BANNARI AMMAN SUGARS LIMITED

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

SEC/MAIL/2018 24.09.2018

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

Dear Sirs,

Sub: Submission of soft copy of 34th Annual Report for the year ended 31.3.2018 – Reg.

*** *** ***

Pursuant to clause 34 (1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, we are submitting herewith the soft copy of Annual Report of the company for the year ended 31.3.2018 as approved and adopted at the 34th Annual General Meeting of the company held on 20th September, 2018.

Kindly take it on record.

Thanking you,

Yours faithfully,
For **BANNARI AMMAN SUGARS LIMITED**

(C PALANISWAMY)
COMPANY SECRETARY

Encl:



BANNARI AMMAN SUGARS LIMITED



Annual Report 2017- 2018

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
Dr Radha Ramani

Company Secretary

Sri C Palaniswamy

Chief Financial Officer

Sri M Ramprabhu

Internal Auditors

M/s B M & Associates
Chartered Accountants

M/s Nandakumar & Sundaran
Chartered Accountants

Cost Auditor

Sri M Nagarajan
Cost Accountant

Secretarial Auditors

M/s C Thirumurthy & Associates
Company Secretaries

Auditors

M/s P K Nagarajan & Co
Chartered Accountants

Bankers

Punjab National Bank
Canara Bank
The Federal Bank Limited
The Karur Vysya Bank Limited
Indian Overseas Bank
State Bank of India
Bank of India
AXIS Bank Limited
ICICI Bank Limited
HDFC Bank Limited
Central Bank of India

Registered Office

1212 Trichy Road Coimbatore - 641 018
Tel: 0422 - 2204100 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
CIN : U67120TN1998PLC041613

Notice to Shareholders

NOTICE is hereby given that the 34th Annual General Meeting of the Members of the Company will be held at JENNEYS RESIDENCY 2/2 AVINASHI ROAD CIVIL AERODROME POST COIMBATORE 641 014 on Thursday the 20th day of September 2018 at 4.30 PM to transact the following businesses :

Ordinary Business

1. **Adoption of Audited Financial Statements, Reports of the Board of Directors and Auditors thereon**

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

   RESOLVED that the audited financial statements of the company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon as circulated to the members and presented to the meeting be and are hereby adopted.

2. **Declaration of Dividend**

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

   RESOLVED that a dividend at the rate of Rs.10/- per share on 1,25,39,700 equity shares of Rs.10/- each as recommended by the Board of Directors be and is hereby declared for the year ended March 31, 2018 and that the same be paid to the members whose names appeared in the Register of Members of the company as on 20th September, 2018 and in the Register of beneficial owners maintained by the depositories as at the close of business hours on 13th September, 2018.

3. **Appointment of Director who retires by rotation**

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

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

Special Business

4. **Ratification of Remuneration payable to Cost Auditor**

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

   RESOLVED that pursuant to Section 148 and other applicable provisions if any of the Companies Act 2013 and the Rules made there under and pursuant to the recommendations of the Audit Committee of the Board the remuneration of Rs.2,00,000/- (Rupees two lakhs only) (plus applicable taxes 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 2019 be and is hereby ratified and confirmed.

5. **Approval for continuance of Sri A K Perumalsamy as Independent Director**

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

   RESOLVED that pursuant to Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions if any, approval of the members be and is hereby accorded for the continuation of Sri A K Perumalsamy (DIN:00313769) aged 78 years as Independent Director (who was appointed for a term of five consecutive years at the 30th Annual General Meeting of the company held on 15th September, 2014) for the remaining period under current tenure which expires on 14th September, 2019.

6. **Approval for continuance of Sri T Gundan as Independent Director**

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

   RESOLVED that pursuant to Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions if any, approval of the members be and is hereby accorded for the continuation of Sri T Gundan (DIN:00624804) aged 77 years as Independent Director (who was appointed for a term of five consecutive years at the 30th Annual General Meeting of the company held on 15th September, 2014) for the remaining period under current tenure which expires on 14th September, 2019.

Coimbatore
25.05.2018

By order of the Board
C PALANISWAMY
Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY MAY APPOINT A PROXY TO ATTEND AND ON A POLL VOTE INSTEAD OF HIMSELF / HERSELF. A Proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company at its Registered Office not later than forty-eight hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable. A person shall not act as proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Item Nos. 4 to 6 to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.

3. The requirement of ratification of appointment of Statutory Auditors at every Annual General Meeting is done away with vide notification dated 7th May 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Statutory Auditors who were appointed for a period of Five years at the Annual General Meeting held on 25.9.2017.

4. 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.

5. The Register of Members and Share Transfer Books of the Company will remain closed from Friday 14th September, 2018 to Thursday, the 20th September, 2018 (both days inclusive).

6. Dividend recommended by the Board of Directors, if approved by the Members at the Annual General Meeting, will be credited / dispatched between 23rd September, 2018 and 7th October, 2018 to those members whose names appear on the Register of Members as on 20th September, 2018. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership furnished by the National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as at the close of business hours on 13th September, 2018.

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. Members holding shares in physical form are requested to inform the changes in address/mandate/bank details directly to the Registrar and Share Transfer Agents. Members who have not furnished the details of bank accounts so for are requested to furnish the details to their respective DPs or to the Registrar and Transfer Agent as the case may be to enable the company to make dividend payments.

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. The Company has transferred the unpaid or unclaimed dividends upto the financial year 2009-2010 to the Investor Education and Protection Fund (the IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 25th September, 2017 (date of last Annual General Meeting) on the website of the Company (www.bannari.com) as

also on the website of the Ministry of Corporate Affairs www.iepf.gov.in.

11. As required under section 124(6) read with IEPF Rules as amended, all the shares in respect of which dividend remains unpaid / unclaimed for seven consecutive years have been transferred to IEPF Authority.

12. 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.

13. Electronic copy of the Notice convening the 34th Annual General Meeting of the Company, the Annual Report, the Attendance slip and Proxy form are being sent to the members whose e-mail addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the above documents are being sent to the members in the permitted mode. Members who have not registered their e-mail addresses so far are requested to register the same to enable the company to send all communications including Annual Report, Notices, Circular etc. in electronic mode.

14. The notice of AGM and Annual Report 2017-18 will also be available on the Company's website at the link : http:// www.bannari.com/Investor Information.html

Voting through electronic means

I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Rules made there under and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the Company is providing facility of remote e-voting to the members to exercise their right to vote electronically in respect of the business to be transacted at the 34th Annual General Meeting (AGM) of the company scheduled to be held on 20th September, 2018 at 4.30 P.M. The Company has engaged Central Depository Services (India) Limited (CDSL) to provide e-voting facility.

The instructions for remote voting through electronic means are as under:

1) **The remote e-voting will be available from 16.09.2018 (9.00 am) to 19.09.2018 (5.00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 13.09.2018, 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	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio number in the PAN field. * In case the folio number is less than 8 digits enter the applicable number of 0's (Zero) before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.	
DOB #	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date viz., 13.09.2018 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 on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

15) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

16) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

17) If 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 Custodian

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
- After receiving the login details they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

19) In case of members receiving the physical copy, please follow all steps from sl. no. (1) to (18) above to cast vote.

20) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

21) M/s C Thirumurthy & Associates, Company Secretaries, have been appointed as the Scrutinizer to Scrutinize the e-voting process in a fair and transparent manner.

22) The Scrutinizer shall immediately after the conclusion of AGM unblock the votes casted through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report forthwith to the Chairman of the Company.

23) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.banari.com and on the website of CDSL www.cdslindia.com immediately after the result is declared by the company and communicated to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited.

SEBI has decided to amend Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, which deals with transfer, transmission and transposition of securities. According to this amendment, any requests for effecting the **transfer of listed securities shall not be processed unless the securities are held in dematerialised form** with the Depository with effect from the date to be notified by SEBI. Therefore, the members are advised to dematerialise the shares held by them in physical form.

ANNEXURE TO NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4

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, 2019 and fixed his remuneration at Rs.2,00,000/- plus applicable taxes and 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 by passing an ordinary resolution as set out at Item No.4 of the notice.

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

Item Nos. 5 & 6

SEBI vide its notification dated 9th May, 2018 has amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Under Regulation 17(1A) of the amended regulations, no listed company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 years unless a special resolution to that effect, has been passed. The said amendment shall come in to force with effect from 1.4.2019.

Sri A K Perumalsamy and Sri T Gundan were appointed as Independent Directors (non-executive) for a term of 5 consecutive years at the 30th Annual General Meeting of the company held on 15th September, 2014. Their current tenure expires on 14th September 2019.

Sri A K Perumalsamy who at present aged 78 years is a prominent agriculturist and has rich knowledge in sugarcane planting. His suggestions and views are very much essential to the company for handling grievances of sugarcane growers who are supplying sugarcane to the factories.

Sri T Gundan who at present aged 77 years is familiar in plantation activities and he has rich knowledge and experience in the management of plantation companies. He is very conversant with the company's business. His views and guidance are very useful for the company.

Based on the recommendations of Nomination and Remuneration Committee of Directors and considering the services rendered by Sri A K Perumalsamy and Sri T Gundan, the Board of Directors of your company has recommended the special resolutions as set out in item Nos.5 & 6 for the approval of shareholders.

Except the above Directors, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed special resolutions.

By order of the Board
C PALANISWAMY
Company Secretary

Coimbatore
25.05.2018

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

Sri B SARAVANAN

Sri B Saravanan (DIN 00002927) aged 45 years is the Managing Director of the company. He is in-charge of the entire operations of the company. He has more than 18 years experience in sugar industry.

He is also the Managing Director of Shiva Distilleries Private Ltd and Director of Kerala Alcoholic Products Private Ltd and SVB Holdings Private Ltd.

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

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

Report of the Board of Directors

Dear members

Your Directors have pleasure in presenting the 34th Annual Report of the company together with audited financial statements for the year ended 31st March 2018

(Rs in lakhs)

Financial Results	Financial Year	
	2017-18	2016-17
Profit for the year before depreciation	18198.47	25630.74
Less: Depreciation	6960.50	6945.21
Profit Before Tax	11237.97	18685.53
Less: Provisions: Current Tax	2399.20	4005.24
MAT Credit Entitlement	(2399.20)	(4005.24)
Deferred Tax	2510.59	4168.98
Profit After Tax	8727.38	14516.55
Add : Surplus brought forward from previous year	4564.24	3080.33
Amount available for appropriation	**13291.62**	**17596.88**
Appropriations		
Dividend paid on equity shares (for the respective previous financial year as per Ind AS)	1567.46	857.98
Tax on Dividend paid (for the respective previous financial year as per Ind AS)	319.10	174.66
Transfer to General Reserve	7500.00	12000.00
Surplus carried over to Balance Sheet	3905.06	4564.24
TOTAL	**13291.62**	**17596.88**

Dividend

Your Directors are glad to recommend dividend @ Rs.10/- per share for the financial year ended March, 2018 Payment is subject to the approval of the shareholders at the ensuing Annual General Meeting

Review of Operations

Sugar

During the year under review, the aggregate cane crush was 23.72 lakh tonnes as against the estimate of 21 lakh tonnes The overall recovery was at 9.24%. Consequent to low cane crush sugar production was lower at 22.36 lakh quintals compared to 26.31 lakh quintals in the previous year. The imported Raw Sugar of 0.05 lakh tonnes was processed during the year. Lower cane crush and low recovery was mainly due to continuous drought and low yield

Power

The Co-generation plants had generated 295.88 million units of power and exported 195.13 million units of power to grids compared to the generation of 376.51 million units and export of 255.83 million units in the previous year. Lower generation was mainly due to lower bagasse availability

Distillery

During the year, the distilleries had produced 18.64 million B.Ltrs compared to the production of 30.74 million B.Ltrs in the previous year

Granite Division

In the Granite Processing Unit 163857 square metres of Granite Slabs and 30711 square metres of Tiles were produced compared to production of 178667 square metres of Granite Slabs and 16180 square metres of Tiles in the previous year

Wind Mill

Wind Mills had generated 15.38 million units of power and exported 13.41 million units to grid compared to the generation of 15.13 million units and export of 13.13 million units in the previous year

Prospects for the Current year 2018 – 2019

In the current financial year, it is estimated to crush 36 lakh tonnes of sugarcane in aggregate. Performance of co-generation plant will be based on bagasse availability in the sugar mills. It is estimated to produce 24.67 million B.Litres of alcohol in the Distillery Units. Improved working results are expected in the Distillery and Granite Division

In the current sugar season (October 2017 – September 2018), India's sugar production is expected to exceed 32 million tones against the domestic demand of about 25 million tones which may have adverse impact on sugar prices

Directors and Key Managerial Personnel

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

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

Pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and coming into force with effect from 1.4.2019, necessary Special Resolutions have been placed before the members for continuance of Sri A K Perumalsamy and Sri T Gundan who were attained age of 75 years as independent Directors of the Company

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

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

Particulars of Loans, Guarantees or Investments

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

Conservation of Energy Technology Absorption Foreign Exchange Earnings and Outgo

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

Particulars of Employees

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

Meetings of the Board

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

Committees and Policies

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

Corporate Governance and Management Discussion and Analysis Report

A separate section on Corporate Governance, Management Discussion and Analysis Report and a certificate from the Auditors of the company regarding compliance of conditions of Corporate Governance as required under the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed as Annexure – III

Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014 the company has

formulated a policy on Corporate Social Responsibility. Your Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended 31st March, 2018, in accordance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as Annexure IV to this report

Risk Management / Risk Management policy

As per Regulation 21 of the SEBI (LODR) Regulations, 2015, constitution of Risk Management Committee is not mandatory for the company. However the company has constituted Risk Management Committee and formulated a Risk Management Policy including risk assessment and minimization procedures The Risk Management Committee has been assigned with the functions of monitoring and reviewing the risk management plans of the company. In the opinion of the Board no element of risk that may threaten the existence of the company has been identified

Vigil Mechanism/Whistle Blower Policy

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

Dividend Distribution Policy

The company has formulated and adopted Dividend Distribution Policy which is posted in the company's website at the link http://www.bannari.com/InvestorInformation.html

Related Party Transactions

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

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

Board Evaluation

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

The criteria applied in the evaluation process are detailed in the Corporate Governance Report which forms part of this report. The Board has carried out an annual evaluation of its own performance, the performance of the committees, board, independent Directors and individual Directors

Material changes and commitments

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2017–18 and the date of this report

Directors' Responsibility Statement

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

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

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

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

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

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

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

Business Responsibility Report (BRR)

The Company is not in Top 500 companies based on market capitalisation as on March 31, 2018. Hence it is not required to attach Business Responsibility Report (BRR) with Annual Report

Extract of Annual Return

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

Auditors / Auditors' Report

M/s P K Nagarajan & Co., Chartered Accountants Coimbatore was appointed as the Statutory Auditors of the company at the 33rd Annual General Meeting of the Company for a period of five years and they shall hold office till the conclusion of 38th Annual General Meeting. In accordance with the amended provisions of Section 139, ratification at every subsequent Annual General Meeting is not required

The Auditors' Report given by M/s P K Nagarajan & Co., on the financial statements of the company for the financial year 2017-18 does not contain any qualification, reservation or adverse remark

Secretarial Auditors and Secretarial Audit Report

M/s C Thirumurthy & Associates, Company Secretaries, Coimbatore has been appointed as Secretarial Auditor to conduct secretarial audit for the financial year 2017-2018. The Report of Secretarial Auditors is annexed to this report as Annexure VI. The Report does not contain any qualification, reservation or adverse remark

Internal Control Systems and their Adequacy

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

Cost Audit

Sri M Nagarajan, Cost Accountant, Coimbatore was appointed as Cost Auditor to conduct audit of cost accounting records for the financial year 2017-18

Industrial Relations

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

General

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

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

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

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

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

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

Acknowledgement

Your Directors acknowledge with gratitude the timely support extended by the Government of India, Governments of Tamilnadu and Karnataka and other authorities, banks and other business associates. 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

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

Coimbatore
25.5.2018

ANNEXURE - I

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

A) Conservation of energy :

i) The steps taken or impact on conservation of energy

- ❖ SV lamps/CFL bulbs have been replaced with LED lamps for lighting purposes in the sugar factories
- ❖ VFD drives have been installed in the Sugar Refinery plant at Sugar Unit II
- ❖ Bio-Gas generated in the Anaerobic digester of the Effluent Treatment Plant (ETP) has been taken for dormitory and canteen and utilized for cooking purpose in Sugar Unit-III

ii) The steps taken by the company for utilizing alternate sources of energy;

- ❖ Installed Bio-Gas engine in Effluent Treatment Plant (ETP) at Sugar Unit II to utilize the bio-gas generated in the ETP for the operation of ETP
- ❖ The outlet bio-gas from the anaerobic digester has been collected and utilized to run the bio-gas generator engine at Sugar Unit IV

iii) The capital investment on energy conservation equipments : Nil

B) Technology absorption-

i) The efforts made towards technology absorption : Nil

ii) The benefits derived like product improvement, cost reduction, product development or import substitution : Nil

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

The company has not imported any technology during the last three years

iv) The expenditure incurred on Research and Development : Rs. 92.52 Lakhs

C) Foreign exchange earnings and outgo :

- ❖ The Foreign Exchange earned in terms of actual inflows during the year : Rs. 5236.74 lakhs
- ❖ The Foreign Exchange outgo during the year in terms of actual outflows : Rs. 2541.41 lakhs

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

Coimbatore
25.5.2018

ANNEXURE - II

THE INFORMATION REQUIRED PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013, READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

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

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

Name of the Director	Designation	Ratio
Sri S V Balasubramaniam	Chairman - Executive	219.82
Sri B Saravanan	Managing Director	146.53

The median remuneration of employees of the company during the financial year 2017-18 was Rs.2,97,161/-.

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

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year

Name	Designation	% increase in remuneration
Sri S V Balasubramaniam	Chairman - Executive	1.13
Sri B Saravanan	Managing Director	0.53
Sri C Palaniswamy	Company Secretary	11.21
Sri M Ramprabhu	Chief Financial Officer	10.12

Pursuant to the resolutions passed by the members at the 31st Annual General Meeting held on 23rd September, 2015 and pursuant to the recommendations of the Nomination and Remuneration Committee of Directors, the Board of Directors at its meeting held on 14th February, 2018, has increased the monthly salary of Sri S V Balasubramaniam, Chairman from Rs.3,00,000/- per month to Rs.6,00,000/- per month and Sri B Saravanan, Managing Director from Rs.2,00,000/- per month to Rs.5,00,000/- per month with effect from 1.3.2018. The other terms of remunerations remain unchanged

3. Percentage increase in the median remuneration of employees in the financial year : 8.59 %.
4. Number of permanent employees on the rolls of company : 1893 .
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration :

   The average percentile increase in salaries of employees other than managerial personnel was 8%. Since the managerial persons are being paid commission linked to company's profitability in terms of the resolutions passed by the shareholders of the company under the provisions of the Companies Act, 2013, it cannot be compared with the percentile increase in salaries of other employees.

