



PONNI SUGARS (ERODE) LIMITED

CIN : L15422 TN1996 PLC037200
Regd. Office: ESVIN House, No.13, Rajiv Gandhi Salai (OMR)
Perungudi, Chennai 600 096.
Phone : 044 - 24961920, 24960156
E-mail : admin@ponnisugars.com Website : www.ponnisugars.com
Investor Grievance ID: investor@ponnisugars.com



PEL/ SH/ 68

June 11, 2025

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

BSE Ltd
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400001

Scrip code: PONNIERODE

Scrip code: 532460

Dear Sirs,

**Sub: Proceedings of 29th Annual General Meeting held on 11th June, 2025
ISIN: INE838E01017**

Pursuant to Regulation 30 read with Part-A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the following:

- (1) A copy of the proceedings of 29th Annual General Meeting of the Company held on 11st June, 2025 at 11.00 am through Video Conference/ Other Audio Visual Means.
 - (2) A copy of Chairman's speech delivered by our Chairman at the 29th Annual General Meeting.
 - (3) A copy of presentation made by our Managing Director on the sugar industry and Company performance in FY 2024-25 at the 29th Annual General Meeting.
- Please take the above into your records.

Thanking You,

Yours truly,

For Ponni Sugars (Erode) Limited

R Madhusudhan
Company Secretary

Encl: As above



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Proceedings of 29th Annual General Meeting held thro' Video Conference/ Other Audio Visual Means

Date: Wednesday, the 11th June 2025
Time: 11.00 AM
Deemed Venue: Ponni Sugars (Erode) Limited
ESVIN House, 13 Rajiv Gandhi Salai (OMR)
Perungudi, Chennai 600096

PRESENT THROUGH VIDEO CONFERENCE

Directors

<i>Name of the Director</i>	<i>Particulars</i>	<i>Participating from</i>
Mr N Gopala Ratnam	Chairman-Non Independent Director Chairman - Stakeholders Relationship Committee and CSR Committee	Erode
Mr N Ramanathan	Managing Director	Erode
Mr Arun G Bijur	Non Independent Director	Bangalore
Mrs Bharti Chhotubhai Pithawalla	Non Independent Director	London
Mr Mohan Verghese Chunkath	Independent Director Chairman - Audit Committee	Chennai
Dr Lakshmi Nadkarni	Independent Director Chairperson - Nomination and Remuneration Committee	Mumbai
Mr Chellamani Naresh	Independent Director	Chennai
Mr P Manoharan	Independent Director	Erode

Key Managerial Personnel

<i>Name</i>	<i>Particulars</i>	<i>Participating from</i>
Mr K Yokanathan	Chief Financial Officer	Erode
Mr R Madhusudhan	Company Secretary & Compliance Officer	Erode

Auditors

<i>Name</i>	<i>Particulars</i>	<i>Participating from</i>
Mr Chella K Srinivasan	Partner, M/s S Viswanathan LLP, Statutory Auditor	Chennai
Mr.N.R.Suresh	Partner, Maharaj N R Suresh And Co LLP, Internal Auditor	Chennai

Ms Meena Ramji	Partner, M/s S Mahadevan & Co, Cost Auditor	Coimbatore
Mr V Suresh	Sr.Partner, V Suresh Associates, Secretarial Auditor	Chennai

Scrutinizer

<i>Name</i>	<i>Particulars</i>	<i>Participating from</i>
Mr.A.S.Kalyanaraman	Practicing Chartered Accountant	Chennai

IN ATTENDANCE

Shareholders present through Video Conferencing: 64 shareholders representing 4108061 (47.78%) Equity Shares.

(A) Chairman of the Meeting

Mr N Gopala Ratnam, Chairman of the Board of Directors, who by virtue of Article 70 of the Articles of Association of the Company is also the Chairman of the General Meetings of the Company, took the Chair.

(B) Quorum

- (i) The Chairman noted that 64 shareholders were present thro' Video Conference that could be reckoned for quorum under Section 103 of the Companies Act, 2013 and in accordance with extant MCA circulars. The requisite quorum as required under Section 103 of the Companies Act, 2013 was present throughout the meeting.
- (ii) The Chairman observed that the requirement for the presence of at least one independent director and the auditor or his authorized representative in terms of relevant MCA circular has been complied with.
- (iii) The Chairman accordingly called the meeting to order and welcomed the shareholders. The meeting commenced at 11.00 a.m.

(C) Introduction

- (i) The Chairman informed that in accordance with relevant circulars issued by MCA and SEBI, the 29th AGM is being conducted as an e-AGM thro' Video Conference/ Other Audio Visual Means (VC/ OAVM). The Company had tied up with Central Depository Services (India) Limited (CDSL) to provide

facility for remote e-voting, e-voting at the AGM and participation in the AGM thro' VC/ OAVM facility.

- (ii) The Chairman thereupon requested the directors present to introduce themselves. All the directors present briefly introduced themselves to the shareholders.
- (iii) At the request of the Chairman, KMPs, statutory auditors, secretarial auditor, cost auditors, internal auditors and the scrutinizer introduced themselves to the shareholders.
- (iv) The Chairman further informed that Mr B Chandrasekar, President (Operations) and the core operating team of the Company are also available at this AGM for providing/ supplementing information as may be required.

(D) Registers

The Register of directors and key managerial personnel and the Register of contracts or agreements and all other documents referred in notice were made available electronically for inspection by the shareholders during the AGM. Shareholders desirous of inspecting such documents were requested to send their request to admin@ponnisugars.com.

(E) General information to shareholders

At the behest of Chairman, the Company Secretary read out the general information and advice to shareholders regarding participation in the 29th AGM:

- (i) Shareholders may note that this 29th AGM is being held through Video Conference (VC) in accordance with the Companies Act, 2013 and circulars issued by MCA and SEBI.
- (ii) Facility for joining the meeting through VC is made available for the shareholders on first come, first served basis. In the case of our Company, all our shareholders desiring to join the AGM would be able to do so.
- (iii) The facility for joining the meeting was opened at 10.30 a.m. which is 30 minutes before the time scheduled for start of the meeting. It will be kept open for joining till the meeting is closed by the Chairman.

- (iv) This being an e-AGM, physical attendance of shareholders is dispensed with. As mentioned by Chairman, attendance through VC would be reckoned for the purpose of quorum. Further, the facility for appointment of proxies by the shareholders is not applicable for this e-AGM and hence the proxy register for inspection is not available.
- (v) The Register of directors and key managerial personnel and the Register of contracts or agreements and all other documents referred in notice are made available electronically for inspection by the shareholders during the AGM. Shareholders desirous of inspecting such documents may send their request to admin@ponnisugars.com
- (vi) The company has received requests from six (6) shareholders to register them as speakers at the meeting. Accordingly the floor will be open for them to ask questions or express their views. The moderator will facilitate this session once the Chairman opens the floor for same. The Company reserves the right to limit the number of shareholders asking questions depending on the availability of time at the AGM.
- (vii) Shareholders can also post their views or questions on the 'chat box' of the Video Conference screen at any time during the meeting. The Company would respond to them at the meeting and / or through e-mail.
- (viii) The Company had provided remote e-voting facility for shareholders to cast their votes electronically on all the resolutions set forth in the Notice. This was closed on the 10th June 2025 at 5.00 p.m. Shareholders who have not cast their vote yet and are participating in this meeting may cast their votes during the meeting thro' e-voting system provided by CDSL. Shareholders can click on the EVSN **250526010** in the CDSL e-voting system already logged in to avail this facility.
- (ix) There will be no voting by show of hands.
- (x) Shareholders are requested to refer to instructions provided in the AGM Notice for seamless participation through Video Conference. In case they face any difficulty, they may reach out on the helpline contact provided in Page 12 of Annual Report.

(F) Chairman of Committees

The Chairman mentioned that Mr. Mohan Verghese Chunkath, Chairman of the Audit Committee and Dr Lakshmi Nadkarni, Chairperson of Nomination and Remuneration Committee and himself as Chairman of the Stakeholders Relationship Committee and CSR Committee are present thro' VC at the meeting.

(G) Corporate Video

A short Corporate Video, showcasing the genesis and growth Story of Ponni was played, with the approval of the Chairman.

(H) Chairman's Speech

The Chairman mentioned that the full text of his speech is being uploaded on the Company website. In his speech at the meeting, the Chairman touched on economy – global and domestic, Indian agriculture, sugar industry, environment regulations, sugar & health, cogeneration, ethanol, company performance and outlook.

(I) Presentation by Managing Director

- (i) The Chairman then advised the Managing Director to make a presentation on the sugar industry and Company performance in FY 2024-25.
- (ii) The Managing Director in his presentation briefly covered the Global and Indian overview of sugar, operational & financial performance for FY 2024-25 and outlook for FY 2025-26.

(J) Notice and Board's Report

The Chairman informed that the 29th Annual Report 2024-25 containing the AGM Notice, Board's Report and Financial Statements were circulated through e-mail to all shareholders. With the consent of shareholders present, these were taken as read.

(K) Audit Report

The Chairman informed that pursuant to Section 146 of the Companies Act, 2013, the Statutory Auditors, namely, M/s S Viswanathan LLP were present through their partner, Mr Chella K Srinivasan. The Managing Director confirmed that there are

no observations or comments by the Auditors on financial transactions or matters which have adverse effect on the functioning of the company. Thereupon, the Auditors' Report to shareholders was taken as read.

(L) Secretarial Audit Report

The Chairman informed that the company has obtained Secretarial Audit Report from Mr. V Suresh, Senior Partner, V Suresh Associates, Practicing Company Secretaries, pursuant to Section 204 of the Companies Act, 2013 and Reg.24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Managing Director informed the members that there are no qualifications or adverse observations, comments or remarks in the Secretarial Audit Report.

(M) Introduction to resolutions

- (i) The Chairman observed that there are five resolutions proposed to be passed at the 29th AGM. Out of these, four are Ordinary and one is Special resolution.
- (ii) The Chairman briefly narrated the background and purpose for each of these resolutions.

(N) Voting options

The Chairman mentioned that the company has offered two alternative voting options to shareholders (i) remote e-voting (ii) e-voting at AGM.

(O) Remote e-voting

The Chairman mentioned that:

- (i) Remote e-voting facility has been offered pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (ii) The company has engaged the services of Central Depository Services (India) Limited (CDSL) for this purpose.
- (iii) Remote e-voting commenced on 07.06.2025 (10.30 a.m.) and closed on 10.06.2025 (5.00 p.m.).

(P) E-voting at AGM

- (i) The Chairman informed the members that the Company is also providing e-voting facility at the AGM. Only those shareholders who are present in the AGM and who have not cast their votes thro' remote e-voting are eligible to vote now.
- (ii) The Chairman recorded his satisfaction that all efforts feasible under the circumstances have been made by the Company to enable shareholders to participate and vote on the items being considered at the AGM thro' Video Conference.

(Q) Scrutinizer

The Chairman mentioned that Mr A S Kalyanaraman, Practicing Chartered Accountant (Membership No.201149) has been appointed as Scrutinizer for the two modes of voting. He would furnish individual as well as combined reports in respect of votes cast on all the five resolutions proposed at this meeting.

