



# PONNI SUGARS (ERODE) LIMITED

CIN : L15422 TN1996 PLC037200

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PEL: SH: 214

November 18, 2015

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

BSE Ltd  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai 400 001

Attention: Listing Department

Dear Sirs,

## **Sub: Information under Clause 36 of the Equity Listing Agreement**

The Press Information Bureau – Government of India has announced the decision of the Cabinet Committee on Economic Affairs (CCEA) of 18<sup>th</sup> November 2015 on direct subsidy to sugarcane growers.

Having regard to the sustained surpluses in sugar production over consumption during the last five years and consequent depressed profitability and stressed liquidity position of the sugar industry, the Central Government has been coming forward from time to time with diverse initiatives for helping the industry and in turn the sugarcane farmers. In furtherance of this, the CCEA has now decided to provide a production subsidy at Rs.45 per tonne of cane crushed. This subsidy will be paid directly to farmers on behalf of the sugar mill and be adjusted against the cane price payable to the farmers towards the Fair & Remunerative Price (FRP) including arrears relating to previous years.

The FRP for sugarcane in the case of our company for 2015/16 sugar season is Rs.2372.60 per tonne. As against this, the Central Government would directly bear the burden of Rs.45 per tonne and to that extent the company will benefit by reduced cane cost and improved cash flow.

This information is furnished pursuant to Clause 36 of the Equity Listing Agreement.

Thanking you

Truly yours

N Ramanathan  
Managing Director