



chamundeswari  
LIFE IN HARMONY



# Sri Chamundeswari Sugars Limited

44<sup>th</sup>

ANNUAL REPORT  
2016-2017



## SRI CHAMUNDESWARI SUGARS LIMITED

### REGISTERED OFFICE

No. 88/5, Richmond Road,  
Bangalore- 560 025  
CIN : L15435KA1970PLC001974

### PLANT LOCATION

UNIT-I  
(Sugar, Distillery and Power Generation)  
Bharathinagara (K.M. Doddi)  
Maddur Taluk, Mandya District  
Karnataka State

### UNIT-II

(Sugar Plant)  
Srinivasapura, Channarayapatna Taluk,  
Hassan District, Karnataka State

### STATUTORY AUDITORS

P.N. Raghavendra Rao & Co.  
Chartered Accountants  
Coimbatore

### INTERNAL AUDITORS

Brahmayya & Co  
Chartered Accountants  
Bangalore

### COST AUDITOR

Shri. M.R. Krishnamurthy  
Cost Accountant  
Bangalore

### SECRETARIAL AUDITOR

Shri G. Vasudevan  
M/s. G V Associates & Co  
Bangalore

### BOARD OF DIRECTORS

Shri. M. Srinivaasan B.E., MBA  
MANAGING DIRECTOR

### DIRECTORS

Dr. M. Manickam M.Sc., MBA  
Shri. M. Balasubramaniam M.Com, MBA  
Shri. V.K. Swaminathan B.Com  
Shri. A. Arjunaraj B.Sc., FCA  
Dr. A. Selvakumar M.E., Ph.D.  
Dr. M.R. Desai M.B.B.S  
Smt. Susheela Balakrishnan B.A., FCA

### CHIEF FINANCIAL OFFICER

Shri. J.U. Srinivasan

### COMPANY SECRETARY

Shri. M. Rajendraprasath (upto 22.10.2016)  
Smt. Priya Arwat (w.e.f. 10.04.2017)

### BANKERS & FINANCIAL INSTITUTIONS

Allahabad Bank  
Bajpe VSS Bank Limited  
IDBI Bank Limited  
Indian Renewable Energy Development Agency Limited  
The Hassan District Co-operative Central Bank Limited  
The Karnataka State Co-operative Apex Bank Limited  
The South Canara District Central Co-Operative Bank Limited

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### NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the **Forty Fourth Annual General Meeting** of the Members of the Company will be held at **Hotel Woodlands, No. 5, Raja Ram Mohan Roy Road, Bangalore - 560 025** on **Friday, 15th September 2017** at **2.30 p.m** to transact the following business:

#### Ordinary Business:

1. To Consider and adopt the Board's Report and the Audited Financial Statements for the year ended 31st March 2017 and the Auditors' Report thereon.
2. To appoint a Director in the place of Dr.M.Manickam (DIN 00102233), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder and on recommendation of the Audit Committee, M/s P.K NAGARAJAN & CO. Chartered Accountants (FRN: 016676S), Coimbatore be and is hereby appointed as the Statutory Auditors of the Company to hold office for a term of five consecutive years, from the conclusion of this 44th Annual General Meeting (AGM) until the conclusion of 49th Annual General Meeting (AGM) subject to ratification at every AGM during their term of office, if required, on such remuneration as may be decided by the Board of directors of the Company.

#### Special Business:

4. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any of the Companies Act, 2013 read with Companies (Audit and Auditors), Rules, 2014 and other rules applicable and made thereunder, as amended from time to time, the remuneration of Rs.50,000/- to Shri M R Krishnamurthy, (M.No.F7568), Cost Accountant, Bangalore for conducting Cost Audit for the financial year ending 31st March 2018.

5. To consider and if thought fit, to pass with or without modification, the following resolution as an Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 42 and 71 of the Companies Act, 2013 ('the Act'), Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modifications or re-enactments thereof for the time being in force), consent of the Members be and is hereby accorded to the Board of Directors/Committee of Directors to offer, issue and allot, in one or more tranches of Secured Non-convertible Debentures/Bonds on private placement basis during the period from 01.10.2017 to 30.09.2018, for an amount not exceeding Rs.50,00,00,000/- (Rupees Fifty Crores only) on such terms and conditions, as may be decided by the Board/Committee of Directors to such person or persons

RESOLVED FURTHER THAT in connection with the above, the Board/Committee of Directors be and is hereby authorized to do

all such acts, deeds, matters and thing as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.

By order of the Board  
For Sri Chamundeswari Sugars Limited

Priya Arwat  
Company Secretary  
(M - A48559)

Date : 11.08.2017  
Place : Coimbatore

#### Notes:

1. Pursuant to Provisions of Section 105 of the Companies Act, 2013 with respect to Proxy:

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy. Proxy need not be a member of the Company. Proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll. A person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The duly completed and signed instrument of Proxy, in order to be effective, should be deposited at the Registered Office, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

2. The relative Explanatory Statement as required under Section 102 of the Companies Act 2013 in respect of Special Business are annexed forming part of the Notice.
3. The Register of Members of the company will be closed from 8th September, 2017 to 15th September, 2017 (Both days inclusive).
4. M/s.Canbank Computer Services Limited, Bangalore are the authorized Registrar and Share Transfer Agent. Members are requested to correspond with them directly for non-receipt of share certificates, share transfers, transmission, change of address, consolidation of certificate, splits of certificate, registration of Power of Attorney, non-receipt of dividend and on all other queries in the following address.

Canbank Computer Services Limited  
Unit: Sri Chamundeswari Sugars Limited,  
No.218, J.P.Royale, 1st Floor  
2nd Main, Sampige Road (Near 14th Cross)  
Malleswaram, Bangalore - 560 003.  
Ph.: 080-23469661/62/64/65  
Fax: 080-23469667/68  
E-mail: canbankrta@csl.co.in

5. Email ID: Company has provided an exclusive Email Id complianceofficer@chamundisugars.com for investors to send their requests/grievances/complaints in electronic mode.
6. The matured deposits and proceeds of fractional shares remain unclaimed for a period of seven years will be transferred to Investor Education and Protection Fund, if any.

## Notice of the Annual General Meeting

7. Nomination Facility: Section 72 of the Companies Act, 2013 provides inter-alia the facility of nomination for shareholders and debenture holders. Nomination can be made by either single or joint holders.
8. A brief resume in respect of the proposed re-appointment of Directors retire by rotation is attached.
9. Members are requested to bring their copies of the Annual Report to the meeting.
10. Attendance slip has to be signed and delivered at the entrance of the meeting venue.
11. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participants. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s) and to those Members who have requested for physical copies. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
12. Those shareholders who do not have access to e-voting facility, the Company has enabled a ballot paper facility in lieu of e-voting. A member desiring to exercise vote by postal ballot is requested to carefully read the instructions printed in the ballot paper form and return the form duly completed in the attached self-addressed business reply envelope so as to reach the scrutinizer on or before 14th September 2017.
13. Members are provided with the facility of exercising their rights in electronic mode as required under Section 108 of the Companies Act. The procedures for e-voting is given hereunder:

Please follow all steps from Sl.No.(II) to Sl.No.(XII) overleaf, to cast vote.

### Voting through electronic means. Instruction for e-voting

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide its members, the facility to exercise their right to vote electronically (on resolutions proposed to be considered at the 44th AGM to be held on Friday, the 15th September 2017). The business may be transacted through e-voting services. The Company has engaged the services of the National Securities Depository Limited (NSDL) to provide the e-voting facility. The Notice is displayed on the Company's website viz., [www.chamundeswarisugars.in/](http://www.chamundeswarisugars.in/) and on the website of NSDL viz., [www.nsdl.co.in](http://www.nsdl.co.in).

- II. The facility for voting through ballot (Poll) paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot (Poll) paper.

Please read the below mentioned instructions before casting your vote:

These details and instructions for an integral part of the Notice for 44th Annual General Meeting of the Company to be held on September 15, 2017.

- III. The process and manner for remote e-voting are as under.
  - a. For Members who email IDs are not, registered with the Company/Depository Participants and who have received physical copies of the documents, the following e-voting particulars are provided.
  - b. For members whose email IDs are registered with the Company/Depository Participants, the e-voting particulars will be sent by NSDL by e-mail. Open the e-mail and open the PDF file viz: "remote e-voting-pdf" with your Client ID or Folio No. as password. The Said PDF file contains your user ID and password/PIN file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
  - c. Launch your internet browser and type the following URL: [HTTP://WWW.EVOTING.NSDL.COM/](http://WWW.EVOTING.NSDL.COM/)
  - d. Click on shareholder – Login
  - e. Enter the user ID and password as initial password/PIN provided in step(a)/(b) above Click Login
  - f. Password change menu will appear. Change the password/PIN with a new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - g. The home page of remote e-voting will opens. Click on remote e-voting: Active Voting Cycles.
  - h. Select "EVEN" (E-Voting Event Number) of "Sri Chamundeswari Sugars Ltd."
  - i. Now you are ready for remote e-voting as 'Cast Vote' page opens.
  - j. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when Prompted.
  - k. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - l. Once you have voted on the resolution, you will not be allowed to modify your vote.
  - m. Institutional Members (i.e. other than individuals, HUF, NRI Etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote to the Scrutinizer through e-mail to [vasu@gvac.in](mailto:vasu@gvac.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- IV. The remote e-voting facility will be available during the following voting period.

Commencement of e-voting : **12th September 2017 - 9.00 am**

End of e-voting. : **14th September 2017 - 5.00 pm**

## Notice of the Annual General Meeting

- During this period members of the Company holding shares either in physical form or in dematerialized form as on the cut-off date i.e., **8th September 2017**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. In case of any queries, you may refer the Frequently Asked Questions (FAQs) and remote e-voting used manual for Members available at the 'Downloads' section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no: 1800-222-990.
- VI. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- VII. You can also update your mobile number and e-mail ID in the user profile details or the folio, which may be used for sending future communication(s).
- VIII. The voting rights or members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e., 8th September 2017.
- IX. Any person who acquires shares of the Company and becomes members of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., **8th September 2017**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [ravi@csl.co.in](mailto:ravi@csl.co.in).
- X. A member may participate in the AGM even after exercising his rights to vote through remote e-voting, but shall not be allowed to vote again at the AGM.
- XI. A Person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot (poll) paper.
- XII. Shri G Vasudevan, Practising Company Secretary (CP No.6522) has been appointed as the Scrutinizer for providing facility to the members of the Company, to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "e-voting" or "Ballot Paper" for all those members who are present at the AGM and have not cast their votes by availing the remote e-voting facility.
- XIV. The Scrutinizer shall, after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and shall submit, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall counter sign in same and declared the result of the voting forthwith.
- XV. The Result declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.chamundeswari.sugars.in](http://www.chamundeswari.sugars.in) / on September 18, 2017 and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.

### EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

#### Item No. 4:

Ordinary Resolution relating to ratification of Remuneration Fixed to Cost Auditor

At the Board of Directors Meeting held on 30th May 2017, Shri M R Krishnamurthy Cost Accountant has been appointed for conducting Cost Audit for the financial year ending 31st March 2018 with remuneration of ₹ 50,000 as recommended by the Audit Committee.

Pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014 prescribes that the remuneration payable to Cost Auditor is to be ratified by the members at the General Meeting.

Accordingly the necessary resolution is set out in the item no. 4 of the Notice for approval of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution except and to the extent they are member of the Company.

#### Item No.5:

Special Resolution relating to issue of Debentures/Bonds on private placement basis.

In order to meet the working capital requirements of the Company, the Board of Directors of the Company at their meeting held on 11th August 2017 has, subject to the approval of Members in the general meeting proposed to issue of secured Non-convertible Debentures/Bonds, to various person(s) on private placement basis, at such terms and conditions as may be decided by the Board and/or Committee of Directors. The amount to be raised by way of issue of

Non-convertible Debentures/bonds on a private placement basis shall not exceed ₹50 crores (Rupees Fifty Crores) in aggregate.

It may be noted that Rule 14(2) of Companies (prospectus and allotment of securities) Rules, 2014 read with Section 42 of the Companies Act, 2013, allows a company to pass a previous special resolution once in a year for all the offer or invitation for non-convertible debentures to be made during the year through a private placement basis in one or more tranches.

Consent of the Members is therefore sought in connection with the aforesaid issue of Debentures / bonds from time to time and they are requested to authorize the Board (including any Committee of the Board) to issue Non-convertible Debentures/Bonds during 01.10.2017 to 30.09.2018 on private placement basis upto ₹50 crores, in one or more tranches.

The Board recommends the Special Resolution set forth in Item No.5 of the Notice for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution except and to the extent they are member of the Company.

By order of the Board  
For Sri Chamundeswari Sugars Limited

Date : 11.08.2017  
Place : Coimbatore

Priya Arwat  
Company Secretary  
(M-A48559)

## Notice of the Annual General Meeting

### Annexure A

A Brief resume in respect of the proposed appointment /re-appointment of Directors is given below

Particulars	Dr. M. MANICKAM
DIN	00102233
Date of Birth	24th March 1956 (61 Years)
Date of Appointment on the Board	27th July 1987
Qualification	M.Sc., MBA
Experience	He has expertise in Business Management with about 37 years of experience in sugars and auto component manufacturing industries.
No of Shares held in the Company	2669
Other Directorship :	<ol style="list-style-type: none"><li>1. Sakthi Auto Component Ltd.</li><li>2. ABT Limited.</li><li>3. Kovai Medical Centre and Hospital Ltd.</li><li>4. Sakthi Finance Limited.</li><li>5. Sakthi Sugars Limited.</li><li>6. Sakthi Properties (Coimbatore) Limited.</li><li>7. The Gounder and Company Auto Limited.</li><li>8. ABT Foods Retailing (India) Ltd.</li><li>9. Nachimuthu Industrial Association</li><li>10. Anamallais Bus Transports P Ltd</li><li>11. ABT Infosystems P Ltd</li><li>12. ABT Healthcare P Ltd</li></ol>
Members / Chairmanship of Committees in Sri Chamundeswari Sugars Limited.	NIL
Members / Chairmanship of Committees in other Public Limited Companies	<ol style="list-style-type: none"><li>1. Sakthi Finance Limited - Stakeholders Relationship Committee - Chairman</li><li>2. Sakthi Sugars Limited - Stakeholders Relationship Committee - Member</li></ol>
Relationship with other Directors	Brother of Shri M. Balasubramaniam and Shri M. Srinivaasan
Last drawn remuneration :	NIL



## BOARD'S REPORT

Dear Members

The Directors have pleasure in presenting their 44th Annual Report together with the Audited Financial Statements of the Company for the financial year ended 31st March, 2017.

## FINANCIAL RESULT

₹ in Lakhs

Particulars	2016-17		2015-16	
<b>Profit Before Interest and Depreciation</b>		<b>1784.08</b>		<b>(374.30)</b>
Less: Interest	2504.63		3983.75	
Depreciation and Amortisation	1498.93	(4003.56)	1469.32	(5453.07)
Add : Exceptional items		-		5996.50
<b>Profit / (Loss) Before Tax</b>		<b>(2219.48)</b>		<b>169.13</b>
Less : Income Tax Expenses				
Deferred Tax Liability/ (Asset)		(894.43)		56.28
<b>Profit / (Loss) after Tax</b>		<b>(1325.05)</b>		<b>112.85</b>

## COMPANY PERFORMANCE:

During the year, Company crushed 4.13 lakh Mt as against 8.65 lakhs Mts of cane crushed in the previous year. The company produced 3.48 Lakhs qtls of sugar as against 7.75 lakhs qtl of sugar during the previous year. The recovery of sugar from sugar cane was at 8.33% at KM Doddi unit as against 8.94% during the previous year.

The expansion of crushing capacity and establishment of Co-gen plant at Srinivaspura Unit are under implementation and expected to commence operations before the year end.

The company generated 5.76 Crore units of power as against 13.58 Crore units during the previous year, and company exported 3.52 Crore units as against 10.45 Crore units during the previous year.

The company produced 96.06 lakhs liters of Alcohol as against 160.08 lakhs liters of Alcohol during the previous year.

During the year under review, total revenue from operation stood at 199.40 crores as against 334.05 crores in the previous year.

Due to unprecedented drought conditions the cane availability came down substantially with consequent adverse impact on the working results of the company.

## Outlook for 2017-18:

1. The cane availability for the year 2017-18 is expected to be about the same as last year consequent to the monsoon deficit previous year. The monsoon is below average this year also as on date.
2. For the Co-generation division, along with other sugar mills, company has entered into 5 years Power Purchase Agreement with effect from January 2017 as per the tariff approved by Hon'ble KERC (Karnataka Electricity Regulatory Commission).

## INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

Company does not have any Subsidiary or Associate Companies.

## TRANSFER OF UNCLAIMED DIVIDEND / DEPOSIT TO INVESTOR EDUCATION AND PROTECTION FUND

As per the provisions of Section 125 of Companies Act, 2013, the unclaimed deposits have to be transferred to the Investor Education and Protection Fund account, as there was no such deposits Company has not transferred any amount this Year.

## MATERIAL CHANGES AND COMMITMENTS

No Material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of this report. There is no change in the nature of business of the company.

## EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed.

## DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 read with Section 134(5) of the Companies Act, 2013, Director's hereby confirmed that-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any
- (b) the directors 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 and loss of the company for that period;
- (c) the directors 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) the directors had prepared the annual accounts as on going concern basis;
- (e) the directors, 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) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## AUDITORS and AUDITORS REPORT thereon

M/s P.N Raghvendra Rao & Co (Firm Regn No. 003328S), Chartered Accountants, shall hold office till the conclusion of the 44th Annual General Meeting accordance to the provision of section 139 (2) of the Companies Act 2013, your Board wish to place on record the excellent professional services received from them all along these years.

Pursuant to the provisions of Section 139 and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder and on recommendation of the Audit Committee, M/s P.K NAGARAJAN & CO. Chartered Accountants (FRN: 016676S ), Coimbatore be and is hereby appointed as the Statutory Auditors of the Company to hold office for a term of five consecutive years, from the conclusion of this 44th Annual General Meeting (AGM) until the conclusion of 49th Annual General Meeting (AGM) Subject to ratification at every AGM during their term of office, if required, on such remuneration as may be decided by the Board of directors of the Company.

With regard to Statutory Auditors observation on receivables from Bangalore Metro rail Corporation Limited (BMRCL) towards acquisition of land is doubtful of realization we wish to state that we are pursuing with BMRCL for settlement of balance money and we are confident of realization.

## Board's Report

With regard to Statutory Auditors and Secretarial Auditors observations on public deposits, we wish to state that company has made an application to Company Law Board on 23.03.2016 seeking extension of time to repay the balance deposit of ₹ 558.35 lakhs before 31.03.2017 and the matter is pending before the board. In the meanwhile a sum of ₹ 532.31 lakhs has been repaid before 31.03.2017. The balance outstanding of ₹ 26.04 lakhs (24 depositors) as at 31.03.2017 is unclaimed by the deposit holders.

### SECRETARIAL AUDIT REPORT

The Secretarial Audit Report as provided by Shri. G Vasudevan, M/s G V Associates, Practicing Company Secretaries, Bangalore for the financial year ended, 31st March, 2017 is annexed herewith.

### DEPOSITS

The Company has not accepted any deposits during the year.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

(A) Conservation of energy:	
(i) Steps taken / impact on conservation of energy / Heat and Electrical Energy, with special reference to the following:	Expansion from 1250 TCD to 3500 TCD along with Co-gen power plant at Srinivasapura is under implementation with inbuilt technology of heat, electrical and energy conservation.
(ii) Steps taken by the company for utilizing alternate sources of energy including waste generated	Nil
(iii) Capital investment on energy conservation equipment	The Company have invested around Rs.1850 Lacs in above project towards energy conservation Equipments.
(B) Technology absorption:	
1. Efforts, in brief, made towards technology absorption.	Nil
2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	Nil
3. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:	
a) Details of technology imported.	
b) Year of import.	Nil
c) Whether the technology been fully absorbed	
d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore.	
4. Expenditure incurred on Research and Development	Nil

(C) Foreign exchange earnings and Outgo	
Earnings	₹ 2285.23 lakhs
Outgo	₹ 17.77 lakhs

### RISK MANAGEMENT

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. The risks are classified as financial risks, operational risks and market risks. The risks are taken into account while preparing the annual business plan for the

S.No	Name	Designation	Date of appointment / cessation	Appointment/ Cessation
1	Shri. M. Rajendraprasath	Company Secretary & AGM Accounts	22nd October 2016	Cessation

### LOANS, GUARANTEES AND INVESTMENTS

The Company has given guarantee to SBI, Sinivasapura to the tune of ₹ 24.48 crores for loans taken by the farmers, who are supplying the cane to the Company.