(R) Queries and Reply

- (i) The Chairman observed that there are six (6) shareholders who have registered as speakers at the AGM. He invited them to raise their queries and give their views/ suggestions. Out of this, one shareholder did not attend the meeting.
- (ii) The other shareholders spoke at the meeting appreciated the performance of the company amidst challenging circumstances. They sought details on expansion plans and tax rates applicable to the company.
- (iii) The Chairman answered the queries of shareholders and thanked them for participation as speaker.

(S) Ordering e-voting

At this stage, the Chairman ordered e-voting at the AGM. He requested the shareholders to follow the instructions given carefully so that the votes are valid. He mentioned that the e-voting facility is open and will close 30 minutes after the closure of the meeting.

(T) Transcript of AGM proceedings

The Chairman mentioned that the recorded transcript of the proceedings of 29th AGM will be received from CDSL and thereupon uploaded on the Company website.

(U) Conclusion of Meeting

The Chairman thanked the shareholders for their participation, views and suggestions. He informed the shareholders that voting results will be declared based on the Scrutinizer Report, and the Managing Director and Company Secretary are severally authorized to declare the voting results that would be posted on the company website. He declared the meeting closed at 12.47 PM.

(V) Scrutinizer Report

Post completion of the AGM on 11th June 2025 and conclusion of e-voting, the Scrutinizer furnished his report to the Company Secretary. This report contains summary of the votes cast at remote e-voting and e-voting at AGM as under:

Item No. of Notice & Description	Votes For			Votes Against		
	No. of members	No. of votes cast (shares)	% of total no. of valid votes cast	No. of members	No. of votes cast (shares)	% of total no. of valid votes cast
1. Adoption of Audited Financial Statements together with the Reports of Board of Directors and Auditors thereon for the financial year 2024-25 – Ordinary Resolution	81	41,08,665	99.99	1	1	0.01
2. Declaration of Dividend of Rs.3 per equity share for FY 2024-25 – Ordinary Resolution	80	41,05,022	99.91	2	3644	0.09
3. Reappointment of Mrs Bharti Chhotubhai Pithawalla (DIN: 00341382), Director who retires by rotation – Special Resolution	81	41,08,665	99.99	1	1	0.01
4. Appointment of Secretarial Auditor – Ordinary Resolution	81	41,08,665	99.99	1	1	0.01
5. Remuneration to Cost Auditor for FY 2025-26 – Ordinary Resolution	81	41,08,665	99.99	1	1	0.01

Note: (1) There were no invalid votes for any resolution.

(2) Vote % is based on total number of valid votes cast (for and against).

(W) Voting results

The Company Secretary noted that all the five resolutions proposed as ordinary/special resolutions as mentioned in the Notice for the 29th AGM have been passed with requisite majority and in due compliance of relevant provisions of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(X) Company Secretary declaration

The Company Secretary as authorized by the Chairman, declared that following resolutions have been duly passed by the shareholders in terms of the voting done through remote e-voting or e-voting at the AGM and these resolutions shall be deemed to be passed on the date of general meeting, namely, 11th June 2025.

1. Adoption of Financial Statements – Ordinary Resolution

“RESOLVED that the Audited Financial Statements for the financial year 2024-25 and the reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted.”

The Company Secretary declared that this resolution has been passed with requisite majority as an Ordinary Resolution.

2. Dividend declaration – Ordinary Resolution

“RESOLVED that

- (i) a dividend of Rs.3.00 (Rupees Three only) per Equity Share for the financial year 2024-25 be and is hereby declared on the 8598418 equity shares of Rs.10/- each fully paid-up;
- (ii) the dividend be paid to the shareholders whose names appear in the Register of Members of the company in the case of physical holding and to the beneficial owners of shares recorded with the Depositories in the case of demat holding as per details to be furnished by the National Securities Depository Ltd/ Central Depository Services (India) Ltd as on Friday, the 30th May 2025 (Record date).”

The Company Secretary declared that this resolution has been passed with requisite majority as an Ordinary Resolution.

3. Reappointment of retiring Director – Special Resolution

“RESOLVED that Mrs Bharti Chhotubhai Pithawalla (DIN: 00341382) who retires by rotation, be and is hereby reappointed as a Director of the company, liable to retire by rotation.”

The Company Secretary declared that this resolution has been passed with requisite majority as a Special Resolution.

4. Appointment of Secretarial Auditor – Ordinary Resolution

“RESOLVED that pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions of the Companies Act, 2013, the Rules and Regulations framed thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force], and in terms of the recommendation of Audit Committee and Board of Directors of the Company (the Board), the approval of the shareholders be and is hereby accorded to appoint M/s V Suresh Associates, Practising Company Secretaries (Unique Identification No.P2016TN053700) as Secretarial Auditors of the company for a term (audit period) of five consecutive financial years from 2025-26 to 2029-30;

RESOLVED FURTHER that the Board be and is hereby authorized (i) to vary the remuneration for the Secretarial Auditor from time to time on assessment of role and responsibilities (ii) to do all such acts, deeds or things as may be necessary, proper or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto.”

The Company Secretary declared that this resolution has been passed with requisite majority as an Ordinary Resolution.

5. Remuneration to Cost Auditor – Ordinary Resolution

“RESOLVED that the Company do hereby confirm and ratify in terms of Section 148 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the remuneration approved by the Board of Directors on the recommendations of the Audit Committee for M/s

S Mahadevan & Co., Cost Accountants (Firm Registration No.000007), for conducting the audit of cost records of the Company for the financial year 2025-26 at Rs.2,00,000/- (Rupees two lakh only) plus GST and reimbursement of travel and out of pocket expenses incurred for purpose of such audit.”

The Company Secretary declared that this resolution has been passed with requisite majority as an Ordinary Resolution.

Erode
Date: 11.06.2025

Sd/-
CHAIRMAN

Ponni Sugars (Erode) Limited

Chairman's speech

29th AGM – 11th June 2025

Dear shareholders,

I am happy to welcome you all to this 29th Annual General Meeting of the Company. The Annual Report and audited Financial Statements for FY 2024-25 that had already been circulated have been with you for some time. With your permission, I shall take them as read.

At the outset, I hasten to acknowledge that our financial performance this year has witnessed a climb down from the peaks achieved in the previous two years. In lockstep with lower profits and in line with our Dividend Distribution Policy, your Board decided to reduce the dividend to Rs.3 per equity share this time. The Managing Director will make a brief presentation on the sugar industry and performance highlights of the company at the conclusion of my speech.

Global Economy

The global economy in 2025 is projected to grow at 2.8%. This is not only below its historic average (3.7% in 2000-19) but also below the growth of 3.3% in 2024 on account of heightened global trade protectionism, rising policy uncertainty and ongoing geopolitical tensions. Without exception, both Advanced Economies (AE) and Emerging Market and Developing Economies (EMDE) have recorded a decline. Policy makers face the daunting task of carefully calibrating monetary and fiscal policies to support growth without compromising financial and macroeconomic stability.

The first quarter of the 21st century has indeed been transformative for EMDEs. They now account for about 45% of global GDP, up from 25% in 2000, thanks to robust growth in three largest EMDEs – China, India and Brazil. Collectively, EMDEs have accounted for 60% of annual global growth since 2000, double the share compared to the 1990s. Their ascendance was powered by swift global trade and integration. Yet EMDEs confront a host of headwinds in the near term. Structural reforms have got stalled locally while protectionist measures and geopolitical fragmentation have sharply risen globally. EMDEs have the unenviable task to sustain accelerated growth for catching up with AEs and ratcheting up the standard of living of their local populace.

Global economy has been stirred and shaken by the United States announcing in April '25 multiple waves of tariffs on major trading partners and critical sectors. While much of these scheduled tariff increases are on hold for now, the combination of measures and counter measures has hiked US and global tariff rates to a centennial high. Unlike in the previous century, the global economy is now characterized by a high degree of economic and financial integration, with supply chains and financial flows crisscrossing the world. Any potential unwinding could trigger a tectonic economic upheaval.

Global economy is circumscribed by high debt, sluggish production, geopolitical tensions, declining consumer and business confidence, increased financial market volatility and potential disruptions in manufacturing and supply chains. Tariff induced price shock risks hiking inflation, slowing growth, driving up unemployment and complicating monetary policy. At the same time, constrained fiscal space – particularly in developing countries – limits the ability of Governments to effectively deal with such shocks. These challenges

jeopardise growth and sustainable development. No doubt, these are testing times.

Indian Economy

Amidst challenging global economic environment, Indian economy exhibited remarkable resilience during 2024-25, supported by robust macroeconomic fundamentals and proactive policy measures. Inflation eased and moved below the target by end of last fiscal year. The financial sector remained robust on the back of healthier bank and nonbank Balance Sheets, improved asset quality and capital buffers that enabled double-digit credit growth. Stock markets are strong with bullish undertone and intermittent corrections. On the fiscal front, the Central Government has ensured fiscal consolidation, supported by buoyant tax revenues, while maintaining the thrust on expenditure quality.

GDP growth in Q4 at 7.4% was the highest amongst four quarters in FY 2024-25. Average GDP growth for 2024-25 at 6.5% is of course the lowest in four years, yet India's growth remains the fastest amongst large economies for the fourth year in a row. In this bargain, it has emerged the fourth largest economy, overtaking Japan, as per latest IMF data. The India growth story thus remains promising and exciting.

World Sugar

Thanks to favourable weather, both Brazil and India, the top two producers, would record higher production in 2025-26 in contrast to the decline suffered by them in 2024-25. This would more than off-set lower EU production and the world sugar balance will return to surplus in 2025/26. Reacting to same, world sugar prices are correcting and currently rule below 17 c/ lb that is

balefully below the cost of production in most countries barring Brazil. Consumption growth has been slower compared to production, while weather brings intermittent correction to the world sugar balance. Fresh capacity creation is thus neither needed nor pursued in a big way anywhere in the world.

Agriculture

Indian agriculture is exposed to escalating challenges on multiple fronts owing to increasing cost, stagnant yields, global warming and erratic nature. Market risk of course is minimal for crops like rice and wheat where minimum support price mechanism is reasonably effective and this risk is virtually absent in the case of sugarcane crop. Nonetheless, cane availability is contingent on nature and returns to farmer from competitive crops.

Technology, unlike in the case of industry, has been largely missing in agriculture due to highly fragmented land holdings and unorganised nature of operations. Lack of scale limits the scope to infuse technology and shore up efficiencies. Land holding restrictions prevalent for too long have lamentably led to this lacklustre status.

Historically, land ceiling legislations were conceived in the socio economic milieu then prevailing soon after independence. With the relative share of agriculture in GDP steeply declining and scope for earnings to our workforce vastly improving outside of agriculture since then, it is time to revisit the archaic controls on farm land holdings that belong to byzantine era. Regrettably, the new Farm Laws sought to be introduced in 2020 by Government of India have failed to fructify at a national level.

Agriculture being a State subject, State Governments can take the lead and initiative to facilitate consolidation of land holdings, with or without disturbing the ownership structure as the local situation might warrant. In fact, Government of Tamil Nadu recognising the redundancy of urban land ceiling abolished its governing law about 25 years ago. It is time now to retrospect on the relevance of agricultural land ceiling and repeal its governing law too. This will help harness economies of scale, embrace new age technology, unleash the untapped potential of our agri-lands and transform them to large scale tech driven farm factories. It is no doubt politically sensitive but being a foundational flaw cries for early correction. The issue at large begs informed discussion, collective will, consensus building and bold decision making.

