



PONNI SUGARS (ERODE) LIMITED

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PEL: SH: 7

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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

Dear Sirs,

Sub: State Advised Price for Sugarcane for 2015-16 season

As per Press Release No.017 dt.11th January 2016, the Government of Tamil Nadu has announced State Advised Price (SAP) for sugarcane for 2015-16 season at Rs.2850 per tonne including transport charge of Rs.100 per tonne. This is Rs.550 per tonne above the Fair & Remunerative Price (FRP) for the season and Rs.200 per tonne above the SAP of 2014-15 season.

While SAP is recommendatory in nature in the State of Tamil Nadu, private mills have been following SAP till 2012-13 season. However private mills including our company have expressed their inability to pay cane price at SAP level since 2013-14 season due to depressed sugar prices. They have indeed been persistently pleading with the State Government for introducing a Revenue Sharing Formula for rationalizing cane price like Karnataka and Maharashtra.

While the announcement of SAP which is recommendatory has brought no new negatives, failure to realign cane price to sugar prices continues to pose formidable challenge for the smooth functioning of private mills in Tamil Nadu.

This information is furnished in deference to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you

Yours truly

N Ramanathan
Managing Director