During the year your Company has made investments in accordance with the Section 186 of the Companies Act, 2013. (Refer Note:13 of Schedule to Balance Sheet). These transactions are in line with Section 186 of the Companies Act, 2013.

### RELATED PARTY TRANSACTIONS

All the transactions with related parties are in the ordinary course of business and on arm's length basis, thus disclosure in form AOC-2 is not required.

year. The Board is also periodically informed of the business risks and the actions taken to manage them. The Company has formulated a policy for Risk Management.

### NOMINATION AND REMUNERATION POLICY

Please refer the policy of Nomination Remuneration Committee for appointment of Directors and KMP as mentioned in Corporate Governance Report.

### DIRECTORS and KEY MANAGERIAL PERSONNEL

During the current financial year the following changes have occurred in the constitution of Directors / KMP of the company:

**CORPORATE SOCIAL RESPONSIBILITY**

As there have been no average profits available during the last three years, provisions of section 135 pertaining to corporate social responsibility are not applicable to the Company. As per Section 135 (5) of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and schedule VII of the Companies Act, 2013, the Company has duly constituted CSR Committee. The committee would decide the activities to be undertaken by the Company and the expenditures to be incurred on the same and recommended the same to the board therefore the board approved CSR policy.

**PARTICULARS PURSUANT TO SECTION 197(12) AND THE RELEVANT RULES**

a) The ratio of the remuneration of each director to the median remuneration of employees for the financial year :	Sri.M.Srinivaasan, Managing Director - 1:9.62
b) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:	Managing Director - Nil Chief Financial Officer - Nil
c) The percentage increase in the median remuneration of employees in the financial year:	0.22%
d) The number of permanent employees on the rolls of company:	1026
e) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:	Average increase in salaries is 0.73% for Employees other than Managerial Personnel
f) The key parameters for any variable component of remuneration availed by the directors:	Except for the Managing Director, no directors have been paid any remuneration, as only Sitting Fees are paid to them. Variable component is paid, as per the Compensation Policy of the Company
g) Affirmation that the remuneration is as per the remuneration policy of the company	It is affirmed that the remuneration is as per the remuneration policy of the company

**Information pertains to Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Name	Designation	Remuneration (CTC)	Date of Commencement of employment	Age (Yrs)	Previous employment	% of shares held
Shri. M. Srinivaasan	Managing Director	23,49,095	09/06/1993	50	NA	0.09
Shri. K.R. Nachiappan	President	25,02,456	22/01/1973	70	NA	-
Shri. S. Viswanathan	Executive Vice President	22,43,420	20/11/2014	62	Nghe An Sugar Company, Vietnam	-
Shri. S. Britto	Vice President	22,48,932	19/10/1995	63	Vanivilas Co-operative Sugar Factory, Hiriyyur	-
Shri. J.U. Srinivasan	CFO	13,37,042	30/04/2010	51	URC Construction Pvt. Ltd., Erode	-
Shri. R. Mani	General Manager - (D&E / Admin)	13,27,119	15/09/2005	53	Thiru Arooran Sugars Ltd., Thirumandankudi	-
Shri. M. Nagaraju	General Manager - (Admin & Public relations)	12,64,769	29/01/1982	59	NA	-
Shri. N. Senthilkumar	Sr. Deputy General Manager (Process)	12,26,731	27/04/2012	55	EID Parry India Ltd, Pugalur	-
Shri. N. Srinivasan	General Manager - Systems & Finance	12,06,533	05/03/2008	56	IFCI Ltd., Bangalore	-
Shri. Sredhar Arunachalam	Dy. General Manager (Admin. & Commercial)	12,06,544	03/12/2012	50	NA	-
Shri. V.S. Krishnaraj	Dy. General Manager (Finance & Accounts)	7,38,770	11/12/2016	54	Gen. Manager Finance Kovai Medical Centre & Hosp. Ltd.	-

- Note :**
- (i) Nature of employment of the above employees is non- contractual, except that of Sri.M.Srinivaasan, Managing Director (period- 09.06.2013 to 08.06.2018)
- (ii) Sri M. Srinivaasan is brother of Dr. M. Manickam, and Shri. M. Balasubramanam, directors of the Company except to this none of the above is related to any Director

## Board's Report

### ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the board and its Committees, Board Culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non Independent Directors was carried out by the Independent Directors.

### CORPORATE GOVERNANCE

Report on Corporate Governance along with the Certificate of the Auditors confirming compliance of conditions of Corporate Governance forms part of the Board Report.

### STATEMENT OF DECLARATIONS GIVEN BY INDEPENDENT DIRECTORS

All the Independent Directors have given the declaration pursuant to section 149(7) of the Act affirming that they meet the criteria of Independence as provided in sub section (6) of the Companies Act 2013.

### COST AUDIT

Shri M Krishnamurthy (Membership Number.F-7568), Cost Accountant, was appointed as the cost Auditor of the Company and their Audit report on the Cost Accounts of the Company for the period ended March 31, 2017, will be submitted to the Central Government in due course.

### VIGIL MECHANISM/ WHISTLE BLOWER POLICY

As per Section 177(9) and (10) of the Companies Act, 2013, the company has established Vigil Mechanism for directors and employees to report genuine concerns and made provisions for direct access to the chairperson of the Audit Committee. Company has formulated the present policy for establishing the vigil mechanism/ Whistle Blower Policy to safeguard the interest of its stakeholders, Directors and employees, to freely communicate and address to the Company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company.

### SHARES IN UNCLAIMED SUSPENSE ACCOUNT

Particulars	No of Shareholders	No of Shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	2,124	2,22,197
Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year	Nil	Nil
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	Nil	Nil
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year	2,124	2,22,197

### SHARES

During the year the Company has not made any Buy Back of Securities, Issue of Sweat Equity, Bonus Shares and Employees Stock option Plan.

### LISTING STATUS

The Company's shares were listed on Bangalore Stock Exchange and Madras Stock Exchange Limited upto December, 2014. Consequent to the voluntary exit and de- recognition of Madras Stock Exchange Limited(MSE) as a stock exchange, pursuant to Securities and Exchange Board Of India (SEBI) circular dated 30th May, 2012, companies exclusively listed on MSE were required to either seek listing on any other recognized stock exchange with diluted listing norms or opt for voluntary delisting ; or otherwise be moved to the dissemination Board of National Stock Exchange of India Limited (NSE) where shares of such companies could be bought /sold by following a prescribed procedure.

Madras Stock Exchange Limited informed vide their letter dated 31st March 2015 that the Company has ceased to be a listed Company with MSE, and has been placed on the Dissemination Board of NSE, and NSE has allowed buying and selling of the shares of the Company on the Dissemination Board with effect from 27th March 2015.

All Exclusively Listed Company were given 18 months' time to delist their shares or list on BSE or NSE. As per SEBI circular, the cutoff date was extended twice for all ELC (Exclusively Listed Companies) to submit their Plan of Action on or before 30th June 2017, Accordingly your Company has submitted its Plan of Action to dissemination Board of NSE for providing Exit Offer to Shareholders of the Company.

### ORDERS PASSED BY REGULATORS/COURTS/TRIBUNALS.

Apart from the Order received from Company Law Board, Chennai Bench, as detailed in Auditors report, the Company has not received any significant and material order from regulators/courts/tribunals impacting the status of going concern and future operations of the Company.

### DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company is having an adequate Internal Financial Controls ("IFC") within the meaning of the explanation to Section 134 (5) (e) IFC of the Companies Act, 2013. For the year ended 31st March, 2017, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations; wherein controls are in place and operating effectively and no material weaknesses exist. The Company has also a process in place to continuously monitor the existing controls and identify gaps, if any, and implement new and /or improved controls wherever the effect of such gaps would have a material effect on the Company's operation.

### HUMAN RESOURCES AND INDUSTRIAL RELATIONS

During the year under review the human relations continued to be very cordial. The Company wishes to acknowledge the contribution of the employees at all levels of the organisation.

The Company has placed an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints for sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company has not received any complaints received for disposal off during the year.

### ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

For and on behalf of the Board of Directors

Date : 11.08.2017  
Place: Coimbatore

**M. Srinivaasan**  
Managing Director  
(DIN - 00102387)

**V.K. Swaminathan**  
Director  
(DIN - 00210869)

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March 2017

[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:**

CIN:-	L15435KA1970PLC001974
Registration Date	14.12.1970
Name of the Company	Sri Chamundeswari Sugars Limited
Category / Sub-Category of the Company	Limited by Shares / Non Government Company
Address of the Registered office and contact details	88/5, Richmond Road, Bangalore - 560 025. Ph No. 080 2500 2500
Whether listed company	Yes (In Dissemination Board of NSE)
Name, Address and contact details of Registrar and Transfer Agents	M/s Canbank Computer Services Limited, No. 218, J.P.Royale, 1st floor, 2nd Main, Sampige Road (Near 14th Cross) Malleswaram, Bangalore - 560 003. Email Id: canbankrta@ccsl.co.in

**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 turn over of the company
1	Sugar	10721	71.40
2	Industrial Alcohol	1101	21.04

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

The company does not have any holding, subsidiary or associate companies.

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	29,228	-	29,228	0.12	29,228	-	29,228	0.12	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	18,244,551	-	18,244,551	74.61	18,244,551	-	18,244,551	74.61	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	<b>18,273,779</b>	<b>-</b>	<b>18,273,779</b>	<b>74.73</b>	<b>18,273,779</b>	<b>-</b>	<b>18,273,779</b>	<b>74.73</b>	<b>-</b>
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-	-
(A) (2):-	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>18,273,779</b>	<b>-</b>	<b>18,273,779</b>	<b>74.73</b>	<b>18,273,779</b>	<b>-</b>	<b>18,273,779</b>	<b>74.73</b>	<b>-</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. Public Shareholding Institutions</b>									
a) Mutual Funds	200	–	200	0.0008	200	–	200	0.0008	–
b) Banks / FI	–	150	150	0.0006	–	150	150	0.0006	–
c) Central Governments	–	–	–	–	–	–	–	–	–
d) State Governments	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	133,332	–	133,332	0.55	133,332	–	133,332	0.55	–
g) FIs	–	–	–	–	–	–	–	–	–
h) Foreign Venture Capital	–	–	–	–	–	–	–	–	–
i) Qualified Foreign Investor	–	–	–	–	–	–	–	–	–
j) Others	–	–	–	–	–	–	–	–	–
<b>Sub-total (B) (1)</b>	<b>133,532</b>	<b>150</b>	<b>133,682</b>	<b>0.55</b>	<b>133,532</b>	<b>150</b>	<b>133,682</b>	<b>0.55</b>	<b>–</b>
<b>2. Non- Institutions</b>									
a) Bodies Corporate	–	–	–	–	–	–	–	–	–
i) Indian	4,091,433	83,764	4,175,197	17.07	4,031,350	143,847	4,175,197	17.07	–
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	347,314	916,664	1,263,978	5.17	347,314	916,664	1,263,978	5.17	–
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	582,732	–	582,732	2.38	582,732	–	582,732	2.38	–
c) Others									
i) Directors & their relatives	2,683	5,597	8,280	0.03	2,683	5,597	8,280	0.03	–
ii) NRIs	3,830	1,266	5,096	0.02	3,830	1,266	5,096	0.02	–
iii) HUF	11,584	–	11,584	0.05	11,584	–	11,584	0.05	–
<b>Sub-total - (B) (2)</b>	<b>5,039,576</b>	<b>1,077,291</b>	<b>6,046,867</b>	<b>24.73</b>	<b>4,979,493</b>	<b>1,067,374</b>	<b>6,046,867</b>	<b>24.73</b>	<b>–</b>
Total Public Shareholding (B)= (B)(1)+(B)(2)	<b>5,173,108</b>	<b>1,007,441</b>	<b>6,180,549</b>	<b>25.27</b>	<b>5,113,025</b>	<b>1,067,524</b>	<b>6,180,549</b>	<b>25.27</b>	<b>–</b>
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
<b>Grand Total (A+B+C)</b>			<b>24,454,328</b>	<b>–</b>			<b>24,454,328</b>	<b>–</b>	<b>–</b>

## (ii) Shareholding of Promoters

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Share holding 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	Dr. M. Manickam	2,669	0.011	–	2,669	0.011	–	–
2	Shri. M. Balasubramaniam	2,666	0.011	–	2,666	0.011	–	–
3	Shri. M. Srinivaasan	21,200	0.087	0.018	21,200	0.087	0.018	–
4	M/s. Chamundeswari Enterprises P Ltd	4,469,066	18.275	–	4,469,066	18.275	–	–
5	M/s. Sakthi Finance Limited	186,666	0.763	–	186,666	0.763	–	–
6	Dr. N. Mahalingam	2,693	0.011	0.002	2,693	0.011	0.002	–
7	M/s. ABT Limited	1,170,208	4.785	1.794	438,828	1.794	1.794	-2.99
8	M/s. ABT Industries Limited	7,466,666	30.533	–	7,466,666	30.533	–	–
9	M/s. Sakthi Sugars Limited	681,146	2.785	–	681,146	2.785	–	–
10	M/s. ABT Foods Agrovet Limited	4,266,666	17.447	6.543	4,266,666	17.447	6.543	–
11	M/s. ABT Finance Limited	4,133	0.017	–	4,133	0.017	–	–
12	M/s. ABT Investments India Private Limited	–	–	–	731,380	2.991	–	2.99
		<b>18,273,779</b>	<b>74.73</b>	<b>8.36</b>	<b>18,273,779</b>	<b>74.73</b>	<b>8.36</b>	

## Board's Report

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

Sl No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	At the beginning of the year	18,273,779	74.73	18,273,779	74.73
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	No Change	—	—
3	At the end of the year	18,273,779	74.73	18,273,779	74.73

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

Sl No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	At the beginning of the year	4,561,902	18.65	4,561,902	18.65
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	No Change	—	—
3	At the end of the year	4,565,833	18.66	4,565,833	18.66

The break up for the Top 10 Shareholders as at March 31, 2017 are as under:

Sl. No.	Name of the Shareholders	At the beginning of the year	At the end of the year
1	Sri Santhini Exports Private Limited	3533333	3533333
2	Optimum Stock Trading Co. Pvt Ltd	178533	178533
3	Hiten A Sheth	160000	160833
4	Hela Holdings Pvt Ltd	147866	147866
5	The Mysore Sugar Co Ltd.	133333	133333
6	Life Insurance Corporation of India	133332	133332
7	Anuj Anantrai Sheth	80000	80000
8	SKK Financial Advisory Services Private Limited	66666	-
9	AKK Financial Advisory Services Private Limited	66666	-
10	ASK Securities Advisory Services Private Limited	62173	-
11	Aaradhna Enterprises Llp	-	70637
12	Gagandeep Credit Capital Pvt Ltd	-	66666
13	Sunil Kumar Gupta	-	61300

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	<b>Shri. M. Srinivaasan</b>				
	At the beginning of the year	21,200	0.09	21,200	0.09
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	—
	At the end of the year	21,200	0.09	21,200	0.09
2.	<b>Dr. M. Manickam</b>				
	At the beginning of the year	2,669	0.01	2,669	0.01
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	—
	At the end of the year	2,669	0.01	2,669	0.01
3.	<b>Shri. M. Balasubramaniam</b>				
	At the beginning of the year	2,666	0.01	2,666	0.01
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	—
	At the end of the year	2,666	0.01	2,666	0.01



Sl No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
4.	<b>Shri. V.K. Swaminathan</b> At the beginning of the year	2,693	0.01	2,693	0.01
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	2,693	0.01	2,693	0.01
5.	<b>Dr. A. Selvakumar</b> At the beginning of the year	1,424	0.01	1,424	0.01
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	1,424	0.01	1,424	0.01
6.	<b>Shri. A. Arjunaraj</b> At the beginning of the year	666	0.003	666	0.003
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	666	0.003	666	0.003
7.	<b>Dr. M.R. Desai</b> At the beginning of the year	500	0.002	500	0.002
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	500	0.002	500	0.002
8.	<b>Smt. Susheela Balakrishnan</b> At the beginning of the year	500	0.002	500	0.002
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	500	0.002	500	0.002

**V. INDEBTEDNESS**

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

(₹ lakhs)

Particulars	Secured Loans Excluding Deposits	Un Secured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal	26,371.65	492.36	839.71	27,703.72
ii) Interest due but not paid	933.48	-	-	933.48
iii) Interest accrued but not due	8.88	-	75.80	84.68
<b>Total (i+ii+iii)</b>	<b>27,314.01</b>	<b>492.36</b>	<b>915.51</b>	<b>28,721.88</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	10,068.70	-	-	10,068.70
Reduction	3,603.12	(20.61)	(882.74)	2,699.77
<b>Net Change</b>	<b>6,465.58</b>	<b>20.61</b>	<b>882.74</b>	<b>7,368.93</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal	32,681.09	471.76	26.04	33,178.88
ii) Interest due but not paid	1,098.50	-	-	1,098.50
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>33,779.59</b>	<b>471.76</b>	<b>26.04</b>	<b>34,277.38</b>

## Board's Report

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Shri. M. Srinivaasan Managing Director
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	1,800,000 5,49,095 -
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit - others, specify	- -
5	Others, please specify Total (A) = (1+2+3+4+5) Ceiling as per the Act	- 2,349,095 2,961,000

#### B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
<b>1</b>	<b>Independent Directors</b>		
a	Fee for attending board committee meetings	Dr.A.Selvakumar Shri.A.Arjunaraj Shri.V.K.Swaminathan Dr.M.R.Desai Smt. Susheela Balakrishnan	1,40,000 1,30,000 1,30,000 30,000 30,000
b	Commission		-
c	Others, please specify		-
	Total (a+b+c)		
<b>2</b>	<b>Other Non-Executive Directors</b>		
a	Fee for attending board committee meetings	Dr.M.Manickam Shri.M.Balasubramaniam	50,000 80,000
b	Commission		-
c	Others, please specify		-
	Total (a+b+c)		
	Total (B) = (1+2)		1,30,000
	Total Managerial Remuneration (A+B)		5,90,000
	Overall Ceiling as per the Act		Independent Directors are paid only sitting fees within the prescribed limit.

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Shri. J.U. Srinivasan Chief Financial Officer	Shri. M. Rajendraprasath Company Secretary (upto 22.10.2016)
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	13,37,042 - -	3,71,594 - -
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify	- - -	- - -
5	Others, (Bonus & Medical)	-	-
	Total	13,37,042	3,71,594
	Ceiling as per the Act	NA	NA

#### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: Nil

Date : 11th August 2017

Place : Coimbatore

**M Srinivaasan**  
Managing Director  
(DIN - 00102387)

**V K Swaminathan**  
Director  
(DIN - 00210869)

**SRI CHAMUNDESWARI SUGARS LIMITED**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industries Structure & Development :-

**World Sugar** – Sugar is produced from two sources namely sugar beet and sugarcane. Sugar beet is mainly grown in moderate climatic regions, whereas sugarcane is grown in the tropical regions. Sugar from sugarcane has steadily increased and constitutes more than 75% of the total sugar produced in the world today.

Brazil is the single largest producer and exporter of sugar, India is the second highest producer of sugar in the world and also largest consumer of sugar.

### Indian Sugar

Indian sugar industry consists of players from co-operative, private and public sector. The industries are located in rural areas and play very important role in the socio economic development of the rural areas. Uttar Pradesh and Maharastra are the major producers of sugar, followed by Karnataka. In Karnataka, continuous drought is prevailing for the last two years and even in the current year 2017. The south monsoon has been very weak till end of July'2017 and as per reports the monsoon is expected to pick up in the months of August and September' 2017,

The following table indicates the annual production and consumption figures of sugar in India

(in lakh tons)

Sl.No.	Particulars	2014-15	2015-16	2016-17(P)
1	Opening Stock ( as on Oct 1)	74.74	90.80	77.50
2	Production during the season	283.10	251.00	203.00
3	Imports	0	0	0
4	Total Availability	357.84	341.80	285.50
5	Domestic Consumption	256.10	256.00	242.00
6	Exports	10.94	15.00	0.00
7	Total offtake	267.04	271.00	242.00
8	Closing Stock as on sept.30	90.80	70.80	43.50
9	Stock as % of offtake	35.5%	27.7%	18.00%

(Source : ISMA)

Govt. of India has allowed duty free import of five lakh tons of raw sugar during the year 2016-17 in order to address the acute fall in production. This quota has been divided across different regions and allotted to the units which have applied for the same.

