

Board of Directors

Mr. K.V. Viswamohan Menon, B.Com (Hons.) FCMJ (London)
Chairman & Whole time Director

Mr. M.P. Gopalakrishnan B.Com., FCA - Director

Mr. Krishnan Nair Rajkumar, M.A - Director

Mr. N. Muralidhar Nair, B.Sc., PG in HR (I & T) - Director

Ms. R. Smitha, B.Com., ACMA - Director

Chief Financial Officer

Mr. Vinoo P. Stephen M.Com., MBA, PGDCA

Management

Mr. Sunil Nair, B.E (Mech.), MBA - Advisor

Mr. Ramachandran Nair C. B.Com., MBA - General Manager (Factory)

Mr. Shamsudhin P.H. B.Sc. - Manager (Production)

Mr. Santhosh K. B.Com. - Deputy Manager

Mr. Suresh Kumar G. B.A. - Senior Manager (Sales)

Mrs. Lissy T.T. - Executive (Factory)

Statutory Auditors

M/s. Varma & Varma

Chartered Accountants, Kozhikode.

Secretarial Auditor

Mr. V.S. Subhash, M.Com, LLB, FCS

JMACS Associates

Company Secretary in Practice

Internal Auditors

M/s. G.G.A & Associates

Chartered Accountants, Coimbatore.

Registrar & Share Transfer Agent

M/s. Link Intime India (P) Ltd.

C-13, Pannalal Silk Mills Compound

LBS Marg, Bhandup West

Mumbai - 400 078

Branch Office

M/s. Link Intime India (P) Ltd.

"Surya", 35, Mayflower Avenue

Sowripalayam Road

Coimbatore - 641 028.



(CIN:L15511KL1990PLC005674)

Registered Office :

"SDF House",
7/352, NH Bypass Road
Chandranagar
Palakkad - 678 007
Kerala.

Factory :

"SDF Industrial Complex"
5/128, Pampadi
Thiruvilwamala
Thrissur - 680 597
Kerala.

ANNUAL GENERAL MEETING 2014 -15

Date : 30th September 2015.

Venue : Rotary Paul Harris Hall, NH By Pass Road,
Karingarapully P.O., Palakkad.

Time : 09.30 am.

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NOTICE OF THE ANNUAL GENERAL MEETING

To all Members,

Notice is hereby given that the 25th Annual General Meeting of the Members of the Company will be held on Wednesday, the 30th September 2015 at 9.30 A.M. at the Conference Hall of Rotary Paul Harris Hall, N.H. Bypass Road, Karingarapully Post, Palakkad - 678 559 to transact the following businesses.

AGENDA

ORDINARY BUSINESS :

1. To consider and adopt the audited financial statements of the Company for the year ended 31st March, 2015 including Balance Sheet as at 31st March 2015 and the statement of profit and loss and cash flow statement for the year ended on that date and the report of the Board of Directors and auditors thereon.
2. To appoint a Director in place of Mr. K.V. Viswamohan Menon (DIN: 00666339) who retires by rotation and is eligible for reappointment.
3. **To ratify the appointment of the Auditors and fix their remuneration and in this regard, to pass the following resolution as an ordinary resolution.**

"RESOLVED THAT pursuant to the provisions of section 139(1) & 142(1) and other applicable provisions, if any, of the Companies Act, 2013, the appointment of M/s. Varma & Varma (having Firm Registration No. 004532S), Chartered Accountants, Kozhikode as the Statutory Auditors of Company for the financial year 2015-16 be and is hereby ratified, at such remuneration as may be determined by the Board of Directors of the Company.

SPECIAL BUSINESS

4. **To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section(s) 149, 150, 152, 160 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, Ms. Ramakanth Pai Smitha (holding DIN: 07183913), who was appointed as an Additional Director of the Company by the Board of Directors, with effect from 29th May, 2015 and who holds office up to the date of this Annual General meeting pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and in respect of whom a written Notice under Section 160 of the Companies Act, 2013 has been received from a member signifying his intention to propose Ms. Ramakanth Pai

Smitha as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company with effect from 30th September, 2015 to hold such office for a period of 5 consecutive years upto 29th September, 2020 and that her period of office shall not be liable to determination by retirement of directors by rotation."

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4:

The Board of Directors at their meeting held on 29th May, 2015 has appointed Ms. Ramakanth Pai Smitha (holding DIN: 07183913) as an Additional Director with effect from 29th May, 2015. In accordance with the provisions of Section 161(1) of the Companies Act, 2013, Ms. Ramakanth Pai Smitha holds Office as the Director of the Company upto the date of this Annual General Meeting. The Company has received a Notice in writing under Section 160 of the Companies Act, 2013, along with the requisite amount of deposit, from a Member proposing the candidature of Ms. Ramakanth Pai Smitha for the Office of the Independent Director.

