



# Empee Sugars and Chemicals Limited

Administrative Office : "Empee Tower" 59, Harris Road, Pudupet, Chennai - 600 002.

Tel : 91-44-28531111 Fax : 91-44-28555163 Web : www.empeegroup.co.in

CIN: L24110AP1988PLC009291

30.05.2018

The Dept. of Corporate service  
Bombay Stock Exchange Ltd  
Mumbai- 400 001

Dear Sir,

**Sub: Outcome of the Board Meeting held on 30<sup>th</sup> May 2018**

This is to inform you about the outcome of the Board of Directors meeting held on 30.05.2018 at the Company's registered office at No. 59, Harris Road, Pudupet, Chennai, as under :

1. The Board has considered and approved the Audited standalone and consolidated Financial statements of the Company for the Quarter / Year ended 31<sup>st</sup> March 2018 subject to shareholders approval in the ensuing AGM.
2. The Board has recommended the re-appointment of M/s. Venkatesh & Co, Chartered Accountants as Statutory Auditors of the Company for FY 2018-19 to be ratified in the ensuing AGM.
3. The Board has appointed M/s. C S Dhanapal & Associates, Practising Company Secretaries as secretarial Auditor of the Company for the FY 2018-19.
4. The Board has appointed M/s . G. Sugumar & Co, Cost Accountants as cost auditor of the Company for the FY 2018-19.
5. The Board has appointed M/s. Ramesh Subramanian & Co., Chartered Accountants, as internal auditor of the Company for the FY 2018-19.

The Meeting started at 4.30 p.m and concluded at 5.15 p.m today. We request you to place the above information on your website.

A copy of the above will be made available on the website of the Company : [www.empeegroup.co.in](http://www.empeegroup.co.in)

Thanking You,

Yours faithfully  
For Empee Sugars and Chemicals Ltd

M.P.Purushothaman  
Chairman & Managing Director



Plant I : Ayyapareddipalem, Naidupet - 524 126, Nellore Dist., Andhra Pradesh.

Tel : (08623) 248150, 248171 Fax : 08623 - 248172

Plant II : Alangulam Road, Edaikal Village, Ambasamudram Taluk, Tirunelveli Dist. - 627 821. Tamil Nadu.

Ph : 04634-293643 Ph : 04634-251711

# EMPEE SUGARS AND CHEMICALS LIMITED

CIN: L24110AP1988PLC009291

Regd. Office : Ayyapareddipalem Village, Naidupet Mandal, Nellore District, Pin Code- 524 126, Andhra Pradesh

## STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2018

| PART I |   | Standalone              |                            |                        |                         |                        | Consolidated           |                        | Rs. in lakhs |
|--------|---|-------------------------|----------------------------|------------------------|-------------------------|------------------------|------------------------|------------------------|--------------|
| S.No.  | Particulars   | Quarter ended           |                            |                        | Year ended              |                        | Year ended             | Year ended             |              |
|        |   | 31.03.2018<br>(Audited) | 31.12.2017<br>(Un-audited) | 31.3.2017<br>(Audited) | 31.03.2018<br>(Audited) | 31.3.2017<br>(Audited) | 31.3.2018<br>(Audited) | 31.3.2017<br>(Audited) |              |
| I      | Revenue from Operations   | 486.31                  | 923.93                     | 1,963.90               | 1,523.42                | 8,294.13               | 1,656.51               | 8,681.63               |              |
| II     | Other Income  | 57.71                   | 0.09                       | 6.69                   | 58.05                   | 44.14                  | 58.05                  | 44.92                  |              |
|        | <b>Total income (I+II)</b>  | <b>544.02</b>           | <b>924.02</b>              | <b>1,970.59</b>        | <b>1,581.47</b>         | <b>8,338.27</b>        | <b>1,714.56</b>        | <b>8,726.55</b>        |              |
| III    | <b>Expenses</b>   |                         |                            |                        |                         |                        |                        |                        |              |
|        | (a) Cost of materials consumed  | 576.08                  | 865.87                     | 2,189.11               | 1,595.21                | 7,908.58               | 1,785.40               | 8,148.14               |              |
|        | (b) Purchases of stock-in-trade   |                         |                            |                        |                         |                        |                        |                        |              |
|        | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 31.48                   | (167.84)                   | 18.19                  | (33.47)                 | 28.54                  | (33.47)                | 28.54                  |              |
|        | (d) Employee benefits expense   | 157.15                  | 127.63                     | 184.44                 | 481.59                  | 546.98                 | 547.98                 | 555.08                 |              |
|        | (e) Finance Cost  | 0.06                    | 0.15                       | 8.25                   | 0.38                    | 46.22                  | 754.93                 | 579.21                 |              |
|        | (f) Depreciation and amortisation expense   | 175.65                  | 175.65                     | 648.51                 | 702.60                  | 772.23                 | 1,017.98               | 1,087.60               |              |
|        | (g) Other expenses  | 872.13                  | 49.18                      | 717.33                 | 991.31                  | 1,017.87               | 1,247.12               | 1,181.70               |              |
|        | <b>Total expenses (IV)</b>  | <b>1,812.55</b>         | <b>1,050.64</b>            | <b>3,765.83</b>        | <b>3,737.62</b>         | <b>10,320.42</b>       | <b>5,319.94</b>        | <b>11,580.27</b>       |              |
| V      | <b>Profit / (Loss) before exceptional items and tax (I-IV)</b>                    | <b>-1,268.53</b>        | <b>-126.62</b>             | <b>-1,795.24</b>       | <b>-2,156.15</b>        | <b>-1,982.15</b>       | <b>-3,605.38</b>       | <b>-2,853.74</b>       |              |
| VI     | Exceptional Items   |                         |                            |                        | (269.21)                | 142.02                 | 269.20                 | 150.02                 |              |
| VII    | <b>Profit / (Loss) before Tax (V-VI)</b>  | <b>-1,268.53</b>        | <b>-126.62</b>             | <b>-1,795.24</b>       | <b>-1,886.94</b>        | <b>-1,840.13</b>       | <b>-3,336.18</b>       | <b>-2,703.72</b>       |              |
| VIII   | Tax Expense   |                         |                            |                        |                         |                        |                        |                        |              |
|        | (1) Current Tax   |                         |                            |                        |                         |                        |                        |                        |              |
|        | (2) Deferred Tax  |                         |                            |                        |                         |                        | (363.00)               | -203.64                |              |
| IX     | <b>Profit / (Loss) for the period from continuing operations (VII - VIII)</b>     | <b>(1,268.53)</b>       | <b>(126.62)</b>            | <b>(1,795.24)</b>      | <b>(1,886.94)</b>       | <b>(1,840.13)</b>      | <b>(2,973.18)</b>      | <b>(2,500.08)</b>      |              |
| X      | <b>Profit / (Loss) from discontinued operations</b>                               |                         |                            |                        |                         |                        |                        |                        |              |
| XI     | Tax Expense of Discontinued Operations  |                         |                            |                        |                         |                        |                        |                        |              |
| XII    | <b>Profit / (Loss) from Discontinued operations (after tax)</b>                   |                         |                            |                        |                         |                        |                        |                        |              |
| XIII   | <b>Profit / (Loss) for the period (IX +XIII)</b>                                  | <b>-1,268.53</b>        | <b>-126.62</b>             | <b>-1,795.24</b>       | <b>-1,886.94</b>        | <b>-1,840.13</b>       | <b>-2,973.18</b>       | <b>-2,500.08</b>       |              |
| XIV    | <b>Other Comprehensive Income</b>   |                         |                            |                        |                         |                        |                        |                        |              |
|        | A (i) Items that will not be reclassified to Profit & Loss                        |                         |                            |                        |                         |                        |                        |                        |              |
|        | (ii) Income-Tax relating to items that will not be reclassified to profit or loss |                         |                            |                        |                         |                        |                        |                        |              |
|        | B (i) Items that will be reclassified to Profit or Loss                           |                         |                            |                        |                         |                        |                        |                        |              |
|        | (ii) Income-Tax relating to items that will be reclassified to profit or loss     |                         |                            |                        |                         |                        |                        |                        |              |
| XV     | <b>Total Comprehensive Income (XIII + XIV)</b>                                    | <b>(1,268.53)</b>       | <b>(126.62)</b>            | <b>(1,795.24)</b>      | <b>(1,886.94)</b>       | <b>(1,840.13)</b>      | <b>(2,973.18)</b>      | <b>(2,500.08)</b>      |              |
| XVI    | Paidup equity share capital (Face value of Rs.10 each)                            | 4,197.29                | 4,197.29                   | 4,197.29               | 4,197.29                | 4,197.29               | 4,197.29               | 4,197.29               |              |
| XVII   | Reserves excluding revaluation reserves   |                         |                            |                        | -55329.26               | -53592.32              | (56,367.71)            | -54,211.11             |              |
| XVIII  | Earnings per equity Share (for continuing operations)                             |                         |                            |                        |                         |                        |                        |                        |              |
|        | (1) Basic   | (3.02)                  | (0.30)                     | (4.28)                 | (4.50)                  | (4.38)                 | (7.08)                 | (5.96)                 |              |
|        | (2) Diluted   | (3.02)                  | (0.30)                     | (4.28)                 | (4.50)                  | (4.38)                 | (7.08)                 | (5.96)                 |              |