Sugar prices which were ruling much below the cost of production in the last year has increased and is now commensurate with the cost of production and stable between Rs.3600 to 3800 per qtl. Our company's average quarterly ex-factory sugar price is ₹ 3663.21 for the quarter ending June' 2017. The same was ₹ 3292.31 for the corresponding quarter of 2016-17.

The domestic sales details are provided below:

(in tons)

S.No	FY	Apr - June	July to Sep	Oct to Dec	Jan to Mar
1	2014 - 15	2990.36	2919.67	2735.62	2499.50
2	2015 - 16	2281.83	2157.92	2516.59	2943.87
3	2016 - 17	3292.31	3366.65	3362.36	3611.92
4	2017 - 18	3663.21	NA	NA	NA

### Present environment and Govt. policies

Government has put in place the amendment of The Industries (Development and Regulation) Act, introduction of revenue sharing formula based on the recommendation of Dr. C. Rangarajan Committee, imposition of import duty to curtail import and allowing import of raw sugar when there is a shortage in domestic production.

The introduction of GST which is a “One Country One Tax” policy from 01.07.2017, has also changed the environment for the sugar industry. The initial teething problems are being addressed by the GST governing council and the system is expected to stabilize in few months.

### Cane Price

The FRP for the year 2017-18 has been increased to Rs.2550 per MT from Rs.2300 per MT fixed for the previous year linked to a recovery of 9.5% The Karnataka State follows the Revenue Sharing Formula with the FRP being the base price payable at the beginning of the season and the actual final price to be fixed by the revenue sharing formula recommended by Dr. Rangarajan Committee which has been adopted by the State.

### Alcohol

Consequent to the amendment of IDR Act, State Govt. has taken steps from 1st August 2017 to bifurcate the control on the primary distillery. The alcohol meant for potable sector i.e. for IMFL purpose would only be controlled by the State Govt. and applicable Excise duties would be collected only from these sales. The non potable sale would be outside the purview of the State Govt. and would be a GST transaction.

### Power

The Karnataka State Govt. has allowed the sugar co-generators to enter into five years PPA as per the rates approved by the KERC. Our company has also executed this PPA and would be eligible for tariff ranging from ₹ 4.01 to ₹ 4.79 per unit for five years i.e. for the financial years 2017 to 2021.

The company has also entered into PPA with CESCO for the new co-generation unit being established in the Hemavathy unit and this would have a tenure of twenty years with rates being revised every three years.

### Goods & Service Tax (GST)

In a Historic achievement, the Central Govt. has introduced GST on all India basis effective from 1st July which combines the VAT, Excise Duty, Service Tax into a single tax which is common across the whole country. This is expected to ease the movement of goods and services within the country removing the bottle necks that now exist. Introduction of one tax regime is expected to benefit the local industries in the long run. The GST rates applicable for our industry are given below.

- |                |                                          |
|----------------|------------------------------------------|
| 1. Sugarcane   | Nil                                      |
| 2. Sugar       | 5%                                       |
| 3. Alcohol     |                                          |
| a) Potable     | Nil GST + applicable State Excise duties |
| b) Non potable | 18%                                      |
| 4. Molasses    | 28%                                      |

### Opportunities & Threats

India has a very low per capita consumption of sugar and it is expected to grow in the future. The domestic market will remain as the primary consumer of the Indian Sugar production. However, the sugar business is highly cyclical depending upon the rain fall and the market prices of sugar. The Govt. of India & Govt. of Karnataka have taken adequate steps to maintain the health of the sugar industry and farmers by introducing the Revenue Sharing Formula as suggested by the CACP. The industry is also requesting the Govt. of India to introduce Sugar Price Stabilization fund. If this is created it would also be of great help in protecting both the industry and farmers by timely payment of cane price even in distress years.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The South of India has been facing severe drought for the last 2-3 years drastically reducing all agricultural activities to very low levels. Monsoon for the year 2017 is also inadequate till end of July and is expected to regain vigor in the months of August and September'2017. The deficit of monsoon is furnished below.

	Normal	2015	% Diff	2016	% Diff
All India	1190	1085	-9%	1083	-9%
South Karnataka	1025	1084	6%	687	-33%
North Karnataka	744	550	-26%	625	-16%
Tamilnadu	907	1205	33%	535	-41%

### 1. Risks and Concerns

The risk concerning our operations is as detailed.

- Non availability of adequate sugarcane - Both our units are located in well irrigated areas and will have adequate sugarcane in a normal year. The company has taken adequate fall back options for irrigation by supporting number of borewells which will supplement the irrigation water, but if the monsoon failure continuous for successive years this will lead to shortage of cane as ground water would also dry up.
- Parity between sugarcane price and sugar price - The State Govt. of Karnataka where we have our operations, has very wisely introduced Revenue Sharing Formula as a State policy and therefore the cane price would be fixed as per the Revenue Sharing Formula. However, if the sugar price were to fall to very low levels which makes even FRP unaffordable, then it would lead to uneconomical operations. The industry has been representing to the Govt. of India to establish the Sugar Price Stabilization fund as recommended by the CACP to address this eventuality.

### 2. Govt. Policy

The operations of the co-generation unit and the Distillery is highly dependent on the policies adopted by the State Govt. We are in constant touch with the State Govt. through our association in order to keep them updated about the industrial scenario for ensuring economical operations.

### 3. Risk Mitigation

The risk management involves identification of risks and its importance, finding suitable solution with collective discussion and decision and continuously monitoring the status of the risk. The management periodically reviews the risk management framework to identify the major business risk as applicable to the company and works out their mitigation strategy.

### 4. Product and Segment-wise performance

Product wise performance

Products	31.03.2017		31.03.2016	
	Turnover (₹ in Lakhs)	% on Turnover	Turnover (₹ in Lakhs)	% on Turnover
Sugar	14,013.93	71.40	22,047.80	64.53
Industrial Alcohol	4,129.26	21.04	6,870.50	20.11
Power	1,483.24	7.56	5,246.81	15.36

Segment wise results are given in the notes forming part of financial statements.

### 5. Outlook:

Consequent to the inadequate monsoon in 2016 there is shortage of cane for the season 2017-18 and the company is taking steps to draw whatever cane is available and supplement the income by processing raw sugar and molasses. We hope that monsoon will regain strength in the month of August and September'2017 which will increase the planting of sugarcane for the next year.

### 6. Internal Control systems and their adequacy

The company has well established, robust internal control systems and processes, commensurate with its nature of business and size of operations, to ensure smooth functioning. This safeguards assets against unauthorized use, as well as correct recording and reporting of transactions. Such controls, subject to periodical review and monitoring by audit committee and also ensures efficiency of operations, accuracy and promptness of financial reporting, besides complying with applicable laws and regulations.

The company has internal audit system to ensure that all activities are monitored and controlled. Adequate internal checks are built in to cover all monetary transactions. These checks and controls are reviewed periodically for improvement.

### 7. Financial performance

This year has ended with a loss before tax of ₹ 2219.48 Lakhs after providing for interest of ₹ 2504.63 lakhs and depreciation amounting to ₹ 1498.93 lakhs.

### 8. Human Resources / Industrial Relations

The company recognizes its employees to be the primary source of its inherent strength. The company is committed to equal employment opportunities to attract the best available talent and to ensure a competitive work force. It pursues management practices designed to enrich the quality of life to its employees, develop their potential and maximize their productivity. The company's total employee strength was 1026 as on 31st March' 2017.

The relationship between the management and employees is cordial.

During the year under review, no case was filed under Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

### 9. Cautionary Statement

Statements made in this report describing industry outlook as well as the Company's plans, policies and expectations may constitute "forward-looking statements" within the meaning of applicable laws and regulation. Actual results may differ materially from those either expressed or implied.

## SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

### Form No. MR-3

{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

Sri Chamundeswari Sugars Limited

CIN : L15435KA1970PLC001974

Bangalore- 560025.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sri Chamundeswari Sugars Limited (CIN:L15435KA1970PLC001974), a listed entity having its registered office at 88/5, Richmond Road, Bangalore - 560025(hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place (with respect to statutory provisions listed hereunder) to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2017, according to the following provisions, wherever applicable:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. 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;
5. 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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;  
Not applicable as the Company has not issued or allotted shares during the financial year under review.
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

Not applicable as the Company has not issued or allotted shares to its employees during the financial year under review.

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Not applicable as the Company has not issued Debt Securities during the financial year under review.

- (f) 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;

Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review.

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Not applicable as the Company has not bought back any of its securities during the financial year under review.

6. Other laws specifically applicable to the Company, namely:

- a. Sugar Cess Act, 1982;
- b. Levy Sugar Price Equalisation Fund Act, 1976;
- c. Food Safety and Standards Act, 2006;
- d. Essential Commodities Act, 1955;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards 1 & 2 issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulation, 2015.

The Company has ceased to be a listed company with MSE and has placed on dissemination board on National Stock Exchange Limited with effect from 27th March, 2015. Further, SEBI, by its circular dated 17th April, 2015, had given time of 18 months to the Company for listing its securities with any recognized stock exchange or to give exit option to the shareholders of the Company. Accordingly, the Company is in the process of giving exit option to its Shareholders.

Further the Company has submitted the quarterly, half yearly and annual compliances/reports with National Stock Exchange Limited by post.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Company Law board vide order dated 16.09.2015 has directed the Company to repay deposits accepted under the Companies Act, 1956 from public amounting to ₹ 1053.72 lakhs on or before 31.03.2016. But, the Company has repaid only ₹ 495.37 lakhs within 31.03.2016 and out of the balance amount of ₹ 558.35 lakhs (as on 31.03.2016) the Company has repaid ₹ 26.04

## Secretarial Audit Report

lakhs is unclaimed by the deposit holders. The repayment made during the audit period is not in compliance with the Company Law Board order.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

I 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 laws, rules, regulations and guidelines mentioned herein above.

I further report that during the audit period 2016-17, the Company has obtained Board's and member's approval for issue of Secured Redeemable Non-Convertible Debentures on Private Placement Basis.

**For G.V. and Associates**

G Vasudevan

FCS : 6699

CP : 6522

Bangalore

Date : 30.05.2017

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To

The Members,  
Sri Chamundeswari Sugars Limited,  
88/5, Richmond Road,  
Bangalore - 560025.

My Secretarial Audit Report of even date is to be read along with this letter.

### **Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### **Auditor's Responsibility**

2. My responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on my audit.
3. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

### **Disclaimer**

4. 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 G.V. and Associates**

G Vasudevan

FCS : 6699

CP : 6522

Bangalore

Date : 30.05.2017

## REPORT ON CORPORATE GOVERNANCE

### 1. Company's Philosophy

The Company's philosophy on Corporate Governance endeavors attainment of the highest levels of transparency, accountability and equity in all facets of its operation and in all interactions with its stakeholders, including shareholders, employees, cane growers, customers, suppliers, local community, lenders and the Government.

### 2. Board of Directors

The Board comprises of a one Managing Director and seven other Non-Executive Directors, including a Women Director. The number of independent directors are 5 out of the total number of directors. The composition of the Board is in conformity with the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

### 3. Code of Conduct

The Code of Conduct of Sri Chamundeswari Sugars Limited, as adopted by the Board of Directors, is applicable to Directors and Senior Management of the Company. Annual Declaration regarding compliance with the Code is obtained from every person covered by the Code of conduct. A declaration to this effect, duly signed by the Managing Director is annexed. The Code of Conduct is available on the Company's website-[www.chamundeswarisugars.in](http://www.chamundeswarisugars.in).

### 4. Board Meetings and AGM Attendance

The Board met 6 times during the financial year on 30.05.2016, 12.08.2016, 26.09.2016, 14.11.2016, 10.02.2017 and 03.03.2017. The Board has formed Audit Committee, Remuneration Committee and Shareholders Relationship Committee. Details of attendance of each Director at the Board Meetings and at last Annual General Meeting held on **26.09.2016** are given below:

Name of the Director	Category of Directorships	Financial Year 2016-17 Attendance at		No. of other Directorships*	Committee position #		No. of Shares held
		Board Meeting	Last AGM		Chairman	Member	
					(excluding SCSL)		
Shri. M. Srinivasan Managing Director	Executive Director	6	Yes	6	–	1	21200
Dr. M. Manickam	Non-Executive Director/ Non-Independent Director	5	Yes	8	1	1	2669
Shri. M. Balasubramaniam	Non-Executive Director/ Non-Independent Director	6	Yes	9	–	2	2666
Shri. V.K. Swaminathan	Non-Executive Director/ Independent Director	5	Yes	1	–	–	2693
Dr. A. Selvakumar	Independent Non-Executive Director	6	Yes	2	1	–	1424
Shri. A. Arjunaraj	Independent Non-Executive Director	5	Yes	–	–	–	666
Dr. M.R. Desai	Independent Non-Executive Director	2	Yes	2	–	1	500
Smt. Susheela Balakrishnan	Independent Non-Executive Director	3	No	–	–	–	500

\* Excluding Directorship in Private Limited Companies and Section 8 Companies.

# Only Audit Committee and Stakeholder Relationship Committee of public limited companies are considered for this purpose

### Familiarisation Programme for Directors

At the time of appointing a Directors, a formal letter of appointment is given to them which inter alia explains the role, function, duties and responsibilities as a Director of the Company. The Directors are also explained in detail the compliance required under the Companies Act, 2013 and other relevant regulations and affirmation taken with respect to the same. The Managing Director 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.,

### 5. Audit Committee

The Committee consists of three Independent Directors and one Non-Executive Director. No Executive Director is in the Committee. The Audit Committee consists of:

1. Shri. A. Arjunaraj
2. Shri. M. Balasubramaniam

3. Dr. A. Selvakumar

4. Shri. V.K. Swaminathan

Shri. A. Arjunaraj is the Chairman of the Audit Committee.

The Audit Committee met 6 times during the financial year on 30.05.2016, 11.08.2016, 26.09.2016, 14.11.2016, 10.02.2017 and 03.03.2017 and the details of attendance of the members are given below:

Name of Member	No. of meetings attended
1. Shri. A. Arjunaraj	6
2. Shri. M. Balasubramaniam	4
3. Dr. A. Selvakumar	5
4. Shri. V.K. Swaminathan	6

The role and terms of reference of the Audit Committee, inter alia, cover reviewing of the following.

1. Examination of the financial statement and draft auditors' report

## Report on Corporate Governance

2. Oversee of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
3. Recommendation for appointment, remuneration and terms of appointment of statutory auditors and cost auditors of the Company
4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
5. Discuss and review, with the management and auditors, the annual / quarterly financial statements before submission to the Board, with particular reference to:

5.1 Matters required to be included in the Directors' Responsibility Statement in the Board's report in terms of sub-section (3)(c) of Section 134 of the Companies Act 2013.

5.2 Disclosure under 'Management Discussion and Analysis of Financial Condition and Results of Operations'.

5.3 Any changes in accounting policies and practices and reasons for them.

5.4 Major accounting entries involving estimates based on exercise of judgment by management.

5.5 Significant adjustments made in the financial statements arising out of audit findings.

5.6 Qualifications in the draft audit report.

5.7 Disclosure of any related party transactions.

5.8 Compliance with listing and other legal requirements relating to financial statements.

5.9 Review the statement for uses/applications of funds by major category on a quarterly basis, with the financial results and annually the statement of funds utilized for purposes other than as mentioned in the offer document / prospectus / notice. Such review shall be conducted till the full money raised through the issue has been fully spent.

6. Review the financial statements, in particular, the investments made by the unlisted subsidiary company, if any

And also the areas mentioned, under the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors from time to time.

The Chairman of the Audit Committee was present at the last Annual General Meeting.

### 6. Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of following three Independent Directors. :

1. Dr A Selvakumar
2. Shri A Arjunaraj
3. Dr MR Desai

Dr. A. Selvakumar is the Chairman of the Remuneration Committee.

The Remuneration Committee will determine and recommend to the Board the remuneration including commission, perquisites and allowances payable to the Managing Director and Executive Director as and when the necessity arises.

During the year, Nomination and Remuneration committee met on 14.11.2016. The attendance of the committee members is as follows :

Name of Member	No. of meetings attended
1. Dr A Selvakumar	2
2. Shri A Arjunaraj	2
3. Dr MR Desai	-

Details of remuneration paid to Managing Director are given in Notes Forming part of Financial Statements.

The Board's terms of reference to the Committee are:

1. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down;
2. Recommend to the Board their appointment and removal;
3. Carry out evaluation of Director's performance;
4. Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
5. Recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees and to ensure that in this regard the following:
  - a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully
  - b. relationship of remuneration to performance is clear and meets the appropriate benchmarks; and
  - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting the short and long term performance objectives appropriate to the working of the company and its goals.
6. Review and recommend the compensation and variable pay for Executive Directors to the Board;
7. Perform such other activities related to this Charter as requested by the Board of 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. 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 ₹ 10,000/- for each meeting of the Board or Committee thereof.

The remuneration paid to the Managing Director and other Key Managerial Personnel are disclosed at Note No 31. The company does not have any Employees Stock Option Scheme.



### Evaluation Criteria:

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

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

The Remuneration policy and the evaluation criteria approved by the Board of Directors is hosted on the Company's website.

### 7. Meeting of Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 with the Stock Exchanges, a meeting of Independent Directors was held to review the performance of the Board and the Managing Director and to assess the quality, quantity and timeliness of flow of information between the management and the Board. All the Independent directors met on 10th February, 2017.

Dr. A.Selvakumar, Chairman of the meeting presented views of the Independent Directors on the matters relating to the Board process and the overall affairs of the company to the full Board.

### 8. 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 [www.chamundeswarisugars.in](http://www.chamundeswarisugars.in). None of the Independent Director has any pecuniary relationship or transactions vis-à-vis the company.

### 9. Risk Management Committee :

Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. The Board periodically discusses the significant business risks identified by the management and the mitigation process being taken up.

The Committee consists of following members:

Shri M Srinivaasan	-	Chairman
Dr A Selvakumar	-	Member
Shri V K Swaminathan	-	Member

During the year, the committee met on 03.03.2017.

The Company has formulated a policy for Risk management with the following objectives:

- Provide an overview of the principles of risk management
- Explain approach adopted by the Company for risk management

- Define the organizational structure for effective risk management
- Develop a "risk" culture that encourages all employees to identify risks and associated opportunities and to respond to them with effective actions.
- Identify, access and manage existing and new risks in a planned and coordinated manner with minimum disruption and cost, to protect and preserve Company's human, physical and financial assets.

### 10. Stakeholders' Committee

#### (i) Share Transfer Committee

A Share Transfer Committee has constituted to deal with various matters relating to share transfer/transmission, issue of duplicate share certificates, approving the split and consolidation requests and other matters relating to transfer and registration of shares. The members of the Committee are Dr. M R Desai, Director and Shri.M.Srinivaasan, Managing Director.

#### (ii) Stakeholder's Relationship Committee

The Company has constituted the Stakeholder's Relationship Committee to oversee the redressal of Stakeholders and investors' grievance in relation to the transfer of shares, non-receipt of annual report, etc.,

The Committee consists of the following Directors

1. Dr MR Desai
2. Shri M Srinivaasan,
3. Shri M Balasubramaniam

Dr M R Desai is the Chairman of the Committee

Shri.M.Rajendraprasath, Company Secretary, has been functioning as Compliance Officer upto 22nd October 2016 for the purpose of complying with various provisions of Securities and Exchange Board of India, Listing Agreements with Stock Exchanges, Registrar of Companies, and for monitoring the share transfer process etc., During the year the company has not received any complaints from the shareholders and no complaint is pending as on 31.03.2017.

The Committee shall consider and resolve the grievances of security holders of the company including complaints related to transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend, if any and to monitor the performance of Company's Registrar and Share Transfer Agents.

### 11. CEO / CFO Certification

The Managing Director & Chief Financial Officer have furnished a certificate relating to financial statements and internal controls and systems to the Board of Directors as required under SEBI LODR Regulations, 2015 and Board took the same on record.

