vijayakumar
- 2) Sri S V Balasubramaniam
- 3) Sri A K Perumalsamy
- 4) Sri T Gundan

The Terms of reference to the stakeholders' Committee are:

- (a) Oversee and review all matters connected with the grievances of investors/shareholders and other stakeholders of the company and
- (b) Oversee the performance of the company's registrars and share transfer agents

Corporate Social Responsibility Committee

Pursuant to the provisions of Section 135 of the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules 2014 the Board of Directors at its meeting held on 30.5.2014 constituted a Committee viz Corporate Social Responsibility Committee with the following Directors:

- 1) Dr M P Vijayakumar
- 2) Sri S V Balasubramaniam
- 3) Sri T Gundan

The terms of reference to the "Corporate Social Responsibility Committee" are as follows:

- (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 thereunder
- (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

CEO/CFO Certification

The Managing Director and DGM - Finance (Head of finance function) have furnished a certificate relating to financial statements and internal controls and systems to the Board of Directors as prescribed under Clause 49 of the Listing Agreement and Board took the same on record

Insider Trading

In compliance with SEBI Regulations in prevention of insider trading, the company has framed a comprehensive Code of Conduct for its management staff. The code lays down guidelines and procedures to be followed and disclosures to be made by the management staff while dealing with the shares of the company



General Body Meeting

Location and time where last three Annual General Meetings were held

AGM	Date	Venue	Time
27 th	15.9.2011	Jenneys Residency 2/2 Avinashi Road Coimbatore 641 014	4.30 PM
28 th	6.9.2012	-do-	4.30 PM
29 th	5.9.2013	-do-	4.30 PM

No Special Resolution was passed in the previous three Annual General Meetings or by postal ballot Pursuant to Section 108 of the Companies Act 2013 read with Clause 35B of the Listing Agreement now the company has provided e-voting/postal ballot facilities to the members to cast their votes on all resolutions set forth in the notice convening 30th Annual General Meeting

Disclosures

- None of the transactions with related parties during the year 2013-2014 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
- The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement with Stock Exchanges As regards non-mandatory requirements the Company has complied with the requirements relating to remuneration committee The Company has not adopted other non-mandatory requirements

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 website <http://www.bannari.com/InvestorInformation.html>
- The Management Discussion and Analysis forms part of the Directors' Report which is posted to the shareholders of the Company



Shareholders' Information

Annual General Meeting

Day and Date	: Monday the 15th September 2014
Time	: 4.30 PM
Venue	: Jenneys Residency 2/2 Avinashi Road Civil Aerodrome Post Coimbatore 641 014
Date of Book Closure for the purpose of Dividend and AGM	: Saturday the 13th September 2014 to Monday the 15th September 2014 (both days inclusive)
Dividend	: Rs12.50 per equity share (proposed)
Dividend Payment Date	: On or before 30.9.2014

Financial Calendar

Announcement of Quarterly Results for the financial year 2014-2015	: Within 45 days from the end of each quarter
--	---

Share Price Movement

The high and low quotations of the company's shares on the Bombay Stock Exchange Limited together with Sensex from April 2013 to March 2014 were given below:

Month	BSE		SENSEX	
	High (Rs. Ps)	Low (Rs. Ps)	High	Low
APRIL 2013	945.00	850.00	19622.68	18144.22
MAY	878.50	850.00	20443.62	19451.26
JUNE	864.90	825.00	19860.19	18467.16
JULY	899.00	800.00	20351.06	19126.82
AUGUST	800.00	730.00	19569.20	17448.71
SEPTEMBER	775.00	725.00	20739.69	18166.17
OCTOBER	759.80	725.00	21205.44	19264.72
NOVEMBER	761.00	714.15	21321.53	20137.67
DECEMBER	760.00	696.50	21483.74	20568.70
JANUARY 2014	759.00	715.00	21409.66	20343.78
FEBRUARY	785.00	713.15	21140.51	19963.12
MARCH	900.00	757.00	22467.21	20920.98

Based on the closing quotation of Rs 820.00 as at 31.3.2014 at the Bombay Stock Exchange Limited the market capitalisation of the company was Rs 938.06 Crores



Share Details

The company's Equity Shares are listed on the following Stock Exchanges
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001

Stock Code
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 2014-2015 to the above Stock Exchanges

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 96.37% 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 directly be 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

Unclaimed Suspense Account

In compliance with Clause 5A of the Listing Agreement the Company has opened the Unclaimed Suspense Account and transferred the shares remained unclaimed even after three reminders as required by Listing Agreement were sent to the shareholders. The details as required under Clause 5A (II) (h) of the Listing Agreement 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



Shareholding Pattern as on 31.3.2014

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	22392	0.20
5 Private Corporate Bodies	1275545	11.15
6 Indian Public	3652855	31.93
7 NRI/OCB's	223851	1.96
8 Clearing Members	601	0.01
9 Unclaimed Suspense Account	3816	0.03
TOTAL	11439700	100.00

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

Kunthur Village

Chamarajanagar District Karnataka

Sugar Unit IV & Co-Generation

Kolundampattu Village

Thiruvannamalai District Tamilnadu

Distillery

I Sinnapuliur 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

The Company has two sugar mills in Tamilnadu and two sugar mills in Karnataka with the aggregate sugarcane crushing capacity of 19000 TCD. The company has also set up co-generation plants and windmills with the aggregate installed capacity of 93.55 MW. The company has also two Distillery units one in Tamilnadu and the other in Karnataka with the aggregate installed capacity of 127.50 KLPD. It has one of the most modern granite processing facilities at Sathyamangalam and quarries in Tamilnadu. The company is also a producer of bio-compost in Tamilnadu and Karnataka.

In the sugar factory at Kunthur village Karnataka the crushing capacity is being expanded from 2500 TCD to 3600 TCD besides establishing a co-generation plant with an installed capacity of 20MW. The projects are expected to commence its operation before September 2014.

The company contributes substantially towards welfare of the society in the areas of Health, Sanitation, Irrigation, Education, Environment, Water Conservation, Livelihood Projects, etc. through trusts established by the group.

World Sugar Scenario

Sugar is mostly produced from sugarcane while sugar beet also contributes for 20% of sugar production. India and Brazil are the leading producers of sugar from sugarcane while EU and US are the major producers of sugar from beet. Globally more than 123 countries are producing sugar and majority of sugar to the extent of 70% is consumed domestically and the rest is being traded. Sugar production has surpassed the consumption during the last four consecutive seasons. The global sugar production in 2013-14 indicates a marginally higher volume to the extent of 180.2 million tonnes as compared to 179.5 million tonnes in 2012-13. It is further expected that the global consumption will remain at 175.4 million tonnes in the sugar season 2014 - 15.

Though India stands first in sugar consumption and second in sugar production it does not play a dominant role in the global sugar trade. It is Brazil which dominates the world in sugar production and export while Thailand stands next to Brazil.

Indian Sugar Industry

In India the area under sugarcane cultivation is around 5.10 million hectares of land with an average yield of around 65 tonnes per hectare. Sugar industry is controlled by corporates and co-operatives. Uttar Pradesh and Maharashtra are the leading sugar producers.

The sugar production in the country has witnessed mixed trends 24.4 million tonnes in 2010 - 11, 26.3 million tonnes in 2011 - 12 and declined slightly to 25.1 million tonnes in 2012 - 13. During the current sugar season 2013 - 14 the production is expected to 25.3 million tonnes. Consequently during the last four years the production was higher than the domestic consumption resulting in surplus stock in past four years. The opening stock of sugar in 2014 - 15 sugar season will be around 7.8 million tonnes.

The sugar consumption has grown at an annual average rate of 2.5%. In spite of this the per capita consumption is only 20 kg which is very much less when compared to the global average of 24 kg. As a whole, the Indian population consumes 33% more sugar than EU and 60% more sugar than China which makes India the world's biggest consumer of sugar. The beverages and biscuit manufactures and other sweet makers in India consume around 65 % of sugar produced in the country and balance 35 % is actually consumed by the households. Ordinary house hold consumers will never be affected by market governed prices and the budget of household expenses may have an impact of less than 1%.

Sugarcane Pricing

The Fair and Remunerative Price (FRP) is fixed by the Central Government based on the recommendation of Commission of Agriculture Costs and Prices (CACP) on all India basis every year before the sugar season starts. This FRP is a formula linked cane price that encourages higher productivity.



The FRP fixed by the Central Government for sugar season 2013-14 is Rs 210/- per qtl for a basic recovery of 9.5% and the corresponding FRP for 2012-13 was Rs 170/- per qtl. The Central Government has fixed Rs 220/- per qtl as the FRP for sugar season 2014-15. While fixing FRP, the CACP/Government of India take into consideration of revenue as well as the risk elements of the farmers.

The important recommendation of the Rangarajan Committee for establishing a link between the sugar price and its primary by-products (molasses and bagasse) has not been considered in the first phase of decontrol. Nowadays there is no correlation between sugar price and sugarcane price in India.

All over the world, the practice is to link the sugarcane price with the revenue realizations from the basic products of sugarcane like sugar, molasses, bagasse, press mud, etc. By following this practice we can have stability in cane price and sugar production by avoiding the cyclicity in sugar industry which is the biggest challenge to the industry, farmers and consumers.

