

ANNUAL REPORT 2004



GOODRICKE GROUP LIMITED

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BOARD OF DIRECTORS

P. A. Leggatt, M.B.E. – *Chairman*
K. S. David – *Managing Director & CEO*
B. N. Ghosh – *Wholetime Director & CFO*
A. K. Mathur
Dr. S. Kaul
K. Sinha
B. Bonnerjee

SR. GENERAL MANAGER & SECRETARY

D. P. Chakravarti

BANKERS

The Hongkong & Shanghai Banking Corporation Ltd.
Bank of Baroda
Canara Bank
Centurion Bank Ltd.
HDFC Bank Ltd.
UTI Bank Ltd.

AUDITORS

Lovelock & Lewes

REGISTRARS & SHARE TRANSFER AGENTS

C. B. Management Services Pvt. Ltd.
P-22 Bondel Road, Kolkata 700 019

REGISTERED OFFICE

“Camellia House”, 14 Gurusaday Road, Kolkata 700 019



NOTICE

NOTICE is hereby given that the Twenty-ninth Annual General Meeting of the Members of Goodricke Group Limited will be held at Science City, Mini Auditorium, JBS Haldane Avenue, Kolkata 700 046 on Thursday, the 7th April, 2005 at 10.00 a.m. to transact the following business:

Ordinary Business

1. To consider and adopt the Profit & Loss Account of the Company for the year ended 31st December 2004, and the Balance Sheet as at that date and the Reports of Directors and Auditors thereon.
2. To declare a Dividend for the year ended 31st December, 2004.
3. To appoint a Director in place of Mr. P. A. Leggatt who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. B. Bonnerjee who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors and to authorise the Board of Directors to fix their remuneration.

Special Business

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

"Resolved that the Company hereby accords its approval under Sections 198, 269, 309 of the Companies Act, 1956 to the reappointment of Mr. Krupakaran Satish David as the Managing Director designated as Managing Director and Chief Executive Officer (MD & CEO) of the Company and payment of remuneration to him for a period of three years with effect from 1st January 2005, as per terms and conditions of appointment, circulated earlier and as laid down in the Explanatory Statement accompanying this Notice."

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

"Resolved that the Company hereby accords its approval under Sections 198, 269, 309 of the Companies Act, 1956 to the revision in the terms of appointment of Mr. Bhaskar Nath Ghosh, Wholetime Director and Chief Financial Officer (WD & CFO) of the Company, effective 1st January, 2005, as per revised terms circulated earlier and as laid down in the Explanatory Statement accompanying this Notice."

The Register of Members and Share Transfer books of the Company shall remain closed from Tuesday, the 29th March to Thursday, the 7th April 2005, both days inclusive.

By Order of the Board

Kolkata
28th February, 2005

D. P. Chakravarti
Sr. General Manager & Secretary



NOTES & INFORMATION TO SHAREHOLDERS

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company. Proxies, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the Meeting.
2. Dividend that may be declared by the Company will be paid on and from 14th April, 2005 to those members whose names appear on the Company's Register of Members on the date of the Annual General Meeting or to their mandatees, subject, however, to the provisions of Section 206A of the Companies Act, 1956 (Act).
3. Members are requested to:

- (i) Quote their Registered Folio number in all correspondence with the Company or its Registrars.

Notify the Company or its Registrars immediately of change, if any, in their registered address or of their mandatees. Intimation of change of address must state the Pin Code for proper delivery.

- (ii) Members who have not so far encashed their Dividend Warrants for the Accounting years ended 1997, 1998, 1999, 2000, 2001 & 2002 may immediately approach the Registrars for revalidation of unclaimed Dividend Warrants.

Shareholders are hereby informed that pursuant to the provisions of the Act, the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the unpaid Dividend Account, to the credit of Investor Education and Protection Fund ("the Fund") established by the Central Government. Unpaid Dividend for the year ended 31st December 1996 has been deposited accordingly on 23rd July, 2004. In accordance with Section 205B of the Act, no claim shall lie against the Company or the Fund in respect of individual amounts of dividends remaining unclaimed and unpaid for a period of seven years from the dates they first became due for payment and no payment shall be made in respect of any such claims. Accordingly, the money lying in the unpaid Dividend Account for the year ended 31st December 1997, will fall due for deposit on 5th April, 2005.

