



CCL PRODUCTS (INDIA) LIMITED

ANNUAL REPORT 2012-13



52nd ANNUAL GENERAL MEETING

Saturday 3rd August, 2013
at 11.00 A.M.,
Duggirala – 522 330
Guntur Dist.
Andhra Pradesh
INDIA

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CCL PRODUCTS (INDIA) LIMITED

Company Information

Board of Directors:

Mr. Zafar Saifullah, IAS (Retd.)
Mr. J. Rambabu, IAS (Retd.)
Mr. I. J. Rao, IRS (Retd.)
Mr. K. Chandrahas, IRS (Retd.)
Mr. Jonathan T. Feuer
Mr. Vipin K. Singal
Mr. K. K. Sarma (Additional Director w.e.f. 03.07.2013)
Mr. B. Mohan Krishna (Additional Director w.e.f. 03.07.2013)
Mr. Challa Srishant, Executive Director
Mr. Challa Rajendra Prasad, Chairman & Managing Director

Chief Financial Officer

Mr. K.V.L.N. Sarma

Company Secretary & Compliance Officer

Ms. Sridevi Dasari

Registered Office & Factory:

Duggirala, Guntur Dist. - 522 330
Andhra Pradesh, India.
Ph : +91 8644-277294, Fax : +91 8644-277295
E.mail : info@cclproducts.com
www.cclproducts.com

Registrars & Share Transfer Agent (Physical & Demat)

M/s. Venture Capital & Corporate Investments Pvt. Ltd.
12-10-167, Bharatnagar Colony,
Hyderabad – 500 018, A.P., India
Phone : +91 40 2381 8475 / 76
Fax : +91 40 2386 8024
E.mail : info@vccipl.com

Secretarial Auditors :

M/s. P. S. Rao & Associates
Company Secretaries
Flat No.10, 4th Floor, D. No.6-3-347/22/2
Ishwarya Nilayam, Opp. Sai Baba Temple,
Dwarakapuri Colony, Punjagutta,
Hyderabad – 500 082, A.P., India

Auditors

M/s. M. Anandam & Co.,
Chartered Accountants
7 'A', Surya Towers
Sardar Patel Road
Secunderabad – 500 003, A.P., India.

Internal Auditors

M/s. Ramesh & Co.,
Chartered Accountants
H.No: 6-3-661/B/1
Sangeeth Nagar, Somajiguda
Hyderabad – 500 082, A.P., India.

Bankers

ICICI Bank Ltd
State Bank of India
State Bank of Hyderabad
Kotak Mahindra Bank Ltd

Board Committees

Audit Committee

Mr. K. Chandrahas - Chairman
Mr. Zafar Saifullah
Mr. I. J. Rao
Mr. Vipin K. Singal
Mr. J. Rambabu

Shareholders' / Investors' Grievance Committee

Mr. I. J. Rao - Chairman
Mr. Zafar Saifullah
Mr. Vipin K. Singal
Mr. K. Chandrahas
Mr. J. Rambabu

Remuneration Committee

Mr. I. J. Rao - Chairman
Mr. Zafar Saifullah
Mr. Vipin K. Singal
Mr. K. Chandrahas
Mr. J. Rambabu



CCL PRODUCTS (INDIA) LIMITED

NOTICE

Notice is hereby given that the 52nd Annual General Meeting of the Company will be held on Saturday, the 03rd of August, 2013 at 11.00 A.M., at the Registered Office of the Company situated at Duggirala, Guntur District, Andhra Pradesh- 522 330 to transact the following items of business:

Ordinary Business:

1. To receive, consider and adopt the Audited Profit and Loss Account for the financial year ended 31st of March, 2013 and the Balance Sheet as on that date together with the Report of the Board of Directors and the Auditors thereon.
2. To declare dividend for the financial year 2012-13.
3. To appoint a Director in place of Mr. Zafar Saifullah who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Jonathan T Feuer who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. M. Anandam & Co., Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

Special Business:

6. To appoint Mr. K. K. Sarma as Director of the Company.

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

“RESOLVED THAT pursuant to Article 84 of the Company’s Articles of Association and in conformity with the provisions of Section 260 of the Companies Act, 1956, Mr. K. K. Sarma, who was appointed as an Additional Director of the Company by the Board of Directors, and who holds office under the said Article and Section 260 of the Companies Act, 1956, only upto the date of this Annual General Meeting, and in respect of whom, the Company has received a notice in writing along with a deposit of ₹ 500/- under Section 257 of the Companies Act, 1956, from a member proposing his candidature for the office of Director, be and is hereby elected and appointed as Director of the Company, liable to retire by rotation.”