Under the provisions of the Companies Act, 2013, an Independent Director should be appointed for a fixed term and is not liable to retire by rotation. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Ms. Ramakanth Pai Smitha being eligible and offering herself for appointment, is proposed to be appointed as an Independent Director for a period of five consecutive years with effect from 30th September, 2015.

In the opinion of the Board, Ms. Ramakanth Pai Smitha fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. The qualification and expertise of Ms. Ramakanth Pai Smitha has been detailed in the annexure attached.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Ms. Ramakanth Pai Smitha as an Independent Director. Accordingly, the Board recommends the resolution set out in Item No. 4 of the Notice for the approval of the shareholders of the Company.

Except Ms. Ramakanth Pai Smitha, being the appointee Director, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4 of the Notice.

NOTES:-

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL 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.**
- 2. THE INSTRUMENT APPOINTING PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE AGM IS ENCLOSED.**
- 3. 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.**
4. Pursuant to Rule 4A of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978, the members are informed that the Company has not declared any dividend in the past and hence transfer of unpaid dividend to Government account does not arise.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2015 to 30th September, 2015 (both days inclusive).
6. Details under SS-2 and Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting are furnished and forms a part of the notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
7. Members are requested to notify any change of address:
 - a. To their depository participants (DP) in respect of shares held in dematerialized form, and
 - b. To Registrar and Share Transfer Agent of the Company - M/s. Link Intime India (P) Ltd., "Surya", 35, Mayflower Avenue, Sowripalayam Road, Coimbatore - 641028, in respect of shares in physical form.
8. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Share Transfer Agents, for consolidation into a single folio.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market.

Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent.

10. Members are requested to bring their Client ID and DP ID or Folio Numbers, as may be applicable, for easy identification of attendance at the meeting.
11. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
12. Kindly bring your copies of the Annual Report to the meeting.
13. Members / Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
14. Notice of Annual General Meeting along with Annual Report will be sent to those shareholders/beneficial owners, whose name will appear in the register of members/list of beneficiaries received from the depositories as on 21st day of August, 2015.

15. Voting through electronic means

- (i) Pursuant to Clause 35B of the Listing Agreement with the Stock Exchange, 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 facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).
- (ii) The facility for voting through poll shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting may exercise their vote through polling paper at the meeting.
- (iii) The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.

Procedure / Instructions for e-voting are as under:

(A) In case of Members receiving AGM Notice by e-mail:

- (a) Log on to the e-voting website www.evotingindia.com
- (b) Now click on "Shareholders" tab to cast your votes.
- (c) Now enter your User ID
 - For CDSL: 16 digits beneficiary ID
 - For NSDL: 8 Character DP ID followed by 8 Digit Client ID
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number 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#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • 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 member id/Folio in the Dividend Bank details field.

- (d) Next enter the Image Verification as displayed and Click on Login.
- (e) 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.
- (f) If you are a first time user follow the steps given below:
- (g) After entering these details appropriately, click on "SUBMIT" tab.
- (h) 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.
- (i) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (j) Click on the EVSN for the relevant SDF INDUSTRIES LIMITED on which you choose to vote.
- (k) 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.
- (l) Click on the 'Resolution File Link' if you wish to view the entire Resolution details.
- (m) 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.
- (n) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- (o) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (p) 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 prompted by the system.
- ❖ Non-individual shareholder (i.e. other than 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.
- (B) In case of members receiving the physical copy:**
- i) Please follow all steps from sl. no. (a) to sl. no. (p) above to cast vote.
- ii) The voting period begins on 27th September, 2015 (9.00 am) and ends on 29th September, 2015 (5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23-09-2015, may cast their vote

electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- iii) 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.

(C) General:

(a) The voting rights of the 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 23rd September, 2015.

(b) Mr. M.D. Selvaraj, FCS, proprietor of M/s. MDS & Associates, Practising Company Secretary,

Coimbatore, has been appointed as Scrutinizer to scrutinize the e-voting and poll process in a fair and transparent manner.

- (c) The scrutinizer shall within a period of 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 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.

16. The results of the e-voting along with the scrutinizer's report shall be uploaded in the CDSL website and communicated to the stock exchanges where the shares of the Company are listed.