Developments

In line with the suggestions put forth by the C Rangarajan Committee, the Cabinet Committee of Economic Affairs has cleared the proposal for partial decontrol of the sector in April 2013 and the Fiscal year 2013-14 was the first year of operation post decontrol.

The major development in the Indian Sugar Industry are:

- 10% Levy obligation has been removed
- Sugar release mechanism has been scrapped
- Import duty was increased from 10% to 15%
- Mandatory packing of sugar in gunny bag was reduced from 100% to 40% for the year from July 2012 to June 2013 and further reduced to 20% for the year from July 2013 to June 2014
- State Government can decide the matters relating to reservation of cane area to the sugar mills and distance between mills etc.

Supportive measures

- Interest subvention to the extent of 12% or actual rate whichever is less is provided under "Scheme for Extending Financial Assistance to Sugar Undertakings 2014"
- A subsidy of Rs 3300/- per tonne for raw sugar production with the inbuilt provision to recalibrate the subsidy after every two months based on Dollar Rupee parity has been announced.

Cogeneration

The bagasse based cogeneration plant is one of the key contributors to renewable energy sources. The excess energy obtained from cogeneration plant after meeting the captive needs is exported to the Grid. The advantages in cogeneration are fuel diversity, carbon emission reduction, etc.

The total cogeneration capacity of the Indian Sugar Mills is to the extent of 5000 MW. As per MNRE database, the installed capacity of bagasse based cogeneration as on 31st October 2013 is 2393 MW.

**Ethanol**

India has the annual capacity to procure 2.5 billion litres of ethanol from the sugar industry. The demand for ethanol is around 0.6 billion litres per year to Chemical Industries, 1.1 billion litres per year by Potable Alcohol Industry and 1.0 billion litres per year by Oil Marketing Companies (OMCs). The ethanol-blending program introduced by the government which mandated 5% blending from June 2013 has created the demand. However, the OMCs have contracted only for just 0.6 billion litres which is very much short as against its procurement target of 1 billion litres for mandating 5% blending in the year 2013-14. The main reason for this short fall in the first year of procurement is pricing. It is expected that in the forthcoming years there would be better systems to co-ordinate between suppliers and buyers which will help the sugar industry in the coming years.

Regardless of the various benefits of the fuel ethanol, the State Governments continue to levy various taxes under the respective State Acts which varies from 4% to 12.5%. Apart from this, some exporting states levy export/import fees besides permit fee being charged in some States.

This practice of levying multiple taxes by the State Governments has totally negated the purposes for which the ethanol blending programme is mandated by the Central Government.

Sugar Industry In Karnataka

Karnataka plays a prominent role in Indian Sugar Industry. In 2012-2013 sugar season, the State crushed about 33.32 million tonnes of sugarcane with an average recovery of 10.40% compared to 34.75 million tonnes with an average recovery of 11.14% in 2011-2012 sugar season.

Based on the recommendation of Rangarajan Committee, the Government of Karnataka enacted Karnataka Sugarcane (Regulation of purchase and supply) Act 2013 under which Karnataka Sugar Control Board (KSCB) was constituted and given powers to fix sugarcane price.

The KSCB has fixed the sugarcane price of Rs 250/- per quintal (ex-field) in North Karnataka and Rs 250/- per quintal (ex-gate) in South Karnataka for the Sugar season 2013-14.

Karnataka being a surplus sugar producing state consumes only about 50% of the sugar produced and sells the rest to other states like Kolkata, Maharashtra, Kerala, etc. However, the selling sugar outside Karnataka is not beneficial to the Sugar mills because the huge transportation and freight charges reduce the realisation.

The consistent increase in sugarcane prices and the downward trend in sugar sales realisation has greatly affected the financial performance of the sugar factories in Karnataka.

Sugar Industry In Tamil Nadu

Next to Karnataka, Tamil Nadu plays a dominant role in Nation's sugar production. In 2012-2013 sugar season, the state crushed about 21.46 million tonnes of sugarcane with an average recovery of 8.88% compared to 25.46 million tonnes with an average recovery of 9.35% in 2011-2012 sugar season. Repeated droughts significantly affect the cane availability, yield and recovery.

The State Advised Price (SAP) fixed by the State Government for the year 2013-2014 is Rs 2550/- per tonne (Last year Rs 2250/- per tonne) linked to 9.5% recovery. The transport Charges from farm to factory will be the scope of sugar mills.

Since such a high SAP is not backed by revenue realization, the private sector sugar mills have appealed for some incentives and other support from the State Government.



BANNARI AMMAN SUGARS LIMITED

Operational performance of the company

Particulars	Year ended 31.3.2014	Year ended 31.3.2013
Sugar		
Installed Capacity (TCD)	19000	19000
Sugarcane Crushed (Lakh Tonnes)	25.83	35.27
Recovery %	9.86	10.17
Sugar bagged (Lakh Quintals)	25.55	36.09
Power Division		
Installed Capacity		
Cogen power (MW)	84.80	84.80
Wind Mills (MW)	8.75	8.75
Units Generated (Million Units)	338.54	442.31
Distillery		
Installed Capacity (KLPD)	127.50	127.50
Alcohol Produced (Million B. Ltrs)	27.30	29.39
Granite Products		
Polished slabs produced (sq mtrs)	183947	162206
Polished tiles produced (sq mtrs)	25160	20139

Financial performance of the company

(Rs. in Lakhs)

Particulars	Year ended 31.3.2014	Year ended 31.3.2013
Revenue		
Sugar	34534.62	102677.36
Power	9459.11	12861.94
Distillery	11590.83	10404.71
Granite Products	9523.27	7798.46
Profit Before Interest and Tax (PBIT)		
Sugar	(2433.90)	8762.46
Power	6776.01	9253.17
Distillery	1809.33	2081.83
Granite Products	3143.77	1787.05
Profit After Tax (PAT)	2868.75	14248.74



Bio Compost

Composting is a biological conversion of heterogeneous organic substrate under controlled conditions into a humus rich product. Our Bio compost unit has the facility to produce bio-compost from sugar industry waste (Press-mud) and distillery unit waste (Spent wash). The press-mud is inoculated with aerobic micro flora followed by spent wash spraying and finally converted into organic rich product called Bio-compost. Bio-super is the enriched form of bio-compost which has growth promoting agents. Both bio-compost and bio-super are organic manures and they also serve as soil improvers. It is a "Waste to Wealth" programme under Zero Discharge Environmental Management System.

Micro Nutrient Mixture

Farmers generally apply NPK (Nitrogen Phosphorous Potassium) fertilizers for their crops. Apart from NPK fertilizers, the crops need different kinds of micro nutrients for the healthy growth and better yield. The requirement of micro nutrients differs from crop to crop. In order to make up the micro nutrient deficiency we produce the micro nutrients and supply them to farmers based on the requirement of the crop.

Internal Control Systems and their adequacy

The Company has proper and effective internal control systems commensurate with its nature of business and the 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 reasonably safeguarding the assets against loss or misappropriation through unauthorized or unintended use.

There is adequate and effective internal audit system that employs periodic inspection of on-going processes. The Audit Committee of the Board 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.

Awards

During the year 2013-14 the company has received the following awards:

- The South Indian Sugarcane and Sugar Technologists Association (SISSTA) awarded Platinum Award to the distillery unit at Nanjangud, Karnataka.
- The Government of India awarded National Energy Conservation Award for the year 2013 to the sugar factory at Kolundampattu, Tamilnadu.

Corporate Social Responsibility

The company is consistently making substantial contribution for the welfare of the people living in and around the neighboring villages of its sugar factories by various initiatives. The areas mainly focused are Health, Sanitation, Irrigation, Education, Environment, Water conservation, Livelihood, etc.

Health

- Eye camps are being organized on 4th Saturday of every month with the cooperation of Sankara Eye Hospital, Coimbatore. About 30 to 40 patients are benefited by this project every month. Performed cataract operations for 3790 eye patients.
- A doctor is being deputed once in a week for general health check-up for senior citizens residing at Bharathiyar Shanthi Illam, Rajan Nagar, Sathyamangalam Taluk, Erode District and provided treatment in health camps to more than 10220 patients.
- Supplied medical equipments to Government Hospitals.
- Donated steelcots, beds and pillows to the Government Primary Health Centre, Arattavadi, Chengam Taluk, Tiruvannamalai District.