## EMPEE SUGARS AND CHEMICALS LIMITED

CIN:L24110AP1988PLC009291

Regd. Office : Ayyapareddipalem Village, Naidupet Mandal, Nellore District, Pin Code- 524 126, Andhra Pradesh

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| PART II  |  | Standalone              |                            |                        |                         |                        |                        |
|----------|--|-------------------------|----------------------------|------------------------|-------------------------|------------------------|------------------------|
|          |  | Quarter ended           |                            |                        | Year ended              |                        | Year Ended             |
|          | Particulars  | 31.03.2018<br>(Audited) | 31.12.2017<br>(Un-audited) | 31.3.2017<br>(Audited) | 31.03.2018<br>(Audited) | 31.3.2017<br>(Audited) | 31.3.2018<br>(Audited) |
| <b>A</b> | <b>PARTICULARS OF SHAREHOLDING</b>   |                         |                            |                        |                         |                        |                        |
| <b>1</b> | <b>Public shareholding</b>   |                         |                            |                        |                         |                        |                        |
|          | - Number of shares   | 13,165,706              | 12,904,136                 | 12,884,136             | 13,165,706              | 12,884,136             | 13,165,706             |
|          | - Percentage of shareholding   | 31.37                   | 30.74                      | 30.70                  | 31.37                   | 30.70                  | 31.37                  |
| <b>2</b> | <b>Promoters and Promoter Group Shareholding</b>   |                         |                            |                        |                         |                        |                        |
|          | a) Pledged / Encumbered  |                         |                            |                        |                         |                        |                        |
|          | - Number of shares   | 20,849,037              | 21,110,607                 | 21,110,607             | 20,849,037              | 21,110,607             | 20,849,037             |
|          | - Percentage of shares (as a % of the total shareholding of promoter and promoter group)     | 72.37                   | 72.62                      | 72.57                  | 72.37                   | 72.57                  | 72.37                  |
|          | - Percentage of shares (as a % of the total share capital of the company)                    | 49.67                   | 50.30                      | 50.30                  | 49.67                   | 50.30                  | 49.67                  |
|          | b) Non - encumbered  |                         |                            |                        |                         |                        |                        |
|          | - Number of shares   | 7,958,157               | 7,958,157                  | 7,978,157              | 7,958,157               | 7,978,157              | 7,958,157              |
|          | - Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group) | 27.54                   | 27.38                      | 27.43                  | 27.54                   | 27.43                  | 27.54                  |
|          | - Percentage of shares (as a % of the total share capital of the company)                    | 18.96                   | 18.96                      | 19.01                  | 18.96                   | 19.01                  | 18.96                  |