BY ORDER OF THE BOARD
For SDF INDUSTRIES LIMITED

K. V. Viswamohan Menon
Chairman & Whole time Director
(DIN : 00666339)

PALAKKAD
14.08.2015

Annexure pursuant to SS-2 on General Meeting and Clause 49 of the Listing agreement with the Stock Exchanges

Particulars of Directors proposed to be appointed/re-appointed at the 25th Annual General Meeting

Name of Director	Ms. Ramakanth Pai Smitha	Mr. K.V. Viswamohan Menon
DIN	07183913	00666339
Date of Birth	21/04/1981	17/02/1950
Nationality	Indian	Indian
Date of Appointment	29/05/2015	25/01/1993
Relationship with other Directors	Not related to any Director of the Company	Not related to any Director of the Company
Qualifications	B.Com., ACMA	B.Com (Hons.) FCMI (London)
Experience	13 years experience in finance & costing	35 years. Ex- Investment Banker, Former Director-India Investment Fund (UK), Former Member-Consultative Committee (NRI), Ministry of Finance, Govt. of India. Presently member of the Minimum Wages Advisory Board of Govt. of Kerala
No. of Shares held	NIL	28, 91, 500
Chairman/Director of other Companies	NIL	NIL
Chairman/Member of Committees of Board Companies of which of he/ she is a Director	Member of Audit Committee of SDF Industries Limited	Member of Audit Committee of SDF Industries Limited
Terms and conditions of appointment/re-appointment	Independent Director	Executive Chairman & Wholetime Director liable to retire by rotation
Remuneration	NIL	NIL
Number of Board Meeting attended during the year	NA	5

DIRECTORS' REPORT 2014 - 2015

Dear Shareholders,

Your Directors have pleasure in presenting their 25th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31st 2015.

FINANCIAL HIGHLIGHTS:

Company's financial performance for the year under review along with previous year's figures are given hereunder:

Particulars	As on 31.03.2015 (Rs. Lakhs)	As on 31.03.2014 (Rs. Lakhs)
Profit before Depreciation & Tax	180.05	83.86
Less: Depreciation	21.40	19.40
Profit before Tax	158.65	64.46
Less Provision for Tax	0	0
Net Profit for the year	158.65	64.46

COMPANY PERFORMANCE

The year has been an adverse year for liquor companies particularly in Kerala. The Government had announced step by step prohibition and as first step closed all bars other than of 'Five Star Hotels'. However, your company having diversified into job work business, could wither this adverse market contraction. In fact, the company could achieve 146% increase in net profit this year, thanks to cost cutting and efficiency drive. The Directors are happy that the company is progressing from a heavy loss making company to a profit making one. This year the company has made a net profit of Rs. 158.65 lakhs against Rs. 64.46 lakhs during the last year.

The liquor industry is susceptible to heavy government involvement, both in production and sales. Hence, a cautious approach is required on future forecast.

RESERVES

Due to accumulated losses, the company is unable to transfer any amount to its Reserves.

DIVIDEND

The company has been a loss making one from inception and being a BIFR referred unit, is prohibited to declare

dividend while under reference and without the permission of Hon. BIFR.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There is no amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2015 was Rs. 11,68,73,000. During the year under review, the Company has not issued any shares.

EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure No.1 and is attached to this Report.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, 5 Meetings of the Board of Directors, 4 Meetings of the Audit Committee, 1 Meeting of the Nomination and Remuneration Committee and 13 Meetings of the Stakeholders Relationship Committee were held. Further details of the same have been remunerated in the Corporate Governance Report annexed herewith.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed;
- The directors had selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the profit of the company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for

preventing and detecting fraud and other irregularities;

- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The internal financial controls to be followed by the company were laid down and such internal financial controls were adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

There have been no frauds reported by the Auditors pursuant to Section 143(12) of the Companies Act, 2013.

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In adherence of section 178(1) of the Companies Act, 2013, the Board of Directors of the Company approved a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3), based on the recommendations of the Nomination and Remuneration Committee.

The Company's Policy relating to appointment of Directors, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Annexure No.2- and forms part of this Report.

AUDITORS

STATUTORY AUDITORS

M/s. Varma & Varma (Firm Registration No. FRN:004532S), Chartered Accountants have been appointed as statutory auditors of the company at the last Annual General Meeting held on 29 September, 2014 for a period of three years subject to ratification by members at every subsequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed Mr. V.S. Subhash, *M.Com, LLB, FCS*, M/s. JMACS Associates to undertake the Secretarial Audit of the Company for the year ended 31st March, 2015. The Secretarial Audit Report is annexed as Annexure 3.

