

ANNUAL REPORT 2011



GOODRICKE GROUP LIMITED



GOODRICKE TEA

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Exclusive Darjeeling Teas

Premium CTC Teas



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ANNUAL REPORT 2011



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BOARD OF DIRECTORS

P. J. Field – *Chairman*

A. N. Singh – *Managing Director & C.E.O.*

A. K. Mathur

S. Kaul

K. Sinha

P. K. Sen

VICE PRESIDENT & SECRETARY

D. P. Chakravarti

CHIEF ACCOUNTANT & C.F.O.

A. Sengupta

BANKERS

The Hongkong & Shanghai Banking Corporation Ltd.

HDFC Bank Ltd.

Axis Bank Ltd.

AUDITORS

Lovelock & Lewes

REGISTRARS & SHARE TRANSFER AGENTS

C.B. Management Services Pvt. Ltd.

P-22, Bondel Road, Kolkata 700 019.

Tele. No. (033) 2280-6692/93/94/4011-6700 Fax No. (033) 2287-0263/4011-6739

Email : rta@cbmsl.com, Website : www.cbmsl.com

REGISTERED OFFICE

"Camellia House", 14 Gurusaday Road, Kolkata 700 019

Website : www.goodricke.com

NOTICE

NOTICE is hereby given that the Thirty-sixth 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 Wednesday, the 18th April, 2012 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 2011 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, 2011.
3. To appoint a Director in place of Mr. Peter John Field who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Dr. Sudha Kaul who retires by rotation and being eligible, offers herself 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 appointment of Mr. Arun Narain Singh as Managing Director & Chief Executive Officer of the Company and payment of remuneration to him effective from 1st January, 2012 till 31st December, 2014 as per terms and conditions of appointment, circulated earlier on 1st December, 2011 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 10th April to Wednesday, the 18th April, 2012, both days inclusive.

By Order of the Board

Kolkata
27th February, 2012

D. P. Chakravarti
Vice President & 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 23rd April, 2012 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. Members holding shares in dematerialised form to advise respective depository participants about change of address. 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 31st December, 2004, 2005, 2006, 2007, 2008, 2009 and 2010 may immediately approach the Registrars for revalidation of unclaimed Dividend Warrants.**

Members 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 2002 has been deposited accordingly. There was NIL Dividend for the year 2003. 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 2004, will fall due for deposit on 7th May, 2012.

4. Pursuant to Section 205A of the Act, all unclaimed/unpaid Dividends upto the Dividend for the period 31st December, 1995 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 member should be approached.
6. In terms of Clause 5A of the Listing agreement, the Company's Registrars & Share Transfer Agent has sent three reminders to those shareholders whose physical share certificates are lying with them after being returned as undelivered. There has been fairly good response leading to reduction in such unclaimed physical certificates.

7. DETAILS OF DIRECTORS

Particulars	Appointment	Directors retiring by rotation and seeking reappointment	
Name	Mr. Arun Narain Singh	Mr. Peter John Field	Dr. Sudha Kaul
Designation	Managing Director & Chief Executive Officer (MD & CEO)	Non-Executive Director	Non-Executive Director (Independent)
Date of Appointment	1st January, 2012	1st May, 2009	1st September, 2000
Date of Birth	1st July, 1953	25th November, 1950	19th April, 1945
Qualification	M.Sc.	Banker	Ph.D. Awarded 'Padma Shri' by Government of India in 2010.
Experience	Joined the Company as Tea Garden Assistant at its inception. In early 2002, was transferred to Head Office and promoted later to Vice President (Operations). He was Managing Director (operations) from 1st August, 2006 to 31st December, 2008. The Board appointed Mr. Singh as Managing Director of the Company effective 1st January, 2009 to 31st December, 2011.	Joint Managing Director, Camellia Plc. U.K. Indepth experience in the field of Banking & Finance of a wide range of Companies in diverse lines of activities ranging from Tea & other plantations, banking & engineering, warehousing and transport etc.	An eminent Administrator and Social Worker. She has been associated with a number of National and International Institutions in the field of cerebral palsy and has a number of books and other publications to her credit.
Directorship of other Companies (Excluding foreign Companies and Private limited Companies).	Stewart Holl (India) Ltd. Amgoorie India Ltd. Elgin Investments & Trading Co. Ltd. Goodricke Technical & Management Services Ltd.	Stewart Holl (India) Ltd. Amgoorie India Ltd. Elgin Investment & Trading Co. Ltd. Goodricke Technical & Management Services Ltd.	Vice Chairperson, Indian Institute of Cerebral Palsy (Formerly Spastics Society of Eastern India).
Chairman/ Member of Committee of the Boards of Companies	—	Member, Remuneration Committee of Goodricke Group Ltd.	Chairman, Shareholders'/ Investors' Grievance Committee and Member Remuneration Committee of Goodricke Group Ltd.
Shareholding in the Company (Nos.)	180	Nil	Nil
Inter-se relationship	Not related to any Director on the Board, except fellow Directorship in some Companies.	Not related to any Director on the Board, except fellow Directorship in some Companies.	Not related to any Director on the Board.