Sugarcane

Sugarcane is the singular raw material for sugar production in the country that is central to the eventual sustainability of sugar business. Despite assured off-take and guaranteed price, cost escalations in its cultivation are fast cutting into the margins of cane farmers and weaning them away from cane. Stagnant yield and static sucrose content warrant urgent strategic intervention in cane crop using state of the art technology to revitalize its innate strengths.

While so, traditional farming has inherent limits to combat the current challenge. Need of the hour is to scout for technologies that bring in higher efficiencies, not just incremental but exponential. Artificial Intelligence (AI) is now becoming omnipresent, fundamentally changing things in all walks of life. Of late, it is gaining attention and adoption in agriculture, including sugarcane crop. It envisions online and real time monitoring of the crop, programming

irrigation schedules, optimising input usage, enabling early detection and intervention in the event of pest and disease attack, *et al.* In the process, it helps cut costs, improve yield and increase profitability for the farmer. Your company has joined hands with Indian Sugar and Bio-energy Manufacturers Association (ISMA) to test AI tools and methodology on select cane fields. No doubt, the process and its perfecting would take time for large scale adoption but it is heart-warming that a good beginning has already been made on this.

Further, Genome-Editing (GE) is now becoming a new chapter in agriculture innovation. The Union Agriculture Ministry has recently released two genome-edited paddy varieties developed by the Indian Council of Agricultural Research (ICAR). GE is drastically different from Genetically Modified (GM) crops that was introduced for cotton years ago in our country. GE targets modification to a plant's own DNA without introducing any foreign gene. This is unlike GM organisms that involve insertion of genes from other species that may trigger health issues. Recognizing this crucial distinction, India's 2022 "Guidelines for the Safety Assessment of Genome Edited Plants" exempts certain Genome edited crops from the lengthy GMO regulatory process. Sugar industry should look at ways to develop appropriate GE process for sugarcane crop. Its significance would lie in reducing crop duration, boosting yields, optimising input resources and ensuring climate resilience.

Indian Sugar

Indian sugar production estimate for 2024-25 season has been undergoing successive downward revisions owing mainly to lower sugar recovery and cane yield in Maharashtra and Karnataka. Final production may just be a tad over 260 lakh tonnes while our domestic consumption may drop marginally to 280

lakh tonnes from 290 lakh tonnes in the previous year. Sugar exports may not fully exhaust the quota of 10 lakh tonnes by reason of bearish world prices. The opening inventory for SS 2025-26 will most likely to be the lowest in eight years. This has infused positive sentiments in domestic market and bolstered ex-factory sugar prices to remunerative levels.

Going forward, cane crop in both Maharashtra and Karnataka should significantly rebound this year, riding on the good monsoon in 2024 and its likely recurrence in 2025. Early estimates point to a palpable rise in 2025/26 production, suffice to fully support the ethanol programme and yet leave a surplus for sugar exports. Timely decision on these policy fronts is *sine-qua-non* for market stability and timely payment of cane price.

Environment Regulations

Government policies and regulations play a pivotal role in shaping business prospects. India post-independence embarked on industrial policy resolution to diversify its economy largely then reliant on agriculture. Mixed economy model was embraced to promote both private and public sector investment in industry. Employment creation and equitable distribution of wealth were the *leitmotif* in the early days of industrialization. With growing environmental conscience, pollution control laws came into being from mid 1970s. Over time, the environmental standards have got increasingly tightened and rightly so.

Given this background, Government of Tamil Nadu in 1989 issued a G.O. proscribing the establishment of new industries on the banks of notified rivers within a distance of one km. This was further tightened to five km distance in 1998. Recognising the plight of large number of industrial units that were set

up in such restricted zones before the issue of these G.Os, relaxations are being considered for expansion but not for diversification.

This blanket ban inhibiting the potent growth of such industrial units, that for historic reasons came to be established on river banks, would now appear anachronistic and is best avoided. With growing global competition, business enterprises are on their toes, compelled to optimise resource utilization and maximise throughput. They need to pursue for this purpose both green field and brown field growth options. There is no denying that technology has improved leaps and bounds over the last 3-4 decades in all spheres that now offers credible solutions to effectively combat and contain pollution loads. The end objective being protection of environment, it is time to displace the outright ban and manage with stricter environmental norms. This will strike a right balance between growth and environment objectives.

Sugar and health

Sugar is no stranger to both being extolled and censured. It is perceived as an essential commodity and yet painted as a health hazard. Lately, the Central Board of Secondary Education has mandated affiliated schools across the country to install 'Sugar Boards' to educate students on the risks of higher sugar intake.

Sugar has strikingly slew of positives to boast about. It is a quick source of energy for the body. It has glucose that improves cognitive function, concentration and overall mental health. It enhances flavour, acts as a preservative, balances acidity and bitterness and enhances the appetite for nutritious meal.

No doubt, sugar is not without its share of negatives. Excessive sugar consumption is strongly linked to obesity that in turn is associated with numerous health problems. It is considered a major risk factor for developing type-2 diabetes though largely attributable to hereditary. Excessive sugar intake disrupts insulin function, leading to insulin restriction.

The ideal choice doubtless lies in informed choice and ingenious diet balancing. As the old saying goes, even nectar if consumed in excess is poisonous. Moderate consumption, active lifestyle and a well-balanced diet would be the sure recipe for safety and sustainability. Given the low per capita consumption in India compared to developed countries, there is little risk at present on account of excessive consumption but there is an alarming rise in sedentary lifestyle. The current move of CBSE to create awareness in students on healthy dietary habits is hence timely and welcome. It must be accompanied by spread of scientific literature carrying concise yet comprehensive analysis of different food products and suggested course for fine diet balancing.

Cogeneration

Bagasse based cogeneration dawned decades ago that was the first game changer for sugar industry long before the current policy thrust on ethanol. Production of power from a renewable source best serves the interest of environment. No wonder, the National Electricity Policy and Tariff conceived and conceded priority status and a preferential long term 'cost plus' pricing model for such electricity to promote investment in bagasse based cogeneration.

While so, the contours of cost plus formula and in particular the interpretation of constituent factors therein led to multiple disputes. Your company had set up its cogeneration plant in 2012 and various Tariff Orders issued since then were in challenge before the Appellate Tribunal for Electricity. Hearings have since been concluded and judgement reserved. I do hope that the contentious issues will reach finality in the current year.

Further, since the preferential tariff is for using renewable fuel, its eligibility is conditional on restricted usage of fossil fuel in the overall mix. This however posed attendant challenge to the use of bagasse as a renewable source of raw material in the pulp and paper industry. Unarguably, bagasse used in pulp production helps conserve longer tenure pulpwood plantations in the process. It thus effectively aids in the protection of environment and hence merits parity in policy priority.

In this context, it is heart-warming to observe that Tamil Nadu Electricity Regulatory Commission (TNERC) in its latest consultative paper has proposed relaxation in fossil fuel usage when bagasse gets diverted for pulp production. This has been proposed case specific, confined to a State Government enterprise. Sugar industry has sought generic adoption of this principle to apply to all cases involving long term tie-up for bagasse supply between any sugar and paper mill within the State.

As a matter of fact, your company was the pioneer in configuring such a model under long term MoU with the neighbouring paper mill of Seshasayee Paper and Boards Ltd. The proposed relaxation is progressive and pragmatic to

promote optimal end use of bagasse as a critical input for the production of power or pulp or any combination thereof.

Ethanol

The Ethanol Blended Petrol (EBP) programme has been one of the biggest success stories in India's quest to achieve sustainability. Ethanol blending has increased from 12% in ESY 2022-23 to 18.61% in ESY 2024-25 as of April '25 riding on right policy framework by the Government and remarkable response from the sugar and ethanol industry. India's ethanol drive has so far added over Rs. one lakh crores to farmers' earnings, saving about Rs. 1,26,210 crores till April '25 in foreign exchange by avoiding crude oil imports.

With India on the verge of achieving E20 target ahead, goal post is now sought to be shifted to 30% blend by 2030. Achieving this vision will of course require scalable infrastructure, flexible feedstock usage and consistent policy framework that supports sustainable pricing and growth across the value chain. Policy measures will be pivotal on - rationalising GST for FFVs (5%), introducing differential pricing for ethanol fuels, and ensuring Total Cost of Ownership (TCO) parity with EVs. Ethanol pricing mechanism linked to the Fair and Remunerative Price (FRP) of sugarcane can provide the predictability needed for sustained producer investments.

Creating ethanol-integrated bio-hubs in sugarcane-rich regions could be the next master plan. These hubs, combining ethanol production with co-generation of bioelectricity, biogas, and biofertilizers, represent a model for resource-efficient, circular rural economies.

Company performance

The Board's Report along with the Management Discussion and Analysis Report presents an overview of our FY 2024-25 performance. Of late, climatic change has come to hit Tamil Nadu sugar mills quite severely and in quick sequence. After crushing commendable cane volumes in the last two years, the company suffered a discernible decline in FY 2024-25. Still worse, pallid cane quality pilloried our sugar recovery, pushing it down to the lowest in seven years. These two being key operating performance drivers, their negativity dented our margins and derailed overall financial performance. Rebound in sugar price was inadequate to keep pace with the upsurge in cane cost, while the buoyancy in realisation from by-product viz. molasses was our sole saviour.

For reasons dwelt at length in the Board's Report, both our PBT and PAT for the year have fallen from the high pedestal. A facile comparison of our results with immediate past would no doubt be disquieting and discomfiting; yet I would consider our overall performance for the year fairly successful and reasonably satisfactory under extant adversities.

Outlook for FY 2025-26

IMD has reiterated and in its last update marginally improved its forecast for southwest monsoon in 2025 at 105% of long period average. It has also underlined caution for certain regions that include Tamil Nadu which may perform below par. We are however enthused by the favourable monsoon forecast for Karnataka. This strengthens the prospects for copious flow in river Cauvery and full storage in the Mettur reservoir that supports a large chunk of our command area.

We look to a modest rise in cane planting and noteworthy improvement in sugarcane quality this year. Under continuing supply squeeze, higher cane cost is bound to exert and exacerbate margin pressures. The company on its part is in proactive and persuasive engagement with its farmers introducing new cane varieties, improving cultivation practices, increasing drip irrigation and initiating mechanical harvesting. It has developed in-house a dedicated 'Cane App' facilitating digital interaction and offering one stop solutions. It has extended a package of subsidies aimed at reinvigorating and improving both volume and quality of cane in its area.

Alas, at the end of the day, agriculture is monsoon driven and risk prone to climatic changes. Competitive crops too are fast emerging by turn, tilting farmers' choice in favour of short duration and lower labour dependent alternatives. Our daunting challenge and unremitting endeavour in such a scenario is in sustaining farmers' interest in cane crop in our command area. I am glad to state that we have been largely successful on this till date.

Acknowledgement

I sincerely thank our farmers who have been the bedrock of our long term successful operations. I thank our suppliers, customers, officials of the Central and State Governments and our Bankers for their continued support. I wish to commend the committed performance of our employees, readily rising to the day-to-day challenges and optimising our operational performance.

