



PONNI SUGARS (ERODE) LIMITED

Regd. Office: ESVIN House, No.13, Rajiv Gandhi Salai (OMR)
Perungudi, Chennai 600 096
Phone : 39279300 Fax : 24960156
E-mail : admin@ponnisugars.com Website : www.ponnisugars.com



PEL / SH / 82

30th May 2012

National Stock Exchange of India Ltd
Exchange plaza
5th Floor, Flat No.C / 1 G Block
Bandra-Kurla Complex
Bandra East, Mumbai 400 051
Fax No.022 26598237 / 26598238

Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400001
Fax No.022 22723121

Dear Sirs,

Re: Business transacted at the Board meeting held on 30-05-2012

In continuation of our letter No.PEL/SH/79 dt.10-05-2012 we wish to state that the Board of Directors of the Company at their meeting held on 30-05-2012 have transacted, among other business, the following:

1. Approval of Annual Accounts

The Board of Directors have approved the audited annual accounts for the financial year ended 31.03.2012. We furnish below the relevant particulars in compliance with clause 20 of the Listing Agreement.

Financial Results

		(Rs lakhs)	
		Year ended 31-03-2012	Year ended 31-03-2011
1	Turnover	26562	26948
2	Other Income	109	327
3	Profit Before Interest & Depreciation	3272	1810
4	Interest	119	148
5	Depreciation	329	309
6	Exceptional items	212	(1411)
7	Profit Before Tax	2612	2764
8	Provision for taxation	833	903
9	Net Profit	1779	1861

2. Dividend

The Board of Directors have recommended a dividend of Rs.2.50 (Rupees Two and Paise Fifty) per Equity share for the financial year 2011-12.

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The Dividend, if approved by the Members at the Annual General Meeting to be held on 20th July 2012, will be paid on 06.08.2012.

3. Compliance of Clause 41

In deference to Clause 41 of the Listing Agreement, we send herewith a copy of Audited Financial Results for the year ended 31st March 2012, which were approved by the Board of Directors and signed by the Managing Director together with a copy of Auditors' Report on the financial statements.

4. Book closure

The 16th Annual General Meeting of the Company will be held on Friday the 20th July 2012. Pursuant to Section 154 of the Companies Act, 1956 the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday the 18th July 2012 to Friday the 20th July 2012 (both days inclusive) for the purpose of 16th AGM and for payment of dividend recommended for the financial year 2011-12.

We hereby declare that all securities received for transfer one month prior to this intimation have been transferred and dispatched or electronic credit arranged in the Depository Participant Account of the transferees as applicable.

We hereby undertake that the securities pending for transfer will be transferred and dispatched/ electronic credit arranged within a period of one month from the date of receipt.

Thanking you

Yours truly



N Ramanathan
Managing Director

Encl: As above



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Investor Grievance ID: investor@ponnisugars.com

Statement of Audited Results for the Quarter and Year Ended 31-03-2012					Rs.Lacs	
Particulars	3 months ended			Year ended		
	3/31/2012	12/31/2011	3/31/2011	3/31/2012	3/31/2011	
1 Income from Operations						
(a) Net sales/ Income from Operations (Net of excise duty)	6156	9964	4118	26562	26948	
(b) Other operating income	141	32	34	331	81	
Total income from operations (net)	6297	9996	4152	26893	27029	
2 Expenses						
(a) Cost of materials consumed	4871	5887	4875	17144	19722	
(b) Changes in inventories of finished goods and work in progress	(789)	1557	(1933)	2079	2345	
(c) Employee benefits expense	271	290	306	1100	1056	
(d) Depreciation and amortisation expense	79	83	79	329	309	
(e) Other expenses	1174	950	779	3407	2423	
Total Expenses	5606	8767	4106	24059	25855	
3 Profit from operations before other income, finance costs and exceptional items (1-2)	691	1229	46	2834	1174	
4 Other income	2	3	31	109	327	
5 Profit from ordinary activities before finance costs but before exceptional items (3+4)	693	1232	77	2943	1501	
6 Finance Costs	66	15	18	119	148	
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	627	1217	59	2824	1353	
8 Exceptional items	212	0	0	212	(1411)	
9 Profit from ordinary activities before tax (7-8)	415	1217	59	2612	2764	
10 Tax expense	137	391	(41)	833	903	
11 Net Profit for the period (9-10)	278	826	100	1779	1861	
12 Paid-up Equity Share Capital (Face value Rs.10 per share)	860	860	860	860	860	
13 Reserves excluding Revalutaion Reserve	10294	10266	8765	10294	8765	
14 Earnings per share (Rs)						
Basic and Diluted	3.23	9.61	1.16	20.69	21.64	
15 (a) Public shareholding						
- Number of Equity Shares	4918020	4918020	4675280	4918020	4675280	
- Percentage of shareholding	57.20	57.20	54.37	57.20	54.37	
(b) Promoters and Promoter Group Shareholding						
a) Pledged/ Encumbered						
b) Non-encumbered						
- Number of Equity Shares	3680398	3680398	3923138	3680398	3923138	
- Percentage of total Promoters and Promoter Group Shareholding	100	100	100	100	100	
- Percentage of Total Share Capital of Company	42.80	42.80	45.63	42.80	45.63	



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Statement of Assets and Liabilities (Audited as at 31st March)

