



Notice to Shareholders

NOTICE is hereby given that the THIRTY SIXTH (36TH) ANNUAL GENERAL MEETING of the Members of BANNARI AMMAN SUGARS LIMITED ("the Company") will be held on Wednesday the 2nd day of September 2020 at 3.30 PM through Video Conferencing (VC)/Other Audio Visual Means (OAVM) to transact the following businesses:

Ordinary Business

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

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

RESOLVED that the audited financial statements of the company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon as circulated to the members be and are hereby adopted.

2. Declaration of Dividend

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

RESOLVED that a dividend at the rate of Rs.10/- (Rupees ten only) per equity share as recommended by the Board of Directors be and is hereby declared on 1,25,39,700 equity shares of Rs.10/- each for the year ended March 31, 2020 and that the same be paid to the members whose names appeared in the Register of Members of the company as on 2nd September, 2020 and in the Register of beneficial owners maintained by the depositories as at the close of business hours on 26th August, 2020.

3. Appointment of Director who retires by rotation

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

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

Special Business

4. Re-appointment of Dr Radha Ramani as Independent Director

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

RESOLVED that pursuant to the provisions of Sections 149,152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) and other applicable regulations of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) Dr Radha Ramani (DIN: 07083381) who was appointed as an Independent Director at the 31st Annual General Meeting of the Company and holds such office upto 22nd September, 2020 and who is eligible for re-appointment on passing of Special Resolution be and is hereby re-appointed as an Independent Director of the company, not liable to retire by rotation and to hold office for a second term of 5 (Five) consecutive years from 23rd September, 2020 to 22nd September, 2025

5. Re-appointment of Sri SV Balasubramaniam as Chairman

To consider and if thought fit to pass the following resolutions as **Special Resolutions**:

RESOLVED that pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions if any of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s)) or re-enactment(s) thereof for the time being in force) and Regulation 17(6)(e) and other applicable Regulations if any of SEBI (Listing obligations and Disclosure Requirements)

Regulations 2015 approval of the members be and is hereby accorded to the re-appointment of Sri S V Balasubramaniam (DIN : 00002405) as Chairman of the company with substantial powers of management for a further period of five years with effect from 02.06.2020 on such remuneration and terms as set out in the statement annexed to the notice convening the meeting with the liberty to the Board of Directors (the term "Board" includes Nomination and Remuneration Committee of Directors) to alter or vary the remuneration and terms of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Sri S V Balasubramaniam subject to the same not exceeding the limit specified under Schedule V of the Companies Act 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to do all such acts as may be necessary proper or expedient to give effect to this resolution.

6. Re-appointment of Sri B Saravanan as Managing Director

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

RESOLVED that pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions if any of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s)) or re-enactment(s) thereof for the time being in force) and Regulation 17(6)(e) and other applicable Regulations if any of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 approval of the

members be and is hereby accorded to the re-appointment of Sri B Saravanan (DIN : 00002927) as the Managing Director of the company for a further period of five years with effect from 02.06.2020 on such remuneration and terms as set out in the statement annexed to the notice convening the meeting with the liberty to the Board of Directors (the term "Board" includes Nomination and Remuneration Committee of Directors) to alter or vary the remuneration and terms of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Sri B Saravanan subject to the same not exceeding the limit specified under Schedule V of the Companies Act 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to do all such acts as may be necessary proper or expedient to give effect to this resolution.

7. Ratification of Remuneration payable to Cost Auditor

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

RESOLVED that pursuant to Section 148 and other applicable provisions if any of the Companies Act 2013 and the Rules made there under and pursuant to the recommendations of the Audit Committee of the Board the remuneration of Rs.2,00,000/- (Rupees two lakhs only) (plus applicable GST and out of pocket expenses if any for purpose of audit) payable to Sri M Nagarajan (Membership No.F-6384) Cost Accountant as approved by the Board of Directors for conducting the audit of Cost Accounting Records of the company for the financial year ending 31st March 2021 be and is hereby ratified and confirmed.