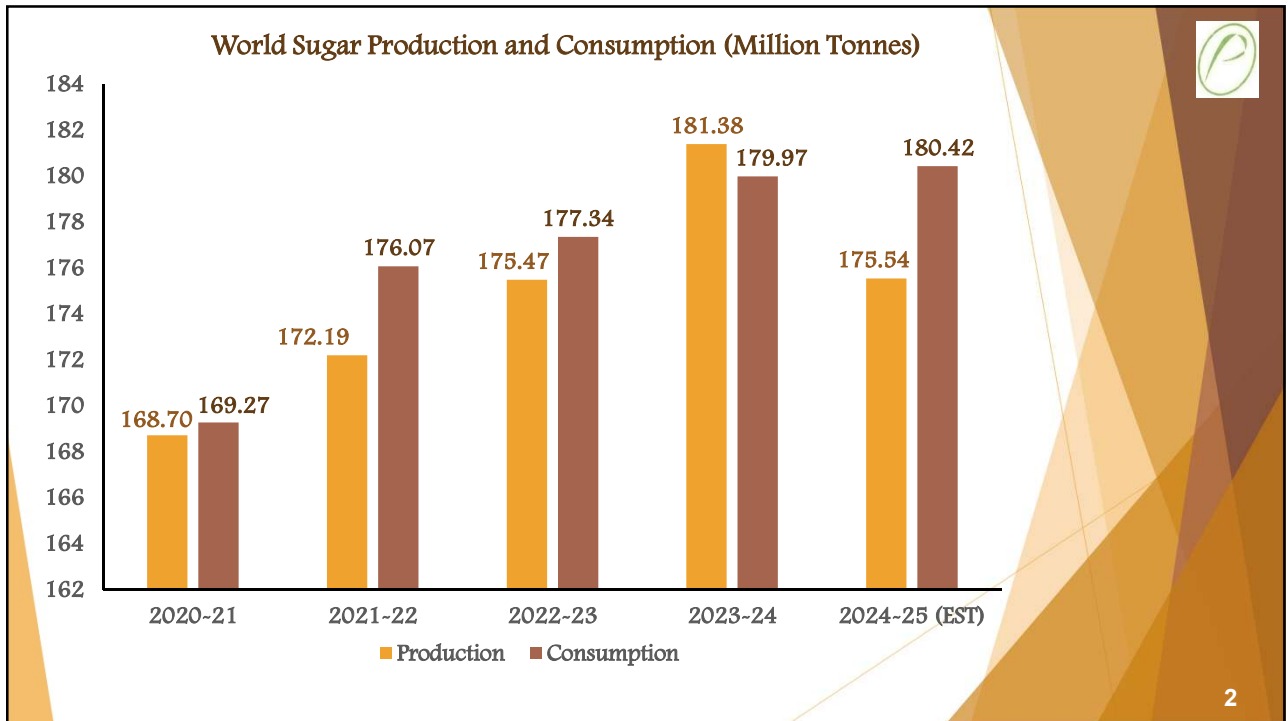
As always, it is my pleasure to thank our valued shareholders for their unequivocal patronage and unstinted support to the management. I look forward to your comments and suggestions from time to time.

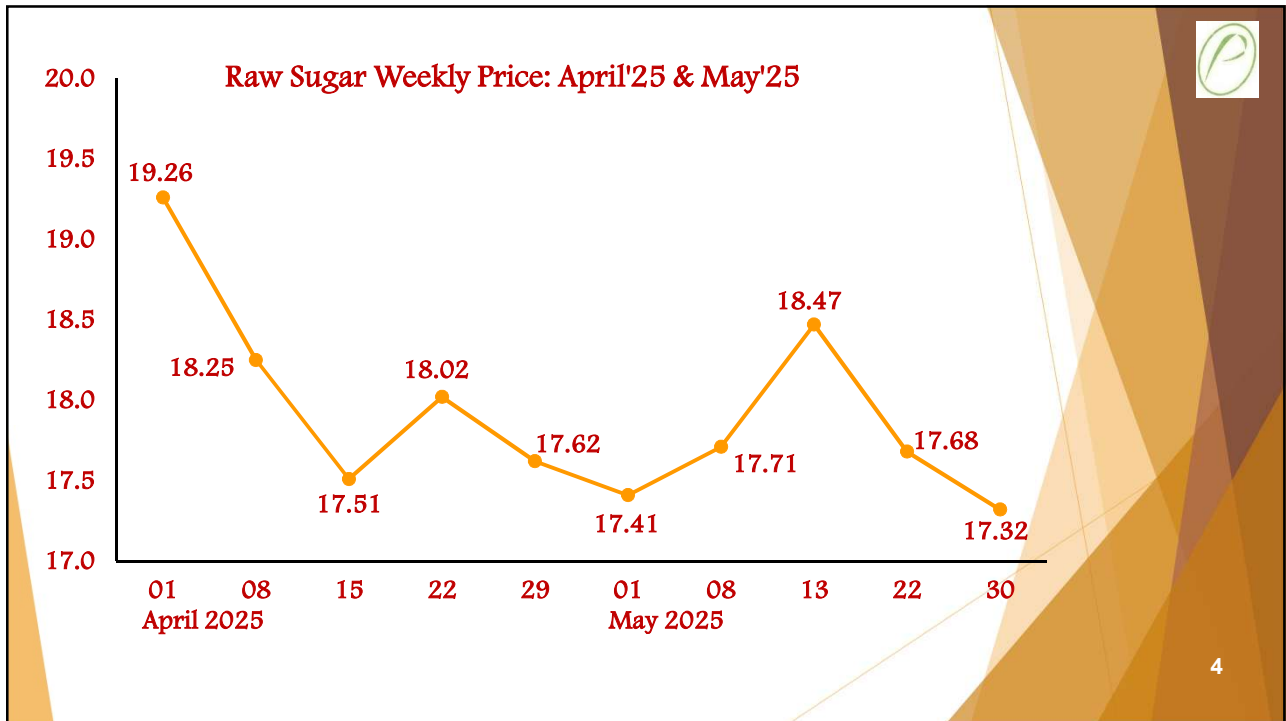
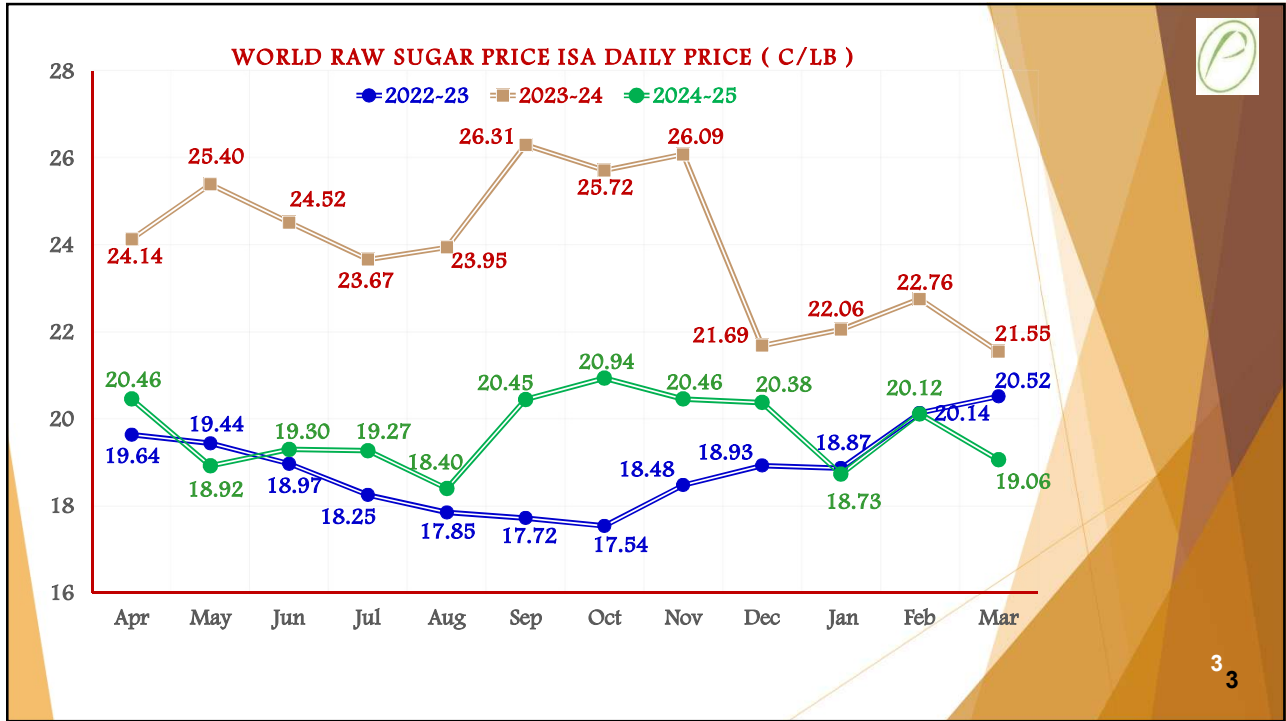
Thank you