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

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

(B) Information as per Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) and 5 (3) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Name / (Age)	Designation of the Employee / Duties	Remuneration (Rs.)	Qualification / Experience (Years)	Date of Commencement of Employment	Previous Employment
Balasubramaniam S V (78)	Chairman	6,53,22,332	B.Com., ACA ACS (32)	9.10.1985	Vice Chairman Sakthi Sugars Limited
Saravanan B (45)	Managing Director	4,35,43,078	B.Com. (17)	5.7.2000	Joint Managing Director Shiva Distilleries (P) Ltd
Palaniswamy C (55)	Company Secretary	28,89,601	M.Com., BL ACS (32)	22.11.1985	–
Rameshkumar M (48)	Chief Executive	28,03,036	MBA (24)	30.6.1993	--
Palanisamy A R (44)	Executive President	26,50,237	B.E., BOE AVSI (23)	7.10.1994	–
Venkateshmurthy S (55)	President - Karnataka Operations	23,28,400	B.A., PGDMM (4)	7.10.2013	Parrys Sugar Industries Ltd
Lingeswaran T (57)	President - Distillery Unit	18,19,857	B.Sc., (Chem.) (33)	14.2.1985	–
Ramprabhu M (36)	Chief Financial Officer	17,11,739	B.Com., FCA (8)	31.7.2009	–
Saravanan G (50)	Senior Vice President	15,24,990	B.Sc., (Agri.) (26)	11.11.1991	–
Sugumar V (54)	Asst. Vice President - Purchase	14,81,600	B.Sc., (29)	3.3.1989	–
Velusamy M (42)	Vice President	13,84,074	B.E., BOE (19)	7.12.1998	–
Kandasamy R (43)	Joint Vice President	12,23,345	B.E., BOE (22)	2.11.1995	--

Notes:
1. The nature of employment of Sri S V Balasubramaniam Chairman and Sri B Saravanan Managing Director is contractual. They are related to each other. Other employees are not related to any Director of the Company.
2. The employment of all others are non-contractual and terminable by notice on either side.
3. None of the employees are covered under Rule 5(2) (ii) and 5(2)(iii) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

Place : Coimbatore
Date : 25.05.2018

ANNEXURE - III

CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to achieve high standards of corporate governance

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

BOARD OF DIRECTORS

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

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

Category and Name of the Directors	Number of Directorships held in other Public Companies	Number of Board Committee Memberships held in other public companies		Number of Board Meetings held	Number of Board Meetings Attended	Last AGM Attended
		Chairman	Member			
Promotors and Executive Directors						
Sri S V Balasubramaniam (DIN : 00002405)	-	-		5	5	Yes
Sri B Saravanan (DIN : 00002927)	-	-		5	5	Yes
Sri S V Balasubramaniam and Sri B Saravanan are related to each other as Father and Son.						
Non-Executive Independent Directors						
Sri A K Perumalsamy (DIN : 00313769)	-	-		5	5	Yes
Sri E P Muthukumar (DIN : 00003740)	-	-		5	5	Yes
Sri T Gundan (DIN : 00624804)	-	-		5	5	Yes
Dr M P Vijayakumar (DIN : 05103089)	1	-		5	5	Yes
Dr Radha Ramani (DIN : 07083381)	-	-		5	5	Yes

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

Date of Board Meeting	Board Strength	No of Directors present
29.05.2017	7	7
10.08.2017	7	7
25.09.2017	7	7
13.11.2017	7	7
14.02.2018	7	7

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

PERFORMANCE EVALUATION OF DIRECTORS

The Nomination and Remuneration Committee has formulated the methodology and criteria to evaluate the performance of the Board and each Director. The evaluation of the performance of the Board, its committees and independent Directors are evaluated through a questionnaire circulated to all directors and based upon the response to the questionnaire, the directors do a self evaluation of their performance. Accordingly Board reviewed the performance of each of the directors and expressed their satisfaction.

The performance evaluation of the Chairman and the Managing Director was carried out separately by the Independent Directors. The Independent Directors expressed their satisfaction on the performance of the Chairman and the Managing Director.

MEETING OF INDEPENDENT DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Clause 25 (3) of the Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations 2015, a meeting of Independent Directors was held on 14.2.2018 to review the performance of the Board, Chairman and the Managing Director and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

FAMILIARISATION PROGRAMME FOR DIRECTORS

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

CODE OF CONDUCT

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

WHISTLE BLOWER POLICY/VIGIL MECHANISM

The company has established a whistle blower policy/vigil mechanism for Directors and Employees to report concerns about unethical behavior, actual or suspected incidents of fraud or violation of the code of conduct or ethics policy. This mechanism provides adequate safeguards against victimization of directors/employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. The Company affirms that no persons has been denied access to the audit committee. The whistle blower policy is posted on the company's website at the link http://www.bannari.com/InvestorInformation.html.

RELATED PARTY TRANSACTIONS

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

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

INSIDER TRADING

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

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

The Audit Committee consists of Dr M P Vijayakumar, Sri T Gundan and Sri E P Muthukumar. Dr M P Vijayakumar is the Chairman of the Audit Committee. During the financial year ended March 31, 2018, the Committee met 4 times at 1212, Trichy Road Coimbatore 641 018 on 29.05.2017, 10.08.2017, 13.11.2017 and 14.02.2018. Particulars of meetings attended by the members of the Audit Committee are given below:

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

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

a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

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

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

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

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

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

iii) Major accounting entries involving estimates based on the exercise of judgment by management

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

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

vi) Disclosure of any related party transactions

vii) Qualifications in the draft audit report

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

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

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

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

i) Scrutiny of inter-corporate loans and investments;

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

k) Evaluation of internal financial controls and risk management systems;

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

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

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

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

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

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

r) To review the functioning of the Whistle Blower mechanism;

s) Approval of appointment of CFO after assessing the qualifications, experience and background, etc., of the candidate;

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

NOMINATION AND REMUNERATION COMMITTEE

The Committee consists of Dr M P Vijayakumar, Sri T Gundan and Sri E P Muthukumar. Dr M P Vijayakumar is the Chairman of the Nomination and Remuneration Committee. During the financial year ended March 31, 2018, the Committee met 1 time at 1212 Trichy Road Coimbatore 641018 on 14.02.2018. Particulars of meeting attended by the members of the Nomination and Remuneration Committee are given below:

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

The terms of reference to the Nomination and Remuneration Committee inter alia include the followings:

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

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

c) Devising a policy on Board diversity;

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

e) Whether to extend or continue the terms of appointment of the Independent Directors, on basis of the report of performance evaluation of Independent Directors.

REMUNERATION POLICY

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

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

The Non-Executive Directors are paid sitting fees of Rs.5000/- for each meeting of the Board or Committee thereof. The company shall also reimburse the out of pocket expenses incurred by the Directors for attending the meetings.

The remuneration paid to the Chairman, Managing Director and other Key Managerial Personnel are disclosed in Page Nos. 43 & 44 The company does not have any Employees Stock Option Scheme.

STAKEHOLDERS' COMMITTEE

The Shareholders' Committee was formed to specifically look into the shareholders'/investors' complaints if any on transfer of shares non receipt of Balance Sheet non receipt of declared dividend etc and this stakeholder' committee consists of Sri T Gundan, Sri S V Balasubramaniam, Dr M P Vijayakumar and Sri A K Perumalsamy. Sri T Gundan is the Chairman of the Stakeholders' Committee. During the financial year ended March 31, 2018, the Committee met 4 times at 1212 Trichy Road, Coimbatore 641018 on 29.05.2017, 10.08.2017, 13.11.2017 and 14.02.2018. Particulars of meetings attended by the members of the Stakeholders' Committee are given below :

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

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

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

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

Sri C Palaniswamy Company Secretary is the compliance officer

During the financial year 2017-18 the company has not received any complaint from the shareholders relating to transfer of shares, non-receipt of Annual Report, declared dividend etc. No pending complaint as on March 31, 2018.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee consists of Dr M P Vijayakumar, Sri S V Balasubramaniam, Sri T Gundan and Dr Radha Ramani. Dr M P Vijayakumar is the Chairman of the Corporate Social Responsibility Committee. During the financial year ended March 31, 2018, the Committee met 1 time at 1212 Trichy Road Coimbatore 641018 on 10.08.2017. Particulars of meeting attended by the members of the Corporate Social Responsibility Committee are given below :

Name of the Member	Category	No of Meeting	
		Held	Attended
Dr M P Vijayakumar	Non-Executive - Independent	1	1
Sri S V Balasubramaniam	Executive	1	1
Sri T Gundan	Non-Executive - Independent	1	1
Dr Radha Ramani	Non-Executive - Independent	1	1

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

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

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

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

d) To approve the Annual Report on CSR activities

RISK MANAGEMENT COMMITTEE

It is not mandatory for the company to constitute Risk Management Committee. However the company constituted the Risk Management Committee which consists of Dr M P Vijayakumar, Sri S V Balasubramaniam, Sri B Saravanan and Sri T Gundan. Dr M P Vijayakumar is the Chairman of the Risk Management Committee. The committee will meet as and when need arises.

The terms of reference to the Risk Management Committee inter alia include the followings :

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

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

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

GENERAL BODY MEETING

Location and time where last three Annual General Meetings were held :

AGM	Date	Venue	Time	Special Resolution Passed
31st	23.09.2015	Jenneys Residency 2/2 Avinashi Road Civil Aerodrome Post Coimbatore 641 014	3.45 PM	Passed Special Resolutions for the re-appointment of Chairman of the company and for adoption of new set of articles of association of the company.
32nd	29.12.2016	-do-	11.15 AM	No special resolution was passed
33rd	25.09.2017	-do-	4.30 PM	No special resolution was passed

No special resolution was passed through postal ballet during the last year.

DETAILS OF SHAREHOLDING OF NON-EXECUTIVE DIRECTORS AS ON 31.3.2018

NAME OF THE DIRECTOR	NO. OF SHARES HELD
Sri E P Muthukumar	1000
Sri A K Perumalsamy	900
Sri T Gundan	NIL
Dr M P Vijayakumar	NIL
Dr Radha Ramani	NIL

DISCLOSURES

- None of the transactions with related parties during the year 2017-2018 were in conflict with the interest of the company. The Policy on Related Party Transactions is available on the web link http://www.bannari.com/Investor Information.html
- There was no instance of non-compliance of any matter related to the capital markets during the last 3 years.
- In the preparation of the financial statements, the company has followed the Indian Accounting Standards (Ind AS). The significant accounting policies which are consistently applied are set out in the notes to the financial statements.
- The Company has complied with corporate Governance requirements specified in regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulations, 2015
- The Company has complied with all mandatory requirements of SEBI (LODR). Regulations, 2015 Adoption of non-mandatory requirements is being reviewed by Board from time-to-time.

MEANS OF COMMUNICATION

- The quarterly/half-yearly/annual financial results of the Company are announced within the stipulated period and are normally published in Business Standard (English) and Makkal Kural (Tamil). The financial results are also accessible on the Company's website at the link http://www.bannari.com/Investor Information.html

SHAREHOLDERS' INFORMATION

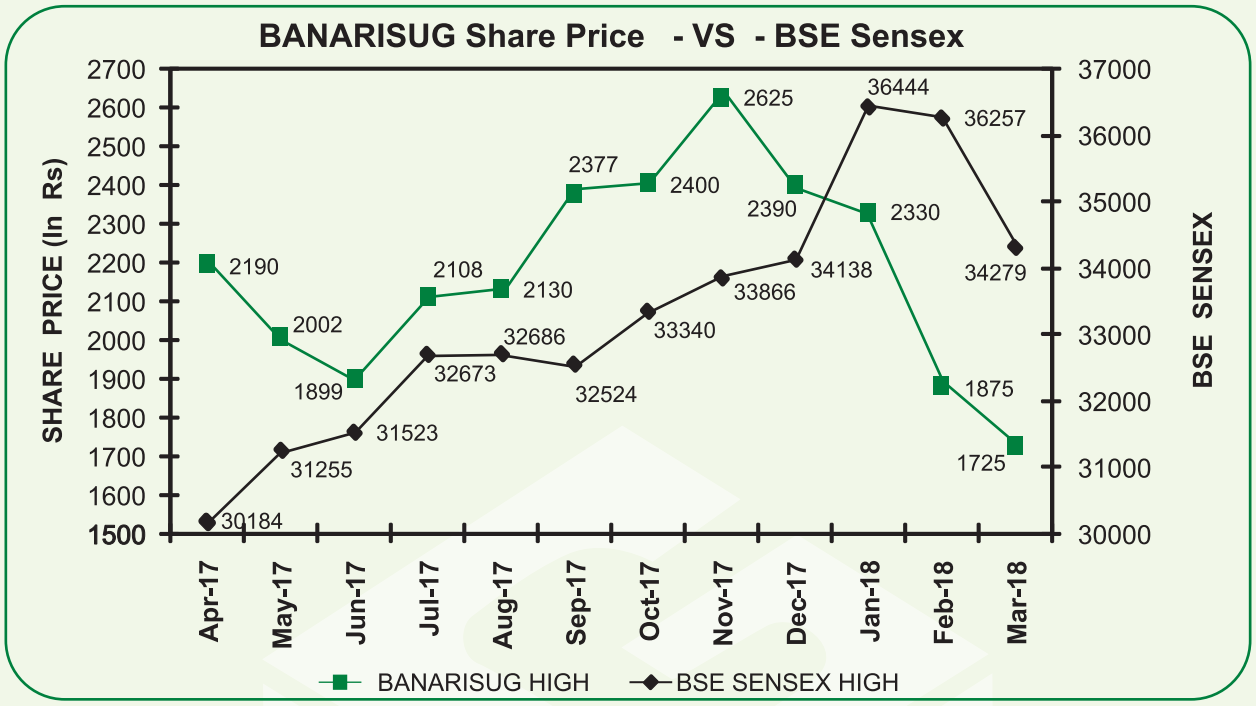
Annual General Meeting

Day and Date	Thursday, 20th day of September 2018
Time	4.30 pm
Venue	Jenneys Residency, 2/2 Avinashi Road, Civil Aerodrome Post, Coimbatore 641 014
Financial Year	2017-2018
Date of Book Closure for the purpose of Dividend and AGM	14.09.2018 to 20.09.2018 (both days inclusive)
Dividend	Rs.10/- per equity share (proposed)
Dividend payment date	On or before 7th October, 2018
The Company's Equity Shares are listed on the following Stock Exchanges	Stock Code / ISIN
BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001	500041 / INE459A01010
National Stock Exchange of India Limited "Exchange Plaza" Bandra - Kurla Complex, Bandra (E) Mumbai - 400 051	BANARISUG / INE459A01010
The company has paid annual listing fees for the year 2018-2019 to the above stock exchanges	
Announcement of Quarterly Results for the financial year 2018-2019	Within the time specified in SEBI (LODR) Regulations 2015

Share Price Movement

The high and low quotations of the company's shares on the National Stock Exchange and Bombay Stock Exchange together with Sensex from April 2017 to March 2018 were given below:

Month	NSE			BSE		
	High (In Rs)	Low (In Rs)	No. of Shares	High (In Rs)	Low (In Rs)	No. of Shares
APRIL-2017	2109.90	1981.35	23844	2190.00	1956.15	4843
MAY-2017	1979.00	1841.25	12116	2002.25	1816.05	7920
JUNE-2017	1859.45	1731.20	21285	1899.15	1721.00	1918
JULY-2017	2102.15	1776.40	26492	2108.00	1758.05	7826
AUGUST-2017	2084.80	1877.00	19286	2130.00	1846.00	2391
SEPTEMBER-2017	2308.00	1937.75	57260	2377.10	1920.00	8966
OCTOBER-2017	2357.10	2252.25	16525	2400.05	2236.35	1872
NOVEMBER-2017	2573.60	2307.50	20180	2625.00	2290.00	5396
DECEMBER-2017	2321.45	2145.60	5397	2390.00	2119.15	980
JANUARY-2018	2305.45	1829.15	21323	2330.00	1830.05	5435
FEBRUARY-2018	1840.15	1702.35	9148	1875.00	1700.00	3795
MARCH-2018	1723.20	1597.80	20202	1725.00	1585.00	67523
TOTAL			**253058**			**118865**



Based on the closing quotation of Rs.1,725/- as at 28.3.2018 at the Bombay Stock Exchange the market capitalization of the company was Rs.2,163.10 Crores.

Outstanding GDRs/ADRs/Warrants or any convertible instruments

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

Commodity Price Risk and Commodity Trading Activities

The Price of the products of the company are market driven and is fixed based on the prevailing market price. In respect of Foreign Exchange Commitments no hedging has been made except natural hedging.

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 97% shares of the company have been dematerialized. ISIN allotted to our company is INE459A01010

Investor Contacts

Registrar and transfer Agent

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

Company

Bannari Amman Sugars Limited
1212 Trichy Road
Coimbatore - 641 018 India
Phone : 0422-2204100
Fax : 0422-2309999
Email : shares@bannari.com
secretary@bannari.com

Share Transfer System

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

Distribution of Shareholding as on 31.3.2018

Sl No	Shareholding	No of shareholders	% of shareholders	No of shares	% of share holding
1	1 - 100	4773	73.071	179998	1.44
2	101 - 500	1316	20.147	304817	2.43
3	501 - 1000	216	3.307	174955	1.40
4	1001 - 2000	81	1.240	115866	0.92
5	2001 - 3000	32	0.490	77450	0.62
6	3001 - 4000	15	0.230	52451	0.42
7	4001 - 5000	14	0.214	64188	0.51
8	5001 - 10000	20	0.306	136427	1.08
9	10001 - and above	65	0.995	11433548	91.18
	Total	**6532**	**100**	**12539700**	**100**

Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund

During the year under review, the company has credited Rs.8,19,310/- to the Investor Education and Protection Fund (IEPF) being dividend unclaimed pertaining to the financial year 2009-2010.