### 12. Insider Trading

In compliance with SEBI Regulations in prevention of Insider Trading, the Company has framed a comprehensive code of conduct for its Management Staff. The code lays down guidelines and procedures to be followed and disclosures to be made by the Management Staff while dealing with the shares of the Company.

### 13. General Body Meetings

Details of Annual General Meetings:

The venue and time of the General Meetings held during last three years are as follows:

## Report on Corporate Governance

AGM	Date	Venue	Time
41st AGM	25.09.2014	Hotel Woodlands #5, Raja Ram Mohan Roy Road Bangalore – 560 025	3.15 PM
42nd AGM	25.09.2015	Hotel Woodlands #5, Raja Ram Mohan Roy Road Bangalore – 560 025	2.30 PM
43rd AGM	26.09.2016	Hotel Woodlands #5, Raja Ram Mohan Roy Road Bangalore – 560 025	2.30 PM

Details of Special Resolutions passed during the last 3 AGM:

Date of AGM	Particulars
25.09.2014	1. Authorization to Board under Sec. 180(1)(c) of the Companies Act, 2013 2. Authorization to Board under Sec. 180(1)(a) of the Companies Act, 2013 3. Alteration of Article No.125 (a) of Articles of Association of the Company
25.09.2015	Nil
26.09.2016	1. Issue and Allot Secured Non Convertible Debentures

In the last year none of the special resolution was passed by way of postal ballot.

The company has not proposed to pass any special resolution through postal ballot in the forth coming Annual General Meeting.

### 14. Disclosures

- The company has not entered into any transaction of material nature with the related parties having potential conflict with the interests of the company at large.
- There are no instances of non-compliance relating to capital markets during the last three years.
- The company has a whistle blower policy in place and no personnel have been denied access to the Audit committee.
- As on date, the company did not have any subsidiary company. Accordingly, the company has not framed policy for determining material subsidiary.
- The company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in SEBI (LODR) Regulations, 2015. Adoption of non-mandatory requirements of SEBI (LODR) Regulations, 2015 is being reviewed by Board from time-to-time.

### 15. Means of Communication

The Quarterly / Half yearly / Annual Financial results of the Company are published in English (Financial Express) and Kannada (Samyuktha Karnataka) newspapers.

### 16. Certificate on Corporate Governance.

In terms of Regulation 34(3) of the SEBI (LODR) Regulations, 2015, the Auditors Certificate on compliance of conditions of Corporate Governance is annexed.

### 17. Shareholders Information

#### Annual General Meeting

Day and Date	Friday, 15th September 2017
Time	2.30 P.M
Venue	Hotel Woodlands, Bangalore
Financial Calendar	1st April 2017 to 31st March 2018

### Financial Results for the quarter ending

30th June 2016 (Unaudited)	Results announcement Second week of August 2016
30th September 2016 (Unaudited)	Second week of November 2016
31st December 2016 (Unaudited)	Second Week of February 2017
Year Ending 31st March 2017 (Audited)	Last Week of May 2017
Date of Book Closure	08th September 2017 to 15th September 2017 (both dates inclusive)

### Share Price Movement

During the year company's shares were not traded in Stock Exchanges.

### 18. Other Committees - (Finance)

This committee is formed for obtaining the Financial Assistance from Banks & Financial Institutions to the extent of ₹ 100 Crores with the following members and this committee met 2 times on 18.11.2016 and 23.02.2017

Dr. M.R. Desai  
Shri. M. Srinivaasan  
Dr. A. Selvakumar and  
Shri. V.K. Swaminathan

### 19. Share Transfer System / Dematerialization of shares

To enable members for conversion of shares from physical to demat form the company has entered into an agreement with National Securities Depository Limited (NSDL) and the Central Depository Service (India) Limited (CDSL) and appointed M/s.Canbank Computer Services Ltd., Bangalore as the Registrars & Share Transfer Agents. International Securities Identification Number (ISIN) allotted to the equity shares of the company is INE 004H01019.

The shares lodged in physical form are processed, registered and returned by the Registrar & Share Transfer Agents within a stipulated time if the documents are in order.

### Distribution of Shareholding as on 31st March 2017

Share holdings	No. of Share holders	% of Share holders	No. of Shares	% of Share holding
1 – 100	3841	55.24	1,46,668	0.60
101 – 500	2599	37.37	5,47,427	2.24
501 – 1000	320	4.60	2,13,999	0.88
1001 – 2000	113	1.62	1,49,193	0.61
2001 – 3000	31	0.45	76,108	0.31
3001 – 4000	13	0.19	47,628	0.19
4001 – 5000	4	0.06	17,429	0.07
5001 – 10000	9	0.13	56,710	0.23
10001 – and above	25	0.35	2,31,99,166	94.87
<b>Total</b>	<b>6955</b>	<b>100.00</b>	<b>2,44,54,328</b>	<b>100.00</b>

## Report on Corporate Governance

### Shareholding pattern as on 31st March 2017

Category	No. of shares held			% of share holding
	Physical	Demat	Total	
1. Promoters and Promoters Group	-	1,82,73,779	1,82,73,779	74.73
2. Banks / Financial Institutions, Public Sector Undertakings, Mutual Funds	150	1,33,532	1,33,682	0.55
3. NRIs	1,266	3,830	5,096	0.02
4. Private Corporate Bodies	1,43,847	40,31,350	41,75,197	17.07
5. Public	9,23,479	9,43,095	18,66,574	7.63
<b>Total</b>	<b>10,68,742</b>	<b>2,33,85,586</b>	<b>2,44,54,328</b>	<b>100.00</b>
<b>Percentage (%)</b>	<b>4.37</b>	<b>95.63</b>	<b>100.00</b>	

### Plant Location

Unit - I	Unit - II
<b>Sugar, Distillery &amp; Cogeneration Unit.</b>	<b>Sugar unit</b>
Bharathinagara, KM Doddi, Maddur Taluk, Mandya District, Karnataka.	Srinivasapura Channarayapatna Taluk Hassan District Karnataka.

### Address for Correspondence

The Company has appointed M/s. Canbank Computer Services Limited., Bangalore, as the authorised Registrar and Share Transfer Agents. Members are requested to correspond with them directly for non-receipt of share certificates, for share transfers, transmission, and change of address, consolidation, splits, and registration of power of attorney Non-receipt of dividend and on all other queries, in the following address.

### M/s Canbank Computer Services Limited

#### Unit: Sri Chamundeswari Sugars Limited

No.218, J.P.Royale, 1st Floor, 2nd Main, Sampige Road (Near 14th Cross), Malleswaram, Bangalore – 560003.  
Ph:080-23469661/62/64/65, Fax:080-23469667/68  
e-mail: canbankrta@csl.co.in

(or)

#### Smt. Priya Arwat

Company Secretary

Sri Chamundeswari Sugars Limited

88/5, Richmond Road, Bangalore - 560 025, Karnataka.

Tel : 080 - 25002500 Fax : 080 - 25002510

e-mail : complianceofficer@chamundisugars.com

### ANNUAL DECLARATION BY MANAGING DIRECTOR

As required under Schedule V (D) of SEBI (LODR) Regulations, 2015 declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct and Ethics for the year ended 31st March 2017.

For Sri Chamundeswari Sugars Limited

Date: 11.08.2017  
Place: Coimbatore

**M. Srinivaasan**  
Managing Director  
(DIN : 00102387)

### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of

#### SRI CHAMUNDESWARI SUGARS LIMITED

We have examined the compliance of conditions of Corporate Governance by Sri Chamundeswari Sugars Limited ("the Company") for the year ended on 31st March 2017.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof adopted by the company for ensuring the compliance with the conditions of the Corporate Governance. 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 and based on the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance.

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

Coimbatore  
August 11, 2017

**For P.N. Raghavendra Rao & Co.,**  
Chartered Accountants  
Firm Registration Number : 003328S  
**Pon Arul Paraneedharan**  
Partner  
Membership Number: 212860

## Independent Auditors' Report

### INDEPENDENT AUDITORS' REPORT

To The Members of SRI CHAMUNDESWARI SUGARS LIMITED

#### Report on the Financial Statements

1. We have audited the accompanying financial statements of Sri Chamundeswari Sugars Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

3. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

#### Auditor's Responsibility

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

5. 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 there under.

6. 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.

7. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control 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 circumstance. 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.

8. 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.

#### Basis for Qualified Opinion

9. In our opinion, the balance compensation of ₹ 988.84 Lakhs shown as receivable from Bangalore Metro Rail Corporation Ltd towards acquisition of land is doubtful of realization and has to be provided for. The loss of the company is understated to that extent.

#### Qualified Opinion

10. In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters described in the Basis for Qualified Opinion Paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its loss and its cash flows for the year ended on that date.

#### Emphasis of Matter

11. We draw attention to Note No. 37(A) (1) and (2) to the financial statements which specifies the claim challenged by the company. Our opinion is not modified in respect of this matter.

#### Report on Other Legal and Regulatory Requirements

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

13. 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) Except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) Except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may not have an adverse effect on the functioning of the company.
- (f) On the basis of written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- (g) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- (h) With respect to the adequacy of the 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

## Independent Auditors' Report

- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations, as at March 31, 2017, on its financial position in its financial statements - Refer Note no. 37 (A) to the financial statements.
- (ii) The Company has a long term lease contract for operating a Sugar Unit at Srinivasapura, Hasan District. As per management representation, there are no material foreseeable losses, which require provision on account of this. The company during the year has not entered into any derivative contracts.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

- (iv) The Company has provided requisite disclosures in the financial statements as to holding as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016, on the basis of information available with the Company. Based on audit procedures and relying on the management representation, we report that disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management. - Refer Note 41.

For **P.N. Raghavendra Rao & Co.,**  
Chartered Accountants  
Firm Registration Number : 003328S

**Pon. Arul Paraneedharan**

May 30, 2017  
Bangalore

Partner  
Membership Number : 212860

### Annexure - A to the Independent Auditor's Report

Re : **Sri Chamundeswari Sugars Limited** (the "Company")

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such physical verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. As explained to us, inventories have been physically verified by the management at regular intervals during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans to the parties covered under section 185 of the Companies Act, 2013. The company has given corporate guarantee to the tune of ₹ 2448 lakhs for loans taken by the farmers, who are supplying the Cane to the company. The Company has not provided any security. 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. On 16.09.2015 Company Law Board had passed order directing the company to repay deposits accepted under the Companies Act 1956 from public amounting to ₹ 1053.72 lakhs (383 depositors) on or before 31.03.2016. The company has repaid ₹ 495.37 lakhs (94 depositors) and the balance outstanding as on 31.03.2016 is ₹ 558.35 lakhs (289 Depositors), the non-repayment of deposits amounting to ₹ 558.35 lakhs is not in compliance with the order of the company law board. The company has not accepted any deposits during the year.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central

Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that, the prescribed accounts and records have been made and maintained.

- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including provident fund, employee state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities, though there has been a slight delay in a few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2017 for a period of more than six months from the date they became payable

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, service tax and value added tax, which have not been deposited on account of any dispute. The particulars of dues of income tax, duty of customs and duty of excise as at March 31, 2017, which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Duty of Excise	22231.64	April 2005 to July 2013	CESTAT, Bangalore
		395.05	Aug 2013 to March 2015	CESTAT, Bangalore
		288.95	April 2015 to March 2016	Joint Commissioner of Central Excise, Mysore
The Income Tax Act, 1961	Income Tax	91.49	AY 1989-90	Commissioner of Income Tax (Appeals), Bengaluru
The Customs Act, 1962	Duty of Customs	45.67	FY 2013-14	CESTAT, Bangalore

## Independent Auditors' Report

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans taken from financial institutions. The Company has not issued debentures. The details of default in respect of loans or borrowings from Banks and Government is as under:

Particulars	Amount of Default as at 31.03.2017 (₹ in lakhs )	Period of Default	Remarks
Sugar Development Fund Loan Principal	2814.51	Sept 2011 to Nov 2016	Nil
Sugar Development Fund Loan Interest	985.44	March 2012 to March 2017	Nil
Loan from Government of Karnataka	185.00	2010 to 2017	Nil
Allahabad Bank	138.94	Dec 2016 to March 2017	₹ 96 Lakhs has since been paid
Allahabad Bank SEFASU Loan	80.95	Nov 2016 to March 2017	₹ 25 Lakhs has since been paid
Allahabad Bank Soft Loan	17.82	Nov 2016 to March 2017	₹17.82 Lakhs has since been paid
Karnataka State Co-op. Apex Bank Ltd. Soft loan	127.69	Oct 2016 to Jan 2017	₹ 66 Lakhs has since been paid
Hassan Dist. Central Co-op Bank Ltd	24.00	Feb 2017 to March 2017	Nil

ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Term loans availed during the year have been applied for the purpose for which those were raised.

- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. 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, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 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, paragraph 3(xvi) of the Order is not applicable.

For **P.N. Raghavendra Rao & Co.,**  
Chartered Accountants  
Firm Registration Number : 003328S  
**Pon Arul Paraneedharan**

May 30, 2017  
Bangalore

Partner  
Membership Number : 212860

### Annexure - B to the Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Sri Chamundeswari Sugars Limited on the financial statements for the year ended March 31, 2017

#### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act')

1. We have audited the internal financial controls over financial reporting of Sri Chamundeswari Sugars Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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 Act.

#### Auditor's Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

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

### **Meaning of Internal Financial Controls over Financial Reporting**

6. 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 control over financial reporting includes those policies and procedures that:

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. 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 expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

- iii. provide reasonable assurance regarding prevention or timely detection of unauthorised 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**

7. Because of the inherent limitations 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 the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **P.N. Raghavendra Rao & Co.**,  
Chartered Accountants  
Firm Registration Number : 003328S  
**Pon Arul Paraneedharan**

May 30, 2017  
Bangalore

Partner  
Membership Number : 212860

## Balance Sheet

### BALANCE SHEET AS AT 31.03.2017

Particulars	Note No.	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	2	3,915.43	3,915.43
(b) Reserves and Surplus	3	8,740.32	10,065.37
		12,655.75	13,980.80
<b>Non-Current Liabilities</b>			
(a) Long-Term Borrowings	4	20,814.94	14,993.98
(b) Deferred Tax Liabilities (Net)	5	232.11	1,126.53
(c) Other Long Term Liabilities	6	2,482.77	2,538.80
(d) Long-Term Provisions	7	869.68	684.42
		24,399.50	19,343.73
<b>Current Liabilities</b>			
(a) Short-Term Borrowings	8	4,995.07	5,628.64
(b) Trade Payables	9	4,569.15	9,808.94
(c) Other Current Liabilities	10	11,486.75	10,616.28
(d) Short-Term Provisions	11	167.95	315.28
		21,218.92	26,369.14
<b>TOTAL</b>		<b>58,274.17</b>	<b>59,693.67</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	12	20,517.17	20,836.88
(ii) Intangible Assets		905.95	1,605.15
(iii) Capital Work-in-Progress		10,027.45	1,728.62
		31,450.57	24,170.65
(b) Non-Current Investments	13	491.60	421.10
(c) Long-Term Loans and Advances	14	1,952.44	1,932.69
(d) Other Non-Current Assets	15	2,168.94	2,168.94
		36,063.55	28,693.38
<b>Current Assets</b>			
(a) Current Investments	16	7,656.74	5,456.49
(b) Inventories	17	4,223.17	6,466.95
(c) Trade Receivables	18	872.58	2,209.92
(d) Cash and Cash Equivalents	19	659.32	3,075.16
(e) Short-Term Loans and Advances	20	6,750.53	7,208.78
(f) Other Current Assets	21	2,048.28	6,582.99
		22,210.62	31,000.29
<b>TOTAL</b>		<b>58,274.17</b>	<b>59,693.67</b>
Significant Accounting Policies	1		
Notes are an integral part of the Financial Statements.			

Per our Report Annexed  
For **P.N.Raghavendra Rao & Co.,**  
Chartered Accountants  
Firm Registration No. : 0033285

**Pon Arul Paraneedharan**  
Partner  
Membership No.: 212860

**M Srinivaasan**  
Managing Director  
(DIN - 00102387)

**V K Swaminathan**  
Director  
(DIN - 00210869)

**J U Srinivasan**  
Chief Financial Officer

Date : 30.05.2017  
Place : Bangalore

**Priya Arwat**  
Company Secretary  
(M - A48559)



## Statement of Profit & Loss

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2017

Particulars	Note No.	Year Ended 31.03.2017 ₹ in Lakhs	Year Ended 31.03.2016 ₹ in Lakhs
<b>I Income</b>			
Revenue from Operations (Gross)	22	20,605.27	34,361.16
Less: Excise Duty		664.94	956.63
Revenue from Operations (Net)		19,940.33	33,404.53
II. Other Income	23	261.96	156.75
III. <b>Total Revenue</b>		<b>20,202.29</b>	<b>33,561.28</b>
<b>IV. Expenses</b>			
Cost of Raw Materials Consumed	24	10,619.61	23,914.51
Changes in Inventories of	25		
(a) Finished Goods		2,414.32	1,229.08
(b) Work-in-Progress		66.86	25.48
Employee Benefit Expenses	26	2,272.26	3,055.50
Finance Costs	27	2,504.63	3,983.75
Depreciation and Amortization Expenses	28	1,498.93	1,469.32
Other Expenses	29	3,045.16	5,711.01
<b>Total Expenses</b>		<b>22,421.77</b>	<b>39,388.65</b>
V. <b>Profit / (Loss) Before exceptional and extraordinary Items and Tax (III - IV)</b>		<b>(2,219.48)</b>	<b>(5,827.37)</b>
VI. Exceptional Items	39	-	5,996.50
VII. <b>Profit / (Loss) Before extraordinary items and tax (V-VI)</b>		<b>(2,219.48)</b>	<b>169.13</b>
VIII. Extraordinary Items		-	-
IX. <b>Profit before Tax (VII-VIII)</b>		<b>(2,219.48)</b>	<b>169.13</b>
X. Tax expenses :			
1. For Current Tax - MAT		-	-
2. For Deferred Tax		(894.43)	56.28
XI. <b>Profit / (Loss) for the period (IX+X)</b>		<b>(1,325.05)</b>	<b>112.85</b>
<b>Earnings per Equity Share</b>			
Nominal Value per Equity Share		10.00	10.00
(a) Basic		(5.72)	0.16
(b) Diluted		(5.72)	0.16
Significant Accounting Policies	1		
Notes are an integral part of the Financial Statements.			