Coimbatore
24.06.2020

By order of the Board
C PALANISWAMY
Company Secretary



NOTE

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Item Nos. 4 to 7 to be transacted at the Annual General Meeting as set out in the notice is annexed hereto. Additional information pursuant to applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial standards on General Meetings issued by the Institute of Company Secretaries of India in respect of Directors seeking appointment / re-appointment at this Annual General Meeting is furnished as Annexure to the Notice.
2. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies are being conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 without physical presence of members at common venue. The forthcoming AGM will thus be held through video conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
3. The Members can join the AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, **the facility to appoint proxy to attend and cast vote for the members is not available for this AGM.** Hence attendance slip and proxy forms are not attached to the notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020. Notice of AGM along with the 36th Annual Report is being sent only through electronic mode to those members whose e-mail addresses are registered with the company/depositories. The Notice calling the AGM has been uploaded on the website of the Company at www.bannari.com. The Notice can also be accessed from the websites of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com). The AGM Notice is disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com. Members who have not registered their e-mail addresses so far are requested to register the same to enable the company to send all communications including Annual Report, Notices, Circular etc. in electronic mode.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended) and MCA Circulars dated April 08, 2020, April 13, 2020 and



May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

8. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday 27th August, 2020 to Wednesday 2nd September, 2020 (both days inclusive).
9. Dividend recommended by the Board of Directors, if approved by the Members at the ensuing Annual General Meeting, will be credited / dispatched between 5th September, 2020 and 25th September, 2020 to those members whose names appear on the Register of Members as on 2nd September, 2020. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership furnished by the National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as at the close of business hours on 26th August, 2020.
10. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants (DPs). The address/ bank mandate as furnished to the Company by the respective Depositories Viz., NSDL and CDSL will be printed on the dividend warrants. Members holding shares in physical form are requested to inform the changes in address/mandate/bank details directly to the Registrar and Share Transfer Agent. Members who have not furnished the details of bank accounts so far are requested to furnish the details to their respective DPs or to the Registrar and Transfer Agent as the case may be to enable the company to make dividend payments.
11. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting to the Company Secretary.
12. The Company has transferred the unpaid or unclaimed dividends upto the financial year 2011-2012 to the Investor Education and Protection Fund (the IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 12th September, 2019 (date of last Annual General Meeting) on the website of the Company (www.bannari.com) and also on the website of the Ministry of Corporate Affairs www.iepf.gov.in.
13. As required under section 124(6) read with IEPF Rules as amended, all the shares in respect of which dividend remains unpaid / unclaimed for seven consecutive years have been transferred to IEPF Authority.
14. The notice of AGM and Annual Report 2019-20 will be available on the Company's website at the link: <https://www.bannari.com/investorinformation.html>.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER

- 1) The voting period begins on 29th August, 2020 at 9.00 am and ends on 1st September 2020 at 5.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 26th August 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 2) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- 3) The shareholders should log on to the e-voting website www.evotingindia.com.
- 4) Click on "Shareholders" module.



- 5) Now enter your User ID
 - i) For CDSL: 16 digits beneficiary ID,
 - ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - iii) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 6) Next enter the Image Verification as displayed and Click on Login.
- 7) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 8) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction.

- 9) After entering these details appropriately, click on "SUBMIT" tab.
- 10) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 11) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 12) Click on the Electronic Voting Sequence Number (EVSN) relevant for "BANNARI AMMAN SUGARS LIMITED" on which you choose to vote.
- 13) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 14) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 15) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- 16) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - 17) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
 - 18) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - 19) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
 - 20) Note for Non - Individual Shareholders and Custodians:
 - ❖ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - ❖ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - ❖ After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - ❖ The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ❖ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available

at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE

1. For Physical shareholders, please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.
3. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders /members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the Electronic Voting Sequence Number (EVSN) of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.