In accordance with the provisions of Companies Act, 2013, the company has transferred 31,616 equity shares of Rs.10/- each, to the credit of IEPF Authority, in respect of which dividend has been unclaimed by the shareholder for seven consecutive years or more as on the cut-off date ie., 31.10.2017.

The company has uploaded on its website the details of unpaid and unclaimed amounts as on the last Annual General Meeting and details of shares transferred to IEPF on account of unclaimed dividend during the financial year 2017-2018.

The voting rights on the shares transferred to IEPF authority shall remain frozen till the rightful owner claims the shares.

Unclaimed Suspense Account

In compliance with requirements under SEBI (LODR) Regulation 2015 the Company has opened the Unclaimed Suspense Account and transferred the shares remained unclaimed even after three reminders to the shareholders. The voting rights in respect of such shares shall remain frozen. The details as required under this regulations are as follows :

Aggregate number of shareholders at the beginning of the year	-	25
Outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	-	3566
Number of shareholders / shares claimed	-	Nil
Number of shareholders transferred to IEPF	-	11
Number of shares transferred to IEPF	-	866
Aggregate number of shareholders at the end of the year	-	14
Outstanding shares lying in the Unclaimed Suspense Account at the end of the year	-	2700

Shareholding Pattern as on 31.3.2018

Sl No	Category	No of Shares	%
1	Promoters	7360276	58.70
2	UTI & Mutual Funds	3298	0.03
3	Banks, Financial Institutions & Insurance Companies	669	0.01
4	Foreign Institutional Investors	20862	0.17
5	Private Corporate Bodies	1692026	13.49
6	Indian Public	3259539	25.99
7	IEPF	31616	0.25
8	NRI/OCB's	168276	1.34
9	Clearing Members	438	0.00
10	Escrow Account	2700	0.02
	TOTAL	**1 25 39 700**	**100**

Plant Locations :

Unit I
Sugar Co-Generation & Granite Processing

Alathukombai Village Sathyamangalam Taluk Erode District Tamilnadu

Unit II
Sugar & Co-Generation

Alaganchi Village Nanjangud Taluk Mysore District Karnataka

Unit III
Sugar & Co-Generation

Kunthur Village Kollegal Taluk Chamarajanagar District Karnataka

Unit IV
Sugar & Co-Generation

Kolundampattu Village Thandarampattu Taluk Thiruvannamalai District Tamilnadu

Unit V
Sugar & Co-Generation

Vengur Village Thirukovilur Taluk Villupuram District Tamilnadu

Distillery

Sinnapuliyur Village Bhavani Taluk Erode District Tamilnadu
Alaganchi Village Nanjangud Taluk Mysore District Karnataka

Bio-Compost

Modur Village Erode District Tamilnadu
Alaganchi Village Mysore District Karnataka

Wind Mills

Radhapuram Irukkandurai and Karunkulam Villages Radhapuram Taluk Tirunelveli District Tamilnadu

Address for Correspondence

Bannari Amman Sugars Limited
1212 Trichy Road
Coimbatore 641 018
Phone : 0422-2204100 Fax : 0422-2309999
Email : shares@bannari.com /secretary@bannari.com

Management Discussion & Analysis

Overview of Sugar Industry

Global sugar production is expected to reach 187.60 million tonnes in 2017-18 sugar year against the consumption level of about 171 million tonnes. This is due to increase in output from European Union, India, Pakistan, Thailand, China and other major producers. Brazil the largest sugar producer is likely to witness a down ward trend in sugar production in the next season primarily because mills have diverted cane to ethanol production in the country. Global sugar market is likely to have surplus sugar in current as well as in coming sugar season.

Sufficient domestic supplies in traditional importing countries are expected to lead a contradiction in global import demand relative to the last marketing year. With only 30% of the produce traded internationally and significant share of which under bilateral terms, global sugar prices are highly sensitive to small change in production. The surplus supply will have an impact on sugar prices in the international markets.

Indian Sugar Industry

Indian Sugar Industry is excepted to produce the highest ever sugar production of over 320 lakh tonnes in the current 2017-18 sugar season. With the good monsoon and better availability of water in Uttar Pradesh, Maharashtra and Karnataka, sugar production will continue to be higher in the next sugar season also. The unprecedented high sugar production in 2017-18 sugar season has exerted a pressure on sugar price, which has already come down by Rs.9 to Rs.10 per kilo between October 2017 and now.

While rest of India experiencing higher sugarcane production, Tamilnadu had been experiencing drought for almost four years leading to low availability of cane and affecting sugar recorvery. Capacity utilisation of the sugar mills in Taminadu is just about 25%.

Cane price arrears crossed all past record levels and had reached an alarmingly high outstanding level of over Rs.23000 crores. Anticipating higher sugar production, the Government of India came out with a host of policy measures to improve the viability of sugar industry and the measures taken are as follows:

i) introduced a stockholding limit for 2 months;

ii) increased the duty on sugar import from 40% to 50% in July'17 and further to 100% in Feb'18;

iii) dropped export duty on sugar from 20% to Zero in March, 2018;

iv) introduced 2 Million Metric Tonnes of exports under Minimum Indicative Export Quota (MIEQ) Scheme and

v) Allowed export of white sugar until September, 2018 under the Duty Free Import Authorisation (DEIA) Scheme under which exporters are allowed to import at Zero duty within three years.

The Indian sugar industry is struggling to recover their costs mainly due to surplus sugar production, which in turn, leads to surplus sugar stock and massively depressed sugar prices. Previously, the infamous sugar production cycle of 3 years of surplus sugar and 2 years of deficit sugar was almost a self-correcting mechanism for surplus sugarcane and sugar production within the country. However, with such a huge increase in the sugarcane price in India, mainly because of the massive increase in the FRP in the recent years, sugarcane production has continuously been so high that we have had continuous surplus sugar availability since 2010-11 i.e., for the last 8 years continuously, except for last year, which was an aberration, due to drought in South India.

Fair and Remunerative Price of Sugarcane in the Counrty

Sugar Season	FRP	Minimum Recovery %	Premium for every 0.1% increase
2010-11	139.12	9.50	1.46
2011-12	145.00	9.50	1.53
2012-13	170.00	9.50	1.79
2013-14	210.00	9.50	2.21
2014-15	220.00	9.50	2.32
2015-16	230.00	9.50	2.42
2016-17	230.00	9.50	2.42
2017-18	255.00	9.50	2.68

Domestic Sugar Statistics

(in lakh tons)

Particulars	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Estimate
Opening Stock as on 1st Oct.	92.98	74.74	90.80	77.52	38.76
Production during the Season	243.96	283.10	251.25	202.85	322.00
Imports	0.98	0.00	0.00	4.46	1.84
Total Availability	337.92	357.84	342.05	284.83	362.60
Off-take					
i) Internal Consumption	241.91	256.10	247.97	245.61	255.00
ii) Exports	21.27	10.94	16.56	0.46	5.00
Total off-take	263.18	267.04	264.53	246.07	260.00
Closing Stock as on 30th Sep	74.74	90.80	77.52	38.76	102.60

Source : Indian Sugar Mills Association (ISMA)

3. Performance of the company

Particulars	Year Ended 31.3.2018	Year Ended 31.3.2017
Sugar		
Installed Capacity (TCD)	**23700**	23700
Sugarcane Crushed (Lakh Tonnes)	**23.72**	28.59
Recovery %	**9.24**	9.11
Raw Sugar processed (Metric Tonnes)	**0.05**	–
Sugar bagged (Lakh Quintals)	**22.36**	26.31
Power		
Installed Capacity		
Co-gen Power (MW)	**129.80**	129.80
Wind Mills (MW)	**8.75**	8.75
Units Generated (Million Units)	**311.26**	391.64
Distillery		
Installed Capacity (KLPD)	**127.50**	127.50
Alcohol Produced (Million B. Ltrs)	**18.64**	30.74
Granite Products		
Polished slabs produced (Sq mtrs)	**163857**	178667
Polished tiles produced (Sq mtrs)	**30711**	16180

Financial Performance of the Company (Rs. in Lakhs)

Particulars	Year Ended 31.3.2018	Year Ended 31.3.2017
Revenue from operations		
Sugar	**122573.25**	141418.06
Power	**8690.00**	11839.96
Distillery	**9088.03**	13275.93
Granite Products	**7723.81**	8644.75
Total Expenses (Excluding interest)		
Sugar	**114905.54**	126887.71
Power	**3401.85**	2798.74
Distillery	**7255.56**	9902.82
Granite Products	**7891.73**	7197.13
Profit Before Interest and Tax (PBIT)		
Sugar	**7667.71**	14530.35
Power	**5288.15**	9041.22
Distillery	**1832.47**	3373.11
Granite Products	**(167.92)**	1447.62
Profit After Tax (PAT)	**8727.38**	14516.55
Earnings per Share (Basic and Diluted) Rs.	**69.60**	125.56

4. Opportunities and Threats in sugar Industry

Opportunities

Adequate sugar cane availability would ensure availability of bagasse and there by generation of power at economical cost. Increase in ethanal offtake is inevitable which would open new increased revenue.

Threats

Sugarcane availability is critically dependent upon nature.

Sugar follows 3-5 years cycle. There is always a risk of bearish phase following excess supply. Sugar business is intrinsically cyclical. Market sentiments move disproportionate to demand-supply parity causing volatile change in product pricing.

Power price is subject to State Government's decision and fluctuating open market prices. Ethanal offtake and movement are yet to be regularized, pending over a long period of time.

5. Risks & Mitigations

Industry Risk

Sugar industry being agro based and vulnerable to commodity cycles is fraught with several risks. It has to source sugarcane from its command area where growth and availability would depend on monsoon.

Risk mitigation

The Company has built excellent relationship over the years with the local farming community. It is financially fit and well positioned to meet the challenges.

6. Details of Adequacy of Internal Financial Controls

The Company's internal control system is aimed at proper utilization and safeguarding of the Company's resources and promoting operational efficiency. The internal audit process reviews the in-system checks, covering significant operational areas regularly.

The Company's Audit Committee is responsible for reviewing the Report submitted by the Internal Auditors. Suggestions for improvements are considered and the Audit Committee follows up on the implementation of corrective actions. The Audit Committee also invites the Statutory and Internal Auditors for regular meetings to ascertain their views on the adequacy of internal control systems and keeps the Board of Directors informed of its observations from time to time.

7. Human Resources and Industrial Relations

The Company employs 1893 permanent employees and the company maintains excellent relationship with its employees during the year under review. No case was filed under Sexual Harassment of women at workplace (Prevention Prohibition and Redressal) Act 2013.

The company has created an excellent relationship with the farmers as well as other stakeholders including bankers.

8. CSR Activities

CSR services of Bannari Amman Sugars Limited are carried out under Bannari Rural Foundation, a registered non-profitable charitable trust. The trust acts as resource nucleus for providing urban

amenities in rural areas. We are working tirelessly to enrich the lives of people in the rural community by providing them with a host of amenities that not just make their lives a whole lot easier but also ensures agricultural, educational and economic independence. Activities carried out by our foundation include Health camps in rural areas, Sanitation facilities, Contribution to education, Check dams construction, desilting of tanks and water bodies.

9. Outlook

The sugarcane prices are slated to go up with hike in Fair and Remunerative Price based on the reported recommendations of CACP. With the high surplus sugar production sugar prices are expected slide down further. This should put pressure on the industry in general. They have to deal with the horrible impact of raising input costs and sliding sugar prices.

Cautionary Statement

Statements made in this Management Discussion and Analysis Report may contain certain forward-looking statements based on various assumptions on the Company's present and future business strategies and the environment in which it operates. Actual results may differ substantially or materially from those expressed or implied due to risk and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India and abroad, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the Company's businesses as well as the ability to implement its strategies. The information contained herein is as of the date referenced and the Company does not undertake any obligation to update these statements. The Company has obtained all market data and other information from sources believed to be reliable or its internal estimates, although its accuracy or completeness cannot be guaranteed.

ANNEXURE - IV

ANNUAL REPORT ON CSR ACTIVITIES

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

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

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

2. The Composition of the CSR Committee

Dr M P Vijayakumar	-	Independent Director & Chairman
Sri S V Balasubramaniam	-	Executive Non-Independent Director
Sri T Gundan	-	Independent Director
Dr Radha Ramani	-	Independent Director

3. Average net profit of the company for last three financial years : Rs 71.53 Crores
4. Prescribed CSR Expenditure (2% of the amount as in item 3 above) : Rs 1.43 Crores
5. Details of CSR spent during the financial year
   a) Total amount to be spent for the financial year : Rs 1.43 Crores
   b) Amount spent during 2017-2018 : Rs 1.48 Crores
   c) Manner in which the amount spent during the financial year :

Sl. No.	CSR Project/ Programs	Sector in which the Project / Programs is covered	Projects or programs 1) Local area or other 2) Specify the Place, District and State where the Project or programs was undertaken	Amount outlay (budget) project / programs wise	Amount spent on the project / programs sub heads: (1)Direct expenditure on project / programs	Cumulative expenditure upto reporting period	Amount spent: Direct or through implementing Agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Promoting preventive healthcare, Sanitation and Sustainable development	Item (i) of Sch. VII of Companies Act 2013	Kondappanaiken Palayam, Sathymangalam, Tamilnadu	Rs.10,00,000	Rs. 6,01,140/-, Rs. 1,34,660/- and 1,20,270/-	Rs.8,56,070/-	Through NABARD
			G. Ariyur Village, Thirukoilur Tamilnadu		Rs. 83,276/-	Rs. 83,276/-	Direct
			Melpennathur Village, Thiruvannamalai District Tamilnadu	Rs.5,00,000/-	Rs. 5,65,060/-	Rs.5,65,060/-	Through NABARD

Sl. No.	CSR Project/ Programs	Sector in which the Project / Programs is covered	Projects or programs 1) Local area or other 2) Specify the Place, District and State where the Project or programs was undertaken	Amount outlay (budget) project / programs wise	Amount spent on the project / programs sub heads: (1)Direct expenditure on project / programs	Cumulative expenditure upto reporting period	Amount spent: Direct or through implementing Agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2	Promoting Education	Item (ii) of Sch. VII of Companies Act, 2013	Mysore, Karnataka		Rs. 2,32,000/-	Rs. 2,32,000/-	Direct
			Vengur Village, Tirukoyilur, Tamilnadu		Rs.1,00,000/-	Rs.1,00,000/-	Direct
			Sinnapulyur, Erode District, Tamilnadu		Rs.94,370/-	Rs.94,370/-	Direct
			Coimbatore, Tamilnadu		Rs.5,00,000/-	Rs.5,00,000/-	Through Swarga Foundation, a Registered Charitable Trust
3	Promotion of Sports and Cultural activities for participation in State & National Level	Item (vii) of Sch. VII of Companies Act, 2013	Pandavapura Village, Mysore District Karnataka		Rs.5,00,000/-	Rs.5,00,000/-	Through a Registered Sports Club in Pandavapura
			Thiruvannamalai Tamilnadu		Rs.1,00,000/-	Rs.1,00,000/-	Through the Dist. Collector Thiruvanna malai
4	Animal Welfare	Item (iv) of Sch. VII of Companies Act, 2013	Coimbatore, Tamil Nadu	Montly Rs.10,000/- (for one year)	Rs.1,20,000/-	Rs.1,20,000/-	Coimbatore Zoological Park, Tamil Nadu India
5	Conservation of Natural Resources and maintaining quality of soil, air, water and sustainable development	Item (iv) of Sch. VII of Companies Act, 2013	Keelathalanur, Nayanur and Kupathumedu lakes at Thirukoyilur, Tamilnadu		Rs.2,69,190/-	Rs.2,69,190/-	Direct
			Thasanaickan Village in Arasur, Erode District, Tamilnadu Kannakanthal and Veeranam, Thiruvannamalai District, Tamilnadu.	Rs.1,00,00,000/-	Rs.1,14,00,000/-	Rs.1,14,00,000/-	Through Bannari Rural Foundation, a Registered Public Charitable Trust

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

   Not Applicable

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

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

Place : Coimbatore
Date : 25.05.2018

B SARAVANAN
Managing Director
DIN : 00002927

M P VIJAYAKUMAR
Chairman - CSR Committee
DIN : 05103089

Annexure V

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2018

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

I REGISTRATION AND OTHER DETAILS:

I)	CIN	L15421TZ1983PLC001358
ii)	Registration Date	01.12.1983
iii)	Name of the Company	Bannari Amman Sugars Limited
iv)	Category / Sub-Category of the Company	Public Company Limited by Shares / Non - Government
v)	Address of the Registered Office and contact	1212 Trichy Road Coimbatore - 641018 Phone : 0422-2204100 Fax : 0422-2309999 E-mail : shares@bannari.com Website : www.bannari.com
vi)	Whether Listed Company (yes/no)	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent (if any)	Cameo Corporate Services Ltd Subramanian Building, 1 Club House Road, Chennai - 600002 Phone : 044-28460395, FAX : 044-28460129

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	White Crystal Sugar	10721	82.78

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sl No	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary/Associate	% of shares held	Applicable section
NOT APPLICABLE					

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

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 1.4.2017)				No. of Shares held at the end of the year (as on 31.3.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/HUF	1837535	--	1837535	14.65	1837535	--	1837535	14.65	--
b) Central Govt.	--	--	--	--	--	--	--	--	–
c) State Govt. (s)	--	--	--	--	--	--	--	--	–
d) Bodies Corp.	5522741	--	5522741	44.04	5522741	--	5522741	44.04	--
e) Banks / FI	--	--	--	--	--	--	--	--	–
f) Any Other	--	--	--	--	--	--	--	--	–
Sub-total (A) (1):-	**7360276**	**--**	**7360276**	**58.70**	**7360276**	**--**	**7360276**	**58.70**	**--**
2) Foreign									
a) NRIs - Individuals	--	--	--	--	--	--	--	--	–
b) Other - Individuals	--	--	--	--	--	--	--	--	–
c) Bodies Corp.	--	--	--	--	--	--	--	--	–
d) Banks / FI	--	--	--	--	--	--	--	--	–
e) Any Other	--	--	--	--	--	--	--	--	–
Sub-total (A) (2):-	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**7360276**	**--**	**7360276**	**58.70**	**7360276**	**--**	**7360276**	**58.70**	**–**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1559	100	1659	0.01	3198	100	3298	0.03	0.02
b) Banks /FI	413	150	563	--	669	--	669	0.01	--
c) Central Govt.	--	--	--	--	--	--	--	--	–
d) State Govt.(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital funds	--	--	--	--	--	--	--	--	–
f) Insurance Companies	--	--	--	--	--	--	--	--	–
g) Foreign Institutional Investors	20692	--	20692	0.17	20862	--	20862	0.17	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	–
i) Others (specify)	--	--	--	--	--	--	--	--	–
Sub-total (B)(1):-	**22664**	**250**	**22914**	**0.18**	**24729**	**100**	**24829**	**0.21**	**0.02**