Per our Report Annexed  
For **P.N.Raghavendra Rao & Co.,**  
Chartered Accountants  
Firm Registration No. : 003328S

**Pon Arul Paraneedharan**  
Partner  
Membership No.: 212860

**M Srinivaasan**  
Managing Director  
(DIN - 00102387)

**V K Swaminathan**  
Director  
(DIN - 00210869)

**J U Srinivasan**  
Chief Financial Officer

Date : 30.05.2017  
Place : Bangalore

**Priya Arwat**  
Company Secretary  
(M - A48559)

**Balance Sheet**

**31.03.2017ರಂದು ಇದ್ದಂತೆ ಆಸ್ತಿ-ಜವಾಬ್ದಾರಿ ತಃಖ್ತೆ**

ವಿವರಗಳು	ಷೆಡ್ಯೂಲ್ ಸಂಖ್ಯೆ	ಪ್ರಸ್ತುತ ವರ್ಷ 31.03.2017ಕ್ಕೆ ಸಂಬಂಧಿಸಿದ ವಿವರಗಳು (ರೂ. ಲಕ್ಷಗಳಲ್ಲಿ)	ಕೊನೆಗೊಂಡ ವರ್ಷ 31.03.2016ಕ್ಕೆ ಸಂಬಂಧಿಸಿದ ವಿವರಗಳು (ರೂ. ಲಕ್ಷಗಳಲ್ಲಿ)
<b>I. ಷೇರುಗಳು ಮತ್ತು ಹೊಣೆಗಾರಿಕೆಗಳು</b>			
<b>ಷೇರುದಾರರ ನಿಧಿಗಳು</b>			
(a) ಷೇರು ಬಂಡವಾಳ	2	3,915.43	3,915.43
(b) ನಿಧಿಗಳು ಹಾಗೂ ಅಧಿಕೃತ	3	8,740.32	10,065.37
		<b>12,655.75</b>	<b>13,980.80</b>
<b>ಚಾಲ್ತಿಯಲ್ಲದ ಹೊಣೆಗಾರಿಕೆಗಳು</b>			
(a) ದೀರ್ಘಾವಧಿ ಸಾಲಗಳು	4	20,814.94	14,993.98
(b) ಮುಂದೂಡಲ್ಪಟ್ಟ ತೆರಿಗೆಯ ಭಾದ್ಯತೆಗಳು (ನಿವ್ವಳ)	5	232.11	1,126.53
(c) ಇತರ ದೀರ್ಘಾವಧಿ ಹೊಣೆಗಾರಿಕೆಗಳು	6	2,482.77	2,538.80
(d) ದೀರ್ಘಾವಧಿ ಕಾದಿರಿಸುವಿಕೆ	7	869.68	684.42
		<b>24,399.50</b>	<b>19,343.73</b>
<b>ಪ್ರಸ್ತುತ ಹೊಣೆಗಾರಿಕೆಗಳು</b>			
(a) ಅಲ್ಪಾವಧಿ ಸಾಲಗಳು	8	4,995.07	5,628.64
(b) ಕೊಡಬೇಕಾದ ವ್ಯಾಪಾರದ ಬಾಬು	9	4,569.15	9,808.94
(c) ಇತರ ಪ್ರಸ್ತುತ ಹೊಣೆಗಾರಿಕೆಗಳು	10	11,486.75	10,616.28
(d) ಅಲ್ಪಾವಧಿ ಕಾದಿರಿಸುವಿಕೆಗಳು	11	167.95	315.28
		<b>21,218.92</b>	<b>26,369.14</b>
<b>TOTAL</b>		<b>58,274.17</b>	<b>59,693.67</b>
<b>II. ಆಸ್ತಿಗಳು</b>			
(a) ಸ್ಥಿರಾಸ್ತಿಗಳು			
(i) ಸ್ಪಷ್ಟವಾದ ಆಸ್ತಿಗಳು	12	20,517.17	20,836.88
(ii) ಅಮೂರ್ತ ಆಸ್ತಿಗಳು		905.95	1,605.15
(iii) ಬಂಡವಾಳದ ಕೆಲಸ ಪ್ರಗತಿಯಲ್ಲಿರುವುದು		10,027.45	1,728.62
		<b>31,450.57</b>	<b>24,170.65</b>
(b) ಚಾಲ್ತಿಯಲ್ಲದ ಹೂಡಿಕೆ	13	491.60	421.10
(c) ದೀರ್ಘಾವಧಿ ಸಾಲಗಳು ಮತ್ತು ಮುಂಗಡಗಳು	14	1,952.44	1,932.69
(d) ಇತರ ಪ್ರಸ್ತುತ ಅಲ್ಲದ ಆಸ್ತಿಗಳು	15	2,168.94	2,168.94
		<b>36,063.55</b>	<b>28,693.38</b>
<b>ಪ್ರಸ್ತುತ ಆಸ್ತಿಗಳು</b>			
(a) ಪ್ರಸ್ತುತ ಹೂಡಿಕೆಗಳು	16	7,656.74	5,456.49
(b) ಇನವೆಂಟರಿ	17	4,223.17	6,466.95
(c) ವ್ಯಾಪಾರ ಕರಾರು	18	872.58	2,209.92
(d) ನಗದು ಮತ್ತು ನಗದು ಸಮಾನ	19	659.32	3,075.16
(e) ಅಲ್ಪಾವಧಿ ಸಾಲಗಳು ಮತ್ತು ಮುಂಗಡಗಳು	20	6,750.53	7,208.78
(f) ಇತರ ಪ್ರಸ್ತುತ ಆಸ್ತಿಗಳು	21	2,048.28	6,582.99
		<b>22,210.62</b>	<b>31,000.29</b>
<b>TOTAL</b>		<b>58,274.17</b>	<b>59,693.67</b>
ಪ್ರಮುಖ ವಾಣಿಜ್ಯ ನೀತಿಗಳು	1		
ಟಿಪ್ಪಣಿಯು ಹಣಕಾಸಿನ ಆಯವ್ಯಯದ ಒಂದು ಅಂಗವಾಗಿದೆ.			

For P.N. Raghavendra Rao & Co.,  
Chartered Accountants  
Firm Registration No. : 003328S  
Pon Arul Paraneedharan  
Partner  
Membership No.: 212860  
Date : 30.05.2017  
Place : Bangalore

**M. Srinivaasan**  
Managing Director  
(DIN - 00102387)

**V.K. Swaminathan**  
Director  
(DIN - 00210869)

**J.U. Srinivasan**  
Chief Financial Officer

**Priya Arwat**  
Company Secretary  
(M - A48559)

Statement of Profit & Loss

31.03.2017ರಂದು ಅಂತ್ಯಗೊಂಡ ವರ್ಷಕ್ಕೆ ಲಾಭ ಮತ್ತು ನಷ್ಟದ ತಃಖ್ತೆ

ವಿವರಗಳು	ಷೆಡ್ಯೂಲ್ ಸಂಖ್ಯೆ	ಪ್ರಸ್ತುತ ವರ್ಷ 31.03.2017ಕ್ಕೆ ಸಂಬಂಧಿಸಿದ ವಿವರಗಳು (ರೂ. ಲಕ್ಷಗಳಲ್ಲಿ)	ಕೊನೆಗೊಂಡ ವರ್ಷ 31.03.2016ಕ್ಕೆ ಸಂಬಂಧಿಸಿದ ವಿವರಗಳು (ರೂ. ಲಕ್ಷಗಳಲ್ಲಿ)
<b>ಆದಾಯ</b>			
I ವ್ಯವಹಾರದಿಂದ ಬಂದ ಲಾಭ (ನಿವ್ವಳ)	22	20,605.27	34,361.16
ಕಳೆಯಿರಿ : ಅಬಕಾರಿ ಸುಂಕ		664.94	956.63
ಕಾರ್ಯಾಚರಣೆಯಿಂದ ಬಂದ ಲಾಭ (ನಿವ್ವಳ)		19,940.33	33,404.53
II ಇತರೆ ಆದಾಯ	23	261.96	156.75
III ಒಟ್ಟು ಆದಾಯ		<b>20,202.29</b>	<b>33,561.28</b>
<b>IV ವೆಚ್ಚಗಳು</b>			
ಉಪಯೋಗಿಸಲ್ಪಟ್ಟ ಕಚ್ಚಾ ವಸ್ತುಗಳ ಮೌಲ್ಯ	24	10,619.61	23,914.51
ಇನವೆಂಟರಿಗಳಲ್ಲಿ ಬದಲಾವಣೆ	25		
(a) ರೂಪಾಂತರಗೊಂಡ ಸರಕು		2,414.32	1,229.08
(b) ಮುಂದುವರೆಯುತ್ತಿರುವ ಕೆಲಸಗಳು		66.86	25.48
ನೌಕರರ ಸೌಕರ್ಯಗಳ ಖರ್ಚುಗಳು	26	2,272.26	3,055.50
ಹಣಕಾಸಿನ ವೆಚ್ಚ	27	2,504.63	3,983.75
ಸವಕಳಿ ಮತ್ತು ಅಮಾರ್ಟೈಸೇಷನ್ ವೆಚ್ಚ	28	1,498.93	1,469.32
ಇತರೆ ವೆಚ್ಚಗಳು	29	3,045.16	5,711.01
ಒಟ್ಟು ವೆಚ್ಚಗಳು		<b>22,421.77</b>	<b>39,388.65</b>
V ವಿಶೇಷ ಮತ್ತು ಅಸಾಧಾರಣ ಅಂಶಗಳು ಹಾಗೂ ತೆರಿಗೆ ಪೂರ್ವ ಲಾಭ/ನಷ್ಟ (III-IV)		(2,219.48)	(5,827.37)
VI ಅಸಮಾನ್ಯ ಅಂಶಗಳು	39	-	5,996.50
VII ವಿಶೇಷ ಅಂಶ ಹಾಗೂ ತೆರಿಗೆ ನಂತರ ಲಾಭ / ನಷ್ಟ (V-VI)		(2,219.48)	169.13
VIII ಅಸಾಧಾರಣ ಅಂಶಗಳು		-	-
IX ತೆರಿಗೆ ಮುನ್ನ ಲಾಭ (VII-VIII)		(2,219.48)	169.13
X ತೆರಿಗೆ ವೆಚ್ಚಗಳು			
ಅ.ಪ್ರಸ್ತುತ ತೆರಿಗೆ - ಮ್ಯಾಟ್		-	-
ಆ.ಮುಂದೂಡಿದ ತೆರಿಗೆ		(894.43)	56.28
XI ಅವಧಿಗೆ ಲಾಭ / ನಷ್ಟ (IX+X)		(1,325.05)	112.85
<b>ಪ್ರತಿ ಈಕ್ವಿಟಿಗಳಿಗೆ ಆದಾಯ</b>			
ಈಕ್ವಿಟಿಯ ಮೂಲ ಬೆಲೆ		10.00	10.00
ಪ್ರಾಥಮಿಕ		(5.72)	0.16
ದ್ರವೀಕರಿಸಿದ		(5.72)	0.16

ಪ್ರಮುಖ ವಾಣಿಜ್ಯ ನೀತಿಗಳು 1

ಲೆಕ್ಕ ದಾಖಲಾತಿ ಆರ್ಥಿಕ ತಃಖ್ತೆಗಳ ಒಂದು ಅವಿಭಾಜ್ಯ ಅಂಗವಾಗಿರುತ್ತದೆ.

For P.N. Raghavendra Rao & Co.,  
Chartered Accountants  
Firm Registration No. : 003328S  
Pon Arul Paraneedharan  
Partner  
Membership No.: 212860  
Date : 30.05.2017  
Place : Bangalore

**M. Srinivaasan**  
Managing Director  
(DIN - 00102387)

**V.K. Swaminathan**  
Director  
(DIN - 00210869)

**J.U. Srinivasan**  
Chief Financial Officer

**Priya Arwat**  
Company Secretary  
(M - A48559)

## Notes forming part of Financial Statements

### Note : 1 >> SIGNIFICANT ACCOUNTING POLICIES

#### A. BASIS OF PREPARATION:

The accompanying Financial Statements have been prepared on a going concern basis under the historical cost convention on the accrual basis of accounting in conformity with Generally Accepted Accounting Principles in India ("India GAAP").

#### B. VALUATION OF INVENTORIES:

Inventories of raw materials, work-in-progress, stores, finished products and stock-in-trade are valued at the lower of cost and net realizable value. Cost is ascertained on seasonal weighted average for sugar and yearly average for distillery products and stores. By-products and Scrap Stock are valued at Net realizable value.

#### C. FIXED ASSETS:

- a) Fixed Assets are shown at cost/re-valued figures, less accumulated depreciation. Fixed assets added during the year are valued at cost net of CENVAT but includes all direct expenses like freight, erection charges, pre-operative expenses and borrowing costs.
- b) Expenditure including borrowing cost incurred on projects under implementation is shown under "Work-in-Progress" pending allocation to the assets.

#### D. INTANGIBLE ASSETS:

The payment made towards goodwill for cane ryots is amortized over a period of 10 years in accordance with AS-26.

#### E. BORROWING COSTS:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets.

#### F. DEPRECIATION:

Depreciation on tangible assets is provided on the straight line method over the useful life in the manner prescribed in the Schedule II of the companies Act, 2013.

Depreciation on addition to assets or on sale / discardment of assets is calculated on pro-rata from the date of such addition or upto the date of such sale / discardment, as the case may be.

#### G. INVESTMENTS:

Long term Investments are accounted at Cost. The diminution in value of long term investments is recognised if the decline is other than temporary.

#### H. a) REVENUE RECOGNITION:

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the customer and is stated net of trade discounts, excise duty and sales return. Gross turnover includes excise duty but exclude sales tax.

- i. Dividend income is accounted for in the year it is declared.
- ii. All other incomes are accounted for on accrual basis.
- iii. The Excise duty on sale of finished goods is deducted from the turnover to arrive at the net sales as shown in the Statement of Profit and loss.
- iv. Inter segmental transfer price is not recognized

#### b) EXPENDITURE RECOGNITION:

- i. The Cane price is written off on the basis of determination of fair & remunerative price and agreed price if any, over and above fair & remunerative price.

- ii. The Excise duty appearing in the Statement of Profit and loss as an expense represents excise duty provision for difference between opening and closing stock of finished goods.

#### I. FOREIGN CURRENCY TRANSACTIONS:

Foreign Exchange transactions are recognised based on maturity of obligation.

#### J. RETIREMENT BENEFITS:

Contribution payable by the Company towards Provident fund, Gratuity, Employees State Insurance and Superannuation fund for the year are charged to statement of profit and loss. Gratuity is determined based on the actuarial valuation made by an independent actuary. For leased plant, gratuity is determined based on the demand from the lessor.

Provision for liability in respect of Leave encashment benefits are made based on actuarial valuation made by an independent actuary.

#### K. SEGMENT REPORTING:

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

#### L. DEFERRED TAX:

Deferred tax is recognized on timing difference between accounting income and the taxable income for the period and reversal of timing differences of earlier periods and quantified using the tax rates and laws that have been enacted / substantively enacted as at the balance sheet date. The deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty that these would be realized in future.

#### M. EARNING PER SHARE:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### N. IMPAIRMENT OF ASSETS:

Impairment, if any, is recognized in accordance with the Accounting Standard 28.

#### O. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provision is recognized only when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

## Notes forming part of Financial Statements

Particulars	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
<b>Note : 2 &gt;&gt; Share Capital</b>		
<b>(i) Particulars of Each Class of Share Capital :-</b>		
<b>a) Authorised Share Capital:</b>		
4,00,00,000 Equity shares of ₹ 10/- each	4,000.00	4,000.00
20,00,000 Redeemable Cumulative Preference Shares of ₹ 100/- each	2,000.00	2,000.00
	<b>6,000.00</b>	<b>6,000.00</b>
<b>b) Issued, Subscribed and Paid up Share capital:</b>		
2,44,54,328 Equity shares of ₹ 10/- each fully paid up	2,445.43	2,445.43
14,70,000 5% Redeemable Cumulative Preference Shares of ₹ 100/- each	1,470.00	1,470.00
	<b>3,915.43</b>	<b>3,915.43</b>

**(ii) Reconciliation of Number and Amount of Shares at the end of the reporting period :-**

**a) Equity Shares with Voting Rights:**

	Particulars	No. of Shares		₹ in Lakhs	
		As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
a)	Number of Shares at the beginning of the reporting period	2,44,54,328	2,44,54,328	2,445.43	2,445.43
b)	Number of Shares at the end of the reporting period	<b>2,44,54,328</b>	2,44,54,328	<b>2,445.43</b>	2,445.43

**b) Redeemable Cumulative Preference Shares:**

	Particulars	No. of Shares		₹ in Lakhs	
		As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
a)	Number of Shares at the beginning of the reporting period	14,70,000	14,70,000	1,470.00	1,470.00
b)	Number of Shares at the end of the reporting period	<b>14,70,000</b>	14,70,000	<b>1,470.00</b>	1,470.00

**(iii) Rights, Preferences and Restrictions attaching to each class of Shares:**

**A. Equity Shares**

The Company has only one class of Equity Shares having face value of ₹ 10 each. Each Shareholder is eligible for one vote per share. Final Dividend is payable when it is recommended by the Board of Directors and subject to the approval of the Members at the Annual General Meeting. In the event of liquidation, the equity shareholders will get the remaining assets after payment of all the preferential dues.

**B. Redeemable Cumulative Preference Shares**

The Redeemable Cumulative Preference Shares have a par value of ₹ 100 each. These shares carry a fixed cumulative dividend of 5% p.a. As per the consent received from all the Redeemable Cumulative Preference shares Shareholders, the period of redemption of 5% redeemable cumulative preference shares extended for another five years. i.e up to 30.01.2021.

These shares have the following preferential rights over the equity shareholders:

- a) The payment of dividend at a Fixed Rate; and
- b) The return of capital on winding up of the company.

These shareholders can enforce their right of getting dividend in priority over the equity shareholders.

The Preference Shareholders have no voting right except when the dividend is outstanding for a period of more than 2 years in case of Cumulative Preference Shares. But, they have right to vote on any resolution for winding up of the company or for the reduction / repayment of capital.

## Notes forming part of Financial Statements

### (iv) Details of shareholders holding more than 5% shares :-

Name of the Shareholder	As at 31.03.2017		As at 31.03.2016	
	% of Holding	No. of Shares	% of Holding	No. of Shares
<b>Equity Shares with Voting Rights:</b>				
a) ABT Industries Limited	30.53	74,66,666	30.53	74,66,666
b) Chamundeswari Enterprises Private Limited	18.27	44,69,066	18.27	44,69,066
c) Sakthi Beverages Limited	17.45	42,66,666	17.45	42,66,666
d) Sri Shanthini Exports Private Limited	14.45	35,33,333	14.45	35,33,333
<b>TOTAL</b>	<b>80.70</b>	<b>1,97,35,731</b>	<b>80.70</b>	<b>1,97,35,731</b>
<b>Redeemable Cumulative Preference Shares:</b>				
a) Sakthi Sugars Limited	60.95	8,95,900	60.95	8,95,900
b) ABT Limited	31.39	4,61,500	31.39	4,61,500
<b>TOTAL</b>	<b>92.34</b>	<b>13,57,400</b>	<b>92.34</b>	<b>13,57,400</b>

### (v) Specified details on each class of shares for the period of last five years :-

Particulars	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Aggregate number of shares allotted by way of bonus shares (Fully Paid-up)	-	-	-	-	-

### Note : 3 >> Reserves and Surplus

Particulars	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
<b>(i) Capital Redemption Reserve :-</b>		
Opening Balance	500.00	500.00
Closing Balance	<b>500.00</b>	<b>500.00</b>
<b>(ii) Securities Premium Account :-</b>		
Opening Balance	150.00	150.00
Closing Balance	<b>150.00</b>	<b>150.00</b>
<b>(iii) Revaluation Reserve :-</b>		
Opening Balance	5,331.10	5,730.57
Less : Utilised for:		
Depreciation on revalued Assets transferred to surplus in statement of Profit & Loss	199.98	199.98
Withdrawn on sale of Assets	-	199.49
Closing Balance	<b>5,131.12</b>	<b>5,331.10</b>
<b>(iv) General Reserve :-</b>		
Opening Balance	4,307.00	4,307.00
Closing Balance	<b>4,307.00</b>	<b>4,307.00</b>
<b>(v) Surplus in Statement of Profit &amp; Loss :-</b>		
Opening Balance	(222.73)	(535.56)
Add : Profit / (Loss) After Tax for the year	(1,325.05)	112.85
Total	<b>(1,547.78)</b>	<b>(422.71)</b>
Add : Depreciation on revalued assets transferred from revaluation reserve	199.98	199.98
Closing Surplus	<b>(1,347.80)</b>	<b>(222.73)</b>
<b>(vi) Total Reserves and Surplus [(i) to (v)]</b>	<b>8,740.32</b>	<b>10,065.37</b>
<b>Note : 4 &gt;&gt; Long-Term Borrowings</b>		
<b>Secured</b>		
Term Loans - From Banks	13,980.62	12,001.61
Term Loans - From Other Parties	6,362.56	2,500.00
	<b>20,343.18</b>	<b>14,501.61</b>
<b>Unsecured</b>		
Loans and advances from related parties (From a Director)	195.03	221.58
Other Loans and Advances	276.73	270.79
	471.76	492.37
	<b>20,814.94</b>	<b>14,993.98</b>