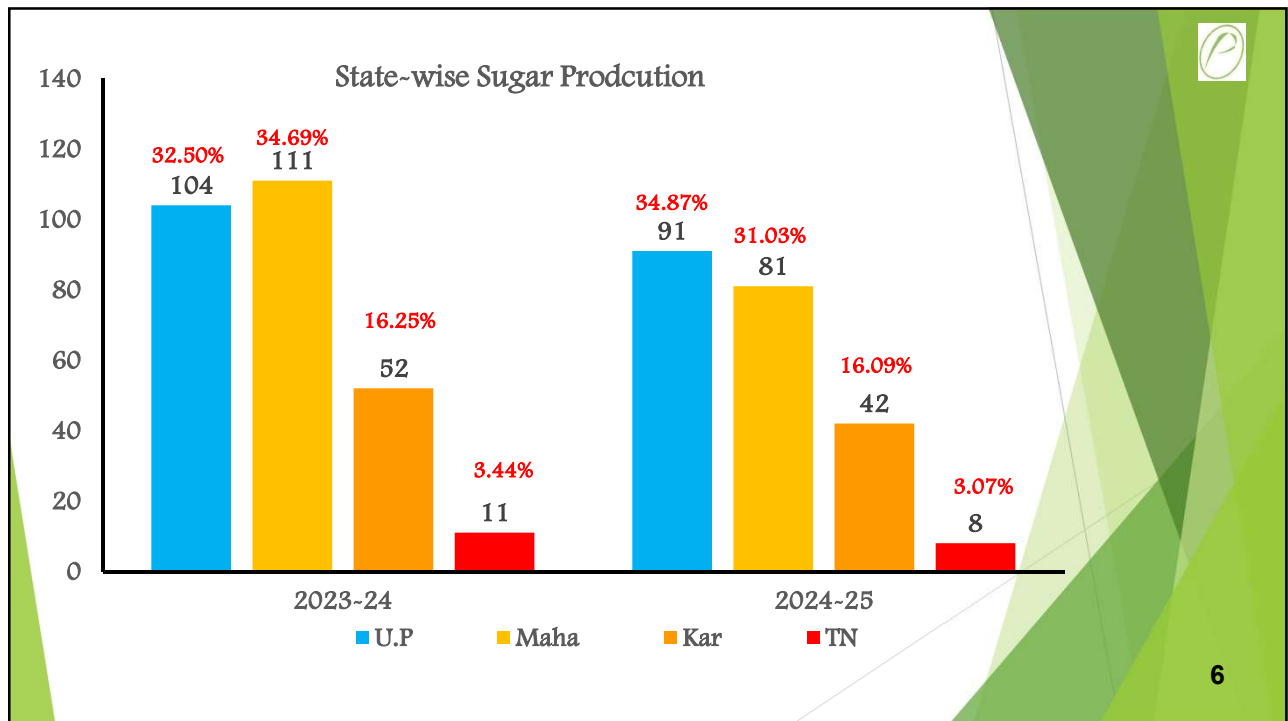
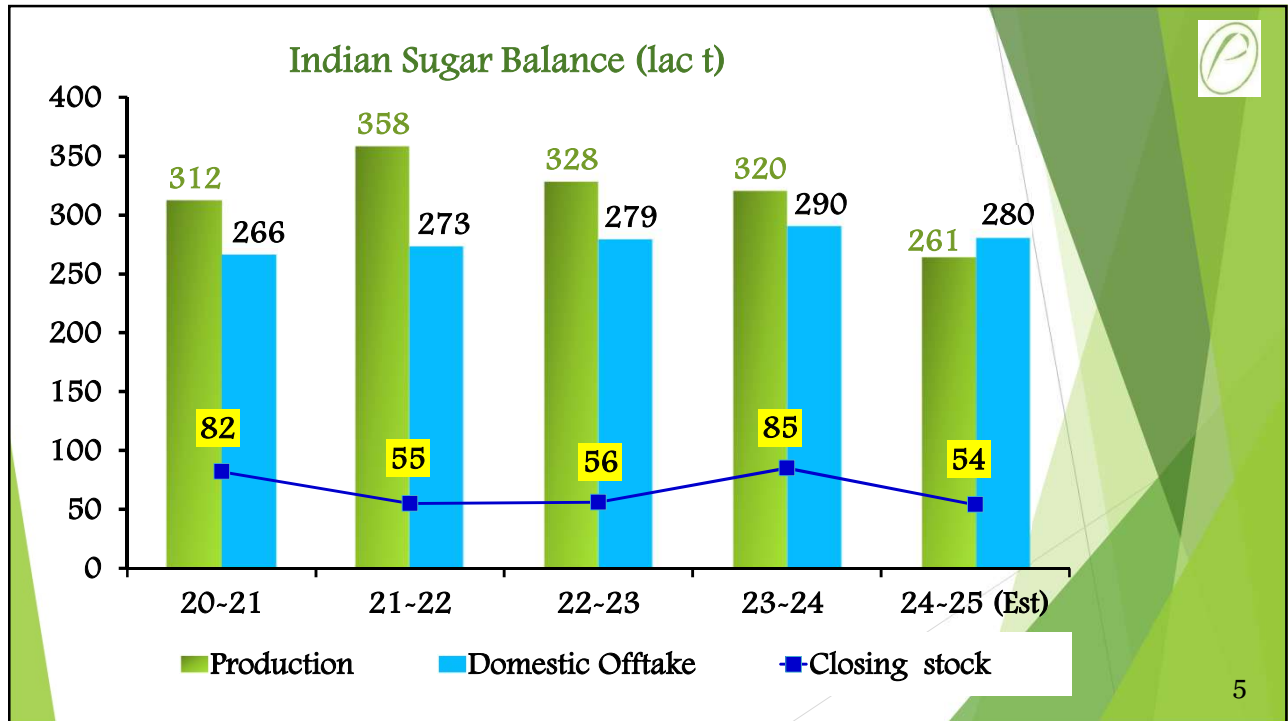
Erode
June 11, 2025

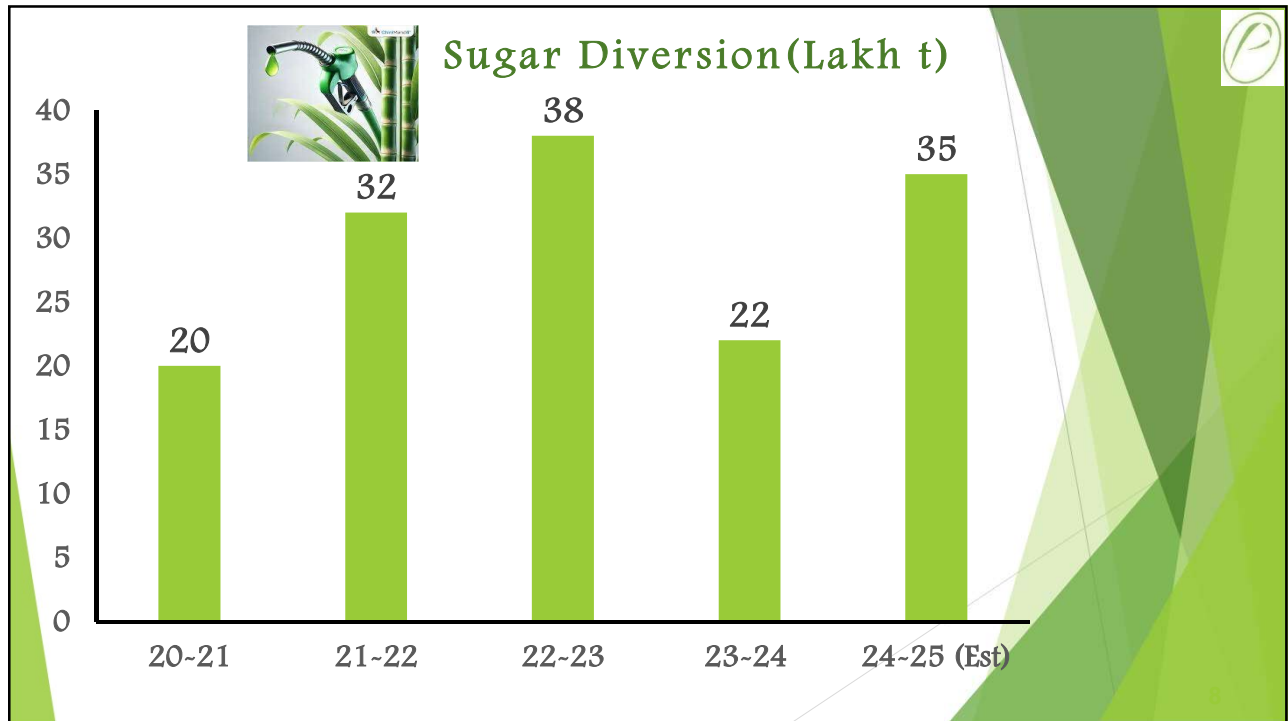
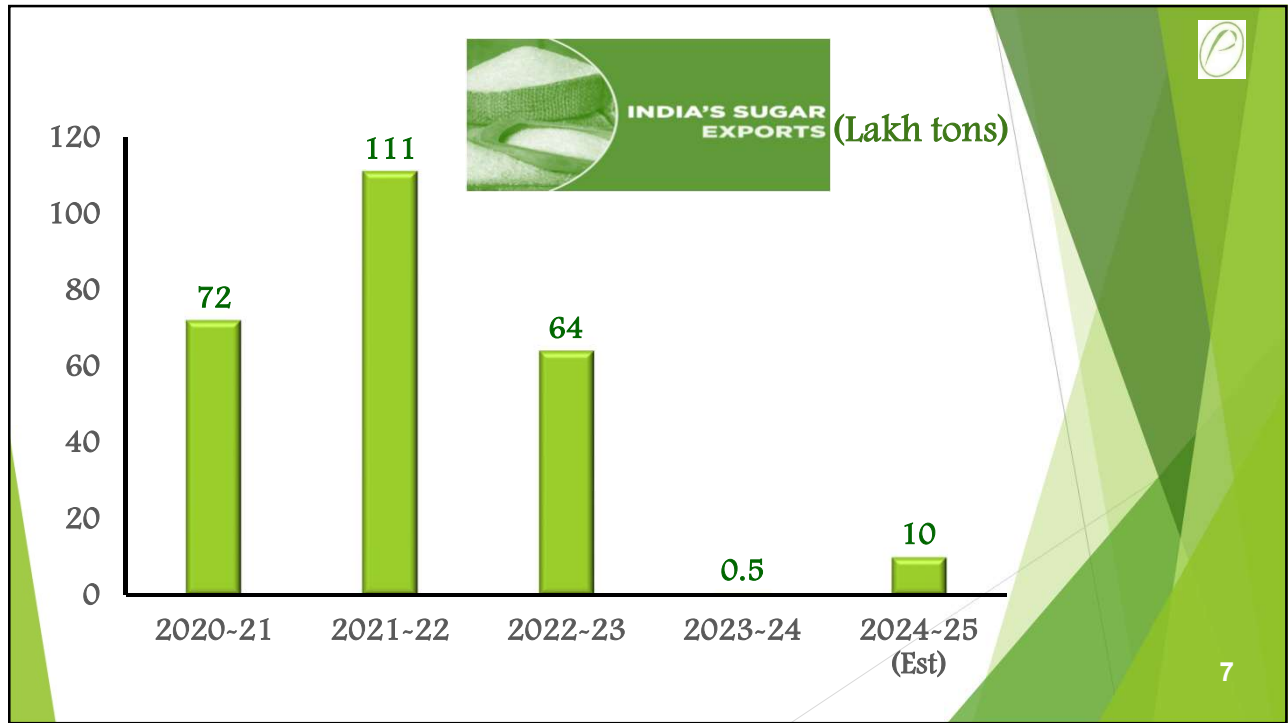
N Gopala Ratnam
Chairman