Explanatory Statement

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

Item No. 6

Mr. Arun Narain Singh - Appointment

The Board of Directors of the Company, at its meeting held on Friday the 18th November, 2011, has appointed Mr. Arun Narain Singh as Managing Director & Chief Executive Officer (MD & C.E.O) of the Company effective 1st January, 2012 in terms of Section 269 of the Companies Act, 1956 (Act) read with Schedule XIII thereto.

An abstract of the terms of appointment and memorandum of interest is given below:-

I. Particulars of Mr. A.N. Singh

Mr. A.N. Singh, aged 58 years, is a Post Graduate in Science and a senior Planter. He joined Duncan Bros. & Co. Ltd. as Tea Garden Assistant in 1975. On re-organisation, he joined Goodricke Group Ltd. at the Gardens. In early 2002, he was transferred to Head Office and promoted later to Vice President (Operations). The Board appointed Mr. Singh as Managing Director (Operations) effective 1st August, 2006 till 31st December, 2008 and thereafter as Managing Director & CEO effective 1st January 2009 to 31st December, 2011.

II. Period of appointment - 1st January, 2012 to 31st December, 2014

III. Duties - Mr. A.N. Singh, as the Managing Director & Chief Executive Officer (MD & CEO), will have overall responsibility of the Company and shall exercise such powers under the general superintendence, control and direction of the Board of the Company.

IV. a) Remuneration

Basic Salary : Rs. 400,000/- per month.

Revision of basic salary shall be decided by the Board of Directors annually on the recommendation of the Remuneration Committee in the salary range of Rs.400,000/- to Rs.700,000/- per month.

b) Other Terms

i) 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 on recommendation of the Remuneration Committee.

ii) Special Allowance: Rs. 150,000/- per month.

iii) Perquisites

a) Rent free accommodation/ House Rent allowance: Free use of furnished residential accommodation owned/leased by the Company. In case accommodation is not provided by the Company, House Rent Allowance not exceeding 60% of the salary.

b) Leave: 35 days for every completed year of service with full pay including perquisites and allowances. Leave accumulated shall be encashed at the end of the tenure as per Company rules.

c) Gas, electricity, water, medical reimbursement including premium for medical insurance, leave travel concession for self and family once in a year, payment of fees/subscriptions to Clubs, payment of premium on personal accident insurance, provision of car with chauffeur, telephone at residence etc. as per applicable rules of the Company.

iv) Retirement benefits: Company's contribution to Provident Fund, Pension Fund & Gratuity fund as per rules and regulations of the said funds. Post Retirement Benefits shall be as per rules of the Company.

NOTE:-

i) OVERALL LIMIT:-

The aggregate of the total salary, commission and monetary value of the perquisites payable to the Managing Director of the Company shall not exceed 5% of the profits of the Company calculated in accordance with Sections 198 and 309 of the Act.

ii) 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;

iii) 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.

V. Minimum Remuneration: In case of loss or inadequacy of profit in any year during the tenure of Managing Director, 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.

VI. Memorandum of Interest: None of the Directors except Mr. A.N. Singh is concerned or interested in this appointment.

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

VIII. Termination of Appointment: The appointment may be terminated by either party giving six month's prior notice.

General

Approval of the Company: The above appointment of Mr. A.N. Singh and remuneration payable to him are subject to the approval of the members of the Company at the next General Meeting.

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 (I.B) of Schedule XIII in respect of item No. 6.

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 operational Company with 17 tea estates in Darjeeling, Dooars in 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. 31.12.2011)

Debt / Equity ratio : 0.12:1

Interest cover : 19 times

Net worth per share : Rs. 79/-