## Notes forming part of Financial Statements

### Details of terms of repayment for the Term Loans and Security provided in respect of the Secured Term Loans :-

	Nature of Security	Repayment Terms
	<b>From Banks</b>	
i)	Term Loan of ₹ Nil (₹ 131.45 Lakhs) availed from Allahabad Bank is secured by pari passu first charge on the movable and immovable assets pertaining to 26 MW Co-generation Power Plant at K.M.Doddi, Bharathinagara, Maddur Taluk, Mandya District, Karnataka and Personal Guarantee of the Managing Director and two Directors.	Repayable in 24 Quarterly installments. Last installment falling due on March 2016. Since fully repaid Rate of Interest : BR + 2.25% p.a.
ii)	Term Loan of ₹ 888.94 Lakhs (₹ 2250.00 Lakhs) availed from Allahabad Bank is secured by assignment of future receivables of Distillery division and is further secured by personal guarantee of Managing Director and two directors. The loan is also additionally secured by a personal property of Managing Director.	Repayable in 16 Quarterly installments. Last installment falling due on June 2017. Rate of Interest : BR + 4.25% p.a.
iii)	Term Loan of ₹ 1493.25 Lakhs (₹ 1991.00 Lakhs) is availed from IDBI Bank is secured by Pari Passu first charge on fixed assets of sugar & Distillery division, bio-compost & bio-methanisation plant. Pari Passu first charge on Hoodi property of the company. Pari passu third charge on co-gen plant of KM Doddi Unit and Personal Guarantee of the Managing Director.	Repayable in 36 monthly installments. Last Installment falling due on June 2020. Rate of Interest : BR+4.75% p.a.
iv)	Term Loan of ₹ 581.20 Lakhs(₹ 667.00 Lakhs) is availed from Allahabad Bank is secured by Pari Passu first charge on fixed assets of sugar & Distillery division, bio-compost & bio-methanisation plant.Pari Passu first charge on Hoodi property of the company.Pari passu third charge on co-gen plant of KM Doddi Unit and Personal Guarantee of the Managing Director and two Directors.	Repayable in 36 monthly installments. Last installment falling due on June 2020. Rate of Interest : BR + 4.75% p.a.
v)	Term Loan of ₹ 4648.81 Lakhs (₹ 5434.53 Lakhs) is availed under consortium arrangement from SCDC Bank Ltd and BAJPE VSS Bank Ltd is secured by movable and immovable properties pertaining to the existing sugar and distillery division situated at Unit I, K.M.Doddi.	Repayable in 90 months including 6 months moratorium. Last installment falling due on February 2023. Rate of Interest : 13.50% p.a.
vi)	Term Loan of ₹ 6500.00 lakhs (₹ 2275.00 lakhs) for a total sanction of ₹ 6500.00 lakhs is availed under consortium arrangement from SCDC Bank Ltd and BAJPE VSS Bank Ltd. This loan is secured by movable properties viz plant and machinery acquired/to be acquired in respect of the sugar expansion project situated at Hassan Dist, Karnataka on first exclusive charge basis and paripassu first charge on fixed assets of Sugar and Distillery division situated at Unit I, K.M.Doddi.Pari Passu First charge on Leasehold Rights of Hemavathi Unit.	Repayable in 108 months including moratorium of 24 months Rate of Interest : 13.50% p.a.
vii)	Term Loan of ₹ 197.78 Lakhs (₹ 197.78 Lakhs) is availed from IDBI Bank is secured by Pari Passu first charge on fixed assets of sugar & Distillery division, bio-compost & bio-methanisation plant. Pari Passu first charge on Hoodi property of the company. Pari passu third charge on fixed assets of co-gen plant of KM Doddi Unit. Paripassu second charge on the current assets of the company and Personal Guarantee of the Managing Director.	Repayable in 36 monthly installments. Last installment falling due on August 2020. Rate of Interest : BR + 4.75% p.a.
viii)	Term Loan of ₹ 186.95 Lakhs (₹ 198.00 Lakhs) is availed from Allahabad Bank is secured by Pari Passu first charge on fixed assets of sugar & Distillery division, bio-compost & bio-methanisation plant."Pari Passu first charge on Hoodi property of the company."Pari passu third charge on fixed assets of co-gen plant of KM Doddi Unit and Personal Guarantee of the Managing Director and two Directors."	Repayable in 36 monthly installments. Last installment falling due on August 2020. Rate of Interest : BR + 4.75% p.a.
ix)	Term Loan of ₹ 787.69 Lakhs (₹ 792.00 Lakhs) is availed from The Karnataka State Co-Op Apex Bank Ltd is secured by Pari Passu first charge on fixed assets of Sugar & Distillery division at Bharathi Nagar and Personal Guarantee of the Managing Director.	Repayable in 12 quarterly installments. Last installment falling due on July 2019. Rate of Interest : 13.50% p.a.
x)	Term Loan of ₹ 792.00 Lakhs (₹ 792.00 Lakhs) is availed from The HDCC Bank Ltd is secured by Pari Passu first charge on fixed assets of Sugar & Distillery division at Bharathi Nagar and personal Guarantee of the Managing Director.	Repayable in 36 monthly installments. Last installment falling due on August 2020. Rate of Interest : 13.50% p.a.

## Notes forming part of Financial Statements

### Details of terms of repayment for the Term Loans and Security provided in respect of the Secured Term Loans :-

Nature of Security		Repayment Terms	
xi)	Term Loan of ₹ 607.33 Lakhs (₹ 699.74 Lakhs) is availed from The HDCC Bank Ltd is secured by Third Charge on fixed assets of Sugar & Distillery division at Bharathi Nagar.	Repayable in 24 quarterly installments. Last installment falling due on February 2022. Rate of Interest : 13.50% p.a.	
xii)	Period and amount of continuing defaults as on the date of Balance sheet		
	Amount (₹ in lakhs)	Period	Since Paid (₹ in lakhs)
Principal	389.40	Nov. 2016 to Mar 2017	204.82
Interest	Nil	Nil	Nil

**Note:** The amount repayable within twelve months is ₹ 2703.33 Lakhs (₹ 3426.89 Lakhs), grouped under Other Current Liabilities in Note No. 10.

From Others		Repayment Terms	
i)	Term loan of ₹ 2491.00 Lakhs (₹ 2491.00 Lakhs) availed from Sugar Development Fund (SDF) Govt. of India (Co-gen power project loan) is secured by exclusive second charge by way of mortgage on the company's immovable properties of sugar factory at K.M.Doddi, Bharathi Nagara, Maddur Taluk, Mandya District, Karnataka	Repayable in 10 Half-yearly installments. Last installment falling due on March 2016. Rate of Interest : 4.00% p.a.	
ii)	Term loan of ₹ 323.51 Lakhs (₹ 323.51 Lakhs) availed from Sugar Development Fund (SDF) Govt. of India (Co-gen power project loan) is secured by exclusive second charge by way of mortgage on the company's immovable properties of sugar factory at K.M.Doddi, Bharathi Nagara, Maddur Taluk, Mandya District, Karnataka	Repayable in 10 Half-yearly installments. Last installment falling due on November 2016. Rate of Interest : 4.00% p.a.	
iii)	Term Loan Sanction Amount is ₹ 7600.00 lakhs out of which of ₹ 5700.00 Lakhs is availed from Indian renewable Development Agency Ltd. This loan is secured by mortgage & Hypothication of lease hold rights of immovable assets of the company pertaining to Hemavathi SSKN / project & assignment of all rights under the lease deed dt. 26.10.2007 on pari passu basis with SCDCC bank Pledge of 51% equity shares of the company out of which 25% will be pledged upfront and remaining 26% will be pledged after release by CDR cell. Personal Guarantees by two Promoter Directors Exclusive charge on Cogen assets created/to be created.	Repayable in 40 Quarterly installments. Last installment falling due on December 2027. Rate of Interest : 12.15% p.a.	
iv)	Term Loan of ₹ 662.56 lakhs (Nil) availed against ₹ 1113.00 lakhs sanctioned by IREDA for the Energy Efficiency Project of Sugar at Hemavathi Unit. This loan is secured by mortgage & Hypothication of lease hold rights of immovable assets of the company pertaining to Hemavathi SSKN / project & assignment of all rights under the lease deed dt. 26.10.2007 on pari passu basis with SCDCC bank Pledge of 51% equity shares of the company out of which 25% will be pledged upfront and remaining 26% will be pledged after release by CDR cell. Personal Guarantees by two Promoter Directors Exclusive charge on the Energy Efficiency Equipment to be acquired.	Repayable in 40 quarterly installments. Last installment falling due on December 2027. Rate of Interest : 12.15% p.a.	
v)	Short Term Loan of ₹ 1000.00 lakhs (Nil) sanctioned by Centrum Financial Service Ltd is secured by exclusive First charge on the Property Situated at Ulsoor Road.	Repayable in Lumpsum as on 19th May 2017. Rate of Interest : 14.00% p.a.	
vi)	Loan against Securities (LAS) of ₹ 825 lakhs (Nil) against the Mutual Fund Investments has been availed from Bajaj Finance Ltd. Karnataka	Repayable within 12 months in bullet payment. Rate of Interest : 9.00% p.a.	
vii)	Period and amount of continuing defaults as on the date of Balance sheet		
	Amount (₹ in lakhs)	Period	Since Paid (₹ in lakhs)
Principal	2814.51	Sep. 2016 to Nov 2016	Nil
	185.00	2010 - 2017	Nil
Interest	985.44	Mar 2012 to Mar 2017	Nil

**Note:** The amount repayable within twelve months is ₹ 4639.51 Lakhs (₹ 2814.51 Lakhs), grouped under Other Current Liabilities in Note No. 10.



## Notes forming part of Financial Statements

Particulars	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
<b>Note : 5 &gt;&gt; Deferred Tax Liability (Net)</b>		
Tax effect of items constituting deferred tax liability:		
On account of Depreciation	3,010.92	2,392.44
On account of treatment of Goodwill	307.11	555.51
(A)	<b>3,318.03</b>	<b>2,947.95</b>
Tax effect of items constituting deferred tax asset:		
On account of difference in treatment of expenses	490.46	284.45
Brought Forward Business Losses	2,595.46	2,105.87
(B)	<b>232.11</b>	<b>1,126.53</b>
<b>(A-B)</b>	<b>2,318.03</b>	<b>1,821.42</b>
<b>Note : 6 &gt;&gt; Other Long-Term Liabilities</b>		
a) Trade / Security Deposits	2,482.77	2,538.80
b) Trade Payable - Others	-	-
	<b>2,482.77</b>	<b>2,538.80</b>
<b>Note : 7 &gt;&gt; Long-Term Provisions</b>		
(i) Provision for Employee Benefits :-		
a) Provision for Gratuity	657.08	513.00
b) Provision for other employee benefits - Leave Salary	212.60	171.42
Total Long-Term Provisions	<b>869.68</b>	<b>684.42</b>
<b>Note : 8 &gt;&gt; Short-Term Borrowings</b>		
<b>Secured</b>		
From Banks	4,995.07	5,628.64
	<b>4,995.07</b>	<b>5,628.64</b>

### Details of Security for the Secured Loans repayable on Demand :-

Particulars	Nature of Security	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
Loans Repayable on Demand from Banks:-			
➤ IDBI Bank:			
● Working Capital Loan		500.00	1,299.18
➤ Allahabad Bank:			
● Working Capital Loan	a) Pari passu first charge on the current assets in respect of sugar and distillery division excluding receivables and book debts of distillery division located at K.M. Doddi.	499.88	499.99
➤ The Karnataka State Co-op. Apex Bank Ltd			
● Working Capital Loan	b) Sugar Unit at Srinivasapura, Hassan District, Karnataka. This loan is further secured by third charge on the fixed assets of Sugar unit at K.M. Doddi, Bharathinagar, Maddur Taluk, Mandya District, Karnataka.	1,995.19	1,999.73
➤ The HDCC Bank Ltd:			
● Working Capital Loan		2,000.00	1,829.74
<b>Total</b>		<b>4,995.07</b>	<b>5,628.64</b>

## Notes forming part of Financial Statements

Particulars	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
<b>Note : 9 &gt;&gt; Trade Payables</b>		
Dues to Trade Creditors	4,569.15	9,808.94
<b>Total</b>	<b>4,569.15</b>	<b>9,808.94</b>
<b>Note : 10 &gt;&gt; Other Current Liabilities</b>		
Current Maturities of Long-Term Debt :-		
Secured Term Loans - From Banks	2,703.33	3,426.89
Secured Term Loans - From Other Parties	4,639.51	2,814.51
Unsecured Public Deposits	–	839.71
	<b>7,342.84</b>	<b>7,081.11</b>
Interest accrued but not due on borrowings	7.00	84.68
Interest accrued and due on borrowings	1,098.50	933.48
Statutory remittances (Contributions to PF, ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	119.25	75.20
Other payables	1,882.92	1,123.03
Liability for Expenses	163.81	740.48
Advances from customers	791.44	529.85
Dues to Directors	54.95	48.45
Unclaimed Public Deposits	26.04	–
	<b>11,486.75</b>	<b>10,616.28</b>
<b>Note : 11 &gt;&gt; Short-Term Provisions</b>		
(i) <b>Provision for Employee Benefits :-</b>		
Employee Benefits	167.95	315.28
	<b>167.95</b>	<b>315.28</b>
<b>Total Short - Term Provisions</b>	<b>167.95</b>	<b>315.28</b>

## Note : 12 &gt;&gt; Fixed Assets

(₹ in Lakhs)

SI No.	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK				
		As on 01.04.2016	Additions	Deletions/ Disposals	As on 31.03.2017	Upto 01.04.2016	For the Year	Withdrawn on Account of Disposal	Transferred to retained Earnings Schedule-2013	Upto 31.03.2017	As on 31.03.2017	As on 31.03.2016
	<b>TANGIBLE ASSETS</b>											
1	Free Hold Land	3,624.59	-	-	3,624.59	-	-	-	-	-	3,624.59	3,624.59
2	Building	5,477.95	397.69	-	5,875.64	1,692.70	165.62	-	-	1,858.32	4,017.32	3,785.25
3	Plant & Equipments	25,069.91	14.03	-	25,083.94	11,940.37	548.76	-	-	12,489.13	12,594.81	13,129.54
4	Furniture And Fittings	144.45	0.29	-	144.74	76.98	8.46	-	-	85.44	59.30	67.47
5	Office Equipment	203.36	5.12	0.10	208.38	102.50	36.50	0.05	-	138.95	69.43	100.86
6	Computer Equipment	453.91	12.18	-	466.09	388.31	21.80	-	-	410.11	55.98	65.60
7	Vehicles	250.14	51.98	7.10	295.02	186.57	18.59	5.88	-	199.28	95.74	63.57
	TOTAL A	35,224.31	481.29	7.20	35,698.40	14,387.43	799.73	5.93	-	15,181.23	20,517.17	20,836.88
	<b>INTANGIBLE ASSETS</b>											
8	Goodwill	6,992.01	-	-	6,992.01	5,386.86	699.20	-	-	6,086.06	905.95	1,605.15
	TOTAL B	6,992.01	-	-	6,992.01	5,386.86	699.20	-	-	6,086.06	905.95	1,605.15
9	Capital Work-in-progress	1,728.62	8,710.55	411.72	10,027.45	-	-	-	-	-	10,027.45	1,728.62
	TOTAL C	1,728.62	8,710.55	411.72	10,027.45	-	-	-	-	-	10,027.45	1,728.62
	Current Year Figures (A+B+C)	43,944.94	9,191.84	418.92	52,717.86	19,774.29	1,498.93	5.93	-	21,267.29	31,450.57	24,170.65
	Previous Year Figures	43,269.35	1,113.87	438.28	43,994.94	18,311.62	1,469.32	6.65	-	19,774.29	24,170.65	24,957.73

Land, Buildings, Plant &amp; Machinery, Furniture &amp; Fixtures and Motor Vehicles were revalued on 31st January 2004. The net increase in revaluation amounting to ₹ 10,946.78 Lakhs has been credited to Revaluation Reserve.

## Notes forming part of Financial Statements

Particulars	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
<b>Note : 13 &gt;&gt; Non-Current Investments</b>		
<b>Summary of Classification of Non-Current Investments :-</b>		
Investments in Equity Instruments	333.27	333.27
Other Non-Current Investments	158.33	87.83
	<b>491.60</b>	<b>421.10</b>

### Details for Investments in Equity Instruments, Government Securities and other non-current investments:- (₹ in lakhs)

Sl.No	Name of the Script	Number of Shares / units	Cost of acquisition	Market Rate as on 31.03.2017	Market value as on 31.03.2017	Provision for fall in value	As at 31.03.2017	As at 31.03.2016
(A)	Equity Instruments :-							
	► Quoted :							
1	Sakthi Sugars Limited of ₹ 10 each	12,45,200	321.49	33.10	412.16	-	321.49	321.49
2	Sakthi Finance Limited of ₹ 10 each	24,000	5.60	31.20	7.49	(3.20)	2.40	2.40
						(3.20)	323.89	323.89
	► Unquoted :							
1	Sakthi Beverages Limited of ₹ 10 each	1,25,000	12.50	-	-	(3.12)	9.38	9.38
						(3.12)	9.38	9.38
	Total of Equity Instruments (Quoted and Unquoted)					(6.32)	333.27	333.27
(B)	Other Non-Current Investments :-							
	► Unquoted :							
1	"C" Class Shares in Sri Chamundeswari Sugar Mills Employees Credit Co-Operative Society Limited of ₹ 1000 each	3,330	33.30	-	-	-	33.30	0.50
2	"B" Grade Shares in MDCC Bank of ₹ 3000 each	1	0.03	-	-	-	0.03	0.03
3	"F" Grade Shares in The Karnataka State Co-operative Apex Bank Limited	1	39.80	-	-	-	39.80	39.80
4	"D" class Shares in The South Canara District Central Cooperative Bank Limited	10	0.50	-	-	-	0.50	0.50
5	"F" class Shares in in The Hassan District Co-ope Central Bank Ltd	200	20.00	-	-	-	20.00	20.00
6	"D" class Shares in The Karnataka State Co-ope Apex Bank Ltd	200	55.70	-	-	-	55.70	20.00
7	"C" class Shares in The HDCC Bank Ltd	1	7.00	-	-	-	7.00	7.00
7	"C" class Shares in The Bajpee VSS Bank Ltd	1	2.00	-	-	-	2.00	-
	Total of Other Non-Current Investments					-	158.33	87.83
	Grand Total					(6.32)	491.60	421.10

Aggregate book value of quoted investments

323.89 323.89

Aggregate market value of quoted investments

419.65 459.07

Aggregate book value of unquoted investments

167.71 97.21

## Notes forming part of Financial Statements

Particulars	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
<b>Note : 14 &gt;&gt; Long Term Loans and Advances</b>		
(Unsecured, Considered Good, unless otherwise stated)		
Capital Advances	1,201.83	1,201.83
Security Deposits	561.37	541.62
Other loans and advances	189.24	189.24
	<b>1,952.44</b>	<b>1,932.69</b>
<b>Note : 15 &gt;&gt; Other Non-Current Assets</b>		
(Unsecured, Considered Good, unless otherwise stated)		
MAT Credit Entitlement	1,466.24	1,466.24
Subsidy and Incentive receivables	702.70	702.70
	<b>2,168.94</b>	<b>2,168.94</b>
<b>Note : 16 &gt;&gt; Current Investments</b>		
<b>Summary of Classification of Current Investments :-</b>		
a) Investment in Property Development	5,438.43	5,438.43
b) Investments in Equity Instruments	18.06	18.06
c) Investments in Mutual Fund	1,400.00	-
d) Other Investments	800.25	-
	<b>7,656.74</b>	<b>5,456.49</b>
<b>Details for Investments in Property Development:-</b>		
Investment in Property development at Tuberhalli Village, Bangalore.	5,438.43	5,438.43
	<b>5,438.43</b>	<b>5,438.43</b>

**Details for Investments in Equity Instruments:-** (₹ in lakhs)

Sl. No	Name of the Script	Number of Shares / units	Cost of acquisition	Market Rate as on 31.03.2017	Market value as on 31.03.2017	Provision for fall in value	As at 31.03.2017	As at 31.03.2016
(A)	Equity Instruments :-							
	► Quoted :							
1	IDBI Bank Limited of ₹ 10 each	14,240	12.87	75.10	10.69		12.87	12.87
2	Dena Bank of ₹ 10 each	17,300	5.19	38.30	6.63		5.19	5.19
	Total of Equity Instruments						18.06	18.06
B)	Mutual Fund							
1	Axis Short Term Fund	19,865.430	200.00		201.69		200.00	-
2	Bajaj Finance Limited- Fixed Deposit	1	300.00				300.00	-
3	Birla Sun Life Balanced 95 Fund	71,347.032	100.00		106.09		100.00	-
4	DSP Blackrock Income Opportunities Fund	750,165.036	200.00		202.59		200.00	-
5	HDFC Balanced Fund	714,949.596	200.00		215.02		200.00	-
6	L&T India Prudence Fund	553,311.570	100.00		108.82		100.00	-
7	Reliance Corporate Bond Fund	1,534,130.570	200.00		202.78		200.00	-
8	Srei Infrastructure Finance Ltd	1	200.00				200.00	-
9	Uti Income Opportunities Fund	1,360,933.056	200.00		203.20		200.00	-
10	Sakthifinance Ltd-Debenture	1	200.25				200.25	-
11	Birla SI Short Term Opportunities Fund)	367,189.422	100.00		100.05		100.00	-
12	Birla Sun Life MIP II -Wealth 25)	280,618.258	100.00		102.79		100.00	-
13	IDFC Bank - Fixed Deposit)	1	100.00				100.00	-
							<b>2,200.25</b>	<b>-</b>

