



THE ANDHRA SUGARS LIMITED

Registered Office: Venkatarayapuram, TANUKU - 534 215
West Godavari District, (A.P)

Website: www.theandhrasugars.com CIN: L15420AP1947PLC000326

NOTICE TO SHAREHOLDERS

Notice is hereby given that the SEVENTIETH Annual General Meeting of THE ANDHRA SUGARS LIMITED (CIN: L15420AP1947PLC000326) will be held at the Registered Office of the Company, Venkatarayapuram, Tanuku on Saturday 23rd September, 2017 at 3.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Statement of Profit & Loss for the year ended 31st March, 2017 and the Balance Sheet as at that date together with the Reports of Board of Directors and Auditors thereon.
2. To declare Dividend for the year 2016-17.
3. To appoint a Director in place of Sri Mullapudi Narendranath (DIN 00016764) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Sri P. Achutaramayya (DIN 00015065) who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint New statutory Auditors of the Company for a term of five financial years viz 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 from the conclusion of ensuing 70th Annual General Meeting and fix their remuneration for the Financial Year 2017-18.

Present Auditors M/s. Brahmayya & Co., firm (Registration No. 000513S) retire at the conclusion of 70th Annual General Meeting. In order to comply with the provisions of Companies Act, 2013 M/s. K.S. Rao & Co., Chartered Accountants, Hyderabad (Firm Registration No. 0003109S) is being proposed to be appointed as New statutory Auditors.

SPECIAL BUSINESS

6. To Consider and if thought fit to pass with or without modifications the following Resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to the provisions of Sec.148 of the Companies Act, 2013 and other applicable provisions if any and rules made thereunder the Company hereby ratifies the remuneration Rs.5,00,000/- per annum payable to M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad, who were appointed as Cost Auditors by the Board at its meeting held on 27.05.2017 for conducting the Cost Audit for the year 2017-18 in respect of the products viz., Sugar, Food Residues, Electricity, Chemical Elements, In-organic Chemicals and their derivatives, Organic Chemicals and their derivatives, Bulk Drugs, Chemical Fertilizers and their Chemicals-Plastics Polymers".

7. To Consider and if thought fit to pass with or without modifications the following Resolution as a **Ordinary Resolution**.

"RESOLVED THAT pursuant to the provisions of Sections 197 and other applicable provisions of the Companies Act, 2013 (Act) read with Schedule V to the said Act or any statutory modifications or any re-enactment of the Act and such other approvals as may be required Sri Mullapudi Narendranath be and is hereby re-appointed as Joint Managing Director of the Company for a period of five years with effect from 1-1-2018 on the following terms & conditions:-

Sri Mullapudi Narendranath is subject to retirement by rotation during the tenure of his office as Joint Managing Director from 1-1-2018 to 31-12-2022.

1. **Salary :** Rs. 1,50,000/- per month.
2. **Commission :** Upto 1.25% of the net profits of the Company subject to the overall ceiling stipulated in Sections 197 of the Companies Act, 2013
3. **Perquisites:** (i) Housing - if required, free furnished residential accommodation with all facilities and amenities including Gas, Electricity, Water, Furniture/Fittings etc., the monetary value of which may be

evaluated as per Rule 3 of the Income-Tax Rules, 1962. The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be subject to a ceiling of 10% of the Salary. In case where the Company does not provide accommodation, House Rent Allowance shall be paid at the rate of 50% of the Salary. (ii) Medical reimbursement of the expenses incurred for the treatment in India / abroad for self and family, (iii) Leave Travel Concession - for himself and his family as per the rules of the Company, (iv) Club Fees, (v) Personal Accident Insurance, (vi) Provident Fund, Company's contribution towards Provident Fund at 12% of his salary or any rate applicable from time to time, (vii) Superannuation Fund - Company's contribution towards Superannuation Fund as per the rules of the Company, such contribution together with Company's contribution shall not exceed 27% of the salary as laid down under the Income tax Rules, 1962 or such other ceiling as may be prescribed from time to time, (viii) Gratuity - not exceeding ½ a month's salary for each completed year of service, (ix) Leave - entitled to one month's leave, as per the rules of the Company on full pay for every 11 months of service. Encashment of leave at the end of tenure will not be included in computation of ceiling on perquisites, (x) Telephone - one or more free telephone facility at the residence for the use of Company's business, (xi) Car - one or more use of Company's car on Company's business with driver and all expenses of maintenance, repairs and cost of petrol. (provision of Car for use of Company's business and telephone at residence will not be considered as perquisites), (xii) any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time.