Category of Shareholders	No. of Shares held at the beginning of the year (as on 1.4.2017)				No. of Shares held at the end of the year (as on 31.3.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corporates									
i) Indian	1666653	1560	1668213	13.30	1691434	592	1692026	13.49	0.19
ii) Overseas	--	--	45000	0.36	--	45000	45000	0.36	–
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	733870	225894	959764	7.65	710340	185699	896039	7.15	-0.50
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2136169	50000	2186169	17.43	2165232	50000	2215232	17.67	0.24
c) Others (specify)									
Clearing Members	13194	--	13194	0.11	438	--	438	--	--
Escrow Account	3566	--	3566	0.03	2700	--	2700	0.02	--
Hindu Undivided Families	149250	--	149250	1.19	148268	--	148268	1.18	--
IEPF	--	--	--	--	31616	--	31616	0.25	0.25
Non Resident Indians	77432	53922	131354	1.05	74654	48622	123276	0.98	-0.07
Sub-total (B)(2)	**4780134**	**376376**	**5156510**	**41.13**	**4824682**	**329913**	**5154595**	**41.10**	**-0.015**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**4802798**	**376626**	**5179424**	**41.30**	**4849411**	**330013**	**5179424**	**41.30**	**–**
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	–	–
Grand Total (A+B+C)	**12163074**	**376626**	**12539700**	**100.00**	**12209687**	**330013**	**12539700**	**100.00**	**0.0000**

ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	Balasubramaniam S V	959062	7.65	--	959062	7.65	–	–
2	Balasubramaniam S V - HUF	97170	0.77	--	97170	0.77	--	--
3	Soundaram B	479349	3.82	--	479349	3.82	--	--
4	Annamallai Enterprise (P) Ltd	255732	2.04	--	255732	2.04	--	--
5	Saravanan B	175758	1.40	--	175758	1.40	--	--
6	Murali B	126196	1.01	--	126196	1.01	--	--
7	Shiva Cargo Movers (P) Ltd	106500	0.85	--	106500	0.85	--	--
8	Bannariamman Finance (P) Ltd	87193	0.69	--	87193	0.69	--	--
9	SVB Enterprise (P) Ltd	10700	0.09	--	10700	0.09	--	--
10	Bannari Amman Enterprises (P) Ltd	9703	0.08	--	9703	0.08	--	--
11	Kerala Alcoholic Products (P) Ltd	4900	0.04	--	4900	0.04	--	--
12	SVB Holdings (P) Ltd	5048013	40.26	--	5048013	40.26	--	--
	TOTAL	**7360276**	**58.70**	**--**	**7360276**	**58.70**	**--**	**--**

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

Sl No	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Balasubramaniam S V				
	At the beginning of the year	959062	7.65		
	At the end of the Year			959062	7.65
2	Balasubramaniam S V - HUF				
	At the beginning of the year	97170	0.77		
	At the end of the Year			97170	0.77
3	SOUNDARAM B				
	At the beginning of the year	479349	3.82		
	At the end of the Year			479349	3.82
4	Annamallai Enterprise (P) Ltd				
	At the beginning of the year	255732	2.04		
	At the end of the Year			255732	2.04
5	Saravanan B				
	At the beginning of the year	175758	1.40		
	At the end of the Year			175758	1.40
6	Murali B				
	At the beginning of the year	126196	1.01		
	At the end of the Year			126196	1.01

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

Sl No	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
7	Shiva Cargo Movers (P) Ltd				
	At the beginning of the year	106500	0.85		
	At the end of the Year			106500	0.85
8	Bannariamman Finance (P) Ltd				
	At the beginning of the year	87193	0.69		
	At the end of the Year			87193	0.69
9	SVB Enterprise Private (P) Ltd				
	At the beginning of the year	10700	0.09		
	At the end of the Year			10700	0.09
10	Bannari Amman Enterprises (P) Ltd				
	At the beginning of the year	9703	0.08		
	At the end of the Year			9703	0.08
11	Kerala Alcholic Products (P) Ltd				
	At the beginning of the year	4900	0.04		
	At the end of the Year			4900	0.04
12	SVB Holdings Private (P) Ltd				
	At the beginning of the year	5048013	40.26		
	At the end of the Year			5048013	40.26

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

Sl. No	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	GAGANDEEP CREDIT CAPITAL PVT LTD				
	At the beginning of the year 01-Apr-2017	687092	5.4793		
	At the end of the Year 31-Mar-2018			687092	5.4793
2	ANUJ ANANTRAI SHETH JT1 : PARUL ANUJ SHETH				
	At the beginning of the year 01-Apr-2017	560319	4.4683		
	Purchase 02-Jun-2017	5925	0.0472		
	At the end of the Year 31-Mar-2018			566244	4.5155
3	NEMISH S SHAH JT1 : REKHA N SHAH				
	At the beginning of the year 01-Apr-2017	325000	2.5917		
	At the end of the Year 31-Mar-2018			325000	2.5917
4	AMRIT PETROLEUMS PVT LIMITED				
	At the beginning of the year 01-Apr-2017	290241	2.3145		
	At the end of the Year 31-Mar-2018			290241	2.3145
5	PRESCIENT SECURITIES PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2017	215578	1.7191		
	At the end of the Year 31-Mar-2018			215578	1.7191
6	NILESH KISHOR SHAH JT1 : KISHOR NANDLAL SHAH				
	At the beginning of the year 01-Apr-2017	215000	1.7146		
	Purchase 08-Dec-2017	3000	0.0239		
	Purchase 25-Jan-2018	171	0.0013		
	Purchase 02-Feb-2018	8095	0.0645		
	Purchase 09-Feb-2018	240	0.0019		
	Sale 23-Mar-2018	-21000	0.1674		
	At the end of the Year 31-Mar-2018			205506	1.6388
7	KOTAK MAHINDRA TRUSTEESHIP SERVICES LTD				
	At the beginning of the year 01-Apr.2017	182450	1.4550		
	Purchase 07-Apr-2017	12739	0.1015		
	At the end of the Year 31-Mar-2018			195189	1.5565
8	ANVIL SHARE & STOCK BROKING PVT. LTD.				
	At the beginning of the year 01-Apr-2017	121000	0.9649		
	At the end of the Year 31-Mar-2018			121000	0.9649

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

Sl. No	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	MADHUSUDAN SHAH				
	JT1 : CHANDRA SHAH				
	At the beginning of the year 01-Apr-2017	92500	0.7376		
	At the end of the Year 31-Mar-2018			92500	0.7376
10	MUKESH CHIMANLAL PATANI				
	At the beginning of the year 01-Apr-2017	82650	0.6591		
	Sale 24-Nov-2017	-82650	-0.6591		
	Purchase 24-Nov-2017	82650	0.6591		
	At the end of the Year 31-Mar-2018			82650	0.6591

v) Shareholding of Directors and Key Managerial Personnel :

Sl. No	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Balasubramaniam S V (Chairman)				
	At the beginning of the year	959062	7.65	--	–
	At the end of the Year			959062	7.65
2	Saravanan B (Managing Director)				
	At the beginning of the year	175758	1.40	--	–
	At the end of the Year			175758	1.40
3	A K Perumalsamy (Director)				
	At the beginning of the year	900	0.01	--	–
	At the end of the Year			900	0.01
4	E P Muthukumar (Director)				
	At the beginning of the year	1000	0.01	--	–
	At the end of the Year	--	--	1000	0.01
5	T Gundan (Director)				
	At the beginning of the year	--	--	--	–
	At the end of the Year	--	--	–	–
6	M P Vijayakumar (Director)				
	At the beginning of the year	--	--	--	–
	At the end of the Year	--	--	–	–
7	Radha Ramani (Director)				
	At the beginning of the year	--	--	--	–
	At the end of the Year	--	--	–	–

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

Sl. No	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	C Palaniswamy (Company Secretary)				
	At the beginning of the year	10	--	--	–
	At the end of the Year			10	–
9	M Ramprabhu (Chief Financial Officer)				
	At the beginning of the year	--	--	--	–
	At the end of the Year	--	--	--	–

V. INDEBTEDNESS

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

Details	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	**(Amount Rs. in Lakhs)**			
i) Principal Amount	65276.05	38514.82	--	103790.87
ii) Interest due but not paid	--	--	--	–
iii) Interest accrued but not due	36.72	--	--	36.72
Total (i+ii+iii)	**65312.77**	**38514.82**	**--**	**103827.59**
Change in Indebtedness during the financial year				
Addition (including interest)	9333.53	5000.00	--	14333.53
Reduction (including interest)	42274.09	22361.21	--	64635.30
At the end of the financial year 31.3.2018				
i) Principal Amount	32231.03	21153.61	--	53384.64
ii) Interest due but not paid				
iii) Interest accrued but not due	141.18		--	141.18
Total (i + ii + iii)	**32372.21**	**21153.61**	**--**	**53525.82**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sri S V Balasubramaniam (Chairman)	Sri B Saravanan (Managing Director)	
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	58.50	40.50	99.00
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	4.66	1.55	6.21
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2	Stock Option	--	--	–
3	Sweat Equity	--	--	–
4	Commission - as % of profit others, specify	590.06	393.38	983.44
5	Others, please specify (Provident Fund)	--	--	–
	Total	**653.22**	**435.43**	**1088.65**
	Ceiling as per the Act i) in case the company has profit	5% of the net profit	5% of the profit	10% of the net profit
	ii) in case the company has profit or profit is inadequate	Minimum remunerations as prescribed in Par II of Section II of Schedule V to the Companies Act 2013		

B. Remuneration to other directors:

(Amount Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Sri T Gundan	Dr M P Vijayakumar	Sri A K Perumalsamy	Sri E P Muthukumar	Dr Radha Ramani	
1	Independent Directors Fee for attending board / committee meetings	0.80	0.80	0.50	0.55	0.35	3.00
	Commission	--	--	--	--	--	–
	Others, please specify	--	--	--	--	--	–
	Total (1)	**0.80**	**0.80**	**0.50**	**0.55**	**0.35**	**3.00**
2	Other Non-Executive Directors						
	Fee for attending board / committee meetings	--	--	--	--	--	–
	Commission	--	--	--	--	--	–
	Others, please specify	--	--	--	--	--	–
	Total (2)	**--**	**--**	**--**	**--**	**--**	**–**
	Total (B)=(1+2)	**0.80**	**0.80**	**0.50**	**0.55**	**0.35**	**3.00**
	Overall Ceiling as per the Act	The non-executive directors were paid only sitting fee for attending the meetings of the Board and committees there of. However, the overall ceiling as per the act is 1% of the net profit.					

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

(Amount Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
		Sri C Palaniswamy Company Secretary	Sri M Ramprabhu Chief Financial Officer	
1	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	27.53	16.16	43.69
	b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	1.37	0.96	2.33
	c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission - as % of profit - others - specify	--	--	--
5	Others, please specify			
	TOTAL	**28.90**	**17.12**	**46.02**

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

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

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

Coimbatore
25.05.2018

ANNEXURE - VI

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members
Bannari Amman Sugars Limited
1212, Trichy Road
Coimbatore – 641018

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

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

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

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

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

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

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

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

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

vi) and other laws applicable to the Company viz., :-

   1. Essential Commodities Act, 1955
   2. Sugarcane (Control) Order, 1966

3. Sugar Cess Act, 1982
4. Sugar Development Fund Act,1982
5. Food Safety and Standards Act, 2006
6. The Boiler Act, 1923
7. The Electricity Act, 2003
8. The Legal Metrology Act, 2011
9. Karnataka Sugar Cane (Regulation of Purchase and Supply) Act, 2013

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

We have also examined compliance with the applicable Regulations issued by the Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. There were no changes in the composition of the Board of Directors during the period under review.

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

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

As informed the Company has responded appropriately to notices received from various Statutory or Regulatory authorities wherever found necessary.

All decisions at the Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of the Directors or Committee of the Board as the case may be.

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

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

b) Redemption/Buy Back of Securities

c) Merger / Amalgamation / Reconstruction etc.

d) Foreign Technical Collaboration

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

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

Place : Coimbatore
Date : 25.05.2018

Annexure A'

To,

The Members,
Bannari Amman Sugars Limited
1212, Trichy Road,
Coimbatore – 641018

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

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

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

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

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

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

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

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

Place : Coimbatore
Date : 25.05.2018

DECLARATION ON CODE OF CONDUCT

To

The Members of
Bannari Amman Sugars Limited

In compliance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, I declare that the Board of Directors and members of senior management have affirmed the compliance with the code of conduct during the financial year ended 31.3.2018.

S V BALASUBRAMANIAM
Chairman
DIN 00002405

Place: Coimbatore
Date : 25.05.2018

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

Bannari Amman Sugars Limited,

We have examined the compliance of conditions of Corporate Governance by M/s.Bannari Amman Sugars Limited, the company, for the year ended on March 31st 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations, 2015.

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

For P K NAGARAJAN & Co.,
Chartered Accountants
Firm Reg. No: 016676S

P K Nagarajan
Partner
M.No. 25679

Place : Coimbatore
Date : 25.05.2018

INDEPENDENT AUDITORS' REPORT

To

The Members of BANNARI AMMAN SUGARS LIMITED
Report on the Ind AS Financial Statements

We have audited the accompanying Financial Statements of BANNARI AMMAN SUGARS LIMITED("the Company"), which comprise the Balance Sheet as at 31st March2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act,2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Other Matters:

The comparative Financial information of the company for the year ended 31.3.2017 prepared inaccordance with Ind AS included in these Ind AS Financial Statements have been audited by the predecessor Auditor M/s. P N Raghavendra Rao & Co., who had audited the Financial Statements for the relevant period. The report of the predecessor Auditor on the comparative Financial information dated 29.5.2017 expressed an unmodified opinion. The same has been furnished by the management and has been relied upon by us for the purpose of our audit of financial statement. Our audit report is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

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

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

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

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.

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

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

   i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note No.29 to the financial statements.

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

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

For P K NAGARAJAN & Co.,
Chartered Accountants
Firm Reg. No: 016676S

P K Nagarajan
Partner
M.No. 25679

Place : Coimbatore
Date : 25.05.2018

Annexure 'A' to the Independent Auditors' Report

The Annexure 'A' referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31stMarch 2018, we report that :

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

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

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

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

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

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

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

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

vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the undisputed statutory dues including provident fund, Employee's State Insurance, Income tax, Sales tax, Service tax / GST, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, Employee's State Insurance, Income tax, Sales tax, Service tax/GST, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, the details of disputed statutory dues of income tax that have not been deposited on account of matters pending before appropriate authority are as under :

Name of the Statue	Nature of the Dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	1.60	Assessment year 2013-14	CIT (Appeals), Coimbatore

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

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

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

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

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

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under the Indian Accounting Standard 24 (Related Party Disclosures).

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

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

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

For P K NAGARAJAN & Co.,
Chartered Accountants
Firm Reg. No: 016676S

P K Nagarajan
Partner
M.No. 25679

Place : Coimbatore
Date : 25.05.2018

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

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

We have audited the internal financial controls over financial reporting of Bannari Amman Sugars Limited ("the Company") as of 31stMarch 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls :

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

Auditor's responsibility

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

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

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

Meaning of Internal Financial Control Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records

that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31stMarch 2018, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For P K NAGARAJAN & Co.,
Chartered Accountants
Firm Reg. No: 016676S

P K Nagarajan
Partner
M.No. 25679

Place : Coimbatore
Date : 25.05.2018

BALANCE SHEET AS AT 31. 03. 2018

Sl No	PARTICULARS	Note No.	As at 31.03.2018		As at 31.03.2017	
			Details	Total	Details	Total
			(Rs in Lakhs)		(Rs in Lakhs)	
I.	**ASSETS**					
	1) NON- CURRENT ASSETS					
	a) Property, Plant and Equipment	2		**108225.76**		110313.74
	b) Capital work in progress	2		**363.67**		3396.08
	c) Biological Assets	3		**28.04**		18.75
	d) Financial Assets					
	i) Investments	4	**138.43**		158.05	
	ii) Loans and advances	5	**15724.39**	**15862.82**	14454.67	14612.72
	2) CURRENT ASSETS					
	a) Inventories	6		**53494.18**		93924.50
	b) Financial Assets					
	i) Trade Receivables	7	**6748.22**		11624.87	
	ii) Cash and cash equivalents	8	**377.87**		918.26	
	iii) Loans and advances	9	**488.49**		193.05	
	iv) Other current assets	10	**5721.98**	**13336.56**	5189.93	17926.11
	TOTAL ASSETS			**191311.03**		**240191.90**
II.	**EQUITY AND LIABILITIES**					
	EQUITY					
	a) Equity Share Capital	11	**1253.97**		1253.97	
	b) Other Equity	12	**112302.75**		105453.78	
				113556.72		**106707.75**
	LIABILITIES					
	1) NON-CURRENT LIABILITIES					
	a) Financial Liabilities - Borrowings	13	**21575.91**		44436.35	
	b) Provisions	14	**503.64**		409.01	
	c) Deferred tax liabilities (Net)	15	**13070.12**		10559.53	
				35149.67		**55404.89**
	2) CURRENT LIABILITIES					
	a) Financial Liabilities					
	i) Borrowings	16	**25126.83**		45969.29	
	ii) Trade payables	17	**6661.58**		8500.87	
	b) Other current liabilites	18	**10351.42**		17630.73	
	c) Provisions	19	**464.81**		5598.52	
	d) Current Tax liabilities (Net)	20	–	**42604.64**	379.85	78079.26
	TOTAL EQUITY AND LIBILITIES			**191311.03**		**240191.90**

Significant Accounting policies 1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For P K NAGARAJAN & Co.,
Chartered Accountants