4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. **Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number through company email id shares@bannari.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number through shares@bannari.com. These queries will be replied to by the company suitably by email.**
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-

Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

SCRUTINIZER AND RESULTS

- 1) M/s C Thirumurthy & Associates, Company Secretaries, have been appointed as the Scrutinizer to Scrutinize the e-voting process in a fair and transparent manner.
- 2) The Scrutinizer shall immediately after the conclusion of AGM unblock the votes casted through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report forthwith to the Chairman of the Company.
- 3) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.bannari.com and on the website of CDSL www.cdslindia.com immediately after the result is declared by the company and communicated to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4

Dr Radha Ramani (DIN: 07083381) was appointed as Independent Director of the company at the 31st Annual General Meeting of the company held on 23rd September, 2015 for a consecutive period of five years (first term) and she holds office as Independent Director of the Company upto 22nd September, 2020.

Pursuant to the provisions of Section 149 (10) read with 149(11) of the Companies Act, 2013, the Independent Director may hold office for two consecutive term of 5 (five) consecutive years each. She is eligible for re-appointment upon completion of the first term on passing of special resolutions by the company and disclosure of such appointment in the report of the Board of Directors. She shall meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board of Directors, the aforesaid Director fulfill the conditions laid down in the Companies Act 2013 read with rules made there under and other applicable regulations.

Dr Radha Ramani is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and given her consent to act as Director. The company has also received declaration from the aforesaid Director that she met the criteria of independence as prescribed in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The Nomination and Remuneration Committee on the basis of the report of the performance evaluation of Independent Directors, has recommended the re-appointment of Dr Radha Ramani as Independent Woman Director for a second term of 5 (five) consecutive years on the Board of Directors of the company. The above Independent Director of the company is not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board i.e. from 23rd September, 2020 to 22nd September, 2025.

The Board of Directors based on the performance evaluation of the above Independent Director and as per the recommendation of the Nomination and Remuneration Committee and considering the experience and contribution made by the above Director during her tenure recommended the proposal of re-appointment of above Independent Director.

The Board also felt that the core skills / expertise / competencies of the above Independent Director would be required for the Company in the context of its businesses and sector to function effectively.

Pursuant to Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Dr. Radha Ramani, aged 71 years would continue to hold her Directorship even after attaining the age of 75 years. Her continuation is justified by the Board. In the opinion of the Board her continued association would be beneficial to the company.

The Board recommends the Special Resolutions set out in Item No.4 of the notice for the approval of shareholders.

Copy of the draft letter of re-appointment setting out the terms and conditions are available for inspection by the members at the registered office of the company and at the companies website www.bannari.com.

Except Dr Radha Ramani none of the other Directors/Key Managerial Personnel of the company or their relatives are in any way concerned or interested in the proposed special resolutions.

Item No.5

The Board of Directors at its meeting held on 27.05.2020 has re-appointed Sri S V Balasubramaniam as Chairman of the Company with substantial powers of management for a further period of five years with effect from 02.06.2020 on the recommendation of Nomination and Remuneration Committee.



Sri S V Balasubramaniam aged 80 years has more than 55 years experience in sugar industry He was the President of South Indian Sugar Mills Association (SISMA) Tamilnadu and Karnataka and was the President of the Indian Sugar Mills Association (ISMA) Sri S V Balasubramaniam has been actively involved in the affairs of the company right from incorporation of the company and served as the Managing Director from 09.10.1985 till 01.06.2010 and thereafter as the Chairman of the company with substantial powers of management. The company has achieved substantial growth under his leadership Considering his experience and involvement in the affairs of the company the Nomination and Remuneration Committee has recommended the re-appointment of Sri S V Balasubramaniam as the Chairman with substantial powers of Management for a further period of five years with effect from 02.06.2020.

The remuneration and terms of re-appointment of Sri S V Balasubramaniam are as under:

SALARY

Rs.6,00,000/- per month (Rupees Six Lakhs) only.

PERQUISITES:

As may be decided by the Board of Directors of a value not exceeding annual salary.

COMMISSION

3% (three percent) commission on the net profits of the company, subject to the maximum ceiling specified in Section I of Part II of Schedule V to the Companies Act, 2013.

