

**THE COCHIN MALABAR ESTATES
AND INDUSTRIES LIMITED**



**ANNUAL REPORT
2014**

CORPORATE INFORMATION

BOARD OF DIRECTORS

P. J. Bhide

B. L. Surana

C. P. Sharma

R. K. Gupta

BANKER

Yes Bank

AUDITORS

Messers Singhi & Co.
Chartered Accountants

REGISTRARS AND SHARE TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor
Kolkata - 700 001

REGISTERED OFFICE

21, Strand Road
Kolkata - 700 001
West Bengal

Contents

| | |
|-----------------------------------|----|
| Notice | 02 |
| Directors' Report | 08 |
| Auditors' Report | 14 |
| Balance Sheet | 18 |
| Statement of Profit & Loss | 19 |
| Cash Flow Statement | 20 |
| Notes to the Financial Statements | 22 |



NOTICE

NOTICE is hereby given that the 84th Annual General Meeting (AGM) of the Members of The Cochin Malabar Estates & Industries Limited will be held on Tuesday, August 26, 2014 at 11:15 A.M. IST at "SHUBHA DRISTI", Daulatpur Main Road, Kanchari Bagan, Near Radhakrishna Mandir, Nungee, Kolkata - 700 139 to transact the following Business:

ORDINARY BUSINESS :

Item No. 1 – Adoption of accounts

To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended 31st March, 2014, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.

Item No. 2 – Re-appointment of Mr. R. K. Gupta

To appoint a Director in place of Mr. R. K. Gupta (DIN 06701619), liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

Item No. 3 – Re-appointment of auditors

To re-appoint the Auditors and to fix their remuneration and in this regard pass with or without modification(s), the following resolution as an Ordinary Resolution :

RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (corresponding to Section 224 and other applicable provisions, if any, of the Companies Act, 1956), M/s. Singhi & Co., (Firm Registration No.302049E), Chartered Accountants, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting for the Financial Year 2014-15, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and re-imburement of travelling and out of pocket expenses incurred by them for the purpose of audit."

SPECIAL BUSINESS :

Item No. 4 – Appointment of Mr. P. J. Bhide

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

Resolution:

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. P.J. Bhide (DIN 00012326), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and who, pursuant to the provisions of the Companies Act, 2013 (being an independent director) is no longer liable to retire by rotation and who in accordance with the Companies Act, 2013 is required to be appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto the conclusion of the next Annual General Meeting of the Company."

Item No. 5 – Appointment of Mr. B. L. Surana

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

"RESOLVED THAT Mr. B. L. Surana (DIN 00005900), who was appointed as an Additional Director of the company under independent category by the Board of Directors in terms of provisions of Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956) and Article 124 of the Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting and who in accordance with the Companies Act, 2013 falls within the category of Independent Director, not liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto the conclusion of the next Annual General Meeting of the Company."

Item No. 6 – Appointment of Mr. C. P. Sharma

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

"RESOLVED THAT Mr. C. P. Sharma (DIN 00258646) who was appointed as an Additional Director of the Company and

NOTICE

who holds office up to the conclusion of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing Mr. C.P. Sharma as a candidate for the office of Director and who is eligible for appointment, be and is hereby appointed as a Director of the Company liable to retirement by rotation."

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. The relative Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013 (corresponding to 173(2) of the Companies Act, 1956), in respect of the special business under items No.4 to 6 are annexed hereto.
3. Pursuant to the provisions of Section 91 of the Companies Act, 2013 (corresponding to Section 154 of the Companies Act, 1956), the Register of Members and Share Transfer Books of the Company will remain closed from August 19, 2014 to August 26, 2014 (both days inclusive) in connection with the Annual General Meeting.
4. All documents referred to in the notice and the Explanatory Statement requiring the approval of the Members at the Meeting and other statutory registers shall be available for inspection by the Members at the Registered Office of the Company during normal

business hours on any working day except Saturdays from the date hereof up to except the time of the Annual General Meeting.