Sanitation

- Maintaining Community Sanitary Complexes 5 Community Sanitary Complexes at Sathyamangalam block (Komarapalayam Kenjanur Kolinjanur A G Pudur and Karanipudur) and 5 Community Sanitary Complexes at Anaimalai block (Sarkarkinaru Kalaignarnagar Nanjappanagar Thensangampalayam)
- One third contribution for the construction of Community Sanitary Complexes for men and women under Self Sufficiency Scheme
- Contributed Rs 300000/- to the Government for the construction of one hu-methane gas plant with a capacity of 25 m3 (cubic meter) and a Community Kitchen Centre under Self Sufficiency Scheme at Karanipudur Malaiyadipudur village Sathyamangalam This gas plant is functioning well and 15 gas stoves are installed The communities are availing the biogas for cooking purpose
- Maintenance of toilets in Government Schools

Education

- Appointed 7 additional teachers in Thandrapattu Taluk Tiruvannamalai District and 6 additional teachers in Anaimalai block Pollachi Taluk Coimbatore District for strengthening Government Schools
- Appointed 7 non-teaching staff in Thandrapattu Taluk and Anaimalai block Pollachi Taluk
- Providing financial assistance for the special training programmes for deserving poor students who are studying in Government Schools

Environment

- Donated Rs 600000/- to Arunachala Animal Sanctuary & Rescue Shelter Tiruvannamalai towards contribution for maintenance of the Shelter
- Maintaining trees planted in 5.0 acres of Government purambokku land under drip irrigation system at Ikkari Negamam Pudur
- Maintaining community park and play area at Komarapalayam colony Sathyamangalam for the benefit of children and general public
- Maintaining road side trees planted by the company on both sides of Sathy - Athani road for a length of two kilometers

Livelihood

Established a Mobile Tailoring Training Centre to give free training for a period of six months for the rural women So far 400 women have been trained and they are gainfully employed in garment factories in Tiruppur and surrounding areas

SWOT Analysis

Strengths

- The Indian sugar industry is the second largest producer of sugar in the world after Brazil
- The industry pays over Rs 690 billion to farmers towards the purchase of raw materials
- Provides direct employment to over 0.5 million workers
- Provides raw material for a number of downstream industries
- Makes an annual contribution to the national exchequer of around Rs 2500 crores by way of excise duty
- India is the largest consumer of sugar in the world



Weakness

- The government still controls raw material pricing apart from other regulatory measures
- Lack of investment over the years led the industry to stick to conventional manufacturing processes
- Soil deterioration following an overuse of fertilisers
- Industry cyclicality

Opportunities

- High value by-products
- Potential to increase the productivity of sugarcane by up grading technology
- Mandatory 5% blending of ethanol

Threats

- Price controls make the industry loss-making
- Dependence on monsoon
- High input cost makes the industry uncompetitive
- Industry cyclicality

Outlook for sugar industry

Taking into account the medium and long-term forecasts and by considering past performance of the sugar industry it is expected that situation will remain very much cyclical and will depend on the national and international demand and supply conditions. Therefore the profitability of the sugar industry will be greatly depending on the international market.

With an estimated opening balance of sugar around 7.8 million tonnes in 2014-2015 sugar season the sugar production in India is expected to be at around 24.5 million tonnes. With higher sugarcane crop particularly in North Karnataka the sugar production in Karnataka is estimated to be at higher level. However due to drought conditions and lower rainfall in Tamilnadu the sugar production in Tamilnadu may fall further from the current year's production.

We wish to conclude that as an integrated sugar company your company is well poised to gainfully grow further in all spheres.



Declaration on Code of Conduct

To

The Members of
Bannari Amman Sugars Limited

In compliance with the requirements of Clause 49 of the Listing Agreement with the stock exchanges 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 31.3.2014

Coimbatore
30.5.2014

S V BALASUBRAMANIAM
Chairman

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 for the year ended on 31st March 2014 as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges

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 of the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of 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 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.

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.

Coimbatore
30.5.2014

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

P R VITTEL
Partner

M No 200/18111
ICAI Firm Regn. No: 003328S



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BANNARI AMMAN SUGARS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of M/s Bannari Amman Sugars Limited ("the Company") which comprise the Balance Sheet as at 31st March 2014 the Statement of Profit and Loss and the Cash Flow Statement 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 Management is responsible for 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 Standards notified under the Companies Act 1956 ("the Act") read with General circular 15/2013 dated 13th September 2013 of the Ministry of the Corporate Affairs in respect of Section 133 of the Companies Act 2013 This responsibility includes the design implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India Those Standards require that we comply with the 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 disclosures in the financial statements The procedures selected depending 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 control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management 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

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:

- a in the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2014
- b in the case of the Statement of Profit and Loss of the profit of the Company for the year ended on that date and
- c in the case of the Cash Flow Statement of the cash flows of the Company for the year ended on that date

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order



- 2 As required by Section 227(3) of the Act we report that:
- a We have 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 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 Balance Sheet Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act 1956 ("the Act") read with General Circular 15/2013 dated 13th September 2013 of the Ministry of the Corporate Affairs in respect of Section 133 of the Companies Act 2013
 - e On the basis of the written representations received from the directors as on 31st March 2014 taken on record by the Board of Directors none of the directors is disqualified as on 31st March 2014 from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Act

Coimbatore
30.5.2014

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

P R VITTEL

Partner

M No 200/18111

ICAI Firm Regn. No: 003328S



Annexure to Independent Auditors' Report

The Annexure referred to in our report to the members of M/s Bannari Amman Sugars Limited ("the Company") on the accounts of the company for the year ended 31st March 2014

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit we report that:

- i
 - a The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets
 - b As explained to us fixed assets have been physically verified by the management at reasonable intervals no material discrepancies were noticed on such verification
 - c Fixed assets disposed off during the year were not substantial and therefore do not affect the going concern assumption
- ii
 - a As explained to us inventories have been physically verified during the year by the management at reasonable intervals
 - b In our opinion and according to the information and explanations given to us the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business
 - c In our opinion and on the basis of our examination of the records the Company is generally maintaining proper records of its inventories No material discrepancy was noticed on physical verification of stocks by the management as compared to book records
- iii
 - a. 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 or other parties listed in the register maintained under Section 301 of the Companies Act 1956 Consequently the provisions of Clauses iii (b) iii (c) and iii (d) of the Order are not applicable to the Company
 - e. 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 taken loans from companies firms or other parties listed in the register maintained under Section 301 of the Companies Act 1956 Thus Sub Clauses (f) & (g) are not applicable to the company
- iv In our opinion and according to the information and explanations given to us there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchase of inventories & fixed assets and payment for expenses & for sale of goods and services During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system of the company
- v
 - a In our opinion and according to the information and explanations given to us the particulars of all contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act 1956 have been so entered
 - b In our opinion and according to the information and explanations furnished to us the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act 1956 and



exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time

- vi The Company has not accepted any deposits from the public Therefore the provisions of Clause 4(vi) of the Companies (Auditor's Report) Order 2003 are not applicable
- vii In our opinion the company has an internal audit system commensurate with the size and nature of its business
- viii As per information & explanation given by the management maintenance of cost records has been prescribed by the Central Government under Clause (d) of Sub-Section (1) of Section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained
- ix
 - a According to the records the company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund Investor Education and Protection Fund Employees' State Insurance Income-tax Sales-tax Wealth tax Service tax Customs Duty Excise Duty Cess and other material statutory dues applicable to it. According to the information and explanations given to us no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March 2014 for a period of more than six months from the date they became payable
 - b The disputed statutory dues aggregating to Rs 345.73 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	Forum where dispute is pending
Income Tax Act 1961	Income Tax	18.70	Assessment Year 2011 - 12	Commissioner of Income Tax (Appeals) Coimbatore
Income Tax Act 1961	Income Tax	327.03	Assessment Year 2007 - 08	

- x The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year
- xi In our opinion and according to the information and explanation given to us the Company has not defaulted in repayment of dues to financial institutions or banks
- xii According to the information and explanations given to us the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities
- xiii In our opinion the Company is not a chit fund/nidhi/mutual benefit fund/society Therefore the provisions of Clause (xiii) of paragraph 4 of the Order are not applicable to the Company
- xiv According to information and explanations given to us the Company is not dealing or trading in shares securities debentures and other investments



- xv According to the information and explanations given to us the Company has not given any guarantee for loans taken by others from banks or financial institutions
- xvi In our opinion the term loans have been applied for the purpose for which they have been raised
- xvii According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company we report that the no funds raised on short term basis have been used for long term investments
- xviii According to the information and explanations given to us the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act 1956
- xix The Company has not issued any debentures during the year
- xx The Company has not raised any money by way of public issue during the year
- xxi According to the information and explanations given to us no fraud on or by the company has been noticed or reported during the course of our audit

Coimbatore
30.5.2014

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

P R VITTEL

Partner

M No 200/18111

ICAI Firm Regn. No: 003328S


Balance Sheet as at 31.3.2014

PARTICULARS	Notes No	As at 31.3.2014		As at 31.3.2013	
		Details (Rs in lakhs)	Total	Details (Rs in lakhs)	Total
I. EQUITY AND LIABILITIES					
(1) SHAREHOLDERS' FUNDS					
a) Share Capital	2	1143.97		1143.97	
b) Reserves and Surplus	3	94256.37		93055.51	
			95400.34		94199.48
(2) NON-CURRENT LIABILITIES					
a) Long term borrowings	4	24255.06		4494.96	
b) Deferred tax liabilities (Net)	5	9491.32		9145.42	
c) Other Long term liabilities	6	908.91		976.26	
d) Long term provisions	7	263.72		221.08	
			34919.01		14837.72
(3) CURRENT LIABILITIES					
a) Short term borrowings	8	78115.70		36762.08	
b) Trade payables	9	6494.26		13120.77	
c) Other current liabilities	10	7530.30		7839.68	
d) Short term provisions	11	5597.90		4714.87	
			97738.16		62437.40
TOTAL			228057.51		171474.60
II. ASSETS					
(1) NON-CURRENT ASSETS					
a) Fixed Assets					
i) Tangible assets	12	63172.26		66860.03	
ii) Capital work in progress		26784.91		3251.13	
b) Non - current investments	13	49.44		44.35	
c) Long - term loans and advances	14	9721.69		9926.58	
			99728.30		80082.09
(2) CURRENT ASSETS					
a) Inventories	15	117756.79		75981.96	
b) Trade Receivables	16	4139.36		10064.84	
c) Cash and cash equivalents	17	353.37		342.78	
d) Short - term loans and advances	18	4698.35		3667.42	
e) Other current assets	19	1381.34		1335.51	
			128329.21		91392.51
TOTAL			228057.51		171474.60