7. To appoint Mr. B. Mohan Krishna as Director of the Company.

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

“RESOLVED THAT pursuant to Article 84 of the Company’s Articles of Association and in conformity with the provisions of Section 260 of the Companies Act, 1956, Mr. B. Mohan Krishna, who was appointed as an Additional Director of the Company by the Board of Directors, and who holds office under the said Article and Section 260 of the Companies Act, 1956, only upto the date of this Annual General Meeting, and in respect of whom, the Company has received a notice in writing along with a deposit of ₹ 500/- under Section 257 of the Companies Act, 1956, from a member proposing his candidature for the office of Director, be and is hereby elected and appointed as Director of the Company, liable to retire by rotation.”



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

"RESOLVED THAT pursuant to the provisions of Section 16, 94 and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") or any other law for the time being in force (including any statutory modification or re-enactment thereof) and pursuant to Article No. 53 of the Articles of Association of the Company and subject to such approval(s), permission(s), sanction(s), confirmation(s), as may be required under any law for the time being in force, the consent of the Company be and is hereby accorded for the increase of Authorised share capital from ₹ 20,00,00,000/- (Twenty Crores) to ₹ 30,00,00,000/- (Thirty Crores) and for sub-dividing the equity shares of the Company, including the paid-up shares, such that each existing equity share of the Company of the face value of ₹ 10/- (Rupees Ten) each be sub-divided into Five equity shares of the face value of ₹ 2/- (Rupees Two) each.

"RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association be and is hereby substituted in the manner as set out below:

The Authorised Share Capital of the Company is ₹ 30,00,00,000/- (Rupees Thirty Crores only) divided into 15,00,00,000 (Fifteen Crores only) equity shares of ₹ 2/- (Rupees Two) each."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") or any other law for the time being in force (including any statutory modification or re-enactment thereof) the Article 5 of the Articles of Association of the Company be and is hereby amended and substituted as:

"The Authorised Share Capital of the Company is ₹ 30,00,00,000/- (Rupees Thirty Crores only) divided into 15,00,00,000 (Fifteen Crores only) equity shares of ₹ 2/- (Rupees Two) each."

"RESOLVED FURTHER THAT the existing share certificate(s) in relation to the equity share capital held in physical form be cancelled and new share certificate(s) be issued in respect of the equity shares held by the members of the Company consequent upon the sub-division of the equity shares as aforesaid and in case of shares held in the dematerialized form, the sub-divided equity shares be credited to the respective demat accounts of the beneficiaries in lieu of the existing shares held by them."

"RESOLVED FURTHER THAT the Board of Directors of the Company ("the Board", which expression shall also include a duly constituted Committee thereof) be and is hereby authorised to do all such acts, deeds and things and to delegate all or any of the powers vested in the Board to any Director(s) or Company Secretary of the Company as may be required to give effect to the above resolution."

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

"RESOLVED THAT pursuant to applicable provisions of the Companies Act, 1956, Article 126 of the Articles of Association of the Company and in accordance with the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the Regulations") and subject to such other necessary approvals, permissions and sanctions, as may be required and subject to such terms and modifications as may be specified while according such approvals, the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including powers conferred by this resolution), be and is hereby authorized to capitalize a sum not exceeding ₹ 13,30,27,920/- out of the Company's General Reserve Account, as per the audited



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accounts of the Company for the financial year ended March 31, 2013 and that the said amount be transferred to the Share Capital Account and be applied for issue and allotment of equity shares not exceeding 6,65,13,960 of ₹ 2/- each as bonus shares credited as fully paid up, to the eligible members of the Company holding equity shares of ₹ 2/- each whose names appear on the Company's Register of Members on such date ("Record Date") as the Board may determine, in the proportion of one new fully paid equity share of ₹ 2/- for every one equity share of ₹ 2/- held as on the Record Date and that the new bonus shares so issued and allotted shall be treated for all purposes as an increase of the nominal amount of the equity capital of the Company held by each such member and not as income.