5. Members holding shares in physical form are requested to promptly notify in writing any changes in their address/bank account details to the Secretarial Department of the Company at its Registered Office at 21, Strand Road, Kolkata-700 001 or the Registrar & Share Transfer Agent (RTA), M/s. Maheshwari Datamatics Pvt. Ltd. at 6, Mangoe Lane, Kolkata-700 001. Members holding shares in electronic form are requested to notify the changes in the above particulars, if any, directly to their Depository Participants (DP).
6. Equity Shares of the Company are under compulsory demat trading by all investors. Considering the advantage of scripless trading, members are encouraged to consider dematerialization of their shareholding so as to avoid inconvenience in future.
7. Voting through electronic means
 - I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members holding shares either in physical form or in dematerialized form facility to exercise their right to vote at the 84th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for e-voting are as under :

In case of members receiving e-mail :

- (i) Log on to the e-voting website www.evotingindia.com during the voting period.
- (ii) Click on "Shareholders" tab.
- (iii) Now, select "THE COCHIN MALABAR ESTATES & INDUSTRIES LIMITED" from the drop down menu and click on "SUBMIT".
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.



NOTICE

- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|-----------------------|---|
| PAN | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to enter in the PAN field the first two letters of their name and the 8 digits of the sequence number printed on the address label.In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| DOB | Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details | <p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none">Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the Member ID/Folio No. in the Dividend Bank details field. |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN against the Company's name for which you choose to vote i.e. THE COCHIN MALABAR ESTATES & INDUSTRIES LIMITED.

(xii) On the voting page, you will see 'RESOLUTION DESCRIPTION' and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as promoted by the system.

- Institutional shareholders (i.e. other than

NOTICE

- Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- III. **The e-voting period commences on August 20, 2014 (9:00 am) and ends on August 22, 2014 (6:00 pm), both days inclusive. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 18, 2014, may cast their vote electronically.**
- The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder by electronic means, the shareholder shall not be allowed to change it subsequently or cast his vote by any other means.
- IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of July 18, 2014.
- V. Ms. Sweety Kapoor, Practicing Company Secretary, (Membership No. FCS:6410) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VI. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VII. The Results shall be declared at the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.cochinmalabar.in and on the website of CDSL within two (2) days of passing of the resolution at the AGM of the Company and communicated to the Stock Exchange(s).
8. Corporate Members are requested to send to the Company/RTA, a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
9. Members are requested to produce the attendance slip duly signed as per the specimen signature recorded with the Company for admission to the Meeting hall.
10. Members who hold shares in dematerialized form are requested to furnish their Client ID and DP ID Nos. for easy identification of attendance at the Meeting.
11. Shareholders, who have not dematerialized their shares as yet, are advised to have their shares dematerialized to avail the benefits of paperless trading as well as easy liquidity, as the trading in shares of the Company is under compulsory dematerialized form.
12. In all correspondence with the Company or the RTA, Members are requested to quote their Folio Number and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID Number.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.



NOTICE

14. Members who wish to obtain any information on the Company or the Accounts for the financial year ended 31st March, 2014 may send their queries at the Registered Office of the Company at least 10 days before the Annual General Meeting.
15. The Company's Equity Shares are listed on BSE Ltd. and The Madras Stock Exchange Ltd. and upto date listing fees have been paid in time.
16. Members who are holding Shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the Share Certificates for consolidating their holding into one folio. The Share Certificates will be returned to the Members after incorporating requisite changes thereon.
17. Electronic copy of the Annual Report and Notice are being sent to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice are being sent in the permitted mode.

ANNEXURE TO THE NOTICE

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

Item No.4

Mr. P. J. Bhide (80), is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in July, 2009.

Mr. P. J. Bhide is a Commerce Graduate, Chartered Accountant. He is a Practising Chartered Accountant and has more than 55 years of wide and varied experience. He is a Director in companies like Coorg Tea Co. Ltd., Greenfield Exports Ltd., Belsund Sugar & Industries Ltd., Plenty Valley Infra Ltd. etc. Mr. P.J. Bhide does not hold any shares of the Company.

Mr. P. J. Bhide is a Director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. Under the Companies Act, 2013, Independent Director is not required to retire by rotation. In terms of Section 149 and other applicable provisions, if any, of the Companies

Act, 2013, Mr. P. J. Bhide being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term upto the conclusion of the next Annual General Meeting of the Company. A notice has been received from a member proposing Mr. P. J. Bhide as a candidate for the office of Independent Director of the Company.

The Company has also received declaration from Mr. P. J. Bhide that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act.