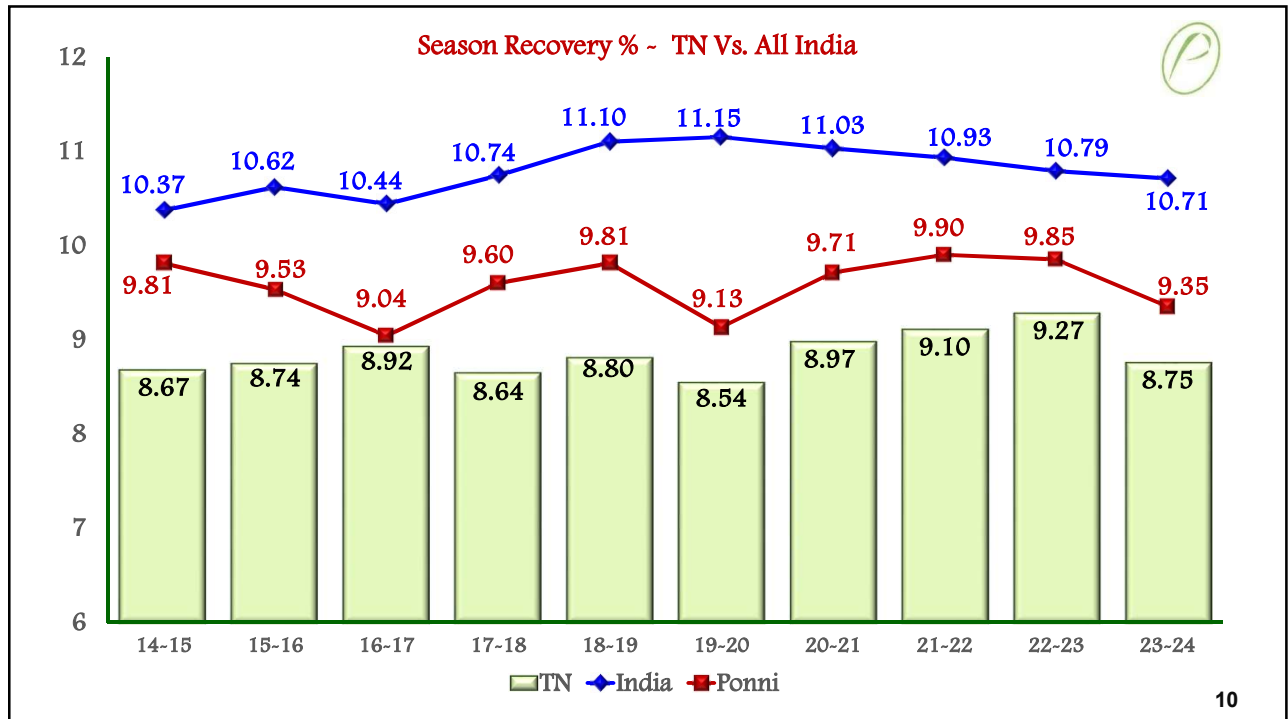
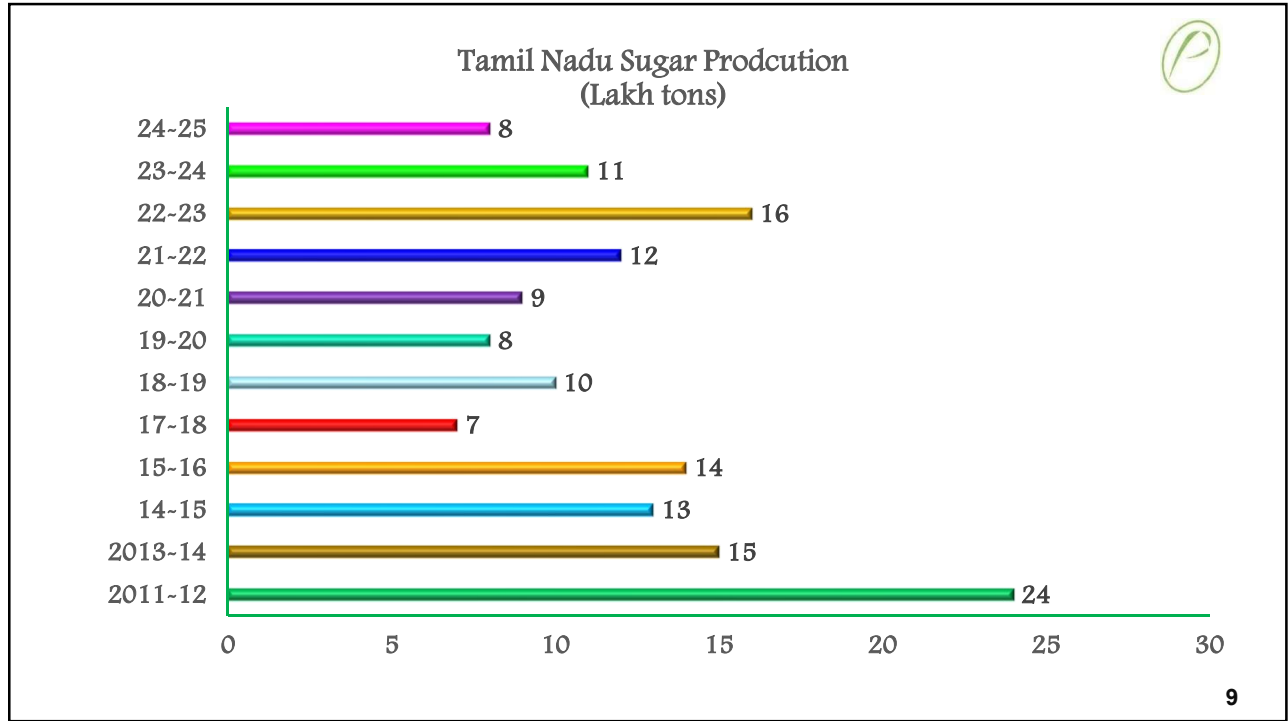
Note: This does not purport to be a record of the proceedings of the Annual General Meeting.











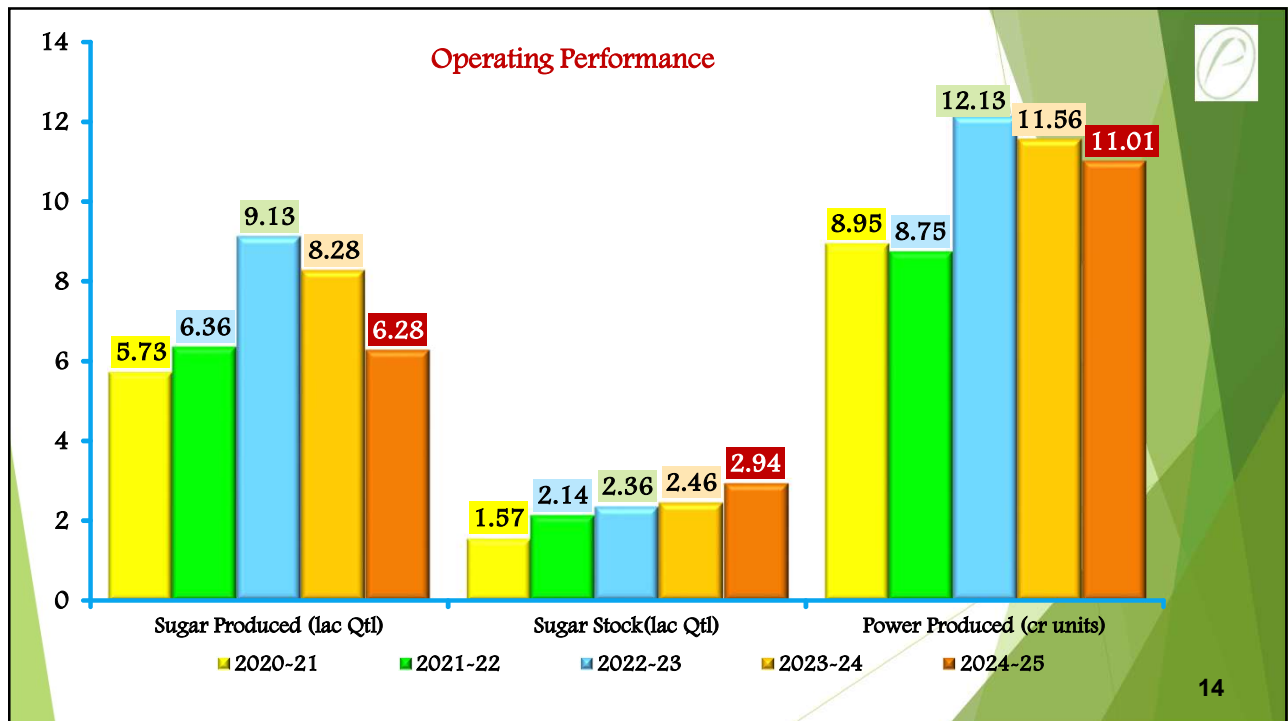
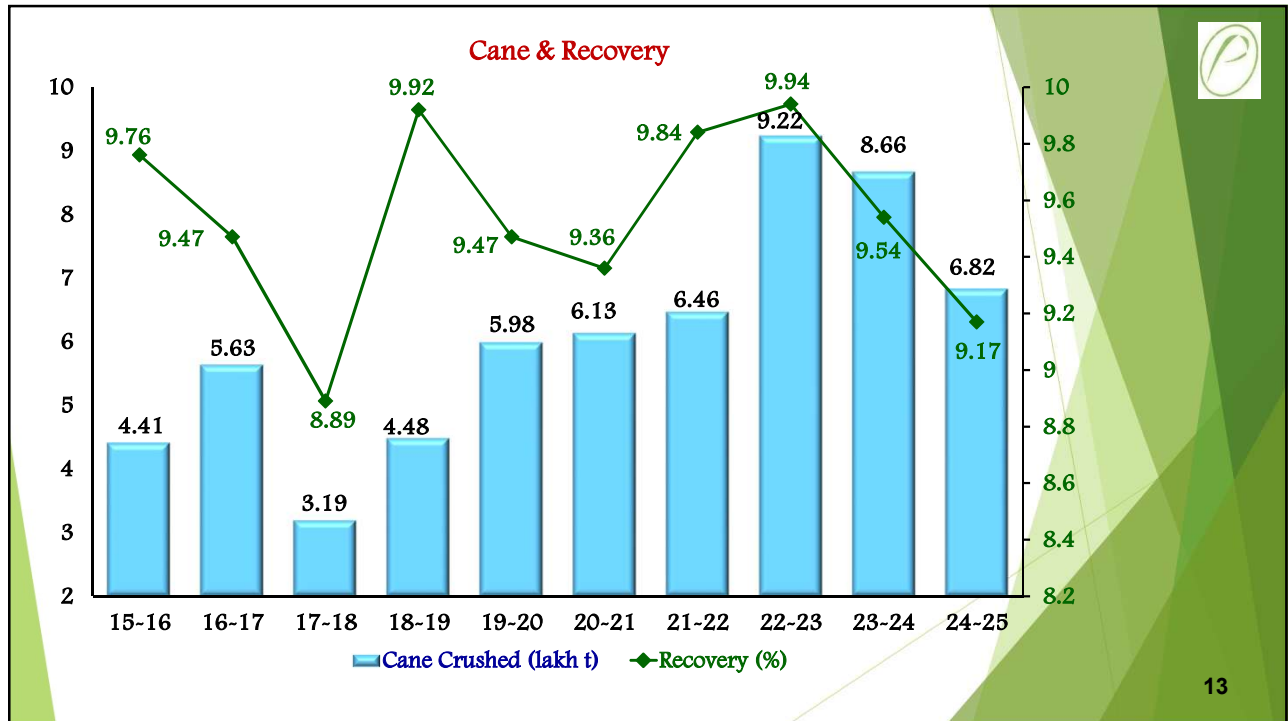