P K NAGARAJAN
Partner
M No 25679
Firm Regn. No: 016676S

Place: Coimbatore
Date : 25.05.2018

S V BALASUBRAMANIAM
Chairman
DIN 00002405

B SARAVANAN
Managing Director
DIN 00002927

C PALANISWAMY
Company Secretary

M RAMPRABHU
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31.3.2018

Sl No	PARTICULARS	Note No.	Year ended 31.03.2018		Year ended 31.03.2017	
			Details	Total	Details	Total
			(Rs in Lakhs)		(Rs in Lakhs)	
I	**INCOME :**					
	REVENUE FROM OPERATIONS (GROSS)	21	**149666.93**		183176.12	
	Less: Excise duty		**1591.84**		7997.42	
	Revenue from operations (Net)		**148075.09**		175178.70	
	Other Income	22	**557.17**		572.31	
	TOTAL REVENUE			**148632.26**		175751.01
II	**EXPENSES :**					
	Cost of materials consumed	23	**64222.80**		83300.79	
	Purchase of Stock-in-Trade	24	**87.29**		2.57	
	Changes in inventories of finished goods and work-in-progress	25	**40570.70**		33606.98	
	Employee benefits expense	26	**9493.97**		9481.06	
	Finance Costs	27	**3382.44**		9706.77	
	Depreciation and amortisation expense	2	**6960.50**		6945.21	
	Other Expenses	28	**12676.59**		14022.10	
	TOTAL EXPENSES			**137394.29**		157065.48
III	PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (I- II)			**11237.97**		18685.53
IV	Exceptional items			**-**		-
V	**PROFIT BEFORE TAX (III - IV)**			**11237.97**		18685.53
VI	Tax Expenses:					
	a. Current tax		**2399.20**		4005.24	
	b. MAT credit entitlement		**(2399.20)**		(4005.24)	
	c. Deferred tax		**2510.59**	**2510.59**	4168.98	4168.98
VII	**PROFIT FOR THE PERIOD (V - VI)**			**8727.38**		14516.55
VIII	Other Comprehensive Income					
	Items that will not be reclassified to profit or loss					
	i) Remeasurement of the defined benefit plans (Net of income tax effect thereon)		**28.03**		11.64	
	ii) Equity Instruments through Other Comprehensive Income (Net of income tax effect thereon)		**(19.89)**	**8.14**	24.90	36.54
IX	Total Comprehensive Income for the period			**8735.52**		14553.09
X	**Earnings per Share - Basic and diluted (Rs.)**			**69.60**		125.56

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 K NAGARAJAN & Co.,
Chartered Accountants

P K NAGARAJAN
Partner
M No 25679
Firm Regn. No: 016676S

Place: Coimbatore
Date : 25.05.2018

S V BALASUBRAMANIAM
Chairman
DIN 00002405

C PALANISWAMY
Company Secretary

B SARAVANAN
Managing Director
DIN 00002927

M RAMPRABHU
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2018

(Rs. in lakhs)

	Current year ended 31.3.2018		Previous year ended 31.3.2017	
A. OPERATING ACTIVITIES :				
Net profit before tax		**11237.97**		18685.53
Adjustments for :				
Add :				
Depreciation	**6960.50**		6945.21	
Finance costs	**3382.44**		9706.77	
Loss on sale of Fixed Assets	**37.17**	**10380.11**	20.03	16672.01
Less :				
Investment Income :				
Interest	**305.52**		84.30	
Dividend	**2.42**		2.36	
Profit on sale of Fixed Assets	**8.81**	**316.75**	35.96	122.62
Operating Profit before working capital changes		**21301.33**		35234.92
Add: Adjustments for :				
Inventories	**40430.32**		33750.93	
Trade receivables	**4876.65**		1635.75	
Short term loans and advances	**(119.36)**		145.47	
Other Current Assets	**(532.05)**		7764.07	
Current Liabilities	**(7559.01)**	**37096.55**	(9837.44)	33458.78
Cash generated from operations		**58397.88**		68693.70
Less :				
Income tax paid		**2081.21**		4228.44
Net cash from operating activities		**56316.67**		64465.26

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2018 (Contd...)

(Rs. in lakhs)

	Current year ended 31.3.2018		Previous year ended 31.3.2017	
B. INVESTING ACTIVITIES :				
Interest Received		**305.52**		84.30
Dividend Received		**2.42**		2.36
Purchase of Fixed assets		**(1966.29)**		(5454.48)
Sale of Fixed assets		**88.53**		132.50
Purchase of Investments		**(0.28)**		--
Net cash used in investing activities		**(1570.10)**		(5235.32)
C. FINANCING ACTIVITIES :				
Increase in Borrowings		**(50122.42)**		(49604.19)
Finance Costs paid		**(3277.98)**		(9721.37)
Dividends paid (Gross)		**(1886.56)**		(1032.64)
Net cash from financing activities		**(55286.96)**		(60358.20)
Net increase in cash and cash equivalents (A+B+C)		**(540.39)**		(1128.26)
Opening Cash balance	**918.26**		2046.52	
Closing Cash balance	**377.87**		918.26	
		(540.39)		(1128.26)

As per our report of even date attached

For P K NAGARAJAN & Co.,
Chartered Accountants

P K NAGARAJAN
Partner
M No 25679
Firm Regn. No: 016676S

Place: Coimbatore
Date : 25.05.2018

S V BALASUBRAMANIAM
Chairman
DIN 00002405

C PALANISWAMY
Company Secretary

B SARAVANAN
Managing Director
DIN 00002927

M RAMPRABHU
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31.3.2018

A. Equity Share Capital

(Rs. in Lakhs)

	As at 31.3.2018	As at 31.3.2017
Balance at the beginning of the reporting period	1253.97	1143.97
Changes in Equity Share Capital during the year	--	110.00
Balance at the end of the reporting period	1253.97	1253.97

B. Other Equity

(Rs. in Lakhs)

Particulars	Pending allotment on account of amalgamation	Reserves and Surplus					
		Capital Reserve	Securities Premium	Capital redemption Reserve	General Reserve	Retained Earnings	Total
Balance as at 1.04.2016	110.00	656.25	8503.35	1846.00	77744.81	3182.92	91933.33
Comprehensive Income for the year						14516.55	14516.55
Other Comprehensive Income						36.54	36.54
Dividend and Tax on Dividend						(1032.64)	(1032.64)
Transfer to General Reserve					12000.00	(12000.00)	
Share alloted on account of amalgamation	(110.00)						
Balance as at 31.03.2017		656.25	8503.35	1846.00	89744.81	4703.37	105453.78
Balance as at 1.04.2017		656.25	8503.35	1846.00	89744.81	4703.37	105453.78
Comprehensive Income for the year						8727.38	8727.38
Other Comprehensive Income						8.14	8.14
Dividend and Tax on Dividend						(1886.55)	(1886.55)
Transfer to General Reserve					7500.00	(7500.00)	
Balance as at 31.03.2018		656.25	8503.35	1846.00	97244.81	4052.34	112302.75

As per our report of even date attached

For P K NAGARAJAN & Co.,
Chartered Accountants

P K NAGARAJAN
Partner
M No 25679
Firm Regn. No: 016676S

Place: Coimbatore
Date : 25.05.2018

S V BALASUBRAMANIAM
Chairman
DIN 00002405

B SARAVANAN
Managing Director
DIN 00002927

C PALANISWAMY
Company Secretary

M RAMPRABHU
Chief Financial Officer

Notes forming part of the Financial Statements for the year ended 31.3.2018

NOTE 1:

Statement of Significant Accounting Policies followed by the Company

a) Basis of Preparation

i) Compliance with IND AS

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under Section 133 of the Companies Act 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for certain financial instruments and Defined Benefit plans - plan assets measured at fair value at the end of the each reporting period.

Historical cost is generally based on the fair value of consideration given in exchange of goods and services.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, company takes into account when pricing the asset or liability if market participants would take characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statement is determined on such a basis except for measurements that have similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 (Inventories) or value in use in Ind AS 36 (Impairment of Assets).

iii) Current and Non - Current Classification

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act 2013.

Deferred Tax assets and liabilities are classified as Non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified Twelve months as its operating cycle

iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

b) Use of Estimates and Judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occured after the date but provide additional evidence about conditions existing as at the reporting date.

c) Property Plant and Equipment

Property, plant and equipment that qualifies for recognition as an asset is measured at cost net of tax / duty credit availed less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated.

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 cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a seperate asset is derecognised when replaced. Cost in the nature of repairs and maintenance are recognised in the Statement of Profit and Loss during the reporting period in which they are incurred.

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.

Depreciation

Straight line method has been adopted for providing depreciation on fixed assets 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.

The assets are depreciated over the useful life as prescribed in Schedule II to the Companies Act, 2013.Leasehold land is amortised over the period of lease.

The residual values are not more than 5% of the original cost of the asset. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of changes in estimate accounted for on a prospective basis.

Derecognition

The carrying amount of an item of property, plant and equipment shall be derecognised on disposal or when no future economic benefits are expected from its use or disposal.

The gain or loss arising from the derecognition of an item of property, plant and equipment shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item. The same is recognised in the statement of profit and loss.

d) Impairment of Non financial Assets

Non financial assets are tested for impairment at the end of each reporting period as to whether events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is higher of an assets' fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are seperately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets(cash generating units). Non financial assets other than goodwill that suffered an impairment in prior periods are reviewed for possible reversal of the impairment at the end of the each reporting period.

e) Derivative financial Instruments

Derivative financial instruments such as forward contracts, to hedge its foreign currency risks are initially recognised at fair value on the date, a

derivative contract is entered into. The same is subsequently remeasured at their fair value with changes in fair value recognised in the statement of profit and loss in the period when they arise.

f) **Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisons of the instruments.

Financial Assets

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, on initial recognition.

When the fair value of a financial assets at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or 2 input as mentioned above, the difference between the fair value and the transaction price is deferred appropriately and recognised as a gain or loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

Investment in Equity instruments at Fair Value Through Other Comprehensive Income (FVTOCI)

Initial Recognition

The Company, through an irrevocable election (on an instrument by instrument basis), has measured investments in equity instruments at FVTOCI. These equity instruments are neither held for trading nor are contingent consideration recognised under a business combination. These elected investments are initially measured at fair value plus transaction costs.

Subsequent measurement

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income.

Dividend

Dividend on investments in equity instruments are recognised in profit or loss unless the dividend does not represent a recovery of part of cost of the investment. Dividend is recognised only when the company's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably. The Company has recognised dividend in Statement of profit and loss in the 'Other Income' line item.

Derecognition

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expires or the Company transfers the financial asset and substantially all the risks and rewards of ownership of the asset. If the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, but retains control of the financial asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. The extent of the Company's continuing involvement in the financial asset is the extent to which it is exposed to changes in the value of the transferred asset. In such cases, the Company also recognises an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of such financial assets, the cumulative gain / loss previously recognised in Other Comprehensive Income is not reclassified from the equity to the Statement of Profit and Loss. However, the company may transfer such cumulative gain / loss into the retained earnings within equity.

Impairment of Financial Asset

The Company applies expected credit loss model for recognising impairment loss on financial assets measured at fair value through other comprehensive income (FVTOCI), trade receivables, lease receivables and other financial asset measured at amortised cost.

The Company follows a simplified approach wherein an amount equal to lifetime expected credit losses is measured and recognised as loss allowance in the case of trade receivables and lease receivables.

In case of financial assets measured at fair value through other comprehensive income or at amortised cost, the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk has not increased significantly, an amount equal to 12-month expected credit losses is measured as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime expected credit losses is measured and recognised as loss allowance.

Financial Liabilities

Initial Recognition

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, on initial recognition.

When the fair value of a financial liabilities at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or 2 input as mentioned above, the difference between the fair value and the transaction price is deferred appropriately and recognised as a gain or loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liabilities.

Subsequent measurement

Financial Liabilities are subsequently carried at amortised cost using the effective interest method, which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value to the short maturity of these instruments.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing financial liabilty is substantially modified, such an exchange or modification is treated as the extinguishment of the original liability and the recognition of a new financial liability. The difference between the carrying amount of a financial liability extinguished and the consideration paid is recognised in the Statement of Profit and Loss.

g) Valuation of Inventories :

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 of the finished goods and process stock comprises all cost of purchase, cost of conversion, duties and taxes (other than those subsequently recovered from the tax authorities) and other costs incurred in bringing the inventories to their present location and condition.

iii) Due allowance is estimated and made for defective and obsolete items wherever necessary.

h) Fair value measurement

The Company measures financial instruments, such as, investments at fair value at each balance sheet date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy that categorises into three levels, described as follows, the inputs to valuation techniques used to measure value.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilties

Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: inputs that are unobservable for the asset or liability.

For Assets and liabilities that are recognised in the financial statement on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

i) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Sale of Goods :

Revenue from sale of goods is recognised when all the following conditions are satisfied:

a) the company has transferred the significant risks and rewards of ownership of the goods to the buyer,

b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

c) the amount of revenue can be reliably measured;

d) it is probable that the economic benefits associated with the transaction will flow to the Company

e) the cost incurred or to be incurred in respect of the transaction can be measured reliably.

Sale of Services

The Company recognises its revenue from sale of services based on the recognition criteria that the outcome of a transaction involving the rendering of services can be estimated reliably.

Stage of completion of transactions is measured by determining the services performed till balance sheet date as a percentage of total services to be performed as per the contract.

Export incentives under various schemes are accounted in the year of export.

Exchange of Goods and Services

When goods or services are exchanged for goods or services which are of a similar nature and value, the exchange is not regarded as a transaction which generates revenue. When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a transaction which generates revenue. The revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the goods or services received cannot be measured reliably, the revenue is measured at the fair value of the goods or services given up, adjusted by the amount of any cash or cash equivalents transferred.

Dividend and Interest Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the entity and the amount of income can be measured reliably). Dividend income are shown in the income statement are in accordance with Ind AS 109.

Interest income from financial asset is recognised when it is probable that the economic benefits will flow to the entity and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets' net carrying amount on initial recognition

j) Foreign Currency Transactions

The financial statements are presented in Indian Rupee which is company's functional and presentation currency. Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transaction settled during the year are recognised in the statement of profit and loss. Foreign currency monetary items as at the balance sheet date are translated using the closing rate. The gain or loss arising out of these translations are recognized in the statement of profit and loss.

k) 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 embodying economic benefits to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of obligation cannot be measured reliably.

Contingent assets are not recognised, however the same is disclosed in the financial statements, when an inflow of economic benefit is probable.

l) Income Tax

Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deffered tax.

Current Tax

Current tax is the amount of income tax payable in respect of taxable profit for the year. The taxable profit differs from profit before tax as reported in Statement of profit and Loss because of temporary differences. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period for the amount expected to be paid to the taxation authorities.

Minimum Alternate Tax (MAT) credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the sufficient taxable profit will be available against which the MAT credit can be utilised.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statement and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised on all temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction (other than a business combination) affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deffered tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deffered tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in the statement of profit and loss except to the extent it relates to items recognised in other comprehensive income or directly in equity.

m) Government grants

Government grants are recognized only when there is reasonable assurance that the Company will comply with the conditions 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. The company had accounted for Export benefits in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

n) Employee Benefits

Short Term Employee Benefits

All employee benefits payable within twelve months of rendering service are classified as short term employee benefits and are recognised in the period in which the employee renders the related service. The Company recognises the undiscounted amount of short term employee benefits expected to be paid as a liability after deducting the amount already paid.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted at a predetermined rate of interest based on yields on Government Bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

Post-employment obligations

The Company operates the following post-employment schemes:

a) defined benefit plans such as gratuity; and

b) defined contribution plans such as provident fund.

Gratuity obligations

The Company operates a defined benefit plan for employees. The Company contributes to a seperate entity (a fund), towards meeting the gratuity obligation. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows at a predetermined rate of interest based on the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Leave Salary

The company measures the expected cost of accumulating the paid absences as the addditional amount that the company expects to pay as a result of unused entitlement that has accumulated at the end of the reporting period. Actuarial gain and losses arising from changes in actuarial assumptions are recognised in the other comprehensive income.

Defined Contribution Plans

Defined Contribution Plans are Provident Fund, Employee State Insurance scheme and Government administered Pension Fund scheme for all applicable employees.

The company recognises contribution payable to a defined contribution plan as expenses in the statement of profit and loss when the employee renders services to the company during the reporting period. If the contribution payable for

services received from employee before the reporting date exceeds the contribution already paid, the deficit payable is recognised as a liability after deducting the contribution already paid.

o) Operating Segments

Operating segments are identified in accordance with the criteria set out in paragraphs 5 to 10 of Ind AS 108 viz. a component of an entity that engages in business activities from which the company earns revenues and incur expenses and the operating results are regularly reviewed by the entity's Cheif Operating Decision Maker to make decisions about resources to be allocated to the segment and assess the performance for which discrete financial information is available.

The operating segments are reported after taken into consideration of Aggregation criteria and Quantitative threshold as mentioned in Para 12 and 13 of Ind AS 108.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the company. The CODM is responsible for allocating the resources and assessing the performance of the operating segments of the company.

p) Leases

The Company's significant leasing arrangements are operating leases and cancelable in nature.

Company as Lessor

The lease rental income under agreements are recognised in the statement of profit and loss as per the terms of the lease. The rental income from operating lease is generally recognised on a straight line basis over the term of relevant lease. When the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rental income arising under operating leases are recognised as income in the period in which they accrue.

Company as Lessee

The lease rental under agreements are recognised in the statement of profit and loss as per the terms of the lease. The rental expense under operating lease is generally recognised on a straight line basis over the term of relevant lease. When the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as expense in the period in which they are incurred.

q) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of non cash nature, any deferrals or 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.

For the purpose of presentation of cash flow statement, cash and cash equivalents includes cash on hand, cheques on hand, bank balances, demand deposit with banks where the original maturity is three months or less and other short term highly liquid investments.

r) Borrowings

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost.

s) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of

qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets. All other borrowing costs are recognised as an expense in the statement of profit and loss in the period in which they are incurred.

t) Recent accounting pronouncements

In March 2018, the Ministry of Corporate Affairs has issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, "Revenue from Contract with Customers", Appendix B to Ind AS 21, Foreign currency transactions and advance considerations and amendments to certain other standards. This amendment is applicable from 1st April, 2018. The company is evaluating the requirement of the amendment and the impact on the financial statements.

Ind AS 115

As per the amended rules, Ind AS 115 supersedes Ind AS 11, "Construction Contracts" and Ind AS 18, "Revenue". Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainity of revenues and cash flows arising from the entity's contracts with customer.

The standard can be applied either retrospectively to each prior reporting period presented or can be applied retrospectively with recognition of cumulative effect of contracts that are not completed contracts at the date of initial application of the standard.

The effect of this amendment on the financial statement of the company is being evaluated.

