



## NEELAMALAI AGRO INDUSTRIES LIMITED

(Registered Office : Katary Estate, Katary P.O., Coonoor, Nilgiris District - 643 213, TamilNadu)  
Post Box No. 4260, Panampilly Nagar P.O., Ernakulam District, Kochi - 682 036, Kerala  
Tele : (0484) 2315312 Fax : (0484) 2312541  
Corporate Identity Number (CIN): L01117TZ1943PLC000117  
E-Mail : secneelamalai@vsnl.net Website : www.neelamalaiagro.com

August 18, 2017

Bombay Stock Exchange Limited  
25th Floor, PhirozeJeejeebhoy Towers  
Dalal Street, Fort  
Mumbai- 400001  
Phones : 022-22721233/4, 022-66545695

Dear Sirs,

Sub: Annual Report of the company for the Financial Year 2016-2017—  
(BSE Stock Code: 508670 ).

We are forwarding a copy of the Annual Report of the company for the Financial Year 2016-2017 in pursuance of Regulation 34(1) of the SEBI ( Listing Obligations and Disclosure Requirements) Regulations, 2015, approved and adopted in the Annual General Meeting of the Company held on 17.08.2017.

This may please be taken on record.

Thank you.

Yours faithfully  
for NEELAMALAI AGRO INDUSTRIES LTD.

T.M.HARIKUMAR  
COMPANY SECRETARY & CFO

Encl: As above

# **NEELAMALAI AGRO INDUSTRIES LIMITED**

**74th Annual Report  
2016 - 2017**

**SEVENTY FOURTH ANNUAL GENERAL MEETING**

Day : Thursday

Date : 17th August, 2017

Time : 12.00 noon

Venue : Katary Estate  
Katary Post, Coonoor  
The Nilgiris - 643 213

## NEELAMALAI AGRO INDUSTRIES LIMITED

### BOARD OF DIRECTORS

Mr. Ajit Thomas, *Chairman*  
Mrs. Shanthi Thomas, *Executive Director*  
Mr. A.D. Bopana  
Mr. Raghu Bhale Rao (*upto 30.05.2017*)  
Mr. F. S. Mohan Eddy  
Mr. W. D. Nelson

### AUDIT COMMITTEE

Mr. A.D.Bopana, *Chairman*  
Mr. Raghu Bhale Rao (*upto 30.05.2017*)  
Mr. F. S. Mohan Eddy

### KEY MANAGERIAL PERSONNEL

Mrs. Shanthi Thomas, *Executive Director*  
Mr. T.M. Harikumar  
*Company Secretary & Chief Financial Officer*

### AUDITORS

M/s. Suri & Co.  
Chartered Accountants  
No. 4, Chevaliar Shivaji Ganesan Salai  
T. Nagar, Chennai - 600 017

### BANKERS

Corporation Bank  
The Federal Bank Ltd.

### ESTATES

Katary Estate  
Katary Post  
Coonoor, The Nilgiris - 643 213  
Tel : 0423 - 2284235  
  
Sutton Estate  
Kullakamby Post  
The Nilgiris - 643218

### REGISTERED OFFICE

Katary Estate  
Katary Post  
Coonoor, The Nilgiris - 643 213  
Tel : 0423 - 2284235  
Fax : 0423 - 2284080  
E mail : secneelamalai@vsnl.net  
Website : [www.neelamalaiagro.com](http://www.neelamalaiagro.com)  
CIN : L01117TZ1943PLC000117

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## **NOTICE TO THE SHAREHOLDERS**

NOTICE is hereby given that the SEVENTY FOURTH ANNUAL GENERAL MEETING of the Company will be held at the Registered Office at Katary Estate, Katary Post – 643 213 at 12 Noon on Thursday, the 17th day of August, 2017 to transact the following business:-

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the year ended 31<sup>st</sup> March, 2017 and the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares
3. To appoint a Director in place of Mr. W.D.Nelson (DIN: 00255511), who retires by rotation and is eligible for re-appointment.
4. To appoint M/s.PKF Sridhar & Santhanam LLP, Chartered Accountants, Chennai (Regn. No. 003990S/S200018) as Auditors of the Company and to fix their remuneration and to pass the following resolution as an Ordinary Resolution thereof:-

RESOLVED THAT pursuant to provision of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to the recommendations of the Audit Committee, the consent of the Members be and is hereby accorded for the appointment of M/s. PKF Sridhar & Santhanam LLP, Chartered Accountants, KRD GEE GEE Crystal, 7<sup>th</sup> Floor, 91-92, Dr. Radhakrishnan Salai, Mylapore, Chennai – 600 004 (Firm's Registration No. 003990S/S200018), as Statutory Auditors of the Company, in place of M/s. Suri & Co., Chartered Accountants, Chennai (Firm's Registration No. 004283S) who are retiring after completion of their term, for a period of five year(s) from the conclusion of the ensuing Annual General Meeting till the conclusion of 79<sup>th</sup> Annual General Meeting, subject to ratification of

the appointment at every Annual General Meeting, and that the Board of Directors be and is hereby authorised to fix the remuneration payable to the Auditors as may be determined by the Audit Committee in consultation with the Auditors.