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

Coimbatore

30.5.2014

S V BALASUBRAMANIAM

Chairman

B SARAVANAN

Managing Director

C PALANISWAMY

Company Secretary



Statement of Profit and Loss for the year ended 31.3.2014

PARTICULARS	Notes No	Year ended 31.3.2014		Year ended 31.3.2013	
		Details	Total	Details	Total
		(Rs in lakhs)		(Rs in lakhs)	
I REVENUE FROM OPERATIONS (GROSS)	20	66085.49		136578.92	
Less : Excise duty		977.66		2836.45	
Revenue from operations (Net)		65107.83		133742.47	
II Other Income	21	230.82		193.33	
III Total Revenue (I + II)			65338.65		133935.80
IV EXPENSES					
Cost of materials consumed	22	66375.68		92296.77	
Purchase of traded goods	23	4100.31		1768.82	
Changes in inventories of finished goods and work-in-progress	24	(42601.74)		(14347.31)	
Employee benefit expenses	25	5847.88		6333.10	
Finance Costs	26	6191.64		4516.47	
Depreciation and amortisation expenses		5195.53		5995.44	
Other Expenses	27	17014.70		19937.06	
TOTAL EXPENSES			62124.00		116500.35
V PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III - IV)			3214.65		17435.45
VI Exceptional items			--		--
VII PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V - VI)			3214.65		17435.45
VIII Extraordinary Items			--		--
IX PROFIT BEFORE TAX (VII - VIII)			3214.65		17435.45
X Tax Expenses					
a) Current tax		674.43		3497.58	
b) MAT credit entitlement		(674.43)		(614.35)	
c) Deferred tax		345.90		303.48	
			345.90		3186.71
XI PROFIT FOR THE PERIOD (IX - X)			2868.75		14248.74
XII Earnings per Share [Basic and diluted] (Rs.)			25.08		124.56

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

Coimbatore

30.5.2014

S V BALASUBRAMANIAM

Chairman

B SARAVANAN

Managing Director

C PALANISWAMY

Company Secretary



Notes forming part of the financial statements for the year ended 31.3.2014

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 211(3C) of the Companies Act 1956 (which continue to be applicable in respect of Section 133 of the Companies Act 2013 in the terms of General Circular 15/2013 dated 13.9.2013 of the Ministry of Corporate Affairs and the relevant provisions of the Companies Act 1956). The financial statements have been prepared on accrual and 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 as per the rates prescribed in Schedule XIV to the Companies Act 1956 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 as per the rates prescribed in Schedule XIV to the Companies Act 1956. 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 disburse 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 recognised 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 cancellable 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 For calculating gratuity liability the premium ascertained by LIC has been taken into account Long term accumulated absences are provided based on the actuarial 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



PARTICULARS	As at 31.3.2014	As at 31.3.2013
	Total (Rs in lakhs)	Total (Rs in lakhs)
2 SHARE CAPITAL		
AUTHORISED		
29000000 Equity shares of Rs. 10/- each (29000000 of Equity Shares of Rs. 10/- each)	2900.00	2900.00
2100000 Redeemable Preference shares of Rs. 100/- each (2100000 Redeemable Preference shares of Rs. 100/- each)	2100.00	2100.00
	5000.00	5000.00
ISSUED, SUBSCRIBED AND FULLY PAID UP		
11439700 Equity Shares of Rs. 10/- each (11439700 Equity Shares of Rs. 10/- each)	1143.97	1143.97

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

PARTICULARS	As at 31.3.2014		As at 31.3.2013	
	No. of shares	Amount (Rs. in lakhs)	No. of shares	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 31.3.2014		As at 31.3.2013	
	No. of shares	% of holding	No. of shares	% of holding
i. Sri S V Balasubramaniam	1056232	9.23	1056232	9.23
ii. M/s Shiva Distilleries Ltd	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 Rs10/- 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.



PARTICULARS	As at 31.3.2014		As at 31.3.2013	
	Details (Rs in lakhs)	Total	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	79133.11		68133.11	
Add :Transfer from statement of profit and loss	2000.00		11000.00	
Closing balance		81133.11		79133.11
Surplus in the statement of profit and loss				
Opening balance	2916.80		1216.62	
Add: Profit after tax for the year	2868.75		14248.74	
	5785.55		15465.36	
Less : Appropriations:				
Provision for Diminution in Value of Investment (long term)	(5.09)		(124.42)	
Provision for Proposed Dividend on Equity Shares	1429.96		1429.96	
Provision for Tax on Dividend	243.02		243.02	
Transferred to General Reserve	2000.00		11000.00	
	3667.89		12548.56	
Closing balance		2117.66		2916.80
TOTAL		94256.37		93055.51
4 LONG TERM BORROWINGS				
Secured :				
Term Loan from banks		15500.00		1400.00
Term Loan from Sugar Development Fund		2943.48		3094.96
Loan under SEFASU-2014 notified by the Central Govt		5811.58		--
TOTAL		24255.06		4494.96

4.1 Rupee term loan of Rs 1400 lakhs (Rs 2800 lakhs) from Axis Bank Ltd is secured by pari passu charge on the movable plant and machinery and pari passu second charge on the current assets of the Co-generation Plant at Sugar Unit IV. The loan is further secured by mortgage on lands admeasuring 50.93 acres and buildings thereon pertaining to the Co-generation Plant at Sugar Unit IV.

The loan carries interest at the rate of Bank's Base rate plus 1.50% and repayable in 20 equal quarterly instalments of Rs 350 lakhs each starting from June 2010.



The loan amount repayable within twelve months is Rs 1400 lakhs (Rs1400 lakhs) is grouped under other Current Liabilities

- 4.2 Rupee term loan of Rs 6800 lakhs (Nil) 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 October 2015

- 4.3 Rupee term loan of Rs 7100 lakhs (Nil) 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 of starting from March 2015

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

- 4.4 Rupee term loan of Rs 2000 lakhs (Nil) 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 plus 0.45% and repayable in 20 equal quarterly installments starting from October 2015

- 4.5 Loan from Sugar Development Fund (Government of India) availed for modernisation/expansion of Sugar Unit I amounting to Rs 155.08 Lakhs (Rs 465.23 Lakhs) is secured by way of exclusive second charge on the movable and immovable properties of Sugar Unit I

The loan carries interest at the rate of 2% below the bank rate prevailing on the date of disbursement Repayment of principal and payment of interest thereon commenced after a period of 8 years from the date of disbursement and in five equal annual instalments The loan was disbursed during the financial year 2002

The loan amount repayable within twelve months is Rs 155.08 lakhs (Rs 310.16 lakhs) which is grouped under other current Liabilities

- 4.6 Loan from Sugar Development Fund (Government of India) availed for setting up of co-generation plant in Sugar Unit IV amounting to Rs 2403.48 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 instalments The interest on the loan shall be paid half-yearly from the date of disbursement The Loan was disbursed during the financial year 2013

- 4.7 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 540 lakhs (Rs 270 lakhs) is secured by way of exclusive second charge on the movable and immovable properties of Sugar Unit II

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 four equal annual installments The interest on the loan shall be paid annually from the date of disbursement The loan was disbursed during the financial year 2013 and 2014

- 4.8 Loan of Rs 5811.58 lakhs (Rs 38.83 lakhs) under SEFASU notified by Government of India availed from Punjab National Bank The HDFC Bank Ltd and Indian Overseas Bank is to be 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 carries interest subvention at the rate of 12% per annum and is repayable in 36 equal monthly instalments after the expiry of 2 years from the date of disbursement



PARTICULARS	As at 31.3.2014		As at 31.3.2013	
	Details (Rs in lakhs)	Total	Details (Rs in lakhs)	Total
5 DEFERRED TAX LIABILITIES				
Deferred tax liabilities arising on account of depreciation		9491.32		9145.42
6 OTHER LONG TERM LIABILITIES				
a) Trade payables		908.91		908.91
b) Interest accrued but not due on borrowings		--		67.35
TOTAL		908.91		976.26
7 LONG TERM PROVISIONS				
Provision for employee benefits - compensated absences		263.72		221.08
8 SHORT TERM BORROWINGS				
Loan from banks repayable on demand				
SECURED :				
Cash Credit Loan	49115.70		29762.08	
Packing Credit Loan	500.00		--	
		49615.70		29762.08
UNSECURED :				
Short Term Loan from banks		28500.00		7000.00
TOTAL		78115.70		36762.08

8.1 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 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 Axis Bank Limited ICICI Bank Limited and HDFC Bank Limited to the Company's Sugar Units 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

The credit limits availed as at 31.3.2014 is Rs 48967.42 lakhs (Rs 29642.38 lakhs)