"RESOLVED FURTHER THAT:

- (a) the new equity shares of ₹ 2/- each to be issued and allotted as bonus shares shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari passu in all respects with and carry the same rights as the existing fully paid up equity shares of the Company;
- (b) the share certificates for bonus shares be delivered to the shareholders who hold the existing equity shares in physical form and the respective beneficiary accounts be credited with the bonus shares, for such shareholders who hold the existing equity shares or opt to receive the bonus shares, in dematerialized form, within the prescribed period."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the bonus shares so allotted on the Stock Exchanges where the securities of the Company are listed as per the provisions of the Listing Agreement with the Stock Exchanges concerned, the Regulations and other applicable laws and regulations."

"RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary, expedient, usual or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of the bonus shares without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto and for matters connected herewith or incidental hereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board of Directors of the Company ("the Board", which expression shall also include a duly constituted Committee thereof) be and is hereby authorised to do all such acts, deeds and things and to delegate all or any of the powers vested in the Board to any Director(s) or Company Secretary of the Company as may be required to give effect to the above resolution."

By order of the Board of Directors

Sd/-

Sridevi Dasari
Company Secretary

Place : Hyderabad
Date : 3rd July, 2013



NOTES FOR MEMBERS:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on poll instead of himself and such proxy need not be a member of the Company.
2. Proxies in order to be effective must be received by the Company at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company in respect of Equity Shares will remain closed from Tuesday, 16th of July 2013 to Thursday, 18th of July, 2013 (both days inclusive).
4. M/s. Venture Capital and Corporate Investments Pvt. Ltd, 12-10-167, Bharat Nagar, Hyderabad - 500 018 is the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
5. We would like to draw your attention to Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013 ("Circular") issued by Securities and Exchange Board of India (SEBI), to all listed companies to update bank details of their shareholders holding shares in demat mode and / or physical form, to enable usage of the electronic mode of remittance i.e ECS, NEFT etc., for distributing dividends and other cash benefits to the shareholders.

The circular further states that in cases where either the Bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc., that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the Bank, Companies or their Registrars and Transfer Agents (RTA) may use physical payment instructions for making cash payments to the investors. Companies shall mandatorily print the Bank account details of the investors on such payment instruments.

As you are aware, payment of dividend and other cash benefits through electronic mode has many advantages like prompt credit, elimination of fraudulent encashment / delay in transit etc.

In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account.

In case you are holding Company's shares in physical form, please inform Company's RTA viz. Venture Capital and Corporate Investments Pvt. Ltd, by enclosing a photocopy of blank cancelled cheque of your bank account.

6. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/Company.
7. Members holding shares in the dematerialized form are requested to notify any changes with respect to their addresses, email id, ECS mandate and bank details to their Depository Participant.
8. Members holding shares in physical form are informed to furnish their bank account details to the RTA to have printed the same on the dividend warrants so as to avoid any possible fraudulent encashment / misuse of dividend warrants by others.



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9. Pursuant to Section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund set up by the Government of India and no payment shall be made from that fund in respect of any such claims.

Members who haven't yet encashed their dividend warrants for the financial year 2005-06 onwards are requested to make their claims to the Company without any further delay.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

ITEM NO. 6

Mr. K. K. Sarma was appointed by the Board of Directors as an Additional Director with effect from 03rd July, 2013 under Article 84 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 and holds his office upto the date of this Annual General Meeting. As required by Section 257 of the said Act, a notice along with the requisite deposit of ₹ 500/- has been received from a member signifying his intention to propose Mr. K. K. Sarma, as a candidate for the office of the Director.