In the case of absence or inadequacy of profits for any financial year, Sri S V Balasubramaniam shall be paid remuneration in accordance with Section II of Part II of Schedule V of the Companies Act, 2013.

The company's contribution to Provident Fund, Superannuation or annuity fund to the extent these singly or put together are not taxable under the Income Tax Act, gratuity payable and encashment of leave at the end of the tenure as per the rules of the company shall not be included for the purpose of computation of the overall ceiling of remuneration.

Pursuant to the provisions of the Sections 196, 197, 203 and Schedule V and other applicable provisions if any of the Companies Act 2013 and Rules made thereunder the re-appointment of Sri S V Balasubramaniam as Chairman shall be subject to the approval of members by special resolution. More over pursuant to Regulation 17(6) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in case of annual remuneration payable to executive directors who are promoters or members of the promoter group exceeds Rs.5 Crores or 2.5 % of the net profits of the company whichever is higher requires Special Resolution in General Meeting. Sri S V Balasubramaniam is the promoter of the Company. Hence, necessary special resolutions are placed before the members for their approval.

Sri S V Balasubramaniam has affirmed that he is not debarred from holding office of Director by virtue of any SEBI order or any such authority and not disqualified from being appointed as Chairman of the company with substantial powers of Management.

The Board recommends the Special Resolutions set out in Item No.5 of the notice for the approval of shareholders.

None of the Directors, Key Managerial Personnel or their relatives except Sri S V Balasubramaniam and Sri B Saravanan is in any way concerned or interested in the proposed special resolutions.

Item No.6

The Board of Directors at its meeting held on 27.05.2020 has re-appointed Sri B Saravanan as the Managing Director of the Company for a further period of five years with effect from 02.06.2020 on the recommendation of Nomination and Remuneration Committee.

Sri B Saravanan aged 47 years has more than 20 years experience in sugar industry Considering his experience and involvement in the affairs of the company the Nomination and Remuneration Committee has recommended the re-appointment of Sri B Saravanan as Managing Director for a further period of five years with effect from 02.06.2020

The remuneration and terms of re-appointment of

Sri B Saravanan are as under:

SALARY

Rs.5,00,000/- per month (Rupees Five Lakhs) only.

PERQUISITES

As may be decided by the Board of Directors of a value not exceeding annual salary.

COMMISSION

2% (two percent) commission on the net profits of the company, subject to the maximum ceiling specified in Section I of Part II of Schedule V to the Companies Act, 2013.

In the case of absence or inadequacy of profits for any financial year, Sri B Saravanan shall be paid remuneration in accordance with Section II of Part II of Schedule V of the Companies Act, 2013.

The company's contribution to Provident Fund, Superannuation or annuity fund to the extent these singly or put together are not taxable under the Income Tax Act, gratuity payable and encashment of leave at the end of the tenure as per the rules of the company shall not be included for the purpose of computation of the overall ceiling of remuneration.

Sri B Saravanan is also the Managing Director of M/s Shiva Distilleries Private Limited His remuneration is subject to the limits specified in Section V of Part II of Schedule V to the Companies Act 2013.

Pursuant to the provisions of the Sections 196, 197, 203 and Schedule V and other applicable provisions if any of the Companies Act 2013 and Rules made thereunder the re-appointment of Sri B Saravanan as Managing Director shall be subject to the approval of members. More over pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in case of annual remuneration payable to executive directors who are promoters or members of the promoter group exceeds Rs.5 crores or 2.5 % of the net profits of the company whichever is higher or where there is more than

Coimbatore
24.06.2020

one such director, the aggregate annual remuneration to such directors exceeds five per cent of the net profits of the company requires Special Resolution in General Meeting. Sri B Saravanan is a member of promoter group. Hence necessary special resolutions are placed before the members for their approval.

Sri B Saravanan has affirmed that he is not debarred from holding office of Director by virtue of any SEBI order or any such authority and not disqualified from being appointed as Managing Director.