	Particulars	2012	2011		Particulars	2012	2011
A	EQUITY AND LIABILITIES			B	ASSETS		
1	Shareholders' funds			1	Non-current assets		
	(a) Share capital	860	860		(a) Fixed assets	12834	4917
	(b) Reserves and surplus	10294	8765		(b) Non-current investments	2079	829
	Sub-total - Shareholders funds	11154	9625		(c) Other non-current assets	53	1834
2	Non-current liabilities				Sub-total Non-current assets	14966	7580
	(a) Long-term borrowings	3677	855	2	Current assets		
	(b) Deferred Tax liabilities (Net)	805	834		(a) Inventories	4694	6659
	Sub-total - Non-current liabilities	4482	1689		(b) Trade receivables	1185	352
3	Current liabilities				(c) Cash and Bank balances	69	172
	(a) Short-term borrowings	1151	0		(d) Short-term loans and advances	486	419
	(b) Trade payables	3206	2956		(e) Other current assets	1360	939
	(c) Other current liabilities	1602	1262		Sub-total-Current assets	7794	8541
	(d) Short-term provisions	1165	589		TOTAL - ASSETS	22760	16121
	Sub-total-Current liabilities	7124	4807				
	TOTAL EQUITY AND LIABILITIES	22760	16121				

Notes:

- The Board has recommended a dividend of Rs.2.50 per Equity Share for 2011-12
- The Company is engaged in single segment, viz, Sugar, the production of which is seasonal in nature
- Figures for the last quarter are the difference between the audited figures for the full financial year and the published figures for nine months period upto the third quarter of relevant financial year.
- Figures for the previous periods have been regrouped and reclassified as per the revised format of SEBI in line with the amended Schedule VI to Companies Act, 1956, wherever necessary.
- The Company has no extra-ordinary item to report for the above periods.
- Number of Investor complaints for the quarter ended 31-03-2012: Beginning-Nil, Received-Nil, Disposed-Nil and Pending-Nil.
- The above results were reviewed by the Audit Committee and approved by the Board of Directors at the respective meetings held on 30-05-2012.

For Ponni Sugars (Erode) Ltd

N.Ramanathan
Managing Director

Chennai
30.05.2012

M/s Maharaj N R Suresh & Co
Chartered Accountants

M/s R Subramanian And Company
Chartered Accountants

**Auditor's Report on Annual Financial Results of Ponni Sugars (Erode) Ltd
(Pursuant to the Clause 41 of the Listing Agreement)**

To
Board of Directors
Ponni Sugars (Erode) Ltd
ESVIN House
13 Old Mahabalipuram Road
Perungudi
Chennai 600 096

We have audited the Annual financial results of Ponni Sugars (Erode) Limited for the year ended 31st March 2012 attached herewith, being submitted by the company pursuant to the requirement of Clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These financial results are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of the financial statements, which have been prepared in accordance with applicable Accounting Standards and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

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M/s Maharaj N R Suresh & Co
Chartered Accountants

M/s R Subramanian And Company
Chartered Accountants

In our opinion and to the best of our information and according to the explanations given to us these annual financial results:

- (i) are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the year ended 31st March 2012.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of non promoter shareholdings, as furnished by the company in terms of Clause 35 of the Listing Agreement and found the same to be correct.

For Maharaj N R Suresh & Co
Chartered Accountants



Name: N R Suresh
Partner
Membership No. 21001

For R Subramanian And Company
Chartered Accountants



Name: A Ganesan
Partner
Membership No. 21438

Place: Chennai
Date: 30-05-2012



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PRESS RELEASE

Audited Financial Results for FY 2011-12

Ponni Sugars has come out with a creditable financial performance for FY 2011-12. Its profit before exceptional items more than doubled for the year.

Cane volume rose by 19% relying solely on command area cane and with little recourse to outsourced cane. Sugar production could be nearly maintained at last year level despite discontinuance of raw sugar import that was no longer viable. Most significantly, sugar recovery recorded a robust rebound from its exceptionally low level in the preceding year. In fact, sugar recovery touched an all-time high of 11.9% on two days in March 2012.

Domestic sugar prices were under stress but their further slide was arrested due to opening up of exports. Global sugar prices for a change provided a premium over domestic sugar price that considerably rewarded Indian exporters. The Company did direct export of 17% of its free-sale sugar.

Molasses price demonstrated a devastating downward spiral for eight successive quarters. Other income fell sharply in the absence of exchange gains and interest earning on surplus funds. Despite cost adversaries, the Company could protect its net margin on the strength of increased cane volume, improved sugar recovery and higher export realization.

Summary of Financial Results

	2011-12	2010-11
	(Rs crores)	
Turnover	265.62	269.48
Profit before Exceptional Items	28.24	13.53
Profit Before Tax	26.12	27.64
Profit After Tax	17.79	18.61

In sum, the PBT and PAT figures compare quite favourably with the previous year, more so when the previous year had the benefit of boost dose of exceptional income.

The Board of Directors have recommended a dividend of Rs.2.50 per share for FY 2011-12. This on declaration at the AGM scheduled for 20th July 2012 would be paid by 6th August 2012.

The Cogeneration Project scheduled for commissioning during Q4FY 2012 has suffered a time overrun. This is now targeted for completion during Q1FY 2013. Power production in this would commence on resuming crushing operations during July 2012. It is however comforting that Project cost could be contained within original estimate of Rs.110 crores.

Cane volumes could be under stress for FY 2012-13 due to insufficient monsoon in our region and acute power shortage impeding water drawal from river to irrigate cane crop. Global and Indian sugar production would witness surplus that would in turn keep sugar prices in check. All these would exert considerable pressure on our operating margin. Sugar sector policy reforms are anxiously awaited to unshackle the industry and strengthen its viability. In addition, revenues from the new Cogen facility should help the Company combat adversaries and maintain a reasonable profit performance for FY 2012-13.