Mr. K. K. Sarma is a Commerce Graduate, from Osmania University, having more than 30 years of experience in the fields of setting up of various projects and administration of Companies.

Considering the qualification and diverse experience of Mr. K. K. Sarma, the Board felt that it will be in the interest of the Company to avail of his services as a Director of the Company.

The resolution as set out in this item of the accompanying notice is accordingly commended for the approval of the members.

None of the Directors of the Company is interested in passing this resolution except Mr. K. K. Sarma.

ITEM NO. 7

Mr. B. Mohan Krishna was appointed by the Board of Directors as an Additional Director with effect from 03rd July, 2013 under Article 84 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 and holds his office upto the date of this Annual General Meeting. As required by Section 257 of the said Act, a notice along with the requisite deposit of ₹ 500/- has been received from a member signifying his intention to propose Mr. B. Mohan Krishna, as a candidate for the office of the Director.

Mr. B. Mohan Krishna is a Civil Engineering Graduate having more than 10 years of varied experience in the field of implementation of Civil, Mechanical and Electrical Projects.

The resolution as set out in this item of the accompanying notice is accordingly commended for the approval of the members.

None of the Directors of the Company is interested in passing this resolution except Mr. Challa Rajendra Prasad, Mr. Challa Srishant and Mr. B. Mohan Krishna.

ITEM NO. 8

The members may note that presently the authorised share capital is ₹ 20,00,00,000 and proposed to increase to ₹ 30,00,00,000 to facilitate further issue of equity shares.



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As the members are aware, the equity shares of your Company are listed on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited, (BSE) and are also regularly traded on the said Exchanges.

However, as a measure of further improving the liquidity of Company's shares, it is proposed to sub-divide the nominal value and paid up value of the Equity Shares (Authorized/ Subscribed / Issued and Paid-up) of the Company.

The nominal and paid up value of the equity shares of the Company is ₹ 10/- per share and consequent upon the proposed sub-division, it shall be ₹ 2/- per share. This implies that equity share of ₹ 10/- each shall be sub-divided into 5 equity shares of ₹ 2/- each.

The aforesaid increase in Authorised share capital and sub-division would require substitution of existing Capital Clause V of the Memorandum of Association and Article 5 of the Articles of Association of the Company by Clause V and Article 5 detailed in the resolution.

The Managing Director, any other Director or Company Secretary of the Company, in consultation with the Stock Exchange(s), as may be required, shall fix the Record Date for the purpose of ascertaining the list of members whose shares shall be subdivided, as proposed above, and the same shall be notified to the members through appropriate medium.

Pursuant to the provisions of Section 16, Section 31 and Section 94 of the Companies Act, 1956, approval of the members is required for increase of Authorised share capital and sub-division of shares, by way of passing Special Resolution in their General Meeting.

Hence the said resolution is recommended for your approval.

The Directors of the Company are deemed to be concerned or interested in the resolution to the extent of shares held by them and / or their relatives in the Company.

ITEM NO. 9

Members are aware that the Board of Directors of the Company ("the Board") at its meeting held on 03rd July, 2013 has recommended issue of bonus shares in the ratio of 1:1 i.e. one new fully paid up equity share of ₹ 2/- each for every one existing fully paid up equity share of ₹ 2/- each, to the eligible members of the Company as on the Record Date to be fixed by the Board for this purpose. The bonus shares shall be issued pursuant to the applicable provisions of the Companies Act, 1956, Article 126 of the Articles of Association of the Company, the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subject to such other approvals, if any required, after capitalizing a sum not exceeding ₹ 13,30,27,920/- from the Company's General Reserve Account or such other accounts as are permissible to be utilized for the purpose.

Hence the said resolution is recommended for your approval.

The Directors of the Company are deemed to be concerned or interested in the resolution to the extent of shares held by them and / or their relatives in the Company.

By order of the Board of Directors

Place : Hyderabad
Date : 3rd July, 2013

Sd/-
Sridevi Dasari
Company Secretary