Aggregate book value of quoted investments	18.06	18.06
Aggregate market value of quoted investments	17.32	14.87
Aggregate book value of investments in property development	5,438.43	5,438.43
Aggregate book value of investments in Mutual Funds	1,400.00	-
Aggregate market value of Mutual Fund	1,443.03	-

## Notes forming part of Financial Statements

Particulars	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
<b>Note : 17 &gt;&gt; Inventories</b>		
<b>Finished Goods / By-Products:-</b>		
Sugar	1,427.58	3,682.09
Molasses - in sugar unit	358.79	625.46
Industrial Alcohol	274.33	120.14
Bio-Compost	37.15	82.99
Bagasse	0.12	1.57
	<b>2,097.97</b>	<b>4,512.25</b>
<b>Raw Materials :-</b>		
Sugarcane	-	0.38
Molasses - Distillery Unit	391.44	377.48
	<b>391.44</b>	<b>377.86</b>
<b>Other Stocks :-</b>		
Stores and Spares	1,429.50	1,205.15
Tools and Implements	37.99	38.56
Scrap Stock	-	-
	<b>1,467.49</b>	<b>1,243.71</b>
<b>Stock-in-Process :-</b>		
Sugar	239.91	313.04
Molasses	26.36	20.09
	<b>266.27</b>	<b>333.13</b>
<b>Total Inventories</b>	<b>4,223.17</b>	<b>6,466.95</b>
<b>Note : 18 &gt;&gt; Trade Receivables</b>		
(Unsecured, Considered Good, unless otherwise stated)		
Outstanding for a period exceeding six months from the date they were due for payment	606.01	423.69
Other Trade Receivables	266.57	1,786.23
	<b>872.58</b>	<b>2,209.92</b>
<b>Note : 19 &gt;&gt; Cash and Cash Equivalents</b>		
i) Cash on hand	6.24	23.83
ii) Balance with Banks		
Cheques, draft on hand	-	-
In Current Accounts	492.25	487.35
In Fixed Deposit Accounts :		
Deposits with Original Maturity of more than 12 months	150.00	300.00
Deposits with Original Maturity of less than 12 months	5.00	86.98
In Earmarked Accounts :		
Current a/c - Lien Marked Account for Project	5.83	2,177.00
Current a/c - For Fixed Deposit	-	-
	<b>653.08</b>	<b>3,051.33</b>
<b>Total Cash and Cash Equivalents</b>	<b>659.32</b>	<b>3,075.16</b>
<b>Note : 20 &gt;&gt; Short Term Loans and Advances</b>		
(Unsecured, Considered Good, unless otherwise stated)		
Loans and Advances to Employees	10.66	12.13
Prepaid Insurance Premium	23.12	12.90
Other Prepaid Expenses	6.80	7.58
CENVAT Credit Receivable, PLA & TDS	429.91	54.41
Service Tax Credit Receivable	75.51	3.16
Advances recoverable in cash or in kind or for value to be received	5,998.07	6,911.99
Other Loans and Advances:		
Secured, Considered Good	17.10	17.25
Unsecured, Considered Good	189.36	189.36
	<b>6,750.53</b>	<b>7,208.78</b>
<b>Note : 21 &gt;&gt; Other Current Assets</b>		
Income Receivable	2,048.28	6,582.99
	<b>2,048.28</b>	<b>6,582.99</b>

## Notes forming part of Financial Statements

Particulars	Year Ended 31.03.2017 ₹ in Lakhs	Year Ended 31.03.2016 ₹ in Lakhs
<b>Note : 22 &gt;&gt; Revenue from Operations</b>		
(i) Sale of Products :- *		
Manufactured Goods :		
> Sugar	14,655.02	22,047.81
> Alcohol	4,129.26	6,870.50
> Carbon-di-oxide	15.51	18.49
> Biocompost	147.32	145.33
> Others	2.44	9.80
* [inclusive of Excise Duty, wherever applicable]		
	<b>18,949.55</b>	<b>29,091.93</b>
(ii) Sale of Power	1,483.24	5,246.81
	<b>1,483.24</b>	<b>5,246.81</b>
(iii) Other Operating Revenues		
Sale of scrap	148.63	22.12
Duty drawback and other export incentives	23.85	0.30
	<b>172.48</b>	<b>22.42</b>
(iv) Less : Excise Duty	<b>664.94</b>	<b>956.63</b>
<b>Total Revenue from Operations [(i), (ii) and (iii) as reduced by (iv)]</b>	<b>19,940.33</b>	<b>33,404.53</b>
<b>Note : 23 &gt;&gt; Other Income</b>		
Interest Income:		
Interest on Deposits with Banks	31.00	27.76
Interest on Loans and Advances	202.10	105.53
Dividend income from current and non-current investments (From Indian Companies)	12.13	2.33
Net gain on foreign currency transactions and translation (Other than considered as finance cost)	5.81	5.12
Rental income from operating leases	6.85	14.61
Profit on sale of fixed assets	-	0.36
Miscellaneous income	4.07	1.04
	<b>261.96</b>	<b>156.75</b>
<b>Note : 24 &gt;&gt; Cost of Raw Materials Consumed</b>		
Opening stock of Raw Materials	377.86	272.02
Add : Purchases during the year	10,109.17	23,353.28
Add : Purchase Tax & Procurement Expenses	524.02	667.07
	11,011.05	24,292.37
Less : Closing stock of Raw Materials	391.44	377.86
<b>Total Cost of Raw Materials Consumed</b>	<b>10,619.61</b>	<b>23,914.51</b>
<b>Note : 25 &gt;&gt; Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade</b>		
(i) Inventories at the end of the year :-		
a) Finished goods	2,097.97	4,512.29
b) Work-in-progress	266.27	333.13
	<b>2,364.24</b>	<b>4,845.42</b>
(ii) Inventories at the beginning of the year :-	A	
a) Finished goods	4,512.29	5,741.37
b) Work-in-progress	333.13	358.61
	<b>4,845.42</b>	<b>6,099.98</b>
(iii) Net (Increase)/Decrease	B (B-A)	<b>2,481.18</b> <b>1,254.56</b>
<b>Note : 26 &gt;&gt; Employee Benefit Expenses</b>		
a) Salaries and wages	2,006.77	2,734.34
b) Contributions to Provident and Other Funds	152.23	209.89
c) Staff Welfare Expenses	113.26	111.27
	<b>2,272.26</b>	<b>3,055.50</b>

## Notes forming part of Financial Statements

Particulars	Year Ended 31.03.2017 ₹ in Lakhs	Year Ended 31.03.2016 ₹ in Lakhs
<b>Note : 27 &gt;&gt; Finance Costs</b>		
Interest Expenses	2,504.63	3,983.75
	<b>2,504.63</b>	<b>3,983.75</b>
<b>Note : 28 &gt;&gt; Depreciation and Amortisation Expenses</b>		
Depreciation	799.73	770.12
Add: Amortisation Expenses	699.20	699.20
	<b>1,498.93</b>	<b>1,469.32</b>
<b>Note : 29 &gt;&gt; Other Expenses</b>		
<b>Manufacturing Expenses:</b>		
Consumption of stores & packing materials	350.94	708.93
Power and fuel	1,569.80	2,806.73
Water	2.12	2.71
Rent including lease rentals	26.02	409.21
Repairs and maintenance - Buildings	83.75	69.74
Repairs and maintenance - Machinery	113.29	595.58
Repairs and maintenance - Others	338.65	332.08
Insurance	25.49	28.96
Rates and taxes	113.49	105.63
Effluent Treatment Expenses	4.27	5.09
Material handling and Other manufacturing expenses	46.84	55.56
<b>Selling and Distribution Expenses :-</b>		
Freight and forwarding	176.20	38.38
Rebates & Discounts	30.59	202.12
Business promotion	23.07	18.38
<b>Administrative Expenses :-</b>		
Communication	38.50	63.54
Travelling and conveyance	48.41	59.89
Printing and stationery	19.50	19.40
Books & Periodicals and Subscriptions	19.54	10.40
Bank Charges	4.92	7.38
Directors Sitting Fees	5.90	6.60
Donations and contributions	24.92	46.42
Legal and professional	37.08	51.12
<b>Payments to Statutory Auditors :-</b>		
> As auditors - statutory audit	20.25	17.62
> For Tax Audit	3.45	6.56
> For Certifications & representations	18.60	8.12
Sundry Balance written off	50.09	-
Sundry Balance written off	0.05	50.09
Increase / (decrease) of excise duty on inventory	(176.84)	51.42
Loss on fixed assets sold / scrapped / written off	0.04	0.44
Adjustments to the carrying amount of investments - reduction in the carrying amount of non-current investments	-	(159.61)
Managerial Remuneration	29.20	31.85
Miscellaneous expenses	47.12	60.67
	<b>3,045.16</b>	<b>5,711.01</b>



## Notes forming part of Financial Statements

### Note : 30 >> Related Parties Disclosure:

#### I. Related Parties:

- A. Key Managerial Personnel  
Shri M.Srinivaasan, Managing Director  
Shri J.U..Srinivaasan, Chief Financial Officer  
Shri M. Rajendraprasath, Company Secretary (upto 22.10.2016)
- B. Relatives of Key Managerial Personnel  
Dr. M. Manickam  
Shri. M. Balasubramaniam
- C. Enterprises Where Control Exist  
Sakthi Sugars Limited
- D. Enterprises in Which Key Managerial Personnel/Relatives of Key Managerial Personnel have Significant Influence #  
N. Mahalingam & Company  
Nachimuthu Industrial Association

**Note: #** Information has been furnished with respect to individuals / entities with whom related party transactions had taken place during the year.

#### II. Related Party Transactions

(₹ in Lakhs)

Particulars	Key Managerial Personnel	Enterprises where control/ significant influence exists	Total for the year 2016-17
Remuneration to Managing Director	29.20 (31.85)	-	29.20 (31.85)
Interest paid to Managing Director on Fixed Deposit	23.02 (21.65)	-	23.02 (21.65)
Purchase of materials / Availing of services		50.72 (8.86)	50.72 (8.86)

### Note:31 >> Particulars of Commission, Remuneration and Perquisites to Managerial personnel:

(₹ in Lakhs)

Description	Managing Director	
	31.03.2017	31.03.2016
Salary	18.00	18.00
Contribution to Provident Fund	2.16	2.16
Contribution to Superannuation Fund	2.70	5.36
Gratuity	0.75	0.75
Perks	5.59	5.58
Commission	-	-
Total:	29.20	31.85

**Note :32 >>** The company has not received any information from vendors regarding their status under The Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosures relating to their outstanding amount and interest have not been made.

### Note : 33 >> Employee Benefits

Gratuity and Provident Fund:

Gratuity, Provident Fund and Employees State Insurance are defined Contribution Plans. The expenses recognised in the Statement of Profit and Loss are :-

(₹ in Lakhs)

Particulars	31.03.2017	31.03.2016
Gratuity	93.38	252.55
Provident Fund	114.74	168.32
Employees State Insurance	0.59	0.36

Disclosure report under Accounting Standard-15 (Revised): (₹ in Lakhs)

### ACTUARIAL VALUATION OF GRATUITY LIABILITY

31.03.2017 31.03.2016

#### I. Principal Actuarial Assumptions

(Expressed as weighted average)

Discount Rate	7.50%	8.00%
Salary escalation rate	6.00%	6.00%
Attrition rate	-	-
Expected rate of return on Plan Assets (p.a)	-	-

#### II. Changes in the Present Value of the Obligation (PVO) -

Reconciliation of Opening and Closing Balances

PVO as at the beginning of the period	733.87	658.17
Interest Cost	55.59	55.83
Current Service Cost	44.27	46.90
Past Service cost-(non vested benefits)	-	-
Past service cost-(vested benefits)	-	-
Benefits paid	(81.06)	(71.27)
Actuarial loss/ ( gain) on obligation (balancing figure)	(4.14)	44.23
PVO as at the end of the period	748.54	733.87

#### III. Changes in the Fair Value of Plan Assets -

Reconciliation of Opening and Closing Balances

Fair value of plan assets as at the beginning of the period	1.46	1.46
Expected return on plan assets	0.11	0.12
Contributions	81.06	71.27
Benefits paid	(81.06)	(71.27)
Actuarial gain/ (loss) on plan assets (balancing figure)	(0.11)	(0.12)
Fair value of plan assets as at the end of the period	1.46	1.46

#### IV. Actual Return on Plan Assets

Expected return on plan assets	0.11	0.12
Actuarial gain/(loss) on plan assets	(0.11)	(0.12)
Actual return on plan assets	-	-

#### V. Actual Gain / Loss Recognized

Actuarial gain/(loss) for the period-Obligation	(4.14)	(44.23)
Actuarial gain/(loss) for the period-Plan Assets	(0.11)	(0.12)
Total gain/(loss) for the period	(4.03)	(44.34)
Actuarial gain/(loss) recognized in the period	(4.03)	(44.34)
Unrecognized actuarial (gain)/ loss at the end of the year	-	-

#### VI. Amounts recognised in the Balance Sheet and Related Analysis

Present value of the obligation	748.54	733.87
Fair value of plan assets	1.46	1.46
Liability recognized in the balance sheet	(747.08)	(732.42)

#### VII. Expenses recognised in the Statement of Profit and Loss

Current service cost	44.27	46.90
Interest Cost	55.59	55.83
Expected return on plan assets	(0.11)	(0.12)
Net actuarial (gain)/loss recognised in the year	(4.03)	44.34
Expenses recognized	95.72	146.96

#### VIII. Movements in the Liability recognized in the Balance Sheet

Opening net liability	733.87	658.17
Expenses as above	95.72	146.96
Contribution paid	(81.06)	(71.27)
Closing net liability	748.54	733.87

#### IX. Amount for the Current Period

Present value of obligation	748.54	733.87
Plan Assets	1.46	1.46
Surplus(Deficit)	(747.08)	(732.41)

#### X. Major Categories of Plan Assets

As Percentage Of Gain / (Loss) on Total Plan Assets	0.00%	0.00%
-----------------------------------------------------	-------	-------

## Notes forming part of Financial Statements

### Note : 34 >> Earnings per Share: (₹ in Lakhs)

	2016-2017	2015-2016
a) Profit After Tax	(1325.05)	112.85
b) Add/Less: Preference Dividend	73.50	73.50
c) Total	(1398.55)	39.85
d) The weighted average no of Equity Shares	2,44,54,328	2,44,54,328
e) The nominal value per Equity Share (₹)	10	10
f) Earnings per Share - Basic (₹)	(5.72)	0.16
g) Earnings per Share - Diluted (₹)	(5.72)	0.16

**Note : 35 >>** There are no amount of loans/advances in the nature of loans outstanding from Subsidiaries and Associates.

**Note : 36 >>** Disclosure pursuant to AS-28 on 'Impairment of Assets': During the year, review has been done for carrying value of the assets for finding out the impairment, if any. The review has not revealed any impairment of assets in terms of AS-28.

### Note : 37 >> Contingent Liability & Commitments

A.1. The Central Excise department has demanded Excise Duty ₹ 2915.70 lakhs on account of captive consumption of molasses from 2005-06 to 2015-16.

- The company has preferred an appeal with CESTAT, Bangalore for ₹ 2243.81 Lakhs, and is got stayed.
  - The company has preferred an appeal for ₹ 414.00 Lakhs before the CESTAT, Bangalore
  - The company has preferred an appeal for ₹ 312.37 Lakhs before the Joint commissioner Excise, Mysore.
- The sugarcane price for crushing season 2013-14 notified by the State Government over and above FRP announced by the Central Government amounting to ₹ 2442.51 lakhs is disputed. The matter is being taken up before Supreme Court.
  - For the assessment year 1989-90 there is an income tax demand of ₹ 91.49 lakhs under the Income Tax Act 1961, on account of change in method of valuation of inventory. The Company had preferred an appeal, and is pending, before the commissioner of Income Tax (Appeals), Bengaluru.
  - The company had preferred an appeal before the Commissioner of Customs (Appeals) Bengaluru against the demand of customs duty of ₹ 45.67 lakhs raised by the department for the assessment year 2013-14 and is pending.
  - The company had purchased energy saving system from M/s. Spray Engineering Devices ('the Party') and subsequently the company had withheld payment, of ₹ 101.33 lakhs comprising of ₹ 60.55 lakhs of principal and ₹ 40.78 lakhs of interest at the rate of 18% for delay in payment, as the party did not rectify the complaints about the system. The

party has filed a suit before the Honorable High Court of Chandigarh for collection of payment.

The management believes that the ultimate outcome will not have any material adverse effect on the Company's financial position and results of operations.

### Note : 38 >> Other information:

Arrears of cumulative dividend on Preference Shares ₹ 821.18 lakhs (Previous year ₹ 747.68 lakhs)

### Note : 39 >> Additional Information

Product	Units	Licensed Capacity		Installed Capacity	
		31.03.2017	31.03.2016	31.03.2017	31.03.2016
1. Sugar	# Tonnes of Cane Crushed per day	5250	5250	5250	5250
2. Industrial Alcohol	Kilo Litre Per Day	50	50	50	50
3. Power	KWH	26 MW	26MW	26 MW	26MW

**Note :#** Bharathinagara Unit : 4000 TCD and  
Srinivasapura Unit : 1250 TCD of Sugarcane Crushing.

### A1. Raw materials purchased broad categories

	31.03.2017		31.03.2016	
	Amount (₹ in Lakhs)		Amount (₹ in Lakhs)	
Cane	9491.27		22238.14	
Molasses	617.90		1115.14	
Total	10109.17		23353.28	

### A2. Value of Raw materials consumed and % to total consumption.

	31.03.2017		31.03.2016	
	Amount (₹ in Lakhs)	%	Amount (₹ in Lakhs)	%
Indigenous	10109.17	100.00	23353.28	100.00
Imported	-	-	-	-
Total	10109.17	100.00	23353.28	100.00

### B1. Value of Stores, spares and tools consumed and % of each to total consumption:

	31.03.2017		31.03.2016	
	Amount (₹ in Lakhs)	%	Amount (₹ in Lakhs)	%
Indigenous	348.19	99.22	708.93	100.00
Imported	2.75	0.78	-	-
Total	350.94	100.00	708.93	100.00

## Notes forming part of Financial Statements

B2. Value of coal consumed and % of each to total consumption:

	31.03.2017		31.03.2016	
	Amount (₹ in Lakhs)	%	Amount (₹ in Lakhs)	%
Indigenous	430.09	100.00	1886.67	100.00
Imported	-	-	-	-
Total	430.09	100.00	1886.67	100.00

C. Expenditure in Foreign Currency

Travelling Expenses - ₹ 17.77 lakhs (₹ Nil lakhs)

D. Earnings in Foreign Currency: (₹ in Lakhs)

	31.03.2017	31.03.2016
F.O.B Value of Exports	2255.56	586.69

E. CIF Value of imports: (₹ in Lakhs)

Capital Goods	Nil	Nil
Others - Store Spares	2.75	Nil

Note :40 >> Disclosure on specified Bank Notes (SBNs):

There are no amount of loans/advances in:

	SBNs	Other Denomination Notes	Total
- Closing cash in hand as on 08.11.2016	75500	1161495	1236995
- (+) Permitted receipts from 09.11.2016 to 30.12.2016	-	2791162	2791162
- (-) permitted payments from 09.11.2016 to 30.12.2016	28000	3325006	3353006
- (-) Amount Deposited in Banks from 09.11.2016 to 30.12.2016	47500	-	47500
- Closing cash in hand as on 30.12.2016	-	627651	627651

## Notes forming part of Financial Statements

Note : 41 >> Segment Information for the Year Ended 31st March 2017

(₹ in Lakhs).