The availed limits are repayable on demand and carries interest rates between Bank's base rate plus 0.25% and 1% per annum

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

The credit limits availed as at 31.3.2014 is Rs 500.00 lakhs (Rs Nil)

The credit limits availed are repayable on demand and carries interest ranges between Bank's Base Rate plus 0.25% and 1.50% per annum

8.3 Cash Credit Limits sanctioned by Canara Bank and The Lakshmi Vilas Bank Ltd to Distillery Unit in 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 limits availed as at 31.3.2014 is Rs 148.28 lakhs (Rs 119.70 lakhs)

The cash credit limits are repayable on demand and carries interest ranges between Bank's base rate plus 0.50% and 2.75% per annum

8.4 The Unsecured Short term loan of Rs 5000 lakhs (Rs 2000 lakhs) from ING Vysya Bank is repayable within six months from the date of availment and carries interest at the rate of 10.80% per annum



BANNARI AMMAN SUGARS LIMITED

The Unsecured Short term loan of Rs 2000 lakhs (Rs 5000 lakhs) from HDFC Bank Ltd is repayable within ninety days from the date of availment and carries interest at the rate of 10.20% per annum

The Unsecured Short term loan of Rs 9000 lakhs from HDFC Bank Ltd is repayable within ninety days from the date of availment and carries interest at the rate of 10.50% per annum

The Unsecured Export Credit of Rs 5000 lakhs from HDFC Bank Ltd is repayable within sixty days from the date of availment and carries interest at the rate of 10% per annum

The Unsecured Working Capital Demand loan of Rs 5000 lakhs from Rabo Bank International is repayable within fifty seven days from the date of availment and carries interest at the rate of 10.35% per annum

The Unsecured Short term loan of Rs 2500 lakhs from Canara Bank is repayable in four equal monthly instalment starting from May' 2014 and carries interest at the Banks Base rate plus 0.50% per annum

PARTICULARS	As at 31.3.2014	As at 31.3.2013
	Total (Rs in lakhs)	Total (Rs in lakhs)
9 TRADE PAYABLES		
Purchases and Services	5369.72	11234.41
Expenses	1124.54	1886.36
TOTAL	6494.26	13120.77

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 31.3.2014	As at 31.3.2013
	Total (Rs in lakhs)	Total (Rs in lakhs)
10 OTHER CURRENT LIABILITIES		
Current maturities of long term borrowings	2858.62	4527.53
Payable on purchase of fixed assets	2246.31	1181.37
Interest accrued but not due on borrowings	94.36	180.30
Unpaid Dividend	71.02	58.96
Statutory remittances	1704.13	1687.07
Trade or security deposits received	98.39	77.40
Advance from customers	439.04	118.49
Others	18.43	8.56
TOTAL	7530.30	7839.68
11 SHORT TERM PROVISIONS		
For excise duty on closing stock	3603.15	2765.39
For employee benefits - bonus/exgratia	321.77	276.50
For proposed dividend	1429.96	1429.96
For tax on proposed dividend	243.02	243.02
TOTAL	5597.90	4714.87

NON - CURRENT ASSETS

12 FIXED ASSETS (Tangible Assets)

(Rs in Lakhs)

DETAILS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31.3.2013	Additions	Deduction / Adjustments	As at 31.3.2014	Upto 31.3.2013	For the year	Withdrawn	Upto 31.3.2014	As at 31.3.2013	As at 31.3.2014
Land - Free hold	3420.38	28.19	2.47	3446.10	--	--	--	--	3420.38	3446.10
Land - Lease hold	1.21	--	0.02	1.19	--	--	--	--	1.21	1.19
Buildings	28595.61	1750.24	1.59	30344.26	5633.82	789.68	--	6423.50	22961.79	23920.76
Plant and Machinery	83201.52	1284.39	2879.28	81606.63	43894.18	4198.96	1202.56	46890.58	39307.34	34716.05
Furniture and Fixtures	554.06	11.41	--	565.47	280.96	26.00	--	306.96	273.10	258.51
Office Equipments	621.32	19.66	0.43	640.55	381.96	58.55	0.34	440.17	239.36	200.38
Live Stock	15.62	0.30	2.18	13.74	--	--	--	--	15.62	13.74
Motor Vehicles	1240.31	118.38	65.10	1293.59	599.08	122.34	43.36	678.06	641.23	615.53
TOTAL	117650.03	3212.57	2951.07	117911.53	50790.00	5195.53	1246.26	54739.27	66860.03	63172.26
Capital Works-in-Progress	3251.13	26784.91	3251.13	26784.91	--	--	--	--	3251.13	26784.91
Total for the year	120901.16	29997.48	6202.20	144696.44	50790.00	5195.53	1246.26	54739.27	70111.16	89957.17
Total for the previous year	116761.46	9808.98	5669.28	120901.16	45861.93	5995.44	1067.37	50790.00	70899.53	70111.16



PARTICULARS	As at 31.3.2014	As at 31.3.2013
	Total (Rs in lakhs)	Total (Rs in lakhs)
13 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) 10000 Equity Shares (P.Y: 10000) of Bank of Baroda of Rs10 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
v) 38000 Equity Shares (P.Y: 38000) of DCM Shriram Industries Ltd of Rs10 each	44.22	44.22
TOTAL	93.58	93.58
II NON-TRADE, UN QUOTED - AT COST		
A. IN GOVERNMENT SECURITIES :		
Kisan Vikas Patra (*)	0.40	0.40
B. IN EQUITY INSTRUMENTS OF OTHER ENTITIES :		
Bannari Amman Sugars Employees' Co-operative Stores Ltd	1.20	1.20
TOTAL	1.60	1.60
TOTAL (QUOTED & UNQUOTED)	95.18	95.18
Less : Provision for diminution in value of investment in respect of item No. I (i) & (v)	45.74	50.83
TOTAL	49.44	44.35
Aggregate cost of Quoted Investments	93.58	93.58
Aggregate market value of Quoted Investments	136.51	124.32
Aggregate provision for diminution in value of investment	45.74	50.83
Aggregate cost of unquoted Investments	1.60	1.60

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



PARTICULARS	As at 31.3.2014		As at 31.3.2013	
	Details	Total	Details	Total
	(Rs in lakhs)		(Rs in lakhs)	
14 LONG TERM LOANS AND ADVANCES				
(Unsecured - considered good)				
Capital Advances		2138.34		3100.97
Security Deposits		167.16		181.24
Advance payment of Income Tax		1643.29		1545.90
MAT Credit Entitlement		5624.46		4950.03
Balance with Government Authorities		148.44		148.44
TOTAL		9721.69		9926.58
CURRENT ASSETS				
15 INVENTORIES				
(Valued at lower of cost and net realizable value)				
Raw material :				
Molasses at Distillery Units	803.44		803.25	
Granite Rough Blocks	167.97		11.30	
Press-mud	6.72		3.36	
Bio-products	4.77		49.46	
		982.90		867.37
Work in Progress :				
Sugar	408.35		516.33	
Molasses	87.41		39.02	
Press mud	48.18		36.91	
		543.94		592.26
Finished Goods :				
Sugar	109425.32		67507.76	
Molasses at Sugar Units	1587.47		938.85	
Bagasse	29.51		190.70	
Granite Products	816.31		603.15	
Industrial Alcohol	752.20		721.66	
Bio-Compost	2.10		1.32	
		112612.91		69963.44
Stores and spare parts		3460.94		4389.14
Loose tools		11.74		21.31
Others		144.36		148.44
TOTAL		117756.79		75981.96
16 TRADE RECEIVABLES				
(Unsecured - considered good)				
a. Exceeding six months from the date of due for payment		52.72		2394.34
b. Others		4086.64		7670.50
TOTAL		4139.36		10064.84



PARTICULARS	As at 31.3.2014		As at 31.3.2013	
	Details (Rs in lakhs)	Total	Details (Rs in lakhs)	Total
17 CASH AND CASH EQUIVALENTS				
Cash on hand		19.87		26.71
Balances with Scheduled Banks :				
in Current Accounts	262.48		257.11	
in Unpaid Dividend Accounts	71.02		58.96	
		333.50		316.07
TOTAL		353.37		342.78
18 SHORT TERM LOANS AND ADVANCES				
(Unsecured - considered good)				
Security deposits		30.93		35.55
Advance to staffs for expenses		186.19		156.68
Prepaid expenses		512.35		427.93
Balance with Government Authorities		2036.51		488.35
Others - Advances recoverable in cash or kind		1899.92		2455.39
Advance Income Tax		32.45		103.52
TOTAL		4698.35		3667.42
19 OTHER CURRENT ASSETS				
(Unsecured - considered good)				
Interest accrued on deposits		35.02		16.22
Government subsidies receivable		1276.37		1276.37
Interest subsidies receivable		69.45		33.43
Income receivable		0.50		9.49
TOTAL		1381.34		1335.51

PARTICULARS	Year ended 31.3.2014		Year ended 31.3.2013	
	Details (Rs in lakhs)	Total	Details (Rs in lakhs)	Total
20 REVENUE FROM OPERATIONS				
SALE OF PRODUCTS				
MANUFACTURED GOODS				
Sugar	33579.86		102552.11	
Molasses	825.18		834.07	
Bagasse	284.30		--	
Granite Products	9428.14		7819.64	
Industrial Alcohol	11273.19		10114.37	
Bio-Compost	338.90		313.29	
Power	9459.10		12793.02	