With reference to the observations made by the Secretarial Auditor in his report the Directors wish to state that the company has appointed a Woman Director on 29.05.2015. The company being a sick company has not appointed a whole time Company Secretary and due to tight financial position the company has not been paid the listing fees due to the Stock Exchanges. Once the position improves necessary steps would be taken for appointment of whole time Company Secretary and listing fees due to the Stock Exchanges will be paid.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

There were no loans, guarantees or investments made by the Company under section 186 of the Companies Act, 2013 during the period under review and hence the said provision is not applicable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All transactions entered into during the financial year 31st March 2015 with Related Parties as defined under the Companies Act and Clause 49 of the Listing Agreement were in the ordinary course of business and on an arm's length basis. During the year, the Company

had not entered into any transaction referred to in Section 188 of the Companies Act, with related parties which could be considered material under the Listing Agreement. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Companies Act in Form AOC-2 is not applicable. Attention of Members is drawn to the disclosures of transactions with related parties set out in Notes to Accounts - Note 24 forming part of the financial statements. However it is to be noted that this venture is advantageous to your company as it contributes profitability.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and outgo as required under section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure - 4 and is attached to this report.

RISK MANAGEMENT POLICY

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organisation from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventorised and integrated with the management process such that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any

Corporate Social Responsibility initiatives as the said provisions are not applicable.

ANNUAL PERFORMANCE EVALUATION

In accordance with the criteria suggested by The Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Independent Directors, at their separate meetings, also evaluated the performance of non-independent directors and the Board as a whole based on various criteria. The performance of each independent Director was evaluated by the entire board of directors on various parameters like engagement, leadership, analysis, decision making, communication, governance etc. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

The performances of all the Committees were evaluated by the Board having regard to various criteria such as committee composition, committee, processes, committee dynamics etc. The Board was of the unanimous view that all the committees were performing their functions satisfactorily.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the financial year ended 31st March, 2015.

DIRECTORS

At the Annual General Meeting of the Company held on 29th September, 2014, the Members had approved the appointment of Mr. M.P. Gopalakrishnan & Mr. N. Muralidhar Nair as Independent Directors for a term of five years.

Pursuant to the provisions of section 152 of the Companies Act, 2013, Mr. K. Viswamohan Menon (holding DIN:00666339) is due to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The Board of Directors has appointed Ms. Ramakanth Pai Smitha (holding DIN: 07183913) as an Additional Director with effect from 29th May, 2015. She will hold office up to the ensuing Annual General Meeting, of the Company and being eligible, offers herself for

reappointment. Notice under Section 160 of the Act, has been received by the Company from a Member, signifying his intention to propose the candidature of Ms. Ramakanth Pai Smitha as an Independent Director of the Company for a period of five years. Accordingly necessary resolution proposing the appointment of Ms. Ramakanth Pai Smitha as an Independent Director of the Company has been included in the Agenda of the Notice convening the Annual General Meeting for the approval of the members.

SUBSIDIARIES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary or Associate Company.

FIXED DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review. There was no deposit remaining unpaid or unclaimed as at the end of the year.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There is no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

In the opinion of the Board, the existing internal control framework is adequate and commensurate to the size and nature of the business of the Company.

PARTICULARS OF EMPLOYEES AND REMUNERATION

The requisite details relating to ratio of remuneration, percentage increase in remuneration etc. as stipulated under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Annexure - 5 to this Report.

The disclosure referred to the Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not apply to the Company as there were no employees who are in receipt of remuneration in the aggregate at the rate of not less than Rs.60,00,000/- if employed throughout the year or Rs.5,00,000/- per month if employed for part of the year.

AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company, comprises five Members, namely Mr. K.V. Mohan Menon, Mr. M.P. Gopalakrishnan, Mr. K. Rajkumar, Mr. N. Muralidhar Nair & Ms. R. Smitha out of which three of them are Independent Directors. Mr. M.P. Gopalakrishnan, an Independent Director, is the Chairperson of the Audit Committee.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has been employing women employees in various cadres within the factory premises. The Company

has in place an Anti-harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee has been setup to redress complaints received regularly. There was no complaint received from any employee during the financial year 2014-15 and hence no complaint is outstanding as on 31.03.2015 for redressal.

MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE

The Management Discussion and Analysis Report and the Report on Corporate Governance, as required under Clause 49 of the Listing Agreement, forms part of the Annual Report.

ACKNOWLEDGMENTS:

The Board of Directors express their appreciation for the contribution made by the employees, customers and bankers for the support extended by them during the year under review. We also would like to thank our bottling partners for their faith in us with continued patronage.

For and on behalf of the Board

Palakkad

14.08.2015

K. V. Viswamohan Menon

Chairman & Whole time Director

(DIN : 00666339)