### Consolidated Segment wise Revenue, Results and Capital Employed for the quarter and year ended March 31, 2018

| Particulars  | Standalone              |                            |                        | Standalone              |                        | Consolidated           |                        |
|--|-------------------------|----------------------------|------------------------|-------------------------|------------------------|------------------------|------------------------|
|  | Quarter ended           |                            |                        | Year ended              |                        | Year ended             |                        |
|  | 31.03.2018<br>(Audited) | 31.12.2017<br>(Un-audited) | 31.3.2017<br>(Audited) | 31.03.2018<br>(Audited) | 31.3.2017<br>(Audited) | 31.3.2018<br>(Audited) | 31.3.2017<br>(Audited) |
| <b>1. Segment Revenue</b>  |                         |                            |                        |                         |                        |                        |                        |
| (net sales/income from each segment should be disclosed under this head)                   |                         |                            |                        |                         |                        |                        |                        |
| (a) Segment - Sugar  | 488.89                  | 923.80                     | 1,436.99               | 1,430.79                | 1,436.99               | 1,430.79               | 3,617.65               |
| (b) Segment - IAP  | 54.59                   | 0.02                       | 526.91                 | 147.56                  | 526.91                 | 147.56                 | 2,605.78               |
| (c) Segment - Power  | 0.44                    | 0.65                       | -                      | 3.12                    | -                      | 136.21                 | 2,458.18               |
| (d) Unallocated  |                         | 0                          |                        |                         |                        |                        |                        |
| <b>Total</b>   | <b>544.02</b>           | <b>924.27</b>              | <b>1,963.90</b>        | <b>1,581.47</b>         | <b>1,963.90</b>        | <b>1,714.56</b>        | <b>8,681.61</b>        |
| <b>Less: Inter Segment Revenue</b>   |                         |                            |                        |                         |                        |                        |                        |
| <b>Net sales/Income From Operations</b>  | <b>544.02</b>           | <b>924.27</b>              | <b>1,963.90</b>        | <b>1,581.47</b>         | <b>1,963.90</b>        | <b>1,714.56</b>        | <b>8,681.61</b>        |
| <b>2. Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)</b> |                         |                            |                        |                         |                        |                        |                        |
| (a) Segment - Sugar  | (1,394.29)              | 32.53                      | (546.60)               | (1,803.26)              | (546.60)               | -1,803.26              | -1,267.05              |
| (b) Segment - IAP  | 230.95                  | -37.39                     | (202.75)               | 132.30                  | (202.75)               | 132.30                 | 130.47                 |
| (c) Segment - Power  | (105.13)                | -121.61                    | (1,037.65)             | (484.81)                | (1,037.65)             | -1,179.49              | -1,137.96              |
| (d) Unallocated  |                         | 0                          |                        |                         |                        |                        |                        |
| <b>Total</b>   | <b>(1,268.47)</b>       | <b>(126.47)</b>            | <b>(1,787.00)</b>      | <b>(2,155.77)</b>       | <b>(1,787.00)</b>      | <b>(2,850.45)</b>      | <b>(2,274.54)</b>      |
| Less: (i) Interest   | 0.06                    | 0.15                       | 8.24                   | 0.38                    | 8.24                   | 754.93                 | 579.20                 |
| (ii) Other Un-allocable Expenditure net off (loss on sale of Investments)                  |                         |                            |                        |                         |                        |                        |                        |
| (iii) Un-allocable income  |                         |                            |                        |                         |                        |                        |                        |
| <b>Total Profit Before Tax</b>   | <b>(1,268.53)</b>       | <b>(126.62)</b>            | <b>(1,795.24)</b>      | <b>(2,156.15)</b>       | <b>(1,795.24)</b>      | <b>(3,605.38)</b>      | <b>(2,853.74)</b>      |
| <b>3. Capital Employed</b>   |                         |                            |                        |                         |                        |                        |                        |
| (segment assets - segments liabilities)  |                         |                            |                        |                         |                        |                        |                        |
| (a) Segment - Sugar  | 5823.21                 | 5855.59                    | 6264.88                | 5823.21                 | 6264.88                | 5823.21                | 6264.88                |
| (b) Segment - IAP  | 624.32                  | 586.93                     | 685.58                 | 624.32                  | 685.58                 | 624.32                 | 685.58                 |
| (c) Segment - Power  | -5524.60                | -5846.21                   | -5266.53               | -5524.60                | -5266.53               | -5524.60               | -1781.47               |
| (d) Unallocated  | 6278.24                 | 6219.09                    | 6278.24                | 6278.24                 | 6278.24                | 6278.24                | 6278.24                |
| <b>Total</b>   | <b>7201.17</b>          | <b>7015.4</b>              | <b>7,962.17</b>        | <b>7,201.17</b>         | <b>7,962.17</b>        | <b>7201.17</b>         | <b>11447.23</b>        |



## EMPEE SUGARS AND CHEMICALS LIMITED

Regd. Office : Ayyapareddipalem Village, Naidupet Mandal, Nellore District, Pin Code- 524 126, Andhra Pradesh