Appendix B to Ind AS 21

The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of the related asset, expense or income (or part of it) where an entity pays or receives consideration in advance for foreign currency-denominated contracts. For a single payment or receipt, the date of the transaction should be the date on which entity initially recognises the non-monetary asset or liability arising from advance consideration towards such assets, expenses or income. If there are multiple payments or receipts in advance, then an entity must determine transaction date for each payment or receipt of advance consideration.

The effect of this amendment on the financial statement of the company is being evaluated.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NON-CURRENT ASSETS

2 PROPERTY, PLANT, EQUIPMENT AND CAPITAL WORK IN PROGRESS

(Rs. in Lakhs)

	Land Freehold	Land Lease hold	Buildings	Plant and Equipment	Furniture and Fixtures	Motor Vehicles	Office Equip-ments	Total	Capital Work in progress
Gross Carrying amount									
Deemed Cost as at 1.4.2016	**5293.16**	**1.15**	**45858.04**	**78177.45**	**303.86**	**627.60**	**257.80**	**130519.06**	**1511.38**
Additions	136.90	--	1687.87	1678.55	9.19	47.34	17.59	3577.44	3396.08
Deduction/Adjustments	(6.66)	(0.02)	--	(277.90)	--	(29.49)	--	(314.07)	(1511.38)
Balance as at 31.3.2017	**5423.40**	**1.13**	**47545.91**	**79578.10**	**313.05**	**645.45**	**275.39**	**133782.43**	**3396.08**
Additions	39.52		604.95	4073.39	7.61	221.01	41.93	4989.41	493.46
Deduction/Adjustments	(3.19)	(0.02)	--	(149.95)	--	(33.92)	(0.58)	(187.66)	(3525.87)
Balance as at 31.3.2018	**5459.73**	**1.11**	**48150.86**	**83502.54**	**320.66**	**832.54**	**316.74**	**138584.18**	**363.67**
Accumulated Depreciation									
Deemed Cost as at 1.4.2016	**--**	**--**	**3445.13**	**12898.24**	**85.28**	**189.42**	**102.91**	**16720.98**	**–**
Depreciation for the year	--	--	1523.78	5150.80	68.84	146.03	55.76	6945.21	–
Withdrawn	--	--	--	(176.44)	–	(21.06)	--	(197.50)	--
Balance as at 31.3.2017	**--**	**--**	**4968.91**	**17872.60**	**154.12**	**314.39**	**158.67**	**23468.69**	**–**
Depreciation for the year	--	--	1640.49	5088.21	66.23	118.10	47.47	6960.50	--
Withdrawn	--	--	--	(52.42)	--	(17.77)	(0.58)	(70.77)	--
Balance as at 31.3.2018	**--**	**--**	**6609.40**	**22908.39**	**220.35**	**414.72**	**205.56**	**30358.42**	**–**
Net Carrying amount									
Balance as at 31.3.2017	**5423.40**	**1.13**	**42577.00**	**61705.50**	**158.93**	**331.06**	**116.72**	**110313.74**	**3396.08**
Balance as at 31.3.2018	**5459.73**	**1.11**	**41541.46**	**60594.15**	**100.31**	**417.82**	**111.18**	**108225.76**	**363.67**

NOTE 3. BIOLOGICAL ASSETS

(Rs in Lakhs)

PARTICULARS	As at 31.3.2018	As at 31.03.2017
Live Stock	20.13	10.44
Others	7.91	8.31
TOTAL	**28.04**	**18.75**

NOTE 4. INVESTMENTS

(Rs in Lakhs)

PARTICULARS	As at 31.3.2018	As at 31.03.2017
I. NON-TRADE, QUOTED - AT FVTOCI		
INVESTMENT IN EQUITY INSTRUMENTS OF OTHER ENTITIES:		
i) 84375 Equity Shares (P.Y : 84375) of Sakthi Finance Ltd of Rs. 10 each	26.66	26.32
ii) 50000 Equity Shares (P.Y : 50000) of Bank of Baroda of Rs. 2 each	71.10	86.48
iii) 73400 Equity Shares (P.Y.: 73400) of Indraprastha Medical Corporation Ltd of Rs.10 each	35.45	38.94
iv) 14300 Equity Shares (P.Y. : 14300) of Indian Overseas Bank of Rs.10 each	2.47	3.83
TOTAL	**135.68**	**155.57**
II. NON-TRADE, UN QUOTED		
i) IN GOVERNMENT SECURITIES :		
Kisan Vikas Patra (Pledged with State Government Authorities)	0.40	0.40
ii) IN EQUITY INSTRUMENTS OF OTHER ENTITIES :		
Bannari Amman Sugars Employees' Co-operative Stores Limited	2.35	2.08
TOTAL	**2.75**	**2.48**
TOTAL (QUOTED & UNQUOTED)	**138.43**	**158.05**
Aggregate cost of Quoted Investments	49.36	49.36
Aggregate market value of Quoted Investments	135.68	155.57
Aggregate cost of unquoted Investments	2.75	2.48

NOTE 5. LOANS AND ADVANCES

PARTICULARS	As at 31.03.2018 (Rs in Lakhs)	As at 31.03.2017 (Rs in Lakhs)
UNSECURED, CONSIDERED GOOD		
Capital Advances	1517.79	1785.94
Security Deposits	313.13	300.54
Advance payment of Income Tax	1057.23	1931.15
MAT Credit Entitlement	12687.80	10288.60
Balance with Government Authorities	148.44	148.44
TOTAL	**15724.39**	**14454.67**

CURRENT ASSETS

NOTE-6 : INVENTORIES

PARTICULARS	As at 31.03.2018		As at 31.03.2017	
	Details	Total	Details	Total
	(Rs in Lakhs)		(Rs in Lakhs)	
Raw Material :				
Molasses at Distillery Units	1137.20		1097.49	
Granite Rough Blocks	97.84		150.81	
Press-mud	21.04		14.45	
		1256.08		**1262.75**
Work in Progress :				
Sugar	1036.08		1039.22	
Molasses	140.06		96.82	
Press mud	64.68		82.97	
		1240.82		**1219.01**
Finished Goods :				
Sugar	41952.93		83088.11	
Molasses at Sugar Units	2401.46		2110.93	
Bagasse	80.99		90.66	
Granite Products	757.22		767.78	
Industrial Alcohol	1883.08		1610.19	
Bio-Compost	0.01		0.53	
		47075.69		**87668.20**
Stores and spare parts		3769.10		3618.16
Loose tools		9.75		11.38
Others		142.74		145.00
TOTAL		**53494.18**		**93924.50**

NOTE 7. TRADE RECEIVABLES

(Unsecured- considered good)

PARTICULARS	As at 31.03.2018 (Rs in Lakhs)	As at 31.03.2017 (Rs in Lakhs)
a. Exceeding six months from the date of due for payment	1898.75	4272.73
b. Others	4849.47	7352.14
TOTAL	**6748.22**	**11624.87**

Of the above, customer balances which represent more than 5% of the total balance of trade receivables are as follows :

PARTICULARS	As at 31.03.2018 (Rs in Lakhs)	As at 31.03.2017 (Rs in Lakhs)
Tamilnadu Generation and Distribution Corporation	4156.11	9330.77
Mittal Processors Private Limited	–	637.26
Bangalore Electricity Supply Corporation	411.21	–
Rossittis, GMBH	367.12	–

The credit period on Sale of goods ranges from 10 to 180 days. No interest is charged on trade receivables upto the due date. The company uses other publicly available financial information and its own trading records before accepting any customer.

NOTE 8. CASH AND CASH EQUIVALENTS

PARTICULARS	As at 31.03.2018		As at 31.03.2017	
	Details	Total	Details	Total
	(Rs in Lakhs)		(Rs in Lakhs)	
Cash on hand		10.34		20.46
Balances with Scheduled Banks :				
in Current Accounts	304.98		836.82	
in Unpaid Dividend Accounts	62.55		60.98	
		367.53		897.80
TOTAL		**377.87**		**918.26**

NOTE 9. LOANS AND ADVANCES
(Unsecured considered good)

PARTICULARS	As at 31.03.2018 (Rs in Lakhs)	As at 31.03.2017 (Rs in Lakhs)
Security deposits	229.62	86.08
Loan to Staff	82.79	106.97
Advance Income Tax	176.08	
TOTAL	**488.49**	**193.05**

NOTE 10. OTHER CURRENT ASSETS

PARTICULARS	As at 31.03.2018 (Rs in Lakhs)	As at 31.03.2017 (Rs in Lakhs)
Advance to staffs for expenses	55.88	53.19
Prepaid expenses	714.10	763.71
Balance with Government Authorities	1287.19	827.16
Others - Advances recoverable in cash or kind	1707.81	877.66
Interest accured on loans advances and deposits	822.93	1026.42
Government subsidies receivable	903.54	1297.16
Interest subsidies receivable	230.53	344.63
TOTAL	**5721.98**	**5189.93**

NOTE 11. EQUITY SHARE CAPITAL

PARTICULARS	As at 31.03.2018 (Rs in Lakhs)	As at 31.03.2017 (Rs in Lakhs)
AUTHORISED		
4,40,00,000 Equity Shares of Rs. 10/- each (4,40,00,000 of Equity Shares of Rs. 10/- each)	4400.00	4400.00
21,00,000 Redeemable Preference of Rs.10/- each (21,00,000 Redeemable Preference of Rs.10/-each)	2100.00	2100.00
	6500.00	**6500.00**
ISSUED, SUBSCRIBED AND FULLY PAID UP		
1,25,39,700 Equity Shares of Rs. 10/- each (1,25,39,700 Equity Shares of Rs. 10/- each)	1253.97	1253.97

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

PARTICULARS	As at 31.03.2018		As at 31.03.2017	
	No. of shares	Amount (Rs in Lakhs)	No. of shares	Amount (Rs in Lakhs)
Equity Shares				
At the beginning of the period	12539700	1253.97	11439700	1143.97
Add : Share allotted on account of amalgamation	–	–	1100000	110.00
At the end of the period	12539700	1253.97	12539700	1253.97

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

PARTICULARS	As at 31.03.2018		As at 31.03.2017	
	No. of shares	% of holdings	No. of shares	% of holdings
i. S V Balasubramaniam	959062	7.65	959062	7.65
ii. SVB Holdings Private Limited	5048013	40.26	5048013	40.26
iii. Gagandeep Credit Capital Pvt Ltd	687092	5.48	687092	5.48

c. Terms/rights attached to equity shares

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

NOTE 12. OTHER EQUITY

PARTICULARS	As at 31.03.2018		As at 31.03.2017	
	Details	Total	Details	Total
	(Rs in Lakhs)		(Rs in Lakhs)	
Capital Reserve		656.25		656.25
Capital Redemption Reserve		1846.00		1846.00
Securities Premium account		8503.35		8503.35
General Reserve				
Opening Balance	89744.81		77744.81	
Add : Transfer from statement of profit and loss	7500.00		12000.00	
Closing balance		97244.81		89744.81
Surplus in the statement of profit and loss				
Opening balance	4564.24		3080.33	
Add: Profit after tax for the year	8727.38		14516.55	
	13291.62		**17596.88**	
Less: Appropriations:				
Dividend on Equity Shares paid	1567.46		857.98	
Tax on Dividend paid	319.10		174.66	
Transfer to General Reserve	7500.00		12000.00	
	9386.56		**13032.64**	
Closing balance		3905.06		4564.24
Other Comprehensive Income		147.28		139.13
TOTAL		**112302.75**		**105453.78**

NON CURRENT

NOTE 13. BORROWINGS

PARTICULARS	As at 31.03.2018		As at 31.03.2017	
	Details	Total	Details	Total
	(Rs in Lakhs)		(Rs in Lakhs)	
Secured :				
Term Loan from banks	5650.00		9200.00	
Corporate Loan from banks			19062.50	
Term Loan from Sugar Development Fund	5729.92		1677.70	
Loan under SEFASU-2014 notified by the Central Govt.	31.67		2794.33	
Soft Loan notified by the Central Govt.	--		1537.50	
		11411.59		34272.03
Unsecured :				
Interest Free Loan - from a related party (as specified in the scheme of amalgamation)		10000.00		10000.00
Interest Free Sales Tax Loan - Govt of Karnataka		164.32		164.32
TOTAL		**21575.91**		**44436.35**

13.1 Rupee term loan of Rs. 4950 Lakhs (Rs.6750 Lakhs) from HDFC Bank Ltd is secured by pari passu first charge on the movable plant and machinery of the Sugar and Co-generation Plant at Sugar Unit III .

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

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

13.2 Rupee term loan of Rs. Nil (Rs.4950 Lakhs) from State Bank of India is secured by pari passu first charge on the movable plant and machinery of the Sugar and Co-generation Plant at Sugar Unit III .

The loan carried Interest at the rate of Bank's Base rate plus 1% and amount repayable during the year was Rs.1800 Lakhs. The entire loan has been repaid during November 2017

13.3 Rupee term loan of Rs. 2000 Lakhs (Nil) from HDFC Bank Ltd is secured by pari passu first charge on the movable fixed assets of Sugar Unit I.

The loan carries Interest at the rate of 1 Year MCLR rate and repayable in 20 equal quarterly instalments starting from December 2018.

The loan amount repayable within twelve months Rs 200 lakhs is grouped under Other Current Liabilities.

13.4 Rupee term loan of Rs. 1100 Lakhs (Rs.1500 Lakhs) from The Federal Bank Ltd is secured by pari passu first charge on the movable plant and machinery of the Sugar and Co-generation Plant at Sugar Unit III .

The loan carries Interest at the rate of Bank's Base rate plus 0.60% and repayable in 20 equal quarterly instalments starting from January 2016.

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

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

The loan carried Interest at the rate of Bank's Base rate plus 1% and loan repayable during the year was Rs.937.50 Lakhs. The entire loan has been repaid during September 2017.

13.6 Term loan of Rs. Nil (Rs.4687.50 Lakhs) from HDFC Bank Ltd is secured by pari passu first charge on the fixed assets (excluding vehicles) of the Sugar Complex at Sugar Unit II .

The loan carried Interest at the rate of Bank's Base rate plus 1% and loan repayable during the year was Rs.1250 Lakhs. The entire loan has been repaid during November 2017.

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

The loan carried Interest at the rate of Bank's Base rate plus 0.75% and loan repayable during the year was Rs.937.50 Lakhs. The entire loan has been repaid during September 2017.

13.8 Loan from Sugar Development Fund (Government of India) availed for setting up of cogeneration plant in Sugar Unit-IV, amounting to Rs. 961.39 Lakhs (Rs.1442.09 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 properities of cogeneration plant in Sugar Unit IV.

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

The loan amount repayable within twelve months Rs 480.69 lakhs (Rs.480.70) is grouped under Other Current Liabilities.

13.9 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. 236.25 Lakhs (Rs.371.25 lakhs) is secured by way of exclusive second charge on the movable and immovable properties of Sugar Unit-II.

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

The loan amount repayable within twelve months Rs 135 lakhs (Rs.135 Lakhs) is grouped under Other Current Liabilities

13.10 Loan from Sugar Development Fund (Government of India) availed for modernisation cum expansion of Sugar Unit-III, amounting to Rs. 3040.24 Lakhs (Rs.480.06 Lakhs) is secured by way of pari passu first charge basis on the immovable and movable properties of Sugar plant at Sugar Unit-III.

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 the expiry of one year of the repayment the bank term loan and interest thereon or on the expiry of a period of 5 years reckoned from the date of disbursement whichever is earlier.

13.11 Loan from Sugar Development Fund (Government of India) availed for setting up of 20 MW bagasse based cogeneration plant at Sugar Unit-III, amounting to Rs. 2107.73 Lakhs (Nil) is secured by way of pari passu first charge basis on the immovable and movable properties of cogeneration plant at Sugar Unit-III.

The loan carries interest at the rate of 2% below the bank rate prevailing on the date of disbursement. Interest shall be paid half yearly for the first three years from the date of each disbursement after which it shall be paid half yearly alongwith repayment of principal.

Repayment of principal shall commence after expiry of three years reckoned from the date of each disbursement and it shall be paid in ten half yearly instalments.

13.12 Loan of Rs.2386.67 Lakhs (Rs.5006.67 Lakhs) under SEFASU notified by Government of India availed from Punjab National Bank, The HDFC Bank Ltd and Indian Overseas Bank is secured by residual third charge on all fixed assets forming part of block assets and land and buildings of Sugar Units I, II, III and IV.

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

The loan amount repayable within twelve months Rs 2386.67 lakhs (Rs.2620 lakhs) is grouped under Other Current Liabilities .

13.13 Loan of Rs.407.67 Lakhs (Rs.783.66 Lakhs) under SEFASU notified by Government of India availed from Central Bank of India and The Karur Vysya Bank Ltd is secured by residual first charge on all fixed assets of Sugar Unit V.

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

The loan amount repayable within twelve months Rs.376 Lakhs (Rs 376 Lakhs) is grouped under Other Current Liabilities.

13.14 Loan of Rs.Nil (Rs.3282.50 Lakhs) under SOFT LOAN notified by Government of India availed from The HDFC Bank Ltd and Union Bank of India is secured by residual third charge on all fixed assets forming part of block assets and land and buildings of Sugar Units I, II, III and IV.

The loan is eligible for interest subvention. The loan amount repayable during the year was Rs 1745 lakhs. The entire loan has been repaid during August 2017.

13.15 The interest free loan availed by Madras Sugars Limited from a related party is repayable as specified in the scheme of Amalgamation and the same will continue to be interest free loan until repayment.

13.16 The purchase tax of Rs. 164.32 lakhs (Rs.164.32 lakhs) payable to Government of Karnataka for purchase of Sugarcane to sugar Unit III during the Year ended 31.03.2015 has been converted into interest free loan. The loan is secured by issue of Bank Guarantee from ICICI Bank Limited. The loan is repayable in five annual instalments from the sixth year of Conversion into Loan.