PARTICULARS	SUGAR	DISTILLERY	COGEN	PROPERTY DEVELOPMENT	TOTAL
<b>Primary</b>					
Segment Revenue	17388.07 (25639.62)	4292.09 (7034.32)	3817.91 (9093.56)	NIL (NIL)	25498.07 (41767.50)
Inter Segment revenue					5557.74 (8362.97)
Total					19940.33 (33404.53)
Segment Results	-960.94 (-7560.45)	548.11 (2135.29)	638.12 (3430.92)	NIL (NIL)	225.29 (-1994.21)
Add: Unallocated income					59.86 (6147.09)
Operating Profit					285.15 (-1843.62)
Less: Interest Expenses					2504.63 (3983.75)
Profit before Tax					-2219.48 (169.13)
Prior Year Adjustments					Nil (Nil)
Direct Tax- Prior Year					Nil (Nil)
Deferred Tax					894.43 (56.28)
Profit after Tax					-1325.05 (112.85)
Segment Assets	44034.87 (40494.64)	2504.14 (2130.72)	9568.53 (11189.73)	NIL (NIL)	56107.54 (53815.09)
Segment Liabilities	41056.28 (19938.84)	962.86 (82.79)	3367.15 (1479.35)		45386.29 (21500.98)
Capital Expenditure	3614.31 (978.34)	2.09 (69.88)	5575.44 (65.65)		9191.84 (1113.87)
Depreciation / Amortisation	1120.80 (1094.02)	106.48 (104.28)	271.66 (270.92)		1498.93 (1469.32)
Non Cash expenses other than Depreciation	699.20 (699.20)	Nil (Nil)	Nil (Nil)	Nil (Nil)	699.20 (699.20)
<b>Secondary</b>					
Revenue by Geographical Market					
India	15132.50 (25052.93)	4292.09 (7034.32)	3817.91 (9093.56)	Nil (NIL)	23242.50 (41180.81)
Outside India	2255.57 (586.69)	Nil (Nil)	Nil (Nil)	Nil (Nil)	2255.57 (586.69)

(Figures in Brackets indicate previous year)

**Note : 42 >>** The company is opted to recognize Foreign Exchange Fluctuation based on Maturity of obligation in conformity with Ministry of Corporate Affairs Notification No.GSR.913(E) dated 29.12.2011.

**Note : 43 >>** Previous year's figure have been regrouped or reclassified to conform to this year's grouping or classification.

Per our Report Annexed

For **P.N.Raghavendra Rao & Co.,**

Chartered Accountants

Firm Registration No. : 003328S

**Pon Arul Paraneedharan**

Partner

Membership No.: 212860

Date : 30.05.2017

Place : Bangalore

**M Srinivaasan**  
Managing Director

(DIN - 00102387)

**V K Swaminathan**  
Director

(DIN - 00210869)

**J U Srinivasan**  
Chief Financial Officer

**Priya Arwat**  
Company Secretary  
(M - A48559)

## Cash Flow Statement

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	Year Ended 31st March 2017 ₹ in Lakhs	Year Ended 31st March 2016 ₹ in Lakhs
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before extraordinary items and tax	(2,219.48)	169.13
<u>Adjustments for</u>		
Add:		
Depreciation and Amortisation	1,498.93	1,469.32
Finance Cost	2,504.63	3,983.75
Adjustment to the carrying amount of investments	-	(159.61)
Net Exchange gain	-	5.12
Less:	4003.56	5298.58
Interest Income	233.10	133.29
Dividend Income	12.13	2.33
Net Profit / (Loss) on Sale of Assets	(0.04)	5,996.42
Rental Income	6.85	14.61
Liabilities no longer required - Written Back	-	-
<b>Operating Profit before Working Capital changes</b>	<b>1,532.04</b>	<b>(678.94)</b>
<b>Changes in Working Capital</b>		
<u>Adjustments for (increase) / decrease in Operating Assets</u>		
Inventories	2,243.78	1,287.23
Trade Receivables	1,337.34	(823.77)
Short Term Loans and Advances	458.25	221.24
Long Term Loans and Advances	(19.75)	(1,137.76)
Other Current Assets	4534.71	(5,979.45)
Other Non-Current Assets	-	35.84
<u>Adjustments for increase / (decrease) in Operating Liabilities</u>		
Trade Payables	(5,239.79)	2,782.83
Other Current Liabilities	443.72	581.86
Other Long Term Liabilities	(56.03)	406.39
Short Term Provisions	(147.33)	47.69
Long Term Provisions	185.26	180.17
Cash generated from Operations	5,272.20	(3,076.67)
Income Tax Paid	-	-
<b>Net Cash Flow from / (used in) Operating Activities</b>	<b>5,272.20</b>	<b>(3,076.67)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(8,780.12)	(891.75)
Sale of Fixed Assets	1.24	6,001.20
Sale / Proceeds of Investments	(2,270.75)	(46.70)
Purchase of Investments	-	-
Interest Income	233.10	133.29
Dividend Income	12.13	2.33
Rental Income	6.85	14.61
Increase in Investment	-	-
<b>Net Cash Flow from / (used in) Investing Activities</b>	<b>(10,797.55)</b>	<b>5,212.98</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds / (Repayments) from Long Term Borrowings (Net)	6,082.69	4,050.46
Proceeds / (Repayments) from Short Term Borrowings (Net)	(633.57)	(428.89)
Finance Cost	(2,339.61)	(3,797.29)
<b>Net Cash Flow from / (used in) Financing Activities</b>	<b>3,109.51</b>	<b>(175.72)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalent</b>	<b>(2,415.84)</b>	<b>1,960.59</b>
<b>Opening Balance - Cash and Cash Equivalent</b>	<b>3,075.16</b>	<b>1,114.57</b>
<b>Closing Balance - Cash and Cash Equivalent</b>	<b>659.32</b>	<b>3,075.16</b>

Per our Report Annexed  
For **P.N.Raghavendra Rao & Co.,**  
Chartered Accountants  
Firm Registration No. : 003328S  
**Pon Arul Paraneedharan**  
Partner  
Membership No.: 212860  
Date : 30.05.2017  
Place : Bangalore

**M Srinivaasan**  
Managing Director  
(DIN - 00102387)

**V K Swaminathan**  
Director  
(DIN - 00210869)

**J U Srinivasan**  
Chief Financial Officer

**Priya Arwat**  
Company Secretary  
(M - A48559)

## Performance Report

### PERFORMANCE REPORT

Financial Year	TCD No. of location	Cane Crushed In Tonnes	Sugar Produced In Quintals	Sugar Recovery Percentage
1973-74	1250	145470	127843	9.16
1974-75	1250	149983	148960	9.87
1975-76	1250	175364	166132	9.44
1977-78 16 Months	1250	434003	414783	9.57
1978-79	1250	359080	338513	9.78
1979-80	1250	106379	95651	9.57
1980-81	1250	150899	134340	8.73
1981-82	1250	428130	430859	10.08
1982-83 17 Months	1250	530800	492259	9.37
1983-84	2500	292350	289160	9.70
1984-85	2500	287246	318700	11.10
1985-86	2500	385051	411500	10.70
1986-87	2500	460770	482000	10.45
1987-89 18 Months	2500	888698	909480	10.25
1989-90	2500	502780	504374	10.06
1990-91	3500	572433	530405	9.31
1991-92	4000	589394	567595	9.63
1992-93	4000	796737	748798	9.37
1993-94	4000	445892	427322	9.43
1994-95	4000	812342	752762	9.41
1995-96 18 Months	4000	908314	686631	7.47
1996-97	4000	345639	276389	7.94
1997-99 18 Months	4000	1050758	1013965	9.74
1999-2000	4000	730046	731533	9.98
2000-2001	4000	806215	803860	10.03
2001-2002	4000	991094	950040	9.61
2002-2003	4000	676590	648874	9.64
2003-2004	4000	690294	611715	8.78
2004-2005	4000	290358	281540	8.83
2005-2006	4000	634041	588528	9.28
2006-2007	4000	920024	863529	9.43
2007-2008	Unit I - 4000	863069	762037	8.92
	Unit II - 1250	134620	133750	9.76
2008-2009	Unit I - 4000	558139	474586	8.47
	Unit II - 1250	146563	122400	8.28
2009-2010	Unit I - 4000	444562	417119	8.76
	Unit II - 1250	152081	142320	9.41
2010-2011	Unit I - 4000	793911	734913	9.26
	Unit II - 1250	259495	248610	9.62
2011-2012	Unit I - 4000	805332	702003	8.71
	Unit II - 1250	268005	259530	9.72
2012-2013	Unit I - 4000	895605	795241	8.82
	Unit II - 1250	214805	203730	9.52
2013-2014	Unit I - 4000	618190	573867	9.21
	Unit II - 1250	212384	205620	9.61
2014-2015	Unit I - 4000	652720	605247	9.39
	Unit II - 1250	214890	200040	9.33
2015-2016	Unit I - 4000	770080	691639	8.94
	Unit II - 1250	95056	83330	8.86
2016-2017	Unit I - 4000	412703	347809	8.33
	Unit II - 1250	-	-	-



**SRI CHAMUNDESWARI SUGARS LIMITED**

**CIN: L15435KA1970PLC001974**

Regd Office: No. 88/5, Richmond Road, Bangalore – 560 025

Phone No. 080 – 2500 2500 Fax: 080 – 2500 2510

Email: [complianceofficer@chamundisugars.com](mailto:complianceofficer@chamundisugars.com)

Website: [www.chamundeswarisugars.in](http://www.chamundeswarisugars.in)

**ATTENDANCE SLIP**

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

I hereby record my presence at the 44th Annual General Meeting of the Company held on Friday, 15th September 2017 at 2.30p.m. at Hotel Woodlands, No.5, Raja Ram Mohan Road, Bangalore - 560 025.

.....  
Signature of Shareholder / Proxy

Note: Please bring this attendance slip to the meeting and hand over at the entrance duly filled in and signed.





**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 : L15435KA1970PLC001974  
Name of the Company : Sri Chamundeswari Sugars Limited  
Registered Office : No. 88/5, Richmond Road, Bangalore – 560 025

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

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

- Name : ..... Address : .....  
Email id : ..... Signature : .....or failing him/her
- Name : ..... Address : .....  
Email id : ..... Signature : .....or failing him/her
- Name : ..... Address : .....  
Email id : ..... Signature : .....or failing him/her

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 44th Annual General Meeting of the company, to be held on Friday, the September 15th 2017 at 2.30 PM and at any adjournment thereof in respect of such resolutions as are indicated below:

Item Nos.	Description	Optional	
		For	Against
<b>ORDINARY BUSINESS</b>			
1	Adoption of Financial Statements for the year ended 31st March 2017, the Report of Directors' and Auditors' thereon		
2	To appoint a Director in place of Dr. M Manickam (DIN 00102233), who retires by rotation and, being eligible, offers himself for re-appointment.		
3	To Appoint the Statutory Auditors of the Company		
<b>SPECIAL BUSINESS</b>			
4	Ratification of Remuneration to Cost Auditor		
5	Issue of Non- Convertible Debentures		

Signed this ..... Day of ..... 2017

Signature of the Shareholder:

Signature of the Proxy holder(s):

Please affix revenue stamp
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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.





**SRI CHAMUNDESWARI SUGARS LIMITED**  
**CIN: L15435KA1970PLC001974**

Regd Office: No. 88/5, Richmond Road, Bangalore – 560 025  
Phone No. 080 – 2500 2500 Fax: 080 – 2500 2510

Email: [complianceofficer@chamundisugars.com](mailto:complianceofficer@chamundisugars.com) Website: [www.chamundeswarisugars.in](http://www.chamundeswarisugars.in)

**POSTAL BALLOT FORM (in lieu of E-voting)**

Name of the Sole/First named Member :

Names of the Joint Member(s), if any :

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

No. of shares held :

I/We hereby exercise my/our vote(s) in respect of the following Resolutions to be passed through Postal Ballot/e-voting as set out in the Notice dated August 11, 2017 of the Company by conveying sending my/our assent (for) or dissent (against) the said Resolutions by placing the tick mark (3) at the appropriate box below:

Item Nos.	Description	Type of Resolution (Ordinary/ Special)	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
<b>ORDINARY BUSINESS</b>					
1	Adoption of Financial Statements for the year ended 31st March 2017, the Report of Directors' and Auditors' thereon	Ordinary			
2	To appoint a Director in place of Dr. M. Manickam (DIN 00102233), who retires by rotation and, being eligible, offers himself for re-appointment.	Ordinary			
3	To Appoint the Statutory Auditors of the Company	Ordinary			
<b>SPECIAL BUSINESS</b>					
4	Ratification of Remuneration to Cost Auditor	Ordinary			
5	Issue of Non- Convertible Debentures	Special			

Date :

Place :

Signature of the Member(s)

- Notes: i. If you opt to vote by e-voting there is no need to fill up and send this form.  
ii. Last date for receipt of Postal Ballot Form: 14th September 2017  
iii. Please read the instructions printed overleaf carefully before exercising your vote.

## INSTRUCTIONS

### 1. General Instructions:

- a. There will be one Postal Ballot Form/e-voting for every Client ID No. / Folio No., irrespective of the number of joint holders.
- b. Members have option to vote either through Postal Ballot Form or through e-voting. If a member has opted for Physical Postal Ballot, then he/she should not vote by e-voting and vice versa. However, in case Shareholders cast their vote through both physical postal ballot and e-voting, then vote cast through e-voting shall prevail and vote cast through Physical Postal Ballot shall be considered as invalid.
- c. Voting in the Postal ballot/e-voting cannot be exercised by a proxy. However, corporate and institutional members shall be entitled to vote through their authorised representatives with proof of their authorization, as stated below.
- d. Any query in relation to the Resolutions proposed to be passed by Postal Ballot may be addressed to Smt. Priya Arwat, Company Secretary, at the Registered Office of the Company.
- e. The Scrutinizer's decision on the validity of a Postal Ballot/E-voting shall be final and binding.

### 2. Instructions for voting physically by Postal Ballot Form:

- a. A member desirous of exercising his/her Vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer, Shri. G Vasudevan C/o. Sri Chamundeswari Sugars Limited, 88/5, Richmond Road, Bangalore 560025.
- b. This Form must be completed and signed by the Member, as per specimen signature registered with the Company or Depository Participant, as the case may be. In case of joint holding, this Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his/her absence, by the next named Member.
- c. In respect of shares held by corporate and institutional members (companies, trusts, societies, etc.), the completed Postal Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution/appropriate authorization, with the specimen signature(s) of the authorized signatory(ies) duly attested.
- d. Voting rights shall be reckoned in proportion to the paid-up equity shares registered in the name of the Member as on 8th September, 2017.
- e. The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark (3) in the appropriate column in the Postal Ballot Form. The assent or dissent received in any other form shall not be considered valid.
- f. Members are requested to fill the Postal Ballot Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
- g. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours (6.00 pm on Thursday, 14TH September 2017. All Postal Ballot Forms received after this date will be strictly treated as if no reply has been received from the Member
- h. A Member may request the Company for a duplicate Postal Ballot Form, if so required, and the same duly completed should reach the Scrutinizer not later than the date specified under instruction No. 2(g) above.
- i. Members are requested not to send any other paper along with the Postal Ballot Form. They are also requested not to write anything in the Postal Ballot Form except their Name, Address, Folio Number and No. of shares held and giving their assent or dissent and putting their signature. If any such other paper is sent, the same will be destroyed by the Scrutinizer.
- j. Incomplete, unsigned or incorrectly ticked Postal Ballot Forms will be rejected.
- k. The results would be displayed on the Company's website [www.chamundeswarisugars.in](http://www.chamundeswarisugars.in).

### E-MAIL ADDRESS REGISTRATION FORM

(In terms of Circular Nos. 17/2011 and 18/2011 dated 21.04.2011 and 29.04.2011  
respectively issued by Ministry of Corporate Affairs, Government of India)  
(For shareholders who hold shares in physical form)

**Canbank Computer Services Limited**  
**(Unit : Sri Chamundeswari Sugars Limited)**  
# 218, J. P. Royale, 1st Floor, 2nd main,  
Sampige Road, (Near 14th Cross)  
Malleswaram, Bangalore-560 003.

I/We, Members of Sri Chamundeswari Sugars Limited, hereby give my/our consent to receive electronically Annual Report(s), Notice(s) of General Meeting(s) and other document(s) that the Ministry of Corporate Affairs may allow them to be sent in electronic mode.

I/We request you to note my/our e-mail address as mentioned below. If there is any change in the e-mail address, I/We will promptly communicate it to you.

Folio No.	
Name of the sole/First shareholder	
E-mail address (to be registered)	

Place :

Date :

(Signature of Sole / First Shareholder)

#### Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members.

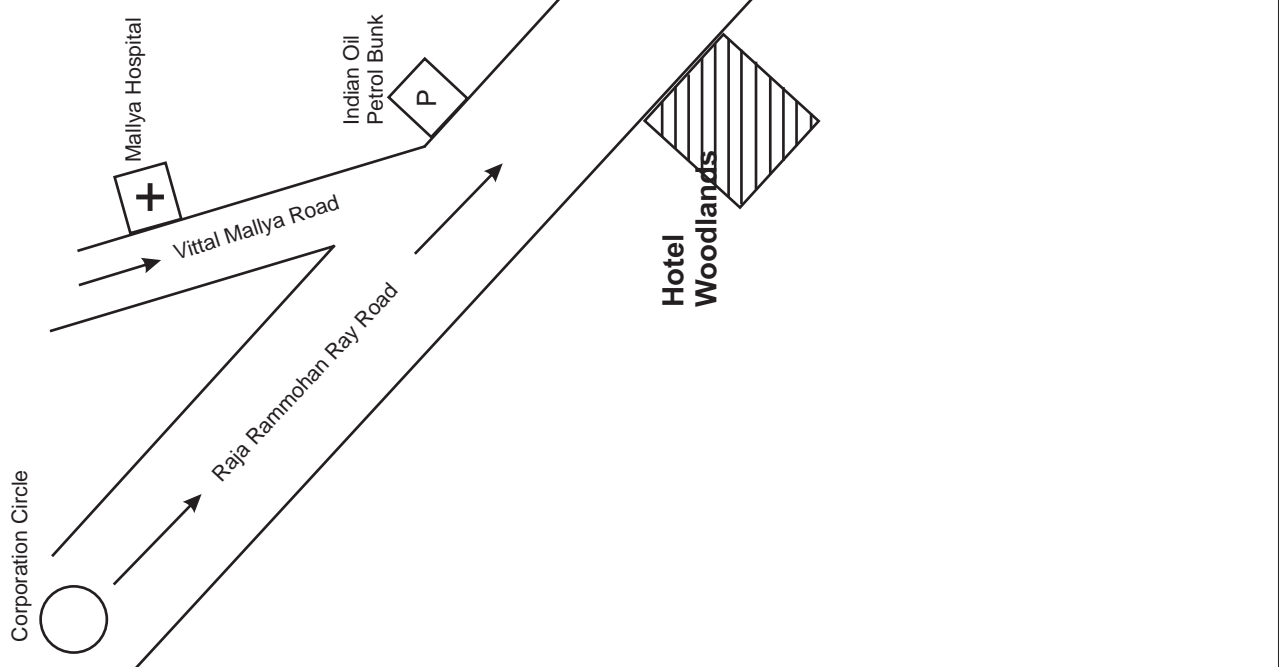
To support this Green initiative of the Government :

- Members holding shares in electronic form are requested to register their E-mail address in the respect of their holdings through their Depository Participants concerned.
- Members who hold shares in physical form are requested to fill in and forward the E-mail address registration form as appended above of this Annual Report to M/s. Canbank Computer Services Ltd., Registrars and Share Transfer Agents, Unit : Sri Chamundeswari Sugars Ltd., # 218, J. P. Royale, 1st Floor, 2nd main, Sampige Road, (Near 14th Cross) Malleswaram, Bangalore-560 003.



# Route Map to the Venue of 44th Annual General Meeting

44th Annual General Meeting  
Friday, 15th September 2017  
2.30 pm (IST)  
Venue : Hotel Woodlands  
No. 5, Raja Ram Mohan Roy Road  
Bangalore - 560 025





chamundeswari

LIFE IN HARMONY

If undelivered, please return to:

SRI CHAMUNDESWARI SUGARS LIMITED  
CIN:L15435KA1970PLC001974  
Regd. Office : # 88/5, Richmond Road  
Bangalore - 560 025.