The above perquisites including salary and commission shall be subject to the overall ceiling of remuneration stipulated under Section 197 of the Companies Act, 2013 read with Schedule V thereto or any statutory modification thereof.

Company's contribution to Provident Fund and Superannuation Fund and Gratuity payable at the end of the tenure to the extent these either singly or together are not taxable under the Income-tax Act shall not be included in the computation of limits for the perquisites aforesaid.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to alter and vary the terms & conditions of the above salary and perquisites in such manner as may be agreed to between Sri Mullapudi Narendranath, Joint Managing Director and the Board."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year of the Company during the term of his Office as Joint Managing Director, the remuneration and perquisites set out above be paid or granted to Sri Mullapudi Narendranath as minimum remuneration stipulated in Section II of Part II of Schedule V of the said Act or such other amount and perquisites as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

8. To consider and if thought fit, to pass, with or without modification(s), the following as a Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Sections 197 and other applicable provisions of the Companies Act, 2013 (Act) read with Schedule V to the said Act or any statutory modification or any re-enactment of the Act and such other approvals as may be required Sri Mullapudi Thimmaraja be and is hereby re-appointed as Joint Managing Director of the Company for a period of five years with effect from 1-1-2018 on the following terms & conditions:-

Sri Mullapudi Thimmaraja is subject to retirement by rotation during the tenure of his office as Joint Managing Director from 1-1-2018 to 31-12-2022.

1. Salary: Rs. 1,50,000/- per month.

2. Commission: Upto 1.25% of the net profits of the Company subject to the overall ceiling stipulated in Sections 197 of the Companies Act, 2013.

3. Perquisites: (i) Housing - if required, free furnished residential accommodation with all facilities and amenities including Gas, Electricity, Water, Furniture/Fittings etc., the monetary value of which may be evaluated as per Rule 3 of the Income-Tax Rules, 1962. The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be subject to a ceiling of 10% of the Salary. In case where the Company does not provide accommodation, House Rent Allowance shall be paid at the rate of 50% of the Salary. (ii) Medical reimbursement of the expenses incurred for the treatment in India / abroad for self and family, (iii) Leave Travel Concession - for himself and his family as per the rules of the Company,

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(iv) Club Fees, (v) Personal Accident Insurance, (vi) Provident Fund, Company's contribution towards Provident Fund at 12% of his salary or any rate applicable from time to time, (vii) Superannuation Fund - Company's contribution towards Superannuation Fund as per the rules of the Company, such contribution together with Company's contribution shall not exceed 27% of the salary as laid down under the Income tax Rules, 1962 or such other ceiling as may be prescribed from time to time, (viii) Gratuity - not exceeding ½ a month's salary for each completed year of service, (ix) Leave - entitled to one month's leave, as per the rules of the Company on full pay for every 11 months of service. Encashment of leave at the end of tenure will not be included in computation of ceiling on perquisites, (x) Telephone - one or more free telephone facility at the residence for the use of Company's business, (xi) Car - one or more use of Company's car on Company's business with driver and all expenses of maintenance, repairs and cost of petrol. (provision of Car for use of Company's business and telephone at residence will not be considered as perquisites), (xii) any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time.

The above perquisites including salary and commission shall be subject to the overall ceiling of remuneration stipulated under Section 197 of the Companies Act, 2013 read with Schedule V thereto or any statutory modification thereof.

Company's contribution to Provident Fund and Superannuation Fund and Gratuity payable at the end of the tenure to the extent these either singly or together are not taxable under the Income-tax Act shall not be included in the computation of limits for the perquisites aforesaid.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to alter and vary the terms & conditions of the above salary and perquisites in such manner as may be agreed to between Sri Mullapudi Thimmaraja, Joint Managing Director and the Board."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year of the Company during the term of his office as Joint Managing Director, the remuneration and perquisites set out above be paid or granted to Sri Mullapudi Thimmaraja as minimum remuneration stipulated in Section II of Part II of Schedule V of the said Act or such other amount and perquisites as may be provided in the said Schedule XIII as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

9. To consider and if thought fit, to pass, with or without modification(s), the following as a Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 197 and other applicable provisions of the Companies Act, 2013 (Act) read with Schedule V to the said Act or any statutory modification or any re-enactment of the Act and such other approvals as may be required Sri P. Achuta Ramayya be and is hereby re-appointed as Joint Managing Director of the Company for a period of five years with effect from 1-1-2018 on the following terms & conditions".