NOTE 14. PROVISIONS

PARTICULARS	As at 31.03.2018	As at 31.03.2017
	(Rs in Lakhs)	(Rs in Lakhs)
Provision for employee benefits - compensated absences and grautity	503.64	409.01

NOTE 15. DEFERRED TAX LIABILITIES (NET)

PARTICULARS	As at 31.03.2018		As at 31.03.2017	
	Details	Total	Details	Total
	(Rs in Lakhs)		(Rs in Lakhs)	
Deferred tax liabilitiy arising on account of depreciation	14332.19		16027.59	
Less: Deferred tax asset arising on account of carry forward loss	1262.07		5468.06	
Deferred tax liabilitiy (Net)		**13070.12**		**10559.53**

CURRENT

NOTE 16. BORROWINGS

PARTICULARS	As at 31.03.2018		As at 31.03.2017	
	Details	Total	Details	Total
	(Rs in Lakhs)		(Rs in Lakhs)	
SECURED :				
Cash Credit Loan from banks repayable on demand		15041.09		18522.33
UNSECURED :				
Short Term Loan from banks	5085.74		22446.96	
Others - from related parties (as specified in the scheme of amalgamation)	5000.00		5000.00	
		10085.74		**27446.96**
TOTAL		**25126.83**		**45969.29**

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

The credit limit availed as at 31.3.2018 is Rs. 15041.09 Lakhs (Rs.18522.33 Lakhs)

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

16.2 The Unsecured Short term loan of Rs.2500 lakhs (Rs.15000 lakhs) from HDFC Bank Ltd is repayable within ninety days from the date of availment and carries interest at the rate of 8% per annum.

The Unsecured short term Farmer Finance loan of Rs. 2585.74 lakhs (Rs.5418.41 lakhs) from HDFC Bank Ltd is repayable within one hundred and eighty days from the date of availment and carries interest at 8.05% per annum.

The unsecured loan of Rs.Nil (Rs.2028.55 lakhs) from Axis Bank Ltd repaid during the year.

The other unsecured loan of Rs. 5000 lakhs availed by M/s Madras Sugars Limited from the related parties will be repaid as specified in the scheme of amalgamation.

NOTE 17. TRADE PAYABLES

PARTICULARS	As at 31.03.2018 (Rs in Lakhs)	As at 31.03.2017 (Rs in Lakhs)
- Purchases and Services	4630.39	5787.63
- Expenses	2031.19	2713.24
TOTAL	**6661.58**	**8500.87**

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.

NOTE 18. OTHER CURRENT LIABILITIES

PARTICULARS	As at 31.03.2018 (Rs in Lakhs)	As at 31.03.2017 (Rs in Lakhs)
Current maturities of long term borrowings	6681.90	13385.24
Payable on purchase of fixed assets	425.58	762.65
Interest accrued but not due on borrowings	46.77	36.72
Unpaid Dividend	62.55	60.98
Statutory remittances	2413.35	2461.39
Trade or security deposits received	272.78	175.87
Advance from customers	416.84	718.61
Others	31.65	29.27
TOTAL	**10351.42**	**17630.73**

NOTE 19. PROVISIONS

PARTICULARS	As at 31.03.2018 (Rs in Lakhs)	As at 31.03.2017 (Rs in Lakhs)
For excise duty on closing stock	–	5155.15
For employee benefits - bonus/exgratia	464.81	443.37
TOTAL	**464.81**	**5598.52**

NOTE 20. CURRENT TAX LIABILITIES (NET)

PARTICULARS	As at 31.03.2018 (Rs in Lakhs)	As at 31.03.2017 (Rs in Lakhs)
For Income Tax	–	379.85
TOTAL	**–**	**379.85**

NOTE 21. REVENUE FROM OPERATIONS

PARTICULARS	Year ended 31.03.2018		Year ended 31.03.2017	
	Details	Total	Details	Total
	(Rs in Lakhs)		(Rs in Lakhs)	
SALE OF PRODUCTS				
MANUFACTURED GOODS				
Sugar	120715.77		146247.80	
Molasses	1933.61		2118.15	
Bagasse	1181.32		911.50	
Granite Products	7706.09		8684.84	
Industrial Alcohol	8623.83		12831.23	
Power	8690.00		11839.96	
Pressmud	1.25		2.43	
Bio-products	633.92	149485.79	460.59	183096.50
TRADED GOODS				
Granite Products	18.86		3.33	
Fertiliser & Pesticides	107.09	125.95	–	3.33
SALE OF SERVICES				
Hire charges		11.41		23.71
OTHER OPERATING REVENUE				
Duty draw back and other incentives			17.08	
Sale of Scrap	32.26		35.50	
Claim received	11.52	43.78	–	52.58
Revenue from operations (Gross)	**–**	**149666.93**	**–**	**183176.12**
Less: Excise duty	–	1591.84	–	7997.42
Revenue from operations (Net)		**148075.09**		**175178.70**

NOTE 22. OTHER INCOME

PARTICULARS	Year ended 31.03.2018		Year ended 31.03.2017	
	Details	Total	Details	Total
	(Rs in Lakhs)		(Rs in Lakhs)	
Interest Income				
From loans and advances	292.12		69.83	
From deposits	13.40	305.52	14.47	84.30
Dividend income from long term investments		2.42		2.36
Production subsidy from Govt of India		--		288.89
Other non-operating income :				
Rent receipts from operating leases	219.02		172.21	
Profit on Sale of Fixed Assets	--		15.93	
Agricultural Income	21.67		--	
Miscellaneous income	8.54		8.62	
		249.23		196.76
TOTAL		**557.17**		**572.31**

NOTE 23. COST OF MATERIALS CONSUMED

PARTICULARS	Year ended 31.03.2018		Year ended 31.03.2017	
	Details	Total	Details	Total
	(Rs in Lakhs)		(Rs in Lakhs)	
Opening Stock of Raw Materials:				
Molasses at Distillery Units	1097.49		1412.92	
Granite rough blocks	150.81		208.48	
Press-mud	14.45		4.88	
Bio-products	--	1262.75	1.93	1628.21
Add: Purchase of Raw Materials :				
Sugarcane	58630.19		77464.77	
Raw Sugar	1338.67		--	
Purchase Tax on sugar cane	--		24.26	
Sugarcane cess	43.84		97.29	
Freight and transport on sugar cane	2230.91		2744.44	
Molasses at Distillery Units	354.05		1016.67	
Granite rough blocks	701.91		440.42	
Press-Mud	112.48		107.30	
		63412.05		**81895.15**
TOTAL		**64674.80**		**83523.36**

PARTICULARS	Year ended 31.03.2018		Year ended 31.03.2017	
	Details	Total	Details	Total
	(Rs in Lakhs)		(Rs in Lakhs)	
Less: Closing Stock of Raw Materials:				
Molasses at Distillery Units	1137.20		1097.49	
Granite rough Blocks	97.84		150.81	
Press-mud	21.04		14.45	
		1256.08		1262.75
Raw Material Consumed		63418.72		82260.61
Packing Material Consumed		804.08		1040.18
TOTAL		**64222.80**		**83300.79**
Details of Raw Material Consumed				
Sugarcane (includes cost, tax and freight)		60904.94		80330.76
Raw Sugar		1338.67		--
Packing Material for Sugar		804.08		1040.18
Molasses at Distillery Units		314.34		1332.10
Granite rough blocks		754.88		498.09
Press-Mud		105.89		97.73
Bio-products		--		1.93
TOTAL		**64222.80**		**83300.79**

NOTE 24. PURCHASE OF STOCK - IN - TRADE

PARTICULARS	Year ended 31.03.2018	Year ended 31.03.2017
	Total	Total
	(Rs in Lakhs)	(Rs in Lakhs)
Granite Products	16.91	2.57
Fertiliser & Pesticides	70.38	--
TOTAL	**87.29**	**2.57**

NOTE 25. CHANGES IN INVENTORIES

PARTICULARS	Year ended 31.03.2018		Year ended 31.03.2017	
	Details	Total	Details	Total
	(Rs in Lakhs)		(Rs in Lakhs)	
I. FINISHED GOODS :				
a. Opening Stock :				
Sugar	83088.11		116355.03	
Molasses at Sugar Units	2110.93		2367.73	
Bagasse	90.66		185.98	
Granite Products	767.78		1044.54	
Industrial Alcohol	1610.19		769.32	
Bio-Compost	0.53		0.10	
		87668.20		**120722.70**

PARTICULARS	Year ended 31.03.2018		Year ended 31.03.2017	
	Details	Total	Details	Total
	(Rs in Lakhs)		(Rs in Lakhs)	
b. Closing Stock :				
Sugar	41952.93		83088.11	
Molasses at Sugar Units	2401.46		2110.93	
Bagasse	80.99		90.66	
Granite Products	757.22		767.78	
Industrial Alcohol	1883.08		1610.19	
Bio-Compost	0.01		0.53	
		47075.69		**87668.20**
(a) - (b)		**40592.51**		**33054.50**
II. WORK IN PROGRESS :				
a. Opening Stock :				
Sugar	1039.22		1513.14	
Molasses	96.82		214.97	
Press-mud	82.97		43.38	
		1219.01		**1771.49**
b. Closing Stock :				
Sugar	1036.08		1039.22	
Molasses	140.06		96.82	
Press-mud	64.68		82.97	
		1240.82		**1219.01**
(a) - (b)		**(21.81)**		**552.48**
TOTAL		**40570.70**		**33606.98**

NOTE 26. EMPLOYEE BENEFIT EXPENSES

PARTICULARS	Year ended 31.03.2018	Year ended 31.03.2017
	(Rs in Lakhs)	(Rs in Lakhs)
Salaries, wages and allowances	7843.37	8020.70
Contribution to Provident and other funds	886.14	756.44
Staff Welfare expenses	764.46	703.92
TOTAL	**9493.97**	**9481.06**

NOTE 27. FINANCE COSTS

PARTICULARS	Year ended 31.03.2018	Year ended 31.03.2017
	(Rs in Lakhs)	(Rs in Lakhs)
Interest Expenses	3398.67	9540.62
Other borrowing costs	(16.23)	166.15
	3382.44	**9706.77**

NOTE 28. OTHER EXPENSES

PARTICULARS	Year ended 31.03.2018		Year ended 31.03.2017	
	Details	Total	Details	Total
	(Rs in Lakhs)		(Rs in Lakhs)	
Consumption of stores and spare parts		2165.28		2626.78
Loose tools		3.61		6.73
Increase / (decrease) of excise duty on inventory		(5157.83)		(2817.59)
Power and fuel		5612.15		4541.50
Water charges		122.11		151.11
Rent		240.55		65.18
Lease / hire charges for equipments		42.67		32.31
Granite processing charges		500.18		387.79
Cane development expenses		710.13		297.64
Repairs and maintenance :-				
Buildings	529.48		569.88	
Plant and Machinery	3111.23		2852.19	
Vehicles	467.60		418.48	
Others	207.90		137.32	
		4316.21		3977.87
Effluent disposal expenses		303.29		432.07
Insurance charges		227.11		261.77
Rates and taxes		1038.83		1542.23
Telephone & Fax charges		53.43		52.45
Travelling expenses		221.09		233.94
Printing and Stationery		41.90		53.53
Directors' sitting fees		3.00		3.55
Advertisement		5.19		24.93
Other Administrative expenses		124.13		279.96
Freight and forwarding		421.11		238.60
Selling and distribution expenses		1284.27		1308.98
Sales commission		73.97		34.15
Donations		19.76		23.25
Corporate Social Responsibility expenses		148.20		79.07
Legal and professional charges		94.03		133.96
Agricultural expenses		--		5.87
Dairy Farm Expenses		12.68		3.65
Loss on Sale of fixed assets		28.36		--
Auditor's Remuneration (net of input credit, where applicable)				
For statutory audit	15.00		17.25	
For taxation matters	0.29		18.75	
For Company law matters	1.60		--	
For other services	4.04		4.52	
Reimbursement of expenses	0.25	21.18	0.30	40.82
TOTAL		**12676.59**		**14022.10**

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.417.66 Lakhs (Rs. 408.14 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.

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

29.4. The Company has received a demand for payment of excise duty for Rs.148.44 lakhs on the machineries purchased for co-generation plant in Sugar Unit-II 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.

29.5. The company has preferred an appeal before the Commissioner of Income Tax (Appeals) challenging the order of Assistant Commissioner of Income Tax in connection with disallowance of deduction for the Assessment year 2013-14. The quantum under dispute is Rs.1.60 Lakhs.

29.6. Estimated amount of contracts remaining to be executed on capital account - Tangible Assets not provided for is Rs.277.93 Lakhs (Rs. 461.72 lakhs).

30 DISCLOSURE UNDER Ind AS 19

(Rs in Lakhs)

PARTICULARS	COMPENSATED ABSENCES		GROUP GRATUITY	
	31.3.2018	31.3.2017	31.3.2018	31.3.2017
PRINCIPAL ACTUARIAL ASSUMPTIONS				
Discount rate (%)	7.73	7.29	7.73	7.29
Salary escalation rate (%)	4.00	8.00	4.00	8.00
Expected return on plan assets (%)	–	–	8.00	8.00
Attrition rate (%)	3.00	7.00	3.00	7.00

A NET ASSET / (LIABILITY) RECOGNISED IN BALANCE SHEET AT THE BEGINNING OF THE YEAR

Present Value of Defined Benefit Obligation	394.39	278.96	2522.14	1870.17
Fair Value of Plan Assets			2092.63	1854.01
Funded Status [Surplus/(Deficit)]	(394.39)	(278.96)	(429.51)	(16.16)
Unrecognised Past Service Costs	–	–	-	–
Net Asset / (Liability) Recognised in Balance Sheet	(394.39)	(278.96)	(429.51)	(16.16)

B DISCLOSURE OF EMPLOYER EXPENSE

Current Service Cost (including risk Premium for fully insured benefits)	131.24	185.15	199.49	204.87
Interest Cost	26.18	21.31	190.71	143.79
Curtailment Cost /(Credit)	–	–	–	–
Settlement Cost / (Credit)	–	–	–	–
Past Service Cost	–	–	–	–
Total Employer Expense Recognised in the Statement of Profit & Loss	**157.42**	**206.46**	**390.20**	**348.66**

C NET ASSET / (LIABILITY) RECOGNISED IN BALANCE SHEET

Present Value of Defined Benefit Obligation	313.98	394.39	2258.09	2522.14
Fair Value of Plan Assets			2258.09	2092.63
Funded Status [Surplus / (Deficit)]	(313.98)	(394.39)		(429.51)
Unrecognised Past Service Costs	–	–	–	–
Net Asset / (Liability) Recognised in Balance Sheet	**(313.98)**	**(394.39)**		**(429.51)**

30 DISCLOSURE UNDER Ind AS 19 Contd.... :

(Rs in Lakhs)

PARTICULARS	COMPENSATED ABSENCES		GROUP GRATUITY	
	31.3.2018	31.3.2017	31.3.2018	31.3.2017
D CHANGE IN OBLIGATIONS AND ASSETS				
Change in obligations				
Present Value of Defined Benefit Obligation at the Beginning of the period	394.39	278.96	2522.14	1870.17
Employer Service Cost	131.24	185.15	199.49	204.87
Interest Cost	26.18	21.31	190.71	143.79
Curtailment Cost / (Credit)	–	–	–	–
Settlement Cost / (Credit)	–	–	–	–
Plan Amendments	–	–	–	–
Acquisitions	–	–	–	–
Actuarial (Gains) / Losses	(126.34)	(91.03)	(544.33)	366.24
Benefit Payments	(111.49)	–	(109.92)	(62.93)
Present Value of Defined Benefit Obligation at the end of the period	**313.98**	**394.39**	**2258.09**	**2522.14**
Change in Assets				
Fair value of Plan Assets at the Beginning of the Period	–	–	2092.63	1854.01
Expected Return on Plan Assets	–	–	172.35	152.99
Actuarial Gain / (Loss)	–	–	(130.29)	0.61
Assets Distributed on Settlements	–	–	–	–
Actual Company contributions Less Risk Premium	111.49	-	233.32	147.95
Benefit Payments	(111.49)	-	(109.92)	(62.93)
Fair Value of Plan Assets at the End of the Period	**–**	**–**	**2258.09**	**2092.63**

E NET ASSET / (LIABILITY) RECOGNISED IN BALANCE SHEET

Present Value of Defined Benefit Obligation at the end of Period	313.98	394.39	2258.09	2522.14
Fair value of Plan Assets at the end of Period	`		2258.09	2092.63
NET (ASSET)/LIABILITY RECOGNISED IN BALANCE SHEET	**313.98**	**394.39**		**429.51**

31. Segment Information for the year ended 31st March 2018

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. The Company has the following operating segments, which are its reportable segments. These operating segments have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

1. Sugar
2. Power
3. Distillery
4. Granite Products

Operating segment disclosures are consistent with the information provided to and reviewed by the Chief Operating Decision Maker (CODM).

(Rs. in Lakhs)

PARTICULARS	Sugar		Power		Distillery		Granite Products		TOTAL	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
PRIMARY										
External Revenue	132381.59	162220.62	19878.11	23459.35	9110.95	13291.07	9173.68	10467.66	170544.33	209438.70
Operating Income	1829.81	68.90	–	–	–	7.39	11.52	–	1841.33	76.29
	134211.40	162289.52	19878.11	23459.35	9110.95	13298.46	9185.20	10467.66	172385.66	209514.99
Intersegment Revenue	10065.25	12940.74	11188.10	11619.39	16.71	2.08	1448.67	1776.66	22718.73	26338.87
	124146.15	149348.78	8690.01	11839.96	9094.24	13296.38	7736.53	8691.00	149666.93	183176.12
RESULT										
Segment Result	7193.29	14170.50	5288.15	9041.22	1832.48	3373.11	(178.93)	1447.62	14134.99	28032.45
Add: Un-allocable Income									485.43	359.85
Operating Profit									14620.42	28392.30
Less: Finance Costs									3382.45	9706.77
Tax expenses									2510.59	4168.98
Profit after Tax									8727.38	14516.55
OTHER INFORMATION										
Segment Assets	136477.51	175766.90	26144.60	33172.44	10342.00	10468.38	9866.95	10784.93	182831.06	230192.65
Segment Liabilities	14118.82	30309.35	4479.82	4275.80	130.22	201.32	987.34	799.52	19716.20	35585.99
Capital expenditure	4866.32	1797.00	6.28	21.74	32.94	92.08	83.87	1666.62	4989.41	3577.44
Depreciation	3698.47	3493.21	1777.99	1979.79	479.48	483.55	1004.56	988.66	6960.50	6945.21
Non-Cash expenses other than Depreciation	--	--	--	--	--	--	--	--	--	–
SECONDARY										
Revenue by Geographical Market										
India	124146.15	149269.47	8690.01	11839.96	9094.24	13296.38	2498.80	2780.27	144429.20	177186.08
Outside India	–	79.31	–	–	–	–	5237.73	5910.73	5237.73	5990.04

There is no transations with single customer which amounts to 10% or more of the company's revenue.