In the opinion of the Board, Mr. P. J. Bhide fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Appointment letter for appointment of Mr. P.J. Bhide as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the company during normal business hours on any working day, except Saturdays.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. P. J. Bhide as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. P.J. Bhide as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. P. J Bhide, being an appointee, none of the Directors of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.4.

Item No.5

The Board of Directors at their meeting held on 29th May, 2014 appointed Mr. B.L. Surana as an Additional Director of the Company under independent category.

Mr. Surana (72), is a Chartered Accountant. He is a director in companies like Global Finance & Securities Ltd., Janmongal Consultants Pvt. Ltd., Mamta Projects Pvt. Ltd., The Oriental Company Ltd. Mr. B. L. Surana does not hold any shares of the Company.

Under Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act,

NOTICE

1956) read with Article 124 of the Articles of Association of the Company, the tenure of Mr. Surana expires at the ensuing Annual General Meeting of the Company. In terms of Section 149 and other applicable provisions, if any, of the Companies Act, 2013, Mr. B. L. Surana being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term upto the conclusion of the next Annual General Meeting of the Company. A notice has been received from a member proposing Mr. B. L. Surana as a candidate for the office of Independent Director of the Company.

The Company has also received declaration from Mr. B.L. Surana that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act.

In the opinion of the Board, Mr. B. L. Surana fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Appointment letter for appointment of Mr. B. L. Surana as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the company during normal business hours on any working day, except Saturdays.

The Board considers that the appointment of Mr. B. L. Surana as an Independent Director of the Company would be of immense benefit to the Company. Accordingly, the Board recommends the resolution in relation to appointment of Mr. B.L. Surana as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Surana, being an appointee, none of the Directors of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.9.

Item No. 6

Mr. C. P. Sharma (51) was appointed as an Additional Director of the Company pursuant to the provisions of Article 124 of the Articles of Association of the Company and in terms of the provisions of Section 161 of the Companies Act, 2013 (corresponding to Section 260 and other applicable provisions, if any, of the Companies Act, 1956). He vacates his office at the ensuing Annual General Meeting. Pursuant to Section 160 of the Companies Act, 2013 (corresponding to Section 257 and other applicable provisions, if any, of the Companies Act, 1956) the Company has received a notice in writing from a member signifying his intention to propose the appointment of Mr. C.P. Sharma as a Director of the Company at the ensuing Annual General Meeting.

Except Mr. Sharma, being an appointee, none of the Directors of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

By Order of the Board

May 29, 2014

Registered Office:
21, Strand Road, Kolkata - 700 001
CIN : L01132WB1991PLC152586

C. P. Sharma
Director



DIRECTORS' REPORT

To the Members

Your Directors have pleasure in presenting their 84th Annual Report and Audited Accounts of the Company for the year ended 31st March, 2014.

FINANCIAL PERFORMANCE :

(Amount in ₹)

| | 31.03.2014 | 31.03.2013 |
|---|----------------|----------------|
| Profit /(Loss) for the year before Depreciation | 40,73,83,868 | (4,13,01,998) |
| Deduct : Depreciation | - | - |
| Profit /(Loss) before Tax | 40,73,83,868 | (4,13,01,998) |
| Deduct : Provision for Corporate Taxation / Excess Tax Provision of earlier years written back | - | 57,29,928 |
| Net Profit /(Loss) | 40,73,83,868 | (3,55,72,070) |
| Add : Balance of Profit /(Loss) brought forward from previous year | (42,10,70,904) | (24,30,27,650) |
| Add : Adjustment due to Scheme of Arrangement | - | (7,86,98,646) |
| Add : Net impact on Profit /(Loss) for 01/04/2011 to 31/03/2012 due to Scheme of Arrangement | - | (6,37,72,538) |
| Balance Carried to Balance Sheet | (1,32,19,149) | (42,10,70,904) |

DIVIDEND

In view of accumulated losses, your Directors regret their inability to propose any dividend for the year ended 31st March, 2014.

OPERATIONAL REVIEW

The Company did not have any manufacturing activities during the year and there was also no operation at Goa since the same was suspended long back. One of the properties at Goa has been sold and the same will be recognized in the books of account after completion of necessary formalities.

The Company entered into a fresh Memorandum of Understanding with the legal heirs of PKC Ahammed Kutty and other sub-purchasers revising the earlier terms and conditions for the sale of Kinalur Estate of the Company and finally the protracted dispute of Kinalur Estate has been settled at the intervention of the Kerala Government. The Company has received the entire sale consideration in respect of the sale of the Kinalur Estate and has made a capital gain of ₹5343.57 lacs. The carry forward losses of the Company have been reduced from ₹4210.70 lacs to ₹136.65 lacs during the year.