Sri P. Achuta Ramayya is subject to retirement by rotation during the tenure of his office as Joint Managing Director from 1-1-2018 to 31-12-2022.

1. Salary: Rs. 1,50,000/- per month.

2. Commission: Upto 1.25% of the net profits of the Company subject to the overall ceiling stipulated in Sections 197 of the Companies Act 2013.

3. Perquisites: (i) Housing - if required, free furnished residential accommodation with all facilities and amenities including Gas, Electricity, Water, Furniture/Fittings etc., the monetary value of which may be evaluated as per Rule 3 of the Income-Tax Rules, 1962. The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be subject to a ceiling of 10% of the Salary. In case where the Company does not provide accommodation, House Rent Allowance shall be paid at the rate of 50% of the Salary. (ii) Medical reimbursement of the expenses incurred for the treatment in India / abroad for self and family, (iii) Leave Travel Concession - for himself and his family as per the rules of the Company, (iv) Club Fees, (v) Personal Accident Insurance, (vi) Provident Fund, Company's contribution towards Provident Fund at 12% of his salary or any rate applicable from time to time, (vii) Superannuation Fund- Company's contribution towards Superannuation Fund as per the rules of the Company, such contribution together with Company's contribution shall not exceed 27% of the salary as laid down under the Income tax Rules, 1962 or such other ceiling as may be prescribed from time to time, (viii) Gratuity- not exceeding ½ a month's salary for each completed year of service, (ix) Leave - entitled to one month's

leave, as per the rules of the Company on full pay for every 11 months of service. Encashment of leave at the end of tenure will not be included in computation of ceiling on perquisites, (x) Telephone - one or more free telephone facility at the residence for the use of Company's business, (xi) Car - one or more use of Company's car on Company's business with driver and all expenses of maintenance, repairs and cost of petrol. (provision of Car for use of Company's business and telephone at residence will not be considered as perquisites), (xii) any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time.

The above perquisites including salary and commission shall be subject to the overall ceiling of remuneration stipulated under Section 309 of the Companies Act, 2013 read with Schedule V thereto or any statutory modification thereof.

Company's contribution to Provident Fund and Superannuation Fund and Gratuity payable at the end of the tenure to the extent these either singly or together are not taxable under the Income-tax Act shall not be included in the computation of limits for the perquisites aforesaid.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to alter and vary the terms & conditions of the above salary and perquisites in such manner as may be agreed to between Sri P. Achuta Ramayya, Joint Managing Director and the Board."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year of the Company during the term of his Office as Joint Managing Director, the remuneration and perquisites set out above be paid or granted to Sri P. Achuta Ramayya as minimum remuneration stipulated in Section II of Part II of Schedule V of the said Act or such other amount and perquisites as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

10. To consider and if thought fit to pass with or without modification the following Resolution as a Special Resolution:

Resolved that pursuant to section 14 and other applicable provisions of the Companies Act, 2013 and such other approvals as may be required the Articles of Association be altered in the manner as hereunder :-

1. Article 2 of the existing Articles of Association "INTERPRETATION" be substituted by the following INTERPRETATION

Unless the context otherwise requires words and expressions contained in these Interpretation.

Articles shall bear the same meaning as in the Act as defined below in force at the date at which the Articles become binding on the Company.

The marginal notes hereto are inserted for convenience and shall not affect the construction hereof and in these presents, unless there be something in the subject or context inconsistent therewith:-

- (i) "Act" means the Companies Act, 2013 and the relevant rules framed thereunder from time to time; and includes where the context so admits, any re-enactment or statutory modification thereof for the time being in force.
- (ii) "Articles" means these Articles of Association as framed or as from time to time altered by Special Resolution.
- (iii) "Beneficial owner" means a person whose name is recorded as such with a depository.
- (iv) "Board of Directors" or "the Board" means the Board of Directors for the time being of the Company.
- (v) "Company" means "THE ANDHRA SUGARS LIMITED"
- (vi) "Depository" means a Company which has been granted a certificate of registration under Section 12(1A) of the Securities and Exchange Board of India, 1992 and wherein the securities of the Company are dealt with in accordance with the provisions in the Depositories Act, 1996.
- (vii) "Directors" means Directors for the time being of the Company.
- (viii) "Dividend" includes bonus.
- (ix) "Managing Director" means the Managing Director for the time being of the Company.
- (x) "Member" means a person as defined by Section 2(55) of the Act.
- (xi) "Month" means calendar month.