PARTICULARS	Year ended 31.3.2014		Year ended 31.3.2013	
	Details	Total	Details	Total
	(Rs in lakhs)		(Rs in lakhs)	
Pressmud	1.62		4.77	
Bio-products	41.77		1.28	
		65232.06		134432.55
TRADED GOODS				
Sugar	723.14		1719.35	
Granite Products	83.69		--	
		806.83		1719.35
SALE OF SERVICES				
Cane harvester hire charges		18.05		39.58
OTHER OPERATING REVENUE				
Duty draw back and other export incentives	9.43		237.74	
Sale of Scrap	19.12		4.13	
Carbon Credit Sale Income	--		68.92	
Insurance claim received for loss of stock	--		76.65	
		28.55		387.44
Revenue from operations (Gross)		66085.49		136578.92
Less : Excise duty		977.66		2836.45
Revenue from operations (Net)		65107.83		133742.47
21 OTHER INCOME				
Interest Income				
From loans and advances	125.58		84.54	
From deposits	8.02		10.40	
		133.60		94.94
Dividend income from long term investments		6.22		4.47
Other non-operating income :				
Rent receipts from operating leases	47.86		45.29	
Agricultural income (net of expenses directly attributable Rs 73.70 lakhs (P.Y.:Rs 52.73 lakhs))	3.73		15.67	
Miscellaneous income	39.41		32.96	
		91.00		93.92
TOTAL		230.82		193.33



PARTICULARS	Year ended 31.3.2014		Year ended 31.3.2013	
	Details	Total	Details	Total
	(Rs in lakhs)		(Rs in lakhs)	
EXPENSES				
22 COST OF MATERIALS CONSUMED				
Opening Stock of Raw Materials :				
Molasses at Distillery Units	803.25		750.35	
Granite Rough Blocks	11.30		444.18	
Press-mud	3.36		2.78	
Bio-products	49.46		6.53	
		867.37		1203.84
Add: Purchase of Raw Materials :				
Sugarcane	59584.50		82443.68	
Purchase Tax on sugar cane	854.07		1927.47	
Sugarcane cess	93.71		261.48	
Freight and transport on sugar cane	3053.30		3749.78	
Molasses at Distillery Units	541.30		1000.25	
Granite Rough Blocks	855.33		540.72	
Press-Mud	25.37		15.23	
Bio-products	--		38.30	
		65007.58		89976.91
		65874.95		91180.76
Less: Closing Stock of Raw Materials :				
Molasses at Distillery Units	803.44		803.25	
Granite Rough Blocks	167.97		11.30	
Press-mud	6.72		3.36	
Bio-products	4.77		49.46	
		982.90		867.37
Raw Material Consumed		64892.05		90313.38
Packing Material Consumed		1483.63		1983.39
TOTAL		66375.68		92296.77
Details of Raw Materials Consumed				
Sugarcane (includes cost tax and freight)		63585.58		88377.78
Packing Material for Sugar		1483.63		1983.39
Molasses at Distillery Units		541.11		947.35
Granite Rough Blocks		698.66		973.60
Press-Mud		22.01		14.65
Bio-products		44.69		--
TOTAL		66375.68		92296.77



PARTICULARS	Year ended 31.3.2014		Year ended 31.3.2013	
	Details	Total	Details	Total
	(Rs in lakhs)		(Rs in lakhs)	
23 PURCHASE OF TRADED GOODS				
Sugar		4073.91		1745.47
Granite Products		26.40		23.35
TOTAL		4100.31		1768.82
24 (INCREASE) / DECREASE IN INVENTORIES				
I. FINISHED GOODS:				
a. Opening Stock :				
Sugar	67507.76		53522.93	
Molasses at Sugar Units	938.85		689.05	
Bagasse	190.70		74.88	
Granite Products	603.15		369.15	
Industrial Alcohol	721.66		464.25	
Bio-Compost	0.73		3.53	
	69962.85		55123.79	
b. Closing Stock :				
Sugar	109425.32		67507.76	
Molasses at Sugar Units	1587.47		938.85	
Bagasse	29.51		190.70	
Granite Products	816.31		603.15	
Industrial Alcohol	752.20		721.66	
Bio-Compost	2.10		0.73	
	112612.91		69962.85	
(a) - (b)		(42650.06)		(14839.06)
II. WORK IN PROGRESS :				
a. Opening Stock :				
Sugar	516.33		1004.64	
Molasses	39.02		57.53	
Press-mud	36.91		21.84	
	592.26		1084.01	
b. Closing Stock :				
Sugar	408.35		516.33	
Molasses	87.41		39.02	
Press-mud	48.18		36.91	
	543.94		592.26	
(a) - (b)		48.32		491.75
TOTAL		(42601.74)		(14347.31)



PARTICULARS	Year ended 31.3.2014		Year ended 31.3.2013	
	Details	Total	Details	Total
	(Rs in lakhs)		(Rs in lakhs)	
25 EMPLOYEE BENEFIT EXPENSES				
Salaries, wages and allowances		4817.24		5306.69
Contribution to Provident and other funds		502.71		495.51
Staff Welfare expenses		527.93		530.90
TOTAL		5847.88		6333.10
26 FINANCE COSTS				
Interest Expenses		6139.19		4435.48
Other Borrowing Costs		105.07		70.06
Net loss on Foreign currency transactions and translation		(52.62)		10.93
TOTAL		6191.64		4516.47
27 OTHER EXPENSES				
Consumption of stores and spare parts		2095.45		2931.14
Loose tools		6.17		8.81
Increase / (decrease) of excise duty on inventory		837.83		733.45
Power and fuel		2596.97		2008.11
Other Fuel for Co-Generation		2567.51		2481.45
Water charges		121.23		144.86
Rent		72.21		79.14
Granite processing charges		277.11		190.85
Cane development expenses		517.82		758.69
Repairs and maintenance :-				
Buildings	571.31		581.13	
Plant and Machinery	2357.42		3459.80	
Vehicles	444.98		389.98	
Others	112.05		114.91	
		3485.76		4545.82
Effluent disposal expenses		399.50		453.41
Insurance charges		204.95		171.07
Rates and taxes		646.53		1676.73
Telephone & Fax charges		58.90		63.01



PARTICULARS	Year ended 31.3.2014		Year ended 31.3.2013	
	Details	Total	Details	Total
	(Rs in lakhs)		(Rs in lakhs)	
Travelling expenses		201.47		215.97
Printing and Stationery		57.79		51.07
Directors' sitting fees		1.35		1.35
Advertisement		5.29		9.98
Other Administrative expenses		176.68		169.98
Freight and forwarding		885.94		927.43
Selling and distribution expenses		1167.03		1218.85
Sales commission		32.73		38.05
Donations		65.08		118.19
Legal and professional charges		68.33		113.36
Loss on Sale of Fixed Assets		438.92		743.16
Auditor's Remuneration (net of service tax input credit where applicable)				
For statutory audit	11.24		8.43	
For taxation matters	8.76		11.63	
For Company law matters	0.67		0.67	
For other services	2.95		2.21	
Reimbursement of expenses	0.25	23.87	0.25	23.19
Provision no longer required		--		59.43
Bad debts written off		2.28		0.51
TOTAL		17014.70		19937.06



28 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	
	31.3.2014	31.3.2013
	(Rs in Lakhs)	
Provident Fund	314.30	291.22
Family Pension Fund	9.07	9.21
Employees State Insurance	2.11	2.59
Employees Group Gratuity	169.97	185.67
Employees Group Insurance Fund	7.26	6.82
TOTAL	502.71	495.51

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

Contingent liabilities

- 29.1 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 377.55 lakhs (Rs 368.98 lakhs)
- 29.2 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 (Rs 683.35 lakhs)
- 29.3 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 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 (Rs 149.99 lakhs)
- 29.4 The entry tax of Rs 188.29 lakhs (Rs 188.29 lakhs) on inter-state purchase of rough blocks is disputed
- 29.5 The Company has received a demand for payment of excise duty for Rs 148.43 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



- 29.6 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 years 2007 - 08 and 2011 - 12. The quantum under dispute is Rs 345.73 lakhs
- 29.7 As at the year end The Company has an obligation under EPCG Scheme to export sugar of a value of USD 10317105
- 29.8 Estimated amount of contracts remaining to be executed on capital account - Tangible Assets not provided for is Rs 3195.75 lakhs (Rs 13789.42 lakhs)