4. Pursuant to Section 205A of the Act, all unclaimed/unpaid Dividends upto the Dividend for the period 31st December, 1994 have been transferred to the General Revenue Account of the Central Government. Any claim for payment of such unpaid/unclaimed Dividend should be made by an application in the prescribed form to the Registrar of Companies, West Bengal, at the address given below:

Nizam Palace
II M.S.O. Building
234/4, Acharya Jagadish Chandra Bose Road
Kolkata 700 020.

5. As per the provisions of the Act, facility for making nominations is available for shareholders in respect of Equity shares held by them. Nomination forms (Form 2B) can be obtained from the Registrars of the Company for physical shares. In respect of nomination for dematerialised shares, the concerned Depository Participant of the members should be approached.

GOODRICKE GROUP LTD
6. Details of Directors

Particulars	Seeking re-appointment as Managing Director	Seeking revision in terms of appointment
	Mr. K. S. David	Mr. B. N. Ghosh
Date of Birth	10th October 1947	31st January 1946
Date of Appointment	1st January 1999 (as Managing Director)	1st January 2004 (as Wholetime Director)
Qualification	B. Sc.	F.C.A. (Fellow, Institute of Chartered Accountants of India)
Experience	35 years experience in Tea Garden Management. Initially at the Gardens and thereafter at the Head Office Operations Department since mid 1984. Appointed as Wholetime Director (Operations) effective 1st August, 1994.	Indepth experience in the areas of Finance & Accounts, particularly in the Tea Industry for over 34 years.
Directorship of other Companies (Excluding foreign Companies and Private Limited Companies)	Stewart Holl (India) Ltd. - Managing Director Amgoorie India Ltd. Elgin Investments & Trading Co. Ltd. Goodricke Technical & Management Services Ltd.	Stewart Holl (India) Ltd. Amgoorie India Ltd., Tiru Tea Ltd. Elgin Investments & Trading Co. Ltd. Goodricke Technical & Management Services Ltd.
Chairman / Member of Committee of the Boards of Companies	Member, Investors Grievance and Share Transfer Committee of Goodricke Group Limited	—

Particulars	Directors retiring by rotation and seeking reappointment	
	Mr. P. A. Leggatt	Mr. B. Bonnerjee
Date of Birth	20th September 1942	1st October 1932
Date of Appointment	1st April 1988	12th December 2002
Qualification	MBE	B. Sc. (Engg.)
Experience	Executive Director, Camellia Plc., U.K. the world's largest private Tea producer. Indepth experience in Tea Company Management and in other Companies in diverse lines of activities ranging from plantations, banking, engineering, warehousing & transport.	A senior Planter and administrator for nearly 50 years.
Directorship of other Companies (Excluding foreign Companies and Private Limited Companies)	Stewart Holl (India) Ltd. Amgoorie India Ltd. Tiru Tea Ltd. Elgin Investments & Trading Co. Ltd. Goodricke Technical & Management Services Ltd.	—
Chairman / Member of Committee of the Boards of Companies	Member, Audit Committee of Goodricke Group Limited	Member, Remuneration Committee and Member, Audit Committee of Goodricke Group Limited



Explanatory Statement

(Pursuant to Section 173(2) of the Companies Act 1956)

Item No. 6

At the Board Meeting held on 8th December 2004, Mr. Krupakaran Satish David was re-appointed as Managing Director of the Company effective 1st January, 2005.

Mr. K S David, aged 57 years, is a Science Graduate and a senior Planter. He joined Duncan Bros. & Co. Ltd. as Tea Garden Assistant in 1969. On re-organisation, he joined Goodricke Group Ltd. on 1st January, 1978. Effective 1st July, 1984, he was transferred to Head Office and promoted to General Manager on 1st July, 1986. The Board appointed Mr David as Wholtime Director in charge of operations effective 1st August, 1994 and thereafter as Managing Director effective 1st January, 1999. He is currently the Vice Chairman of Indian Tea Association, and Committee Member of Bengal Chamber of Commerce & Industry and of Darjeeling Planters' Association.

Terms of appointment:

I. **Period** – 1st January, 2005 to 31st December, 2007.

II. **Remuneration** –

(i) **Basic Salary:**

Rs. 125,000/- in the scale of Rs. 125,000/- to Rs. 145,000/- per month.