In view of the ban imposed by the forest department, the Rubber Wood Factory at Kinalur still continues to be non-operational. The representation of the Company before the

forest department for withdrawal of ban is pending.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms :

- that in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there has been no material departure;
- that the selected Accounting Policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the profits of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts have been prepared on a going concern basis; and
- that the Company has adequate internal systems and controls to ensure compliance of laws applicable to the Company.

DIRECTORS' REPORT

HOLDING COMPANY

In view of the withdrawal of nominee directors by M/s. Joonktollee Tea & Industries Ltd. from the Board of the Company during the year, M/s. Joonktollee Tea & Industries Ltd. ceased to be the Holding Company of our Company.

FIXED DEPOSITS

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

SECRETARIAL COMPLIANCE CERTIFICATE

As required under the provisions of Section 383A of the Companies Act, 1956, Certificate from a Practicing Company Secretary forming part of this Report is attached herewith.

DIRECTORS

Shri Hemant Bangur, Shri K. C. Mohta and Shri B. L. Dhanuka ceased to be Directors, in view of withdrawal of nomination by M/s. Joonktollee Tea & Industries Ltd. from the Board of the Company during the year.

Shri M. L. Sharma and Shri R. K. Gupta were appointed as Directors on the Board of the Company to fill up the casual vacancies caused by the resignation of Nominee Directors of M/s. Joonktollee Tea & Industries Ltd. namely Shri Hemant Bangur and Shri K. C. Mohta.

During the year, Shri C. P. Sharma was appointed as an Additional Director of the Company. Shri Sharma, holds office only upto the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing his name for the office of Director liable to retire by rotation.

During the year, Shri B. R. Bhansali, Director of the Company, resigned from the Board.

Shri M. L. Sharma, Director of the Company, resigned from the Board during the current year.

The Board placed on record its deep appreciation for the valuable contribution made by Shri Hemant Bangur, Shri K. C. Mohta, Shri B. L. Dhanuka, Shri B. R. Bhansali and Shri M. L. Sharma during the tenure of their Directorship.

Shri R. K. Gupta is liable to retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

Shri P. J. Bhide has been appointed as Independent Director for one year for a term upto the conclusion of the next Annual General Meeting of the Company as per the

provisions of Section 149 and other applicable provisions, if any, of the Companies Act, 2013 and is not liable to retire by rotation. The Company has received requisite notice in writing from a member proposing Shri P. J. Bhide for appointment as an Independent Director of the Company.

Shri B. L. Surana has been appointed as an Additional Director of the Company during the current year, who holds office upto the conclusion of the ensuing Annual General Meeting and being eligible offers himself for appointment as an Independent Director of the Company for one year for a term upto the conclusion of the next Annual General Meeting of the Company as per the provisions of Section 149 and other applicable provisions, if any, of the Companies Act, 2013 and is not liable to retire by rotation. The Company has received requisite notice in writing from a member proposing Shri B. L. Surana for appointment as an Independent Director of the Company.

The Company has received declarations from all the Independent Directors of the Company that they meet with the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

Necessary resolutions for the appointment/re-appointment of the aforesaid directors have been included in the notice convening the ensuing Annual General Meeting and details of the proposal for appointment/re-appointment are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the ensuing Annual General Meeting.

CONSTITUTION OF COMMITTEES

During 2014-15, your Directors have constituted the following Committees –

- a) Audit Committee;
- b) Nomination & Remuneration Committee; and
- c) Stakeholders Relationship Committee

AUDITORS & AUDITORS' REPORT

The Statutory Auditors of the Company, M/s. Singhi & Co. Chartered Accountants, retire in accordance with the provisions of the Companies Act, 1956 and are eligible for re-appointment. M/s. Singhi & Co., Chartered Accountants, have sought the re-appointment and have confirmed that their re-appointment, if made, shall be within the limits. M/s. Singhi & Co. has submitted the Peer Review certificate issued to them by Institute of Chartered Accountants of India (ICAI). The Board of Directors recommends the re-appointment of M/s. Singhi & Co., Chartered Accountants,