30 DISCLOSURE REPORT UNDER AS15 [REVISED 2005] - FOR LONG TERM COMPENSATED ABSENCES

PARTICULARS		31.3.2014	31.3.2013
I	PRINCIPAL ACTUARIAL ASSUMPTIONS [Assumption]		
	Discount rate (%)	9.15	8.05
	Salary escalation rate (%)	8.00	7.50
	Expected return on plan assets (%)	--	--
	Attrition rate (%)	7.00	7.00
		(Rs in Lakhs)	
PARTICULARS		31.3.2014	31.3.2013
A	NET ASSET / (LIABILITY) RECOGNISED IN BALANCE SHEET AT THE BEGINNING OF THE YEAR		
	Present Value of Defined Benefit Obligation	214.13	169.07
	Fair Value of Plan Assets	--	--
	Funded Status [Surplus/(Deficit)]	(214.13)	(169.07)
	Unrecognised Past Service Costs	--	--
	Net Asset / (Liability) Recognised in Balance Sheet at the beginning of the year	(214.13)	(169.07)
B	DISCLOSURE OF EMPLOYER EXPENSE		
	Current Service Cost (including risk Premium for fully insured benefits)	100.11	94.42
	Interest Cost	19.60	11.23
	Expected Return on Assets	--	--
	Curtailment Cost /(Credit)	--	--
	Settlement Cost / (Credit)	--	--
	Past Service Cost	--	--
	Actuarial (gains) and losses	(90.68)	(1.47)
	Total Employer Expense Recognised in the Statement of Profit & Loss	29.03	104.18



(Rs in Lakhs)

PARTICULARS		31.3.2014	31.3.2013
C	NET ASSET / (LIABILITY) RECOGNISED IN BALANCE SHEET		
	Present Value of Defined Benefit Obligation	243.16	214.13
	Fair Value of Plan Assets	--	--
	Funded Status [Surplus / (Deficit)]	(243.16)	(214.13)
	Unrecognised Past Service Costs	--	--
	Net Asset / (Liability) recognised in Balance Sheet	(243.16)	(214.13)
D	CHANGE IN OBLIGATIONS AND ASSETS		
	Change in Obligations		
	Present Value of Defined Benefit Obligation at the Beginning of the period	214.13	169.07
	Employer Service Cost	100.11	94.42
	Interest Cost	19.60	11.23
	Curtailment Cost / (Credit)	--	--
	Settlement Cost / (Credit)	--	--
	Plan Amendments	--	--
	Acquisitions	--	--
	Actuarial (Gains) / Losses	(90.68)	(1.47)
	Benefit Payments	--	(59.12)
	Present Value of Defined Benefit Obligation at the end of the period	(243.16)	214.13
	Change in Assets		
	Fair value of Plan Assets at the Beginning of the Period	--	--
	Expected Return on Plan Assets (Para 108/109)	--	--
	Actuarial Gain / (Loss)	--	--
	Assets Distributed on Settlements	--	--
	Actual Company contributions Less Risk Premium	--	--
	Benefit Payments	--	(59.12)
	Fair Value of Plan Assets at the End of the Period	--	(59.12)
E	RECONCILIATION OF NET ASSET / (LIABILITY) RECOGNISED IN BALANCE SHEET		
	Net Asset/(Liability) recognised in balance sheet at the beginning of the year	(214.13)	(169.07)
	Employer Expenses	(29.03)	(104.18)
	Employer Contributions	--	59.12
	Acquisitions / Business Combinations	--	--
	Net Asset/(Liability) Recognised in Balance Sheet at the end of the year	(243.16)	(214.13)



31 Segment Information for the year ended 31st March 2014

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	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
PRIMARY										
External Revenue	46478.20	115719.27	18745.17	25187.50	11599.55	10410.82	11438.97	9054.15	88261.89	160371.74
Operating Income	46.60	105.23	--	68.92	--	--	--	--	46.60	174.15
Intersegment Revenue	46524.80	115824.50	18745.17	25256.42	11599.55	10410.82	11438.97	9054.15	88308.49	160545.89
	11990.18	13147.14	9286.06	12394.48	8.72	6.11	1915.70	1255.69	23200.66	26803.42
	34534.62	102677.36	9459.11	12861.94	11590.83	10404.71	9523.27	7798.46	65107.83	133742.47
RESULT										
Segment Result	(2433.90)	8762.46	6776.01	9253.17	1809.33	2081.83	3143.77	1787.05	9295.21	21884.51
Add: Un allocable Income									111.08	67.41
Operating Profit									9406.29	21951.92
Less: Finance Costs									6191.64	4516.47
Tax expenses									345.90	3186.71
Profit after tax									2868.75	14248.74
OTHER INFORMATION										
Segment Assets	166016.70	129476.24	9677.75	14811.47	9094.16	8791.29	8787.81	8135.49	193576.42	161214.49
Segment Liabilities	9719.09	15905.65	2848.13	2679.47	215.16	155.67	1031.98	1953.64	13814.36	20694.43
Capital expenditure	2402.63	3664.18	129.91	300.95	519.86	520.92	160.17	2071.80	3212.57	6557.85
Depreciation	2432.69	2694.36	1838.28	2403.18	499.21	533.36	425.35	364.54	5195.53	5995.44
Non - Cash expenses other than Depreciation }	--	--	--	--	--	--	--	--	--	--
SECONDARY										
Revenue by Geographical Market										
India	28836.53	88634.05	9459.11	12861.94	11590.83	10404.71	3408.92	3155.21	53295.39	115055.91
Outside India	5698.09	14043.31	--	--	--	--	6114.35	4643.25	11812.44	18686.56

32 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



BANNARI AMMAN SUGARS LIMITED

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 Limited

Bannari Amman Exports Limited

Madras Sugars Limited

Shiva Cargo Movers Limited

Shiva Distilleries Limited

RELATED PARTY TRANSACTIONS

PARTICULARS	Key Managerial Personnel	Relatives of Key Managerial Personnel	Enterprises as described in (3) above
			(Amount in Rupees)
Purchase of Goods			416970531 (181179451)
Sale of Goods			520254941 (443745553)
Sale of Investment			-- (14730000)
Rendering of Service (Managerial Remuneration)	27402672 (101858131)		
Receiving Services			49245372 (57279685)
Rent Paid	120000 (120000)		720000 (1020000)
Balance Outstanding as on 31st March 2014 is Nil (Nil)			



PARTICULARS	For the Year Ended	
	31.3.2014	31.3.2013
	(Rs in Lakhs)	
33 Details of government grants		
Government grants received by the Company during the year towards		
Duty drawback (recognised under Other operating revenues)	9.43	237.74
Other incentives (reimbursement central sales tax) (recognised under other income)	1.67	1.91
TOTAL	11.10	239.65

34 Earnings per share	2013 - 14	2012 - 13
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)	2868.75	14248.74
c Basic and diluted earnings per share (Rs)	25.08	124.56

35 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

36 Details of research and development expenditure recognised as an expense

PARTICULARS	For the Year Ended	
	31.3.2014	31.3.2013
	(Rs in Lakhs)	
Materials	26.02	34.98

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

38 The annual increase in the rate of power charges for supplies made from 20 MW Cogeneration plant at Alathukombai Village Sathyamangalam Taluk Erode District Tamilnadu to Tamilnadu Electricity Board as prescribed in the Power Purchase Agreement entered has not been provided in the books considering the uncertainty in the realisation of the same



BANNARI AMMAN SUGARS LIMITED

39 There are no derivative financial instruments either for hedging or for speculation outstanding as at the Balance Sheet date

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

PARTICULARS	As at 31.3.2014			As at 31.3.2013	
	US DOLLAR	SINGAPORE DOLLAR	EURO	US DOLLAR	EURO
Receivables	928978	--	417119	1119618	382468
Payables	271214	--	565056	74774	2606669
Advance for Purchase	--	4380	62606	130000	--
Advance for Sale	9023	--	--	--	--

41 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
42 Value of Raw Materials		
42.1 Imported Value of		
a Granite Rough Blocks	-- (30.09)	-- (1.47%)
b Spares and Components	186.43 (75.80)	8.40% (2.89%)
42.2 Indigenous Value of		
a Sugarcane	63585.58 (88377.78)	100% (100%)
b Granite Rough Blocks	2553.30 (2021.32)	100.00% (98.53%)
c Molasses	5536.25 (4424.67)	100% (100%)
d Pressmud	23.59 (17.44)	100% (100%)
e Spares and Components	2032.91 (2547.67)	91.60% (97.11%)



PARTICULARS		Year ended 31.3.2014	Year ended 31.3.2013
		(Amount Rs in Lakhs)	
43	Value of Imports on C.I.F. basis:		
a	Granite Rough Blocks	--	29.21
b	Granite Slabs	26.46	22.90
c	Components and spare parts	1563.55	1341.42
d	Capital goods	1721.23	1223.16
44	Expenditure in foreign currency :		
a	Travelling	16.16	10.40
b	Sales commission	11.85	16.35
c	Subscription	0.87	0.70
d	Registration Fees	--	0.08
45	Earnings in Foreign Exchange :		
	F O B Value of Exports	11808.49	15554.18