### Statement of Assets and Liabilities

| Particulars  |   | Standalore          |                     | Consolidated        |                     |
|--------------|---|---------------------|---------------------|---------------------|---------------------|
|              |   | As at<br>31.03.2018 | As at<br>31.03.2017 | As at<br>31.03.2018 | As at<br>31.03.2017 |
| Rs. in Lakhs |   |                     |                     |                     |                     |
| <b>A</b>     | <b>ASSETS</b>                                     |                     |                     |                     |                     |
| 1            | <b>Non-current assets</b>                         |                     |                     |                     |                     |
|              | (a) Property, plant and equipment                 | 36,141.54           | 36,963.82           | 40735.10            | 41872.75            |
|              | (b) Capital work-in-progress                      | -                   | -                   | -                   | -                   |
|              | (c) Intangible assets                             | -                   | -                   | -                   | -                   |
|              | (d) Intangible assets under development           | -                   | -                   | -                   | -                   |
|              | (e) Investments in subsidiaries and joint venture | -                   | 666.57              | -                   | -                   |
|              | (f) Financial assets                              |                     |                     |                     |                     |
|              | i) Investments                                    | -                   | -                   | -                   | -                   |
|              | ii) Loans   | 3,628.20            | 3,358.84            | 3671.80             | 3402.44             |
|              | iii) Other financial assets                       | -                   | -                   | -                   | -                   |
|              | iv) Advance tax assets (net)                      | -                   | -                   | -                   | -                   |
|              | (g) Deferred tax liabilities (net)                | -                   | -                   | 1206.79             | 1206.79             |
|              | (h) Other assets                                  | -                   | -                   | -                   | -                   |
|              | <b>Total non-current assets</b>                   | <b>3,628.20</b>     | <b>4,025.41</b>     | <b>4878.59</b>      | <b>4609.23</b>      |
| 2            | <b>Current assets</b>                             |                     |                     |                     |                     |
|              | (a) Inventories                                   | 1,399.15            | 901.07              | 1908.49             | 1488.32             |
|              | (b) Financial assets                              |                     |                     |                     |                     |
|              | i) Investment                                     | -                   | -                   | -                   | -                   |
|              | ii) Trade receivables                             | 87.98               | 40.03               | 1272.38             | 1153.25             |
|              | iii) Cash and cash equivalents                    | 37.81               | 149.96              | 110.19              | 233.73              |
|              | iv) Bank balances other than (iii) above          | -                   | -                   | -                   | -                   |
|              | v) Loans  | 2,714.71            | 3,132.99            | 2717.62             | 3135.91             |
|              | (c) Current assets (Net)                          | -                   | -                   | -                   | -                   |
|              | (d) Other current assets                          | -                   | -                   | -                   | -                   |
|              | <b>Total current assets</b>                       | <b>4,239.64</b>     | <b>4,224.05</b>     | <b>6008.68</b>      | <b>6011.21</b>      |
|              | <b>TOTAL ASSETS</b>                               | <b>44,009.38</b>    | <b>45,213.28</b>    | <b>51622.37</b>     | <b>52493.19</b>     |
| <b>B</b>     | <b>EQUITY AND LIABILITIES</b>                     |                     |                     |                     |                     |
|              | <b>Equity</b>                                     |                     |                     |                     |                     |
|              | (a) Equity share capital                          | 4,197.29            | 4,197.29            | 4197.29             | 4197.29             |
|              | (b) Other equity                                  | (55,329.26)         | (53,592.32)         | -56367.69           | -54211.09           |
|              | (c) Share Application money Pending Allotment     | 14,036.50           | 14,036.50           | 14036.50            | 14036.50            |
|              | Total equity                                      | (37,095.47)         | (35,358.53)         | -38133.90           | -35977.30           |
|              | <b>LIABILITIES</b>                                |                     |                     |                     |                     |
| 1            | <b>Non-current liabilities</b>                    |                     |                     |                     |                     |
|              | (a) Financial liabilities                         |                     |                     |                     |                     |
|              | i) Borrowings                                     | 49,157.48           | 49,233.87           | 55538.66            | 55494.42            |
|              | ii) Trade payables                                | -                   | -                   | -                   | -                   |
|              | iii) Other financial liabilities                  | -                   | -                   | -                   | -                   |
|              | (b) Provisions                                    | 41.70               | 34.28               | 41.70               | 34.28               |
|              | (c) Deferred tax liabilities (net)                | -                   | -                   | -                   | -                   |
|              | (d) Other non-current liabilities                 | -                   | -                   | -                   | -                   |
|              | <b>Total non-current liabilities</b>              | <b>49,199.18</b>    | <b>49,268.15</b>    | <b>55580.36</b>     | <b>55528.70</b>     |
| 2            | <b>Current Liabilities</b>                        |                     |                     |                     |                     |
|              | (a) Financial liabilities                         |                     |                     |                     |                     |
|              | i) Borrowings                                     | 27051.72            | 27051.72            | 27751.99            | 27648.42            |
|              | ii) Trade payables                                | 4085.03             | 3430.10             | 4165.40             | 3933.54             |
|              | iii) Other financial liabilities                  | -                   | -                   | -                   | -                   |
|              | (b) Provisions                                    | 126.06              | 151.96              | -                   | 342.65              |
|              | (c) Current tax liabilities (net)                 | -                   | -                   | 2132.42             | 685.57              |
|              | (d) Other current liabilities                     | 642.86              | 669.88              | 126.10              | 331.61              |
|              | <b>Total current liabilities</b>                  | <b>31905.67</b>     | <b>31303.66</b>     | <b>34175.91</b>     | <b>32941.79</b>     |
|              | <b>Total liabilities</b>                          | <b>81,104.85</b>    | <b>80,571.81</b>    | <b>89756.27</b>     | <b>88470.49</b>     |
|              | <b>Total equity and liabilities</b>               | <b>44,009.38</b>    | <b>45,213.28</b>    | <b>51622.37</b>     | <b>52493.19</b>     |