32 Related Party disclosures

1 KEY MANAGEMENT PERSONNEL :

Sri S V Balasubramaniam, Chairman
Sri B Saravanan, Managing Director

2 RELATIVES OF KEY MANAGEMENT PERSONNEL :

Sri S V Balasubramaniam
Relatives
Sri B Saravanan (Son)

Sri B Saravanan
Relatives
Sri S V Balasubramaniam (Father)

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

1. Annamallai Enterprise Private Limited
2. Annamallai Estates Private Limited
3. Bannari Amman Exports Private Limited
4. Bannari Amman Finance Private Limited
5. Shiva Cargo Movers Private Limited
6. Shiva Distilleries Private Limited
7. SVB Holdings Private Limited

Related Party Transactions

(Rs. in Lakhs)

PARTICULARS	Key Management Personnel	Relatives of Key Management Personnel	Enterprises as described in (3) above
Purchase of Goods			18.26 (107.31)
Sale of Goods			4191.05 (8954.82)
Managerial Remuneration	704.80 (1086.41)		
Availing Services			583.59 (1058.94)
Rent		NIL	17.96 (17.72)
Interest (*)			– (162.74)
Loans and Advances / ICD (*)			– (4553.14)
Balance Outstanding as on 31st March 2018 is Rs.15000.00 lakhs			

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

Whole time Directors' Remuneration

(Rs in Lakhs)

PARTICULARS	2017 - 18	2016 - 17
Short Term Employee Benefit	696.88	1079.21
Post Employment Benefit	7.92	7.20
	704.80	1086.41

Non - Whole time Directors' Remuneration

(Rs in Lakhs)

PARTICULARS	2017 - 18	2016 - 17
Directors Sitting Fee	3.00	3.55

PARTICULARS	For the Year Ended 31.3.2018 (Rs in Lakhs)	31.3.2017
33 Details of government grants		
Government grants received by the Company during the year towards		
Duty drawback and other export incentives (recognised under other operating revenues)	—	17.08
Other incentives (recognised under other income)	—	288.89
TOTAL	**—**	**305.97**
34 Earnings per share		
a) Weighted average number of equity shares of Rs 10/-each		
i) Number of shares at the beginning of the year	12539700	11439700
ii) Number of shares at the end of the year	12539700	12539700
Weighted average number of equity shares outstanding during the year	12539700	11590385
b) Net Profit after tax available for equity shareholders	8727.38	14553.09
c) Basic and diluted earnings per share (Rs)	69.60	125.56
35 Details of research and development expenditure recognised as an expense		
Materials	92.52	35.19

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

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

PARTICULARS	As at 31.3.2018		As at 31.3.2017	
	US DOLLAR	EURO	US DOLLAR	EURO
Receivables	219429	703334	563765	429153
Payables	41160	926171	--	716411
Advance for Purchase	--	2753	--	13800

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

39. Value of Raw materials

PARTICULARS	Consumption (Rs in Lakhs)	% to total consumption
39.1 Imported Value of		
a Raw Sugar	1338.67 (Nil)	100% (-)
b Spares and Components	1258.75 (1120.06)	12.99% (9.46%)
39.2 Indigenous Value of		
a Sugarcane	60904.94 (80330.76)	100% (100%)
b Granite Rough Blocks	2203.54 (2274.76)	100% (100%)
c Molasses	4131.95 (6484.04)	100% (100%)
d Pressmud	114.94 (102.21)	100% (100%)
e Spares and Components	8431.50 (10723.26)	87.01% (90.54%)

PARTICULARS	For the Year Ended 31.3.2018 (Rs in Lakhs)	31.3.2017
40. Value of Imports on C.I.F. basis :		
a. Raw Sugar	1273.80	(Nil)
b. Components and spare parts	1202.53	1358.00
c. Capital goods	(Nil)	485.35
41. Expenditure in foreign currency :		
1. Travelling	4.34	9.12
2. Sales commission	59.78	23.83
3. Subscription	0.96	1.03
4. Sales promotion expenses	(Nil)	13.66
42. Earnings in Foreign Exchange :		
F.O.B Value of Exports	5236.74	5989.08

43. Financial Instruments

a) Financial Instruments by category

As at 31st March 2018

(Rs in Lakhs)

PARTICULARS	Note No.	Total fair Value	Carrying Value		
			Cost	Amortised Cost	FVTOCI
FINANCIAL ASSETS					
Investments	4	138.43		2.75	135.68
Non-Current Loans and Advances	5	15724.39		15724.39	
Trade Receivables	7	6748.22		6748.22	
Cash and Cash Equivalents	8	377.87		377.87	
Current Loans and Advances	9	488.49		488.49	
Other Current Assets	10	5721.98		5721.98	
Total		**29199.38**	**-**	**29063.70**	**135.68**
FINANCIAL LIABILITIES					
Long Term Borrowing	13	21575.91		21575.91	
Short Term Borrowings	16	25126.83		25126.83	
Trade Payables	17	6661.58		6661.58	
Total		**53364.32**	**-**	**53364.32**	**-**

As at 31st March 2017

(Rs in Lakhs)

PARTICULARS	Note No.	Total fair Value	Carrying Value		
			Cost	Amortised Cost	FVTOCI
FINANCIAL ASSETS					
Investments	4	158.05		2.48	155.57
Non-Current Loans and Advances	5	14454.67		14454.67	
Trade Receivables	7	11624.87		11624.87	
Cash and Cash Equivalents	8	918.26		918.26	
Current Loans and Advances	9	193.05		193.05	
Other Current Assets	10	5189.93		5189.93	
Total		**32538.83**	**-**	**32383.26**	**155.57**
FINANCIAL LIABILITIES					
Long Term Borrowing	13	44436.35		44436.35	
Short Term Borrowings	16	45969.29		45969.29	
Trade Payables	17	8500.87		8500.87	
Total		**98906.51**	**-**	**98906.51**	**-**

b) Fair Value Hierarchy

Fair Value Measurement Hierarchy of Financial Instruments :

The Company uses the following fair value hierrachy for determining and disclosing the fair value of the finanicial instruments

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilties

Level 2 : inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 : inputs that are unobservable for the asset or liability.

(Rs in Lakhs)

PARTICULARS	Note No.	Level 1	Level 2	Level 3	Total fair Value
Financial Assets at FVTOCI - 31.3.18	4	135.68	-	-	135.68
Financial Assets at FVTOCI - 31.3.17	4	155.57	-	-	155.57

Fair Value Measured at amortised Cost:

The carrying amount of financial assets and liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the company does not anticipate that the carrying amount would be singicantly different from the values that would eventually be received or settled.

44. Financial Risk Management - Objectives & Policies

The Company's principal financial liabilities includes borrowings, trade payable and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, cash and cash equivalents and other financial assets that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management under the supervision of Risk management committee / Board of Directors oversees the management of these risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations with floating interest rates. Interest rate risk is managed maintaining a combination of fixed and floating rate debt and cash management policies. There is no material interest risk to the company's financial liabilities.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated financial assets and financial liabilities.

iii) Commodity price risk

The realisation gets adversly affected during downturn since sugar industry is cyclic in nature. Higher cane price or higher production than the demand ultimately affect profitability. The Company has mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products.

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument leading to a financial loss. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The Company had

managed the credit risk with respect to trade receivables by selling majority of sugar sales covering minimal portion on credit basis.

The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties. The company manages the risk by credit aprroval. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/modified.

The impairment for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date.

Financial assets are written off when there is no reasonable expectation of recovery. However, the Company continues to attempt to recover the receivables and are recognised in the Statement of Profit and Loss when recovered.

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result for an inability to sell a financial asset quickly close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

(Rs in Lakhs)

Particulars	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
As at 31.3.2018				
Borrowing	25126.83	18394.54	3181.37	46702.74
Trade Payables	6661.58			6661.58
	31788.41	**18394.54**	**3181.37**	**53364.32**
As at 31.3.2017				
Borrowing	45969.29	43956.29	480.06	90405.64
Trade Payables	8500.87			8500.87
	54470.16	**43956.29**	**480.06**	**98906.51**

45. Capital Management

Capital includes paid up equity capital and all other equity reserves attributable to the equity shareholders of the Company for the purpose of Capital Management of the Company. The objective of Capital Management is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. The capital structure of the Company consist of net debt and total equity of the Company.

In order to achieve this overall objectives, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

(Rs in Lakhs)

PARTICULARS	31.3.2018	31.3.2017
Equity	113556.72	106707.75
Debt	53384.64	103790.80
Less : Cash and Cash Equivalent	377.87	918.26
Net Debt	53006.77	102872.61
Net Debt to Capital Ratio	46.68%	96.41%

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2018

46. Reconciliation of effective tax rate

The tax expense for the year can be reconciled to the accounting profit as follows :

(Rs in Lakhs)

PARTICULARS	31.3.2018	31.3.2017
Profit before tax	11237.97	18685.53
Income tax expenses calculated	3889.24	6466.69
Effect of different tax rate on certain items	(281.72)	(156.31)
Effect of income not taxable	(1096.93)	(2141.40)
Tax expenses recognised in profit or loss	2510.59	4168.98

The tax rate used above for the reconciliation of income tax expenses for years 2016-17 and 2017-18 is the corporate tax rate of 34.608% (30% + surcharge @ 12% and education cess @ 3%) payable on taxable profits under the Income Tax Act, 1961

47. Events occuring after Balance Sheet date

The Board of Directors at its meeting held on 25.05.2018 have recommended a payment of final dividend of Rs.10 Per equity share for the year ended 31st March, 2018 amounting to Rs.1509.25 lakhs including dividend distribution tax of Rs. 255.28 lakhs.

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

As per our report of even date attached

For P K NAGARAJAN & Co.,
Chartered Accountants

P K NAGARAJAN
Partner
M No 25679
Firm Regn. No: 016676S

Place: Coimbatore
Date : 25.05.2018

S V BALASUBRAMANIAM
Chairman
DIN 00002405

B SARAVANAN
Managing Director
DIN 00002927

C PALANISWAMY
Company Secretary

M RAMPRABHU
Chief Financial Officer

Financial Performance - Year Wise

(Rs in Lakhs)

Financial Year	Equity Share Capital	Reserves & Surplus	Turnover*	Profit before Depreciation	Depreciation	Profit before Tax	Dividend on Equity Shares (%)
1985-1986	373.26	85.15	1421.08	247.65	192.32	55.33	15
1986-1987	374.81	150.60	1585.78	258.56	117.68	140.88	15
1987-1989 (18 months)	374.95	558.79	3157.49	743.55	200.87	542.68	25
1989-1990	375.00	821.84	2941.28	479.29	127.04	352.25	18
1990-1991	375.00	1097.53	3035.74	470.31	169.05	301.26	20
1991-1992	375.00	1381.32	4354.55	572.49	244.04	328.45	21
1992-1993	375.00	1526.96	6154.24	623.38	415.35	208.03	21
1993-1994	753.97	3004.49	5502.34	486.04	382.17	103.87	21
1994-1995	953.97	4937.00	12219.55	853.98	403.98	450.00	22
1995-1996	953.97	6107.79	15686.98	1895.45	533.78	1361.67	24
1996-1997	953.97	7201.67	16133.02	1884.43	560.90	1323.53	25
1997-1998	953.97	8704.64	14229.49	2292.81	568.50	1724.31	25
1998-1999	953.97	9737.98	20572.87	2009.33	598.43	1410.60	25
1999-2000	953.97	11071.16	23242.80	2425.92	675.51	1750.41	25
2000-2001	953.97	12728.83	30792.42	3655.88	1710.46	1945.42	27
2001-2002	953.97	12296.57	36158.79	4727.63	1652.41	3075.22	33
2002-2003	953.97	13265.96	34823.17	4429.97	2160.88	2269.09	30
2003-2004	953.97	16192.33	45778.58	7298.47	2705.14	4593.33	36
2004-2005	953.97	20070.14	38318.31	8826.31	3200.10	5626.21	45
2005-2006	953.97	27158.61	49408.86	13878.66	4307.00	9571.66	70
2006-2007	953.97	40572.76	69116.18	14570.19	3734.83	10835.36	70
2007-2008	1143.97	43825.26	60608.73	7397.92	3481.86	3916.06	70
2008-2009	1143.97	54270.49	67404.42	16597.74	3408.23	13189.51	100
2009-2010	1143.97	67301.16	85346.50	23807.83	3834.06	19973.77	100
2010-2011	1143.97	71273.33	111880.26	12692.25	7083.08	5609.17	100
2011-2012	1143.97	80355.33	126046.54	17920.15	6676.92	11243.23	100
2012-2013	1143.97	93055.51	148321.54	23430.89	5995.44	17435.45	125
2013-2014	1143.97	94256.37	107709.57	8410.18	5195.53	3214.65	125
2014-2015	1143.97	94044.97	96109.23	5159.42	5125.55	33.87	25
2015-2016	1143.97	90805.37	142741.00	9139.79	6154.07	2985.72	75
2016-2017	1253.97	105453.78	141571.72	25630.74	6945.21	18685.53	125
2017-2018	**1253.97**	**112302.75**	**107504.40**	**18198.47**	**6960.50**	**11237.97**	**100**

* 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 34th Annual General Meeting of the company held on Thursday the 20th September 2018 at 4.30 PM at Jenneys Residency, 2/2 Avinashi Road, Civil Aerodrome Post, Coimbatore- 641 014

.....
Member's / Proxy's Signature

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

Form No. MGT - 11

PROXY FORM

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

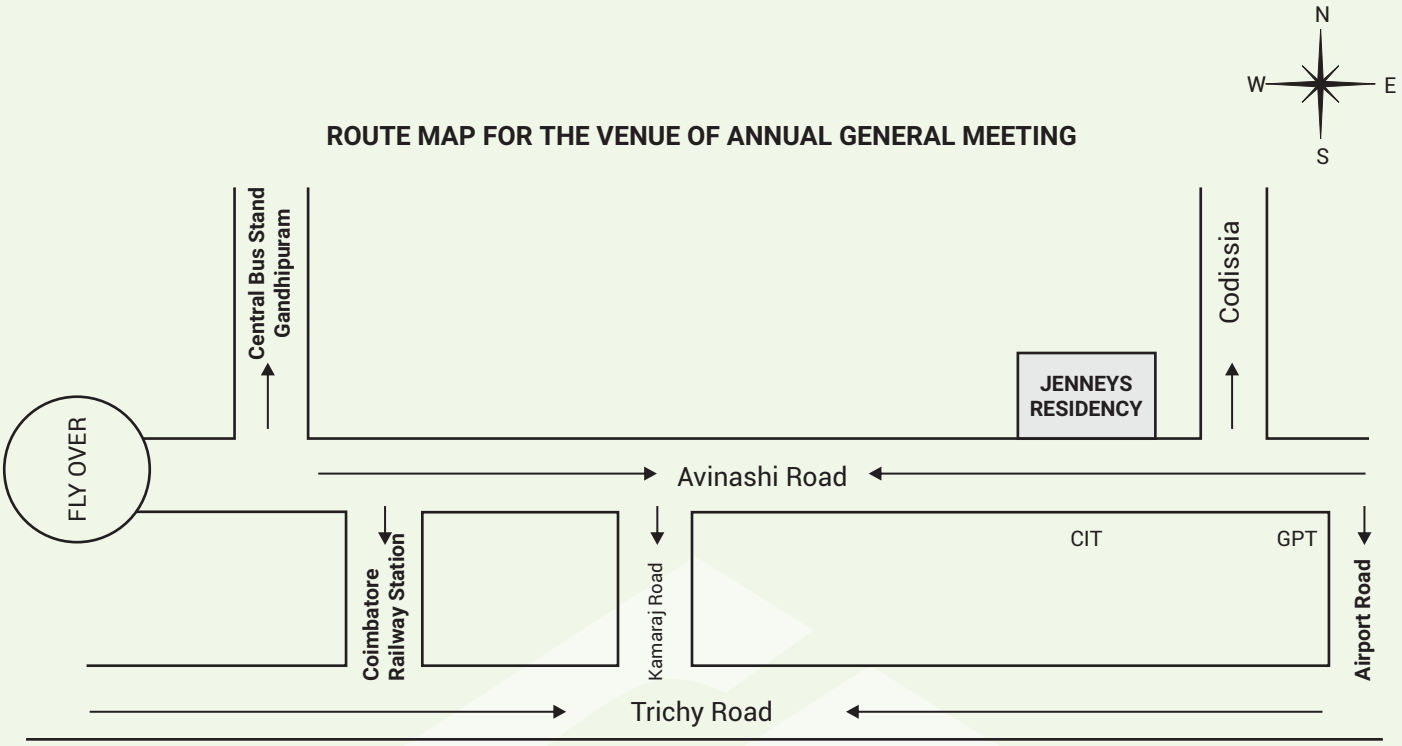
CIN : L15421TZ1983PLC001358
Name of the Company : BANNARI AMMAN SUGARS LIMITED
Registered Office : 1212 Trichy Road, Coimbatore - 641018 Tamilnadu
Name of the Member(s) :
Registered Address :
E-mail ID :
Folio No / Client ID :
DP ID :

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

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

P.T.O.

ROUTE MAP FOR THE VENUE OF ANNUAL GENERAL MEETING



As my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the company to be held on Thursday the 20th day of September 2018 at 4.30 p m at Jenneys 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
	Ordinary Business		
1	Adoption of Audited Financial Statements, Reports of the Board of Directors and Auditors thereon		
2	Declaration of Dividend on equity shares		
3	Appointment of Director in the place of Sri B Saravanan Director (DIN:00002927) who retires by rotation and being eligible offers himself for re-appointment		
	Special Business		
4	Ratification of Remuneration payable to Cost Auditor of the Company		
5	Approval for continuance of Sri A K Perumalsamy as Independent Director under Regulation 17 (1A) of SEBI (LODR) Regulations, 2015 as amended and coming in to force with effect from 1.4.2019.		
6	Approval for continuance of Sri T Gundan as Independent Director under Regulation 17 (1A) of SEBI (LODR) Regulations, 2015 as amended and coming in to force with effect from 1.4.2019.		

Signed this ____ day of _____ 2018

Affix Revenue Stamp

....

Signature of Shareholder(s) Signature of Proxy holder(s)

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



BANNARI AMMAN SUGARS LIMITED
Regd. Off. : 1212 Trichy Road Coimbatore - 641 018 India
Phone : 0422-2204100 Fax : 0422-2309999
E-mail : shares@bannari.com Website : http://www.bannari.com
CIN : L15421TZ1983PLC001358

Kalaikathir : 0422 2223454