The Board recommends the Special Resolutions set out in Item No.6 of the notice for the approval of shareholders.

None of the Directors Key Managerial Personnel or their relatives except Sri S V Balasubramaniam and Sri B Saravanan is in any way concerned or interested in the proposed special resolutions.

Item No.7

The Board of Directors on the recommendation of the Audit Committee has approved the appointment of Sri M Nagarajan Cost Accountant as Cost Auditor to conduct audit of cost records of the company for the financial year ending March 31, 2021 and fixed his remuneration at Rs.2,00,000/- (Rupees two lakhs only) plus reimbursement of actual out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules 2014 the remuneration payable to the cost auditor has to be ratified by the members of the company.

Accordingly, consent of the shareholders is sought for passing an ordinary resolution as set out at Item No. 7 of the notice. The Board recommends the Ordinary Resolution set out in Item No.7 of the notice for the approval of the shareholders.

None of the Directors Key Managerial Personnel or their relatives is in any way concerned or interested in the proposed ordinary Resolution.

By order of the Board
C PALANISWAMY
Company Secretary



In terms of Regulation 36(3) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 read with Secretarial Standard on General Meeting a brief profile of the Directors proposed to be re-appointed is given below:

Dr Radha Ramani

Dr Radha Ramani (DIN 07083381) aged 71 years is a Doctor in profession and she has more than 48 years experience in implementing and administering social philanthropic projects.

She is a Member of Corporate Social Responsibility Committee of Bannari Amman Sugars Limited.

She does not hold any equity shares in the company and she is not related to any of the Directors

Sri S V Balasubramaniam

Sri S V Balasubramaniam (DIN 00002405) aged 80 years has been the Managing Director of the company since 09.10.1985 and he was designated as the Chairman of the company with substantial powers of management with effect from 02.06.2010. He has more than 55 years experience in sugar industry. He was the President of South Indian Sugar Mills Association (SISMA) Tamil Nadu and Karnataka and was President of Indian Sugar Mills Association.

He is the Chairman of following private companies viz (1) Annamallai Enterprise (P) Ltd (2) Annamallai Estates (P) Ltd (3) Bannari Amman Enterprises (P) Ltd (4) Bannari Amman Exports (P) Ltd (5) Bannari Amman Finance (P) Ltd (6) Bannari Enterprises (P) Ltd (7) BIT Techno Products (P)

Ltd (8) Kandiamman Enterprise (P) Ltd (9) Kerala Alcoholic Products (P) Ltd (10) Kumaraguru Enterprise (P) Ltd (11) Mehru Enterprises (P) Ltd (12) Mylvagana Enterprises (P) Ltd (13) Shiva Cargo Movers (P) Ltd (14) Shiva Distilleries (P) Ltd (15) Shiva Hi-Tech Infrastructure (P) Ltd (16) Soundaram Enterprise (P) Ltd (17) SVB Enterprise (P) Ltd (18) SVB Holdings (P) Ltd and (19) Velmuruga Enterprises (P) Ltd. He is a member of Corporate Social Responsibility Committee Risk Management Committee and Stakeholders' Committee of Bannari Amman Sugars Limited.

He holds 1056232 equity shares in the company and he is related to Sri B Saravanan Managing Director of the company as father.

Sri B Saravanan

Sri B Saravanan (DIN 00002927) aged 47 years was appointed as Joint Managing Director of the company from 05.07.2000. He is the Managing Director of the company with effect from 02.06.2010, He is in-charge of the entire operations of the company. He has more than 20 years experience in sugar industry.

He is also the Managing Director of Shiva Distilleries (P) Limited and Director of (1) Bannari Amman Exports (P) Ltd, (2) BIT Techno Products (P) Ltd, (3) Kerala Alcoholic Products (P) Ltd, (5) Shiva Cargo Movers (P) Ltd and (6) SVB Holdings (P) Ltd.

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

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

Note: The details of number of Board Meetings attended, remuneration paid etc., are available in the Annexures to Directors' Report.