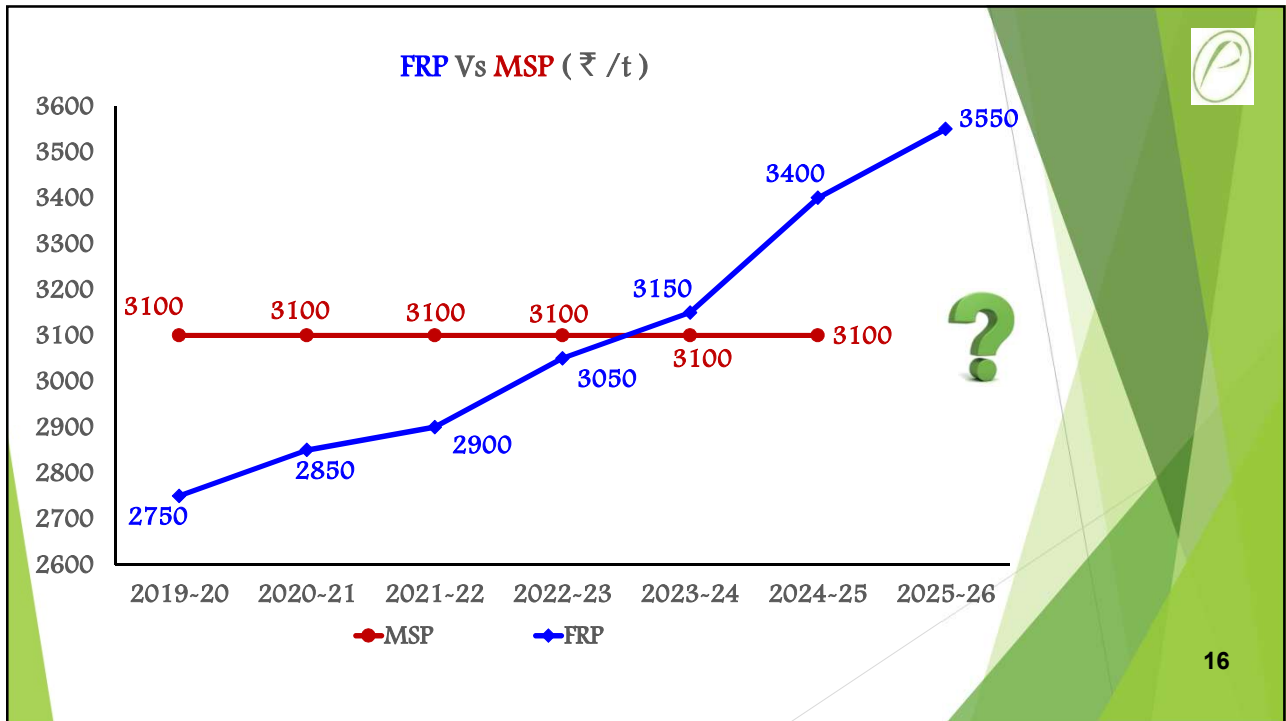
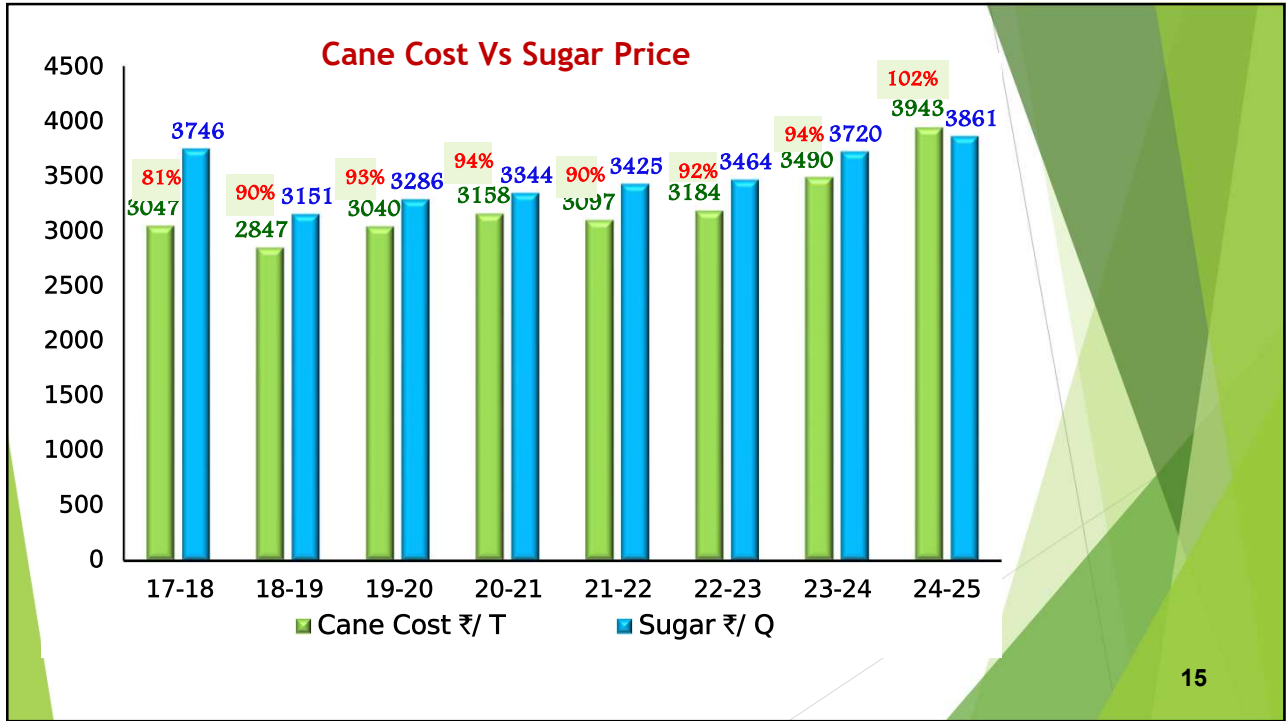
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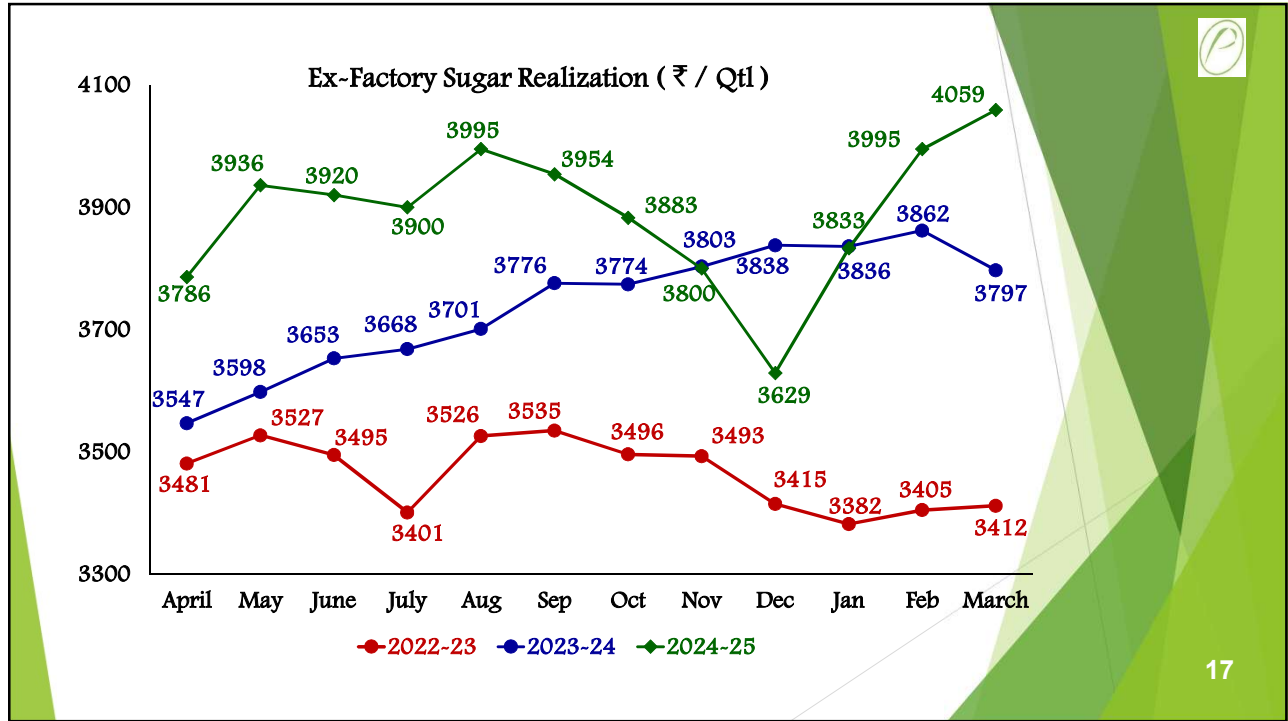
PHYSICAL PERFORMANCE



	2024-25	2023-24	% change
No. of Days	276	299	8
Average crushing (tcd)	2470	2895	15
Cane crushed (lakh t)	6.82	8.66	21
Sugar Recovery (%)	9.17	9.54	37 bps
Sugar production (t)	62729	82845	24
Power production (Lakh Units)	1101	1156	5

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Cost	2024-25	2023-24	Change %
Cane ₹ /t	3616	3329	9
Coal ₹ /cvl	1.75	1.88	(7)
Biofuel ₹ /cvl	1.26	1.10	15

Revenue	2024-25	2023-24	Change %
Sugar ₹ /Qtl	3861	3720	4
Molasses ₹ /t	15850	9912	60
Power ₹ /kwh	5.80	5.37	8

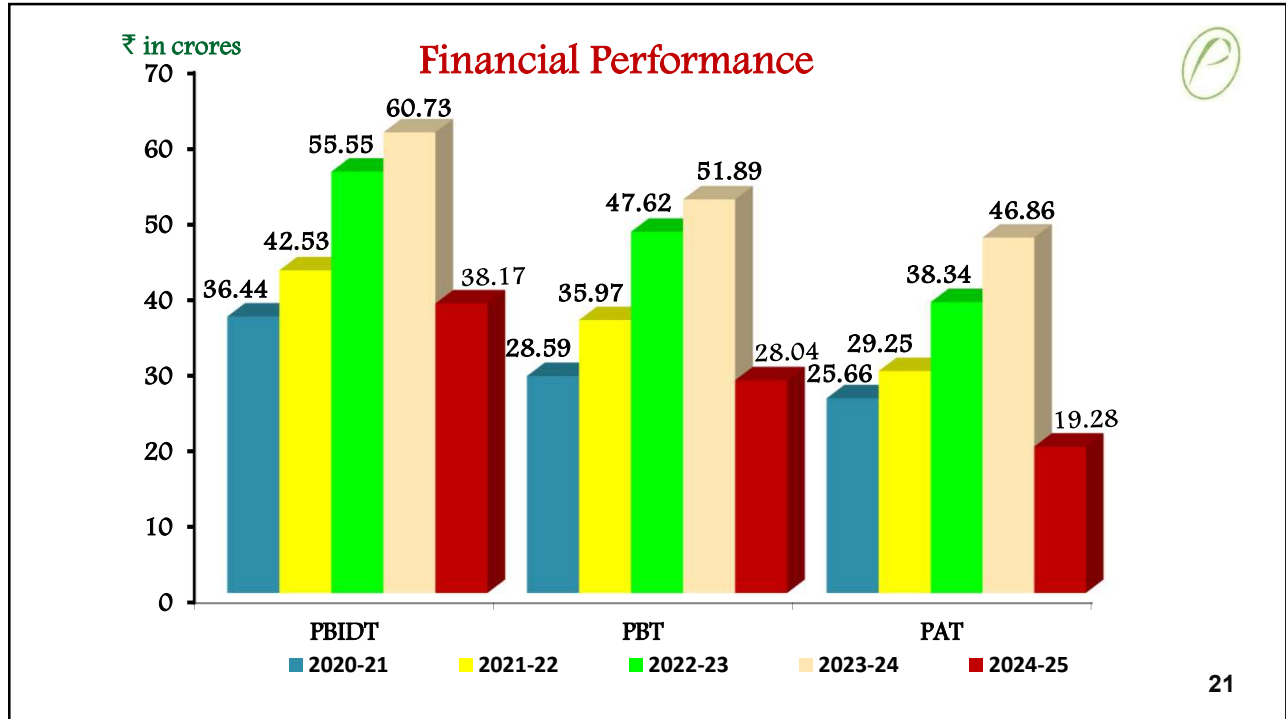
SEGMENT SHOW (₹ Lakhs) 