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"Participant" means a person registered as such under Section 12(1A) of the Securities and Exchange Board of India Act, 1992.

"Office" means the Registered Office for the time being of the Company.

"Proxy" includes an Attorney duly constituted under a Power of Attorney.

"Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by regulations made by SEBI in relation to the Depositories Act, 1996.

"Register" means the Register of Members of the Company required to be kept by Section 88 of the Act.

"Registrar" means the Registrar of Companies, Andhra Pradesh.

"Seal" means the Common Seal of the Company.

"SEBI" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992."

"Year" means, Calendar Year.

"In Writing" or "Written" include printing, lithography and other modes of representing or reproducing words in a visible form.

Words importing the singular number only include the plural number and vice versa.

Words importing the masculine gender include feminine gender. Words importing persons include corporations.

"Special Resolution" and "Ordinary Resolution" have the meanings assigned thereto respectively by Section 114 of the Act.

"Resolution requiring Special Notice" has the meaning assigned thereto by Section 115 of the Act.

Table 'F' not to apply	Save as reproduced herein the regulations contained in "Table F" in the First Schedule to the Act shall not apply to the Company. Matters for which there is no provision in these Articles but is contained in Table F, the provisions of Table F shall apply only to that extent.
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2. Add Article "67A" after Article "67" appearing in the Articles of Association

Buy back of own Shares:

67A : The Company may Buy Back its own shares or other specified securities contemplated under Sections 68 and 69 of the Act in compliance with the relevant rules and guidelines issued from time to time for the same.

3. Existing Article 87 be substituted by following

Quorum:

87 : No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting commences.

Save as herein otherwise provided, 30 (thirty) members personally present shall be a quorum;

A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.

4. Add Clause (c) to existing Article 97

E-voting:

97 (c) : A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.

5. **Form of Proxy appearing under Article 108 be substituted as under**

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Registered Office	
CIN	
Name of the member(s)	
Registered address	
E-mail ID	
Folio No. / Client ID	
DP ID	

I/We, being the member (s) of shares of the above named company, hereby appoint:

Name:

Address:.....

E-mail ID:.....

Signature....., or failing him

Name:

Address:.....

E-mail ID:.....

Signature....., or failing him

Name:

Address:.....

E-mail ID:.....

Signature....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting/ Extraordinary General Meeting of the Company, to be held on the day of ata.m/p.m. at(place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1.....

2.....

3.....

Signed this.....day of.....20.....



Signature of shareholder

The Andhra Sugars Limited

6. Add Article "116A" after Existing Article "116"

Boards Power to appoint Independent Directors:

116A : Subject to the provisions of Section 149(6) of the Act, the Board or any other Committee as per the Act may identify potential individuals for the purpose of appointment as Independent Director either from the data bank established under Section 150 of the Act or otherwise.

The Board on receiving such recommendation shall consider the same and propose his appointment for approval at a General Meeting. The explanatory statement to the notice convening such general meeting shall provide requisite details as required under the Act.

Any casual vacancy in the post of an Independent Director caused by way of removal, resignation, death, vacation of office under Section 167 of the Act, removal from Directorship pursuant to any Court Order or due to disqualification under Section 164 of the Act shall be filled by following the process laid down herein below. No such casual vacancy shall prejudice the functioning of the Board during the intervening period.

Every Independent Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is a change in the circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria of independence.

The Company and Independent Directors are required to abide by the provisions specified in Schedule IV of the Companies Act, 2013.

An Independent Director shall not be entitled to any stock option and may receive remuneration by way of sitting fee, and reimbursement of expenses for participation in the Board and other meetings.

An Independent Director shall be held liable, only in respect of such acts of omission or commission by a Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.

The provisions relating to retirement of Directors by rotation shall not be applicable to appointment of Independent Directors.