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

P R VITTEL

Partner

M No 200/18111

ICAI Firm Regn. No: 003328S

Coimbatore

30.5.2014

S V BALASUBRAMANIAM

Chairman

B SARAVANAN

Managing Director

C PALANISWAMY

Company Secretary


Cash Flow Statement for the year ended 31.3.2014

	Year ended 31.3.2014 (Rs in Lakhs)		Year ended 31.3.2013 (Rs in Lakhs)	
A OPERATING ACTIVITIES				
Net profit before tax and extraordinary items		3214.65		17435.45
Adjustments for :				
Add :				
Depreciation	5195.53		5995.44	
Finance Costs	6191.64		4516.47	
Loss on sale of Fixed Assets	451.93		745.75	
		11839.10		11257.66
Less : Investment Income :				
Interest	133.60		94.95	
Dividend	6.22		4.47	
Profit on sale of Fixed Assets	13.01		2.59	
		152.83		102.01
Operating Profit before working capital changes		14900.92		28591.10
Adjustments for :				
Add :				
Inventories	(41774.83)		(14709.20)	
Debtors	5925.48		(636.10)	
Short term loans and advances	(1030.93)		(453.91)	
Other Current Assets	(45.83)		201.58	
Current Liabilities	(4298.01)		6451.29	
		(41224.12)		(9146.34)
Cash generated from operations		(26323.20)		19444.76
Less : Income tax		97.39		3612.49
Cash flow before extraordinary items		(26420.59)		15832.27
Net cash from operating activities		(26420.59)		15832.27



Cash Flow Statement for the year ended 31.3.2014

	Year ended 31.3.2014 (Rs in Lakhs)	Year ended 31.3.2013 (Rs in Lakhs)
B INVESTING ACTIVITIES		
Interest Received	133.60	94.95
Dividend Received	6.22	4.47
Purchase of Fixed Assets	(26070.06)	(7498.70)
Purchase of Investments	--	(0.25)
Sale of Fixed Assets	1265.89	1548.47
Sale of Investments	--	147.30
Net cash used in investing activities	(24664.35)	(5703.76)
C FINANCING ACTIVITIES		
Increase in borrowings	59722.38	(4204.90)
Finance Costs paid	(6953.87)	(4726.30)
Dividend paid (Gross)	(1672.98)	(1329.55)
Net cash from financing activities	51095.53	(10260.75)
Net increase in cash and cash equivalents (A+B+C)	10.59	(132.24)
Opening cash balance	342.78	475.02
Closing cash balance	353.37	342.78
	10.59	(132.24)

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

P R VITTEL

Partner

M No 200/18111

ICAI Firm Regn. No: 003328S

Coimbatore

30.5.2014

S V BALASUBRAMANIAM

Chairman

B SARAVANAN

Managing Director

C PALANISWAMY

Company Secretary


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

* 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 30th Annual General Meeting of the company held on Monday the 15th September 2014 at 4.30 PM 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				

As my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the company to be held on Monday the 15th day of September 2014 at 4.30 P.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 the audited Financial Statements of the company for the financial year ended March 31, 2014 the reports of the Board of Directors and Auditors thereon		
2	Declaration of dividend on equity shares		
3	Appointment of Auditors		
4	Appointment of Sri E P Muthukumar (DIN : 00003740) as an Independent Director of the company		
5	Appointment of Dr M P Vijayakumar (DIN : 05103089) as an Independent Director of the company		
6	Appointment of Sri A K Perumalsamy (DIN : 00313769) as an Independent Director of the company		
7	Appointment of Sri T Gundan (DIN : 00624804) as an Independent Director of the company		
8	Ratification of remuneration payable to Cost Auditor of the Company		
9	Consent to the Board of Directors to borrow money in excess of paid-up capital and free reserves of the company under Section 180(1)(c) of the Companies Act 2013		
10	Consent to the Board of Directors to create Charges/ Mortgages/ Hypothecations the properties of the company under Section 180(1)(a) of the Companies Act 2013		

Signed this ____ day of _____ 2014

.....
Signature of Shareholder(s)

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

Affix
Revenue
Stamp

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

Registered Office : 1212 Trichy Road Coimbatore 641 018 Tamilnadu

E- mail : shares@bannari.com Website : www.bannari.com

CIN : L15421TZ1983PLC001358

POSTAL BALLOT FORM (in lieu of e-voting)

Name of the Sole/First named Member :

Names of the Joint Member(s) if any :

Registered Folio No/DP ID No/ Client ID No :

No of shares held :

I / We hereby exercise my / our vote(s) in respect of the following resolutions through Postal Ballot in lieu of e-voting as set out in the Notice dated July 30 2014 of the Company by conveying sending my/our assent (for) or dissent (against) the said resolutions by placing the tick mark(✓) in the appropriate box below:

Resolution Nos	Description	Type of Resolution (Ordinary/Special)	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
ORDINARY BUSINESS				
1	Adoption of the audited Financial Statements of the company for the financial year ended March 31, 2014 the reports of the Board of Directors and Auditors thereon	Ordinary		
2	Declaration of dividend on equity shares	Ordinary		
3	Appointment of Auditors	Ordinary		
SPECIAL BUSINESS				
4	Appointment of Sri E P Muthukumar (DIN : 00003740) as an Independent Director of the company	Ordinary		
5	Appointment of Dr M P Vijayakumar (DIN : 05103089) as an Independent Director of the company	Ordinary		
6	Appointment of Sri A K Perumalsamy (DIN : 00313769) as an Independent Director of the company	Ordinary		
7	Appointment of Sri T Gundan (DIN : 00624804) as an Independent Director of the company	Ordinary		
8	Ratification of remuneration payable to Cost Auditor of the Company	Ordinary		
9	Consent to the Board of Directors to Borrow money in excess of paid-up capital and free reserves of the company under Section 180(1)(c) of the Companies Act 2013	Special		
10	Consent to the Board of Directors to create Charges/ Mortgages / Hypothecations the properties of the company under Section 180(1)(a) of the Companies Act 2013	Special		

Place :

Date :

Signature of the Member(s)

- Notes : (i) If you opt to cast your vote by e-voting there is no need to fill up and send this form
(ii) Last date for receipt of Postal Ballot Form : 11th September 2014
(iii) Please read the instructions printed overleaf carefully before exercising your vote



INSTRUCTIONS

- a) Members have option to vote either through Postal Ballot Form or through e-voting. If a member has opted for Physical Postal Ballot then he/she should not vote by e-voting and vice versa. However in case shareholders cast their vote through both physical postal ballot and e-voting then vote cast through e-voting shall prevail and vote cast through Physical Postal Ballot shall be considered as invalid.
- b) Voting in the Postal ballot cannot be exercised by a proxy. However corporate and institutional members shall be entitled to vote through their authorised representatives with proof of their authorization as stated below.
- c) The Scrutinizer's decision on the validity of a Postal Ballot / e-voting shall be final and binding.
- d) A member desirous of exercising his/her vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizers M/s C Thirumurthy & Associates Practicing Company Secretaries C/o Bannari Amman Sugars Limited 1212 Trichy Road Coimbatore 641 018 Tamilnadu.
- e) This Form must be completed and signed by the Member as per specimen signature registered with the company or depository participant as the case may be. In case of joint holding this Form must be completed and signed (as per the specimen signature registered with the company) by the first named member and in his/her absence by the next named member.
- f) In respect of shares held by corporate and institutional members (companies trusts societies etc) the completed Postal Ballot Form should be accompanied by a certified copy of the relevant Board resolution / appropriate authorization with the specimen signature(s) of the authorized signatory(ies) duly attested.
- g) Voting rights shall be reckoned in proportion to the paid-up equity share registered in the name of the member as on 1st August 2014.
- h) The consent must be accorded by recording the assent in the column "FOR" or dissent in the column "AGAINST" by placing a tick mark (✓) in the appropriate column in the Postal Ballot Form. The assent or dissent received in any other form shall not be considered valid.
- i) Members are requested to fill the Postal Ballot Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
- j) Duly completed Postal Ballot Form should reach the Scrutinizers not later than the close of working hours (6:00 P M) on 11th September 2014. All Postal Ballot Forms received after this date will be strictly treated as if no reply has been received from the member.
- k) A member may request the company for a duplicate Postal Ballot Form if so required and the same duly completed should reach the scrutinizer not later than the date specified under instruction No (j) above.
- l) Members are requested not to send any other paper along with the Postal Ballot Form. They are also requested not to write anything in the Postal Ballot Form except giving their assent or dissent and putting their signature. If any such other paper is sent the same will be destroyed by the Scrutinizers.
- m) Incomplete unsigned or incorrectly ticked Postal Ballot Form will be rejected.
- n) The results would be displayed on the Company's Website www.bannari.com besides communicating to the Stock Exchanges where the company's shares are listed.



If undelivered please return to

BANNARI AMMAN SUGARS LIMITED

Regd. Off. : 1212 Trichy Road Coimbatore - 641 018 India

Phone : 0422 - 2302277 Fax : 0422 - 2309999

E-mail : basche@bannari.com Website : <http://www.bannari.com>

CIN : L15421TZ1983PLC001358






BANNARI AMMAN SUGARS LIMITED

Regd. Office : 1212, Trichy Road Coimbatore 641 018 Tamilnadu India Ph: 91-422-2302277
Fax : 91-422-2309999 E-Mail : bascbe@bannari.com CIN : L15421TZ1983PLC001358

FORM - A

Covering letter of the Annual Audit Report to be filed with the Stock Exchanges

1	Name of the Company	BANNARI AMMAN SUGARS LIMITED
2	Annual Financial Statements for the year ended	31 st March 2014
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not Applicable
	SRI B SARAVANAN Managing Director	
	SRI M RAMPRABHU Dy General Manager (Finance) (Discharging Finance Functions)	
	SRI P R VITTEL Partner P N Raghavendra Rao & Co Chartered Accountants Auditors of the Company	
	DR M P VIJAYAKUMAR Chairman - Audit Committee	