## EMPEE SUGARS

### Notes:

1. The above audited financial results for the 4<sup>th</sup> Quarter /Financial year ended 31.03.2018 have been reviewed by the Audit Committee and approved by the Board at its meeting held on 30.05.2018.
2. The company is engaged in sugar, IAP and Power segments and segmental accounts are given in the financial results.
3. The Company was registered under the provisions of Sick Industrial Companies (Special Provisions) Act (SICA), vide case no:69/2011 and since BIFR was abolished in December 2016, and in the place of SICA Insolvency and Bankruptcy Code (IBC) 2016 has been introduced, the Company has filed an application under IBC, before NCLT, Hyderabad. Since excepting IOB loans, all other Bank (IB, BOI, PNB, UBI, OBC, FB, BOM, and AB) loans have been assigned to Edelweiss Asset Reconstruction Company Ltd, Mumbai and for strategic reasons, the Company has withdrawn the IBC application from NCLT, Hyderabad in October 2017.
4. Due to non availability of sugar cane and working capital, the operations of sugar crushing was affected. As against 1,30,000 MT of sugarcane crushed in 2016-17, the Company has crushed 55,000 MT of sugarcane during the financial year 2017-18.
5. The Company had received SARFAESI notices u/s.13(4) of the SARFAESI Act from Indian Bank, Union Bank of India, Punjab National Bank, Indian Overseas Bank, Oriental Bank of Commerce, Bank of India and Andhra Bank to take symbolic possession of the Sugar unit Assets located at Ambasamudaram and since all the above banks except IOB assigned their borrowings aggregating to 92% of total outstanding dues to M/s.Edelweiss Assets Construction Co.Ltd,(EARC) Mumbai in respect of debts pertaining to Ambasamudaram unit, and IB and UBI have also assigned their debts pertaining to Naidupet unit to EARC the said SARFAESI notices have become infructuous.
6. Due to sickness of the Company, since most of the lenders (Banks) as mentioned above, have assigned their debts to ARC except IOB, interest on borrowings from Banks have not been provided for.
7. The share application money received from its holding company ie. Empee Distilleries Ltd from July 2008 to September 2012 towards issue of 0% convertible preference shares could not be issued/allotted due to non-receipt of statutory approvals from SEBI and BSE. In the absence of share allotment, the share application money ought to have been refunded. But since the Company's entire net worth was eroded, the Company was registered under BIFR as a Sick Company



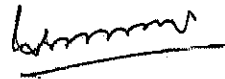
in November 2014 and since BIFR was abolished by GOI, and introduced IBC in its place the Company filed an application under IBC before NCLT, Hyderabad. Owing to assignment of Bank loans as referred in sl. No:5 above, the Company has since withdrawn its application filed before NCLT. The Board of Directors in the meeting held today (30.05.2018) approved to convert the share application money into unsecured loans subject to approval from the shareholders in the forthcoming AGM.

8. Previous period(s) figures have been regrouped wherever necessary for IND AS purpose.

9. Interest on Bank loans has not been provided, since the Banks (excepting IOB) have assigned their outstanding dues to Edelweiss ARC and Agreement with Edelweiss is pending for execution.

Place: Chennai  
Date: 30.5.2018

**For EMPEE SUGARS AND CHEMICALS LTD.**



**Chairman & Managing Director**