Subject to the Act, an Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board of a Company, but shall be eligible for reappointment for one more term on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's Report. No Independent Director shall hold office for more than 2 (two) consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of 3(three) years of ceasing to become Independent Director provided that he shall not, during the said period of 3(three) years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

7. Existing Article 117 be substituted by the following

ALTERNATE DIRECTOR

117 : Subject to the provisions of Section 161(2) of the Act, the Board may appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an Alternate Director in place of an Independent Director unless he is qualified to be appointed as an Independent Director under the Act. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the terms of office of the Original Director are determined before he returns to India, any provisions of the Act or in these Articles for automatic reappointment of any retiring Director in default of another appointment shall apply to the Original Director, and not to the Alternate Director. For considering absence of a Director in the Board Meetings in terms of Section 167(1)(b) of the Act, the period during which an Alternate Director was appointed in the place Original Director shall not be considered.

8. Existing Article 120 be substituted by the following :

120 : Every Director shall be paid out of the funds of the Company Rs. 30,000/- as sitting fee for every meeting of the directors and Rs. 25,000/- for any committee thereof, attended by him irrespective of the number of days for which the meeting may continue consecutively, and he shall be paid all travelling halting

and other expenses incurred by him in attending or returning such meeting of Board or of any committee of the Board.

REMUNERATION FOR EXTRA SERVICES:

121 : If any Director being willing, shall be called upon to perform extra services or to make any special exertions in attending to any of the purposes of the Company or in giving special attention to the business of the Company or as a member of a Committee of the Board then, subject to Sections 2(78), 188 and 197 of the Act, the Board may remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.

9. FINANCIAL STATEMENTS

The words "Balance Sheet and Profit & Loss account" appearing from Article 165 to Article 174 and wherever appearing in these Articles be substituted by words "Financial Statement."

At every Annual General Meeting of the Company, the Board shall lay before such Meeting financial statements for the financial year made up in accordance with the provisions of Section 129 of the Act and such financial statements shall comply with the requirements of Sections 2(2), 129, 133 and 134 and of Schedule III to the Act so far as they are applicable to the Company but, save as aforesaid, the Board shall not be bound to disclose greater details of the result or extent of the trading and transaction of the Company than it may deem expedient.

Financial Statement in relation to the Company shall include:

- (i) Balance sheet as at the end of the financial year;
- (ii) Profit and Loss Account for the financial year;
- (iii) Cash Flow Statement for the financial year;

Statement of Changes in Equity, if applicable, and any Explanatory Note annexed to or forming part of any document referred to in clauses (i) to (iii).

10. AUDIT

Existing Article 178 be substituted by the following

178 : Once at least in every year the books of accounts of the Company shall be examined by one or more Auditor or Auditors.

Statutory Auditors and Cost Auditors, if any, shall be appointed and their rights and duties regulated in accordance with Sections 139 to 148 of the Act. Where applicable, a Secretarial Auditor shall be appointed by the Board and their rights and duties regulated in accordance with Sections 204 of the Act.

Subject to the provisions of Section 139 of the Act, the Statutory Auditors of the Company shall be appointed for a period of 5 (five) consecutive years or for such period of term as permitted by "Act" subject to ratification by members at every Annual General Meeting. Provided that the Company may, at a general meeting remove any such Auditor or all of such Auditors and appoint in his place or their places any other person or persons as may be recommended by the Board, in accordance with Section 140 of the Act.

The remuneration of the Auditors shall be fixed by the Company in Annual General Meeting or in such manner as the Company in general meeting may determine.

Where the Company has a branch office the provisions of Section 143 of the Act shall apply.

(BY ORDER OF THE BOARD)

Venkatarayapuram
TANUKU - 534 215
28-07-2017

For THE ANDHRA SUGARS LIMITED
Dr. B.B. RAMAIAH
Chairman & Managing Director

The Andhra Sugars Limited

NOTES:

1. A Member entitled to attend and vote may appoint a proxy to attend and vote instead of himself on poll and that a proxy need not be a Member.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 14th September, 2017 to 23rd September, 2017 (both days inclusive).
3. Shareholders in physical mode are requested to notify their change of address, if any, to the Company.
4. As per the provisions of Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, the un-claimed Dividend in respect of Dividend for the year 2008-2009 has been transferred to Investor Education and Protection Fund as envisaged in Section 125 of the Companies Act, 2013. Shareholders who have not encashed the Dividends may make a request to the Company for the payment of un-encashed Dividend amount in respect of Dividend declared from the years 2009-10 onwards in order to enable the Company to proceed with their request in case the dividend warrants remain unencashed.
Further as per the provisions of Companies Act, 2013 and relevant rules made their under the shares relating to dividend which has not been encashed for a consecutive period of 7 years will be Transferred to Investor Education and Protection Fund. Therefore Shareholders who have not encashed a dividend for a period of 7 consecutive years may make a claim to the Company so that the shares may not be transferred.
5. Shareholders have an option to maintain their shareholding in demat form by opening a demat account with a Depository Participant. This will enable the shareholders to easily sell or buy the shares through Stock Exchanges. However, maintaining shareholding in Demat form is purely optional and not compulsory.
6. Voting through electronic means
As provided by the Companies Act, 2013 E-Voting facility shall be made available to vote on the resolutions proposed to be passed at ensuing 70th Annual General Meeting. Necessary papers to facilitate E-voting is enclosed.
7. Information about the Directors seeking re-appointment at the 70th Annual General Meeting as required under Corporate Governance:
Details of Sri Mullapudi Narendranath & Sri P. Achuta Ramayya who retires by rotation have been provided in explanatory statement :

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ANNEXURE TO NOTICE

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013.

ITEM NO. 6:

The Board approved the appointment and remuneration of M/s Narasimha Murthy & Co., the Cost Auditors to conduct the audit of the Cost records of the Company for the Financial Year ending March 31, 2018 and remuneration of Rs. 5,00,000/- plus applicable taxes, out-of-pocket and travelling expenses have been fixed for this purpose.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, ratification for the remuneration payable to the Cost Auditors for the Financial Year 2017-18 by way of Ordinary Resolution is being sought from the members as set out at Item No. 6 of the Notice.

Your Directors therefore recommend the Resolution for approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are concerned or interested in the Resolution.

ITEM NO. 7

The current term of Sri Mullapudi Narendranath as Joint Managing Director will expire on 31.12.2017.

Members are kindly aware that your Company operates 3 Sugar Plants at Tanuku (Sugar Unit-I), Taduvai (Sugar Unit-II) and Bhimadole (Sugar Unit-III).

Sri Mullapudi Narendranath has been incharge of the 3 Sugar Plants of your Company since taking charge as Joint Managing Director on 01.01.1998.

He has been instrumental in taking up Co-Generation at Sugar Unit-II, setting up of Bagasse Driers at 3 Sugar Plants, Flotation Clarifiers at the 3 Sugar Plants, SRI Continuous Pans at Sugar Unit-I and Sugar Unit-II, Latest Falling Film Evaporators at Sugar Unit-III, SRI New Generation Clarifiers at Sugar Unit I & III, LLT Clarifier at Sugar Unit-II, Modification of the Diffuser that brought down pol in Bagasse from 1.3 to 0.8.

In view of the need to produce Cane Varieties suited to Mechanical Harvesting he was instrumental in setting up a Cane Breeding Programme that is giving Higher Yielding and Higher Sugar content Varieties of Cane.

He has been on the Executive Committees of the "**Sugar Processing Institute**", New Orleans (USA), and "**Sugar Industry Technologists Inc**". Sugarland, USA. He is also a Director on the Board of Sree Akkamamba Textiles Limited and Hindustan Allied Chemicals Limited.

In view of his wide exposure in Sugar Technology and Sugarcane development, your Board of Directors consider it advisable to re-appoint him as Joint Managing Director for a further period of 5 years with effect from 01.01.2018.

Your Directors recommend the Resolution for your approval.

Sri Mullapudi Narendranath, the concerned Joint Managing director, along with his relative Sri Mullapudi Thimmaraja shall be deemed to be interested in the above Resolution.

ITEM NO. 8

The present term of Sri Mullapudi Thimmaraja as Joint Managing Director will be expiring by 31.12.2017. Sri Mullapudi Thimmaraja has been the Whole-time Director of your Company from 1978.

Sri Mullapudi Thimmaraja as Joint Managing Director has been looking after General Administration of the Company besides supervision of day to day Administration of all the units at Tanuku, other than Sugar.

In view of the growing stature of the Company, your Board of Directors consider it advisable to re-appoint Sri Mullapudi Thimmaraja as Joint Managing Director in the best interests of the Company for a further period of 5 years with effect from 1.1.2018 on the terms and conditions as set out in the Resolution.