Description	Sugar		Cogen	
	2024-25	2023-24	2024-25	2023-24
Total Revenue	28362	34795	8083	7951
PBIDT	1789	3136	1940	2367
PBT	1217	2684	1504	1948

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(₹ Crores) 

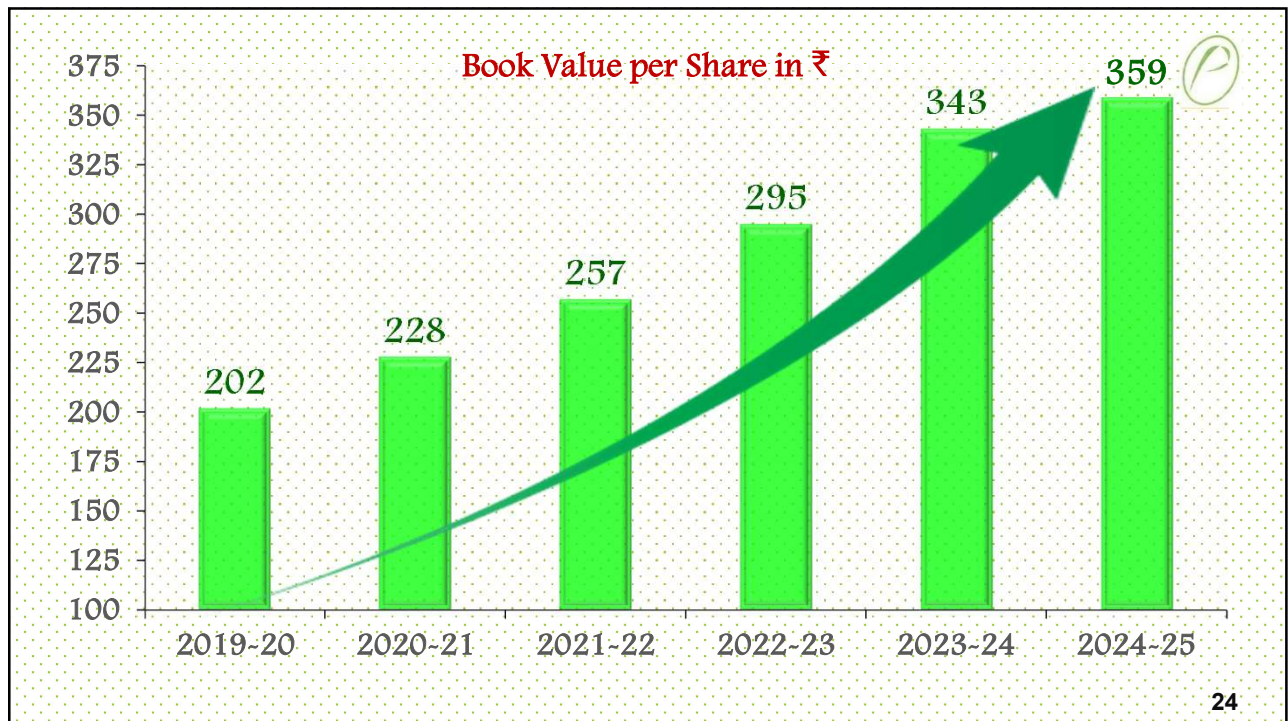
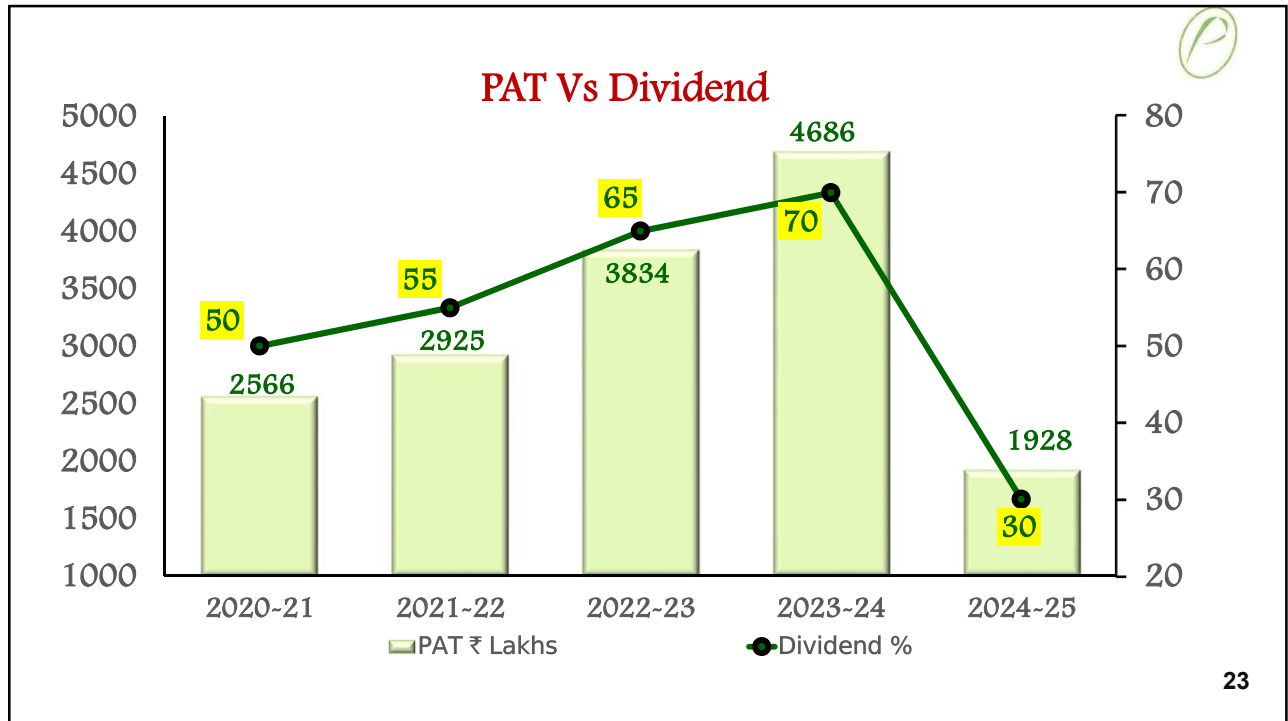
FINANCIAL HIGHLIGHTS	Financial Year	
	2025	2024
Total Revenue	371	439
PBIDT	38	61
PBT	28	52
PAT	19	47

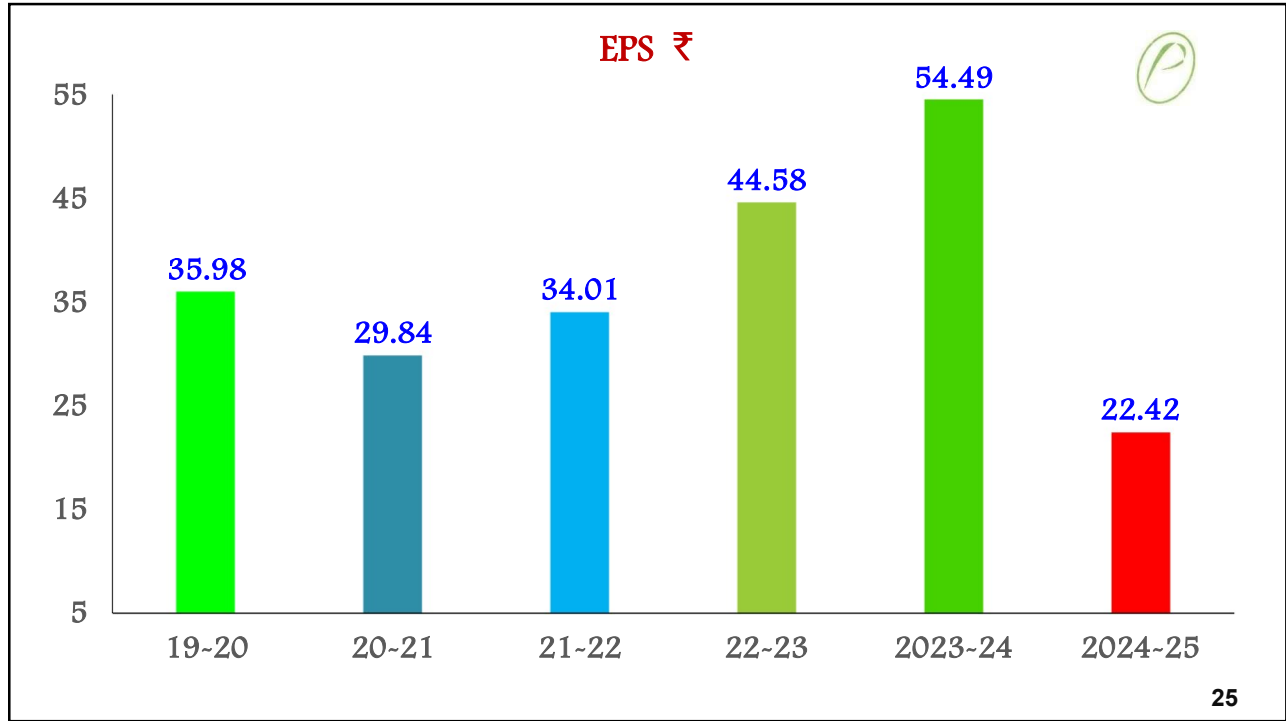


**MAJOR VARIANCE
FY'25 AGAINST FY'24**

(₹ Crores)

Cane Volume	(-)	20.5
Recovery	(-)	9.1
Market	+	8.5
Financial	(-)	4.5
Others	+	1.7
Total	(-)	23.9





FY'25 HIGHLIGHTS – QUARTERWISE

PARTICULARS	Q-I	Q-II	Q-III	Q-IV	TOTAL FY 2025
Cane crushed (t)	86147	244369	166291	184899	681706
Recovery (%)	8.93	8.87	8.59	10.21	9.17
Total Income (₹ Lakhs)	6039	9810	11666	9626	37141
Sugar Price (₹ /Qtl)	3893	3949	3734	3963	3861
Cane Cost (₹ / t)	3594	3385	3645	3907	3616
PBIDT (₹ Lakhs)	325	1619	508	1365	3817
PBT (₹ Lakhs)	93	1378	261	1072	2804

Positive PBT for 25 consecutive quarters

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Outlook
FY 2025-26

- ❖ Continuing stress in cane
- ❖ Recovery to marginally rebound
- ❖ Buoyancy in molasses price to stay
- ❖ Sugar margins to remain squeezed
- ❖ Cashflow – Positive
- ❖ Fundamentals - Strong

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