Annual increment of basic salary shall be decided by the Board of Directors on the recommendation of the Remuneration Committee subject to the above limit.

(ii) **Commission:**

As may be approved by the Board of Directors each year subject to the overall limit of the total managerial remuneration as provided under Sections 198 and 309 of the Act.

(iii) **Perquisites:**

In addition to the aforesaid salary and commission, Mr. K S David shall also be entitled to such perquisites as per Rules of the Company like furnished accommodation, gas, electricity, water, medical reimbursement and leave travel concession for self and family, club fees, personal accident insurance, benefits of Provident Fund and Superannuation Fund etc., as may be determined by the Board for the purposes of which:

(a) Perquisites shall be evaluated as per Income Tax Rules wherever applicable and in the absence of any such Rule, perquisites shall be evaluated at actual cost;

(b) Company's contribution to Provident Fund and Superannuation Fund shall not exceed such maximum limit as statutorily permitted; and

(c) Use of Company car with chauffeur for official purposes and telephone at residence (including payment for local calls and long distance official calls) shall not be considered as perquisites.

(iv) **House Rent Allowance:**

In case accommodation is not provided by the Company, House Rent Allowance as per rules of the Company.

Provided that:

the aggregate of the total salary, commission and monetary value of the perquisites payable to the Managing Director and Chief Executive Officer (MD & CEO) together with Wholtime Director and Chief Financial Officer (WD & CFO) shall not exceed 10% of the profits of the Company calculated in accordance with Sections 198 and 309 of the Act.

III. **Minimum Remuneration** –

In case of loss or inadequacy of profit in any year during the tenure of Mr K S David as MD & CEO of the Company, he shall be entitled to receive a total remuneration including salary and perquisites etc., not exceeding the applicable ceiling in Section II of Part II of Schedule XIII of the Act, or such other modified ceiling as may be notified.

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IV. The Board may, in its discretion, revise / modify any of the terms from time to time within limits stipulated above.

V. Duties –

Mr K S David will have overall responsibility as the Chief Executive of the Company and shall exercise the powers of management under the general superintendence, control and direction of the Board of the Company.

VI. Termination of Appointment –

The appointment may be terminated by either party giving six month's prior notice.

VII. Approval of the Company –

The above appointment of Mr K S David and remuneration payable to him are subject to the approval of the members of the Company at the next General Meeting.

The Directors commend acceptance of the Resolution.

None of the Directors except Mr. K.S. David are concerned or interested in this appointment.

Item No. 7

Mr Bhaskar Nath Ghosh was appointed as the Wholtime Director & Chief Financial Officer effective 1st January, 2004, for a period of three years and the terms of appointment was approved by the Members of the Company at the Annual General Meeting held on 5th April, 2004. The Board at its meeting held on 8th December, 2004, has revised the basic salary effective 1st January, 2005, with all other terms and conditions of existing appointment remaining unchanged.

Revision in terms of appointment:

Basic Salary –

Rs. 85,000/- in the scale of Rs. 85,000/- to Rs. 100,000/- per month.

Annual increment of basic salary shall be decided by the Board of Directors on the recommendation of the Remuneration Committee subject to the above limit. The remuneration will be covered by applicable ceiling under Minimum Remuneration in section II of Part II of Schedule XIII of the Act or such other modified ceiling as may be notified.

The Directors commend acceptance of the Resolution.

None of the Directors except Mr B N Ghosh are concerned or interested in this appointment.

Statement pursuant to Notification No. G.S.R. 36(E) dated 16th January 2002, issued by the Department of Company Affairs, Ministry of Law Justice and Company Affairs, Government of India, in respect of Part II Section II (1.B) of Schedule XIII in respect of Item nos. 6 & 7.

I General Information:—

1. Nature of Industry

Cultivation and manufacture of Tea.

2. Date or expected date of commencement of commercial production

The Company is an existing Unit with 17 Tea Gardens in Darjeeling, Dooars (North Bengal) and Assam.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not applicable – existing Company since 1977.

4. Financial performance based on given indicators (Y.E. 31.12.2004)

Debt / Equity ratio	:	1:0.48
Interest cover	:	2.4 times
Net worth per share	:	Rs. 30.15