He is also a member of Stakeholders Relationship Committee and Corporate Social Responsibility Committee constituted by the board of your company.

He is also a director on the board of JOCIL Limited and The Andhra Petrochemicals Limited.

Your Directors recommend the Resolution for your approval.

Sri Mullapudi Thimmaraja, the concerned Joint Managing Director, along with his relative Sri Mullapudi Narendranath shall be deemed to be interested in the Resolution.

ITEM NO. 9

The present term of Sri P. Achuta Ramayya as Joint Managing Director will be expiring by 31.12.2017.

Sri P. Achuta Ramayya has been the Executive Director of your Company from 1983 and subsequently re-designated as Joint Managing Director with effect from 1.4.2012.

Sri P. Achuta Ramayya has been looking after Marketing of various products of the company and the activities of Cotton and Oil Products Division, Guntur. In view of the growing stature of the Company, your Board of Directors consider it advisable to re-appoint Sri P. Achuta Ramayya as Joint Managing Director in the best interests of the Company for a further period of 5 years with effect from 1.1.2018 on the terms and conditions as set out in the Resolution.

Your Directors recommend the Resolution for your approval.

Sri P. Achuta Ramayya, the concerned Joint Managing Director, along with his relatives Dr. B.B. Ramaiah and Sri P. Narendranath Chowdary shall be deemed to be interested in the Resolution.

ITEM NO. 10

Clauses of Articles of Association mentioned in the Resolution No. 10 is being altered in order to bring it in line with the provisions the Companies Act, 2013.

Your Directors recommend the Resolution for your approval.

None of the Directors or Key Managerial Personnel of the Company shall be deemed to be interested in the Resolution except with regard to Article 120 relating to sitting fees in respect of which the Non-Whole time Directors shall be deemed to be interested.

Inspection of Documents

All the documents referred to in the notice and explanatory statement including the Memorandum and Articles of Association of the Company are open for inspection at the Registered Office of the Company between 9.00 a.m. and 11.00 a.m. on any working day prior to the date of the Annual General Meeting.

(BY ORDER OF THE BOARD)

Venkatarayapuram
TANUKU - 534 215
28-07-2017

For THE ANDHRA SUGARS LIMITED
Dr. B.B. RAMAIAH
Chairman & Managing Director

CIN : L15420AP1947PLC000326
Tel : +91-8819-224911

E-mail : info.tnk@theandhrasugars.com
Website : www.theandhrasugars.com



THE ANDHRA SUGARS LIMITED

PROXY FORM

Regd. Office : Venkatarayapuram, TANUKU - 534 215

CIN : L15420 AP1947 PLC 000326

Website : www.theandhrasugars.com, Email : investors@theandhrasugars.com

Phone : 08819-224911, Fax : 08819-224168

I/We being the member(s) of shares of the above named Company hereby appoint :

- (1) Name : Address :
E-mail ID : Signature or failing him
- (2) Name : Address :
E-mail ID : Signature or failing him
- (3) Name : Address :
E-mail ID : Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 70th Annual General Meeting of the Company to be held on Saturday, 23rd September, 2017 at 3.00 p.m. at Regd. Office : Venkatarayapuram, Tanuku and at any adjournment thereof in respect of such Resolutions as are indicated below :

Resolution No.	RESOLUTIONS	Optional	
	Ordinary Business	For	Against
1.	Adoption of Audited Financial Statements for the year ended 31 st March, 2017		
2.	Approval of dividend for the year 2016-17		
3.	Re-appointment of Sri Mullapudi Narendranath, as Director who retires by rotation		
4.	Re-appointment of Sri P. Achuta Ramayya, as Director who retires by rotation		
5.	Appointment of New Statutory Auditors M/s. K.S. Rao & Co., Chartered Accountants and fixing their remuneration		
	Special Business		
6.	Ratification of remuneration of Cost Auditors		
7.	Re-appointment of Sri Mullapudi Narendranath, as Joint Managing Director		
8.	Re-appointment of Sri Mullapudi Timmaraja, as Joint Managing Director		
9.	Re-appointment of Sri P. Achuta Ramayya, as Joint Managing Director		
10.	Alteration of Articles of Association		

Signed this day of 2017

Signature of Shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp not less than Re 0.15

Note :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 70th Annual General Meeting.
3. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.