On Behalf of the Board

**Ajit Thomas**

Chairman

DIN : 00018691

Chennai

30.05.2017

Registered Office :

Katary Estate, Katary Post

Coonoor, The Nilgiris, Tamilnadu - 643 213

CIN: L01117TZ1943PLC000117

Tel: 0423 - 2284235, Fax : 0423 - 2284080

E-mail- secneelamalai@vsnl.net

Website : www.neelamalaiagro.com

### **NOTES:**

1. A member entitled to attend and vote at the 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 48 hours before the commencement of the meeting.
2. A person can act as 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 per cent 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 proxy for any other person or shareholder.
3. Corporate members intended to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from August 11, 2017 to August 17, 2017 (both days inclusive).
5. The Company has appointed M/s Cameo Corporate Services Limited, Chennai as its Registrar & Share Transfer Agent and depository interface of the Company with CDSL. Shareholders intending to hold their shares in electronic form may approach their depository

participants for dematerialisation of shares. Shareholders may send their shares for effecting transfers/ transmission to M/s Cameo Corporate Services Limited.

6. Dividend on equity shares as recommended by the Board of Directors for the year ending 31st March, 2017, when declared at the Annual General Meeting will be paid to members whose name appear :-
  - a) as Beneficial Owners as per list to be furnished by the Depositories in respect of the shares held in demat form and
  - b) as Members on the Register of Members of the Company as on August 17, 2017 in respect of shares held by them in physical form, after giving effect to all valid share transfers in respect of transfer requests in physical form, lodged with the Company, Registrar & Share Transfer Agent on or before the close of business hours on August 10, 2017
7. Members are requested to notify immediately any change in their address to the company's Share Transfer Agent, M/s. Cameo Corporate Services Limited, Subramanian Building, No. 1, Club House Road, Chennai- 600 002 in the case of physical holdings and to their respective Depository Participants in case of dematted shares.
8. Members are requested to lodge their e-mail ID's along with their Name and Folio No. to Company's Share Transfer Agent, M/s. Cameo Corporate Services Limited, 'Subramanian Building', No.1, Club House Road, Chennai - 600 002, Email :- investor@cameoindia.com to enable the Company to send all future communications including Annual Reports through electronic mode.
9. Securities and Exchange Board of India (SEBI) has, vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013, made mandatory the usage of any Reserve Bank of India approved electronic mode of payment such as National Electronic Clearing Service (NECS), National Electronic Fund Transfer (NEFT) and Real Time Gross Settlement (RTGS) etc. for making cash payments to investors of companies whose shares are listed on Stock Exchanges. Members who have not opted for NECS facility earlier are requested to fill up the enclosed mandate form and forward the same to M/s. Cameo Corporate Services Limited immediately to avail the NECS facility; members who have already opted the NECS facility may intimate M/s. Cameo Corporate Services Limited, of any change in the bank account details already furnished.

10. Shareholders who have multiple folios in identical names or in joint names in the same order, are requested to intimate to the Company these folios, to enable the Company to consolidate all such shareholdings into one folio.
11. Shareholders of the Company may avail the nomination facility by executing the prescribed nomination form, which can be obtained from the Registered Office of the Company or from the company's Share Transfer Agent.
12. The equity shares of the company would continue to be listed on BSE Ltd., Corporate Relationship Dept., 1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001. The Annual listing fee, as prescribed, has been paid to the BSE Ltd.
13. The Unpaid Dividend amounting to Rs.4,92,080/- for the year 2008-2009 had been transferred to the Investor Education & Protection Fund constituted by the Central Government. Dividend declared for the year 2009-2010 remaining unpaid/unclaimed over a period of 7 years have to be transferred to the above fund during the year and no claim shall lie against the Company or the said Fund, once it is transferred. Members are advised to claim the unpaid dividend, if any, immediately. Besides, there has now been a change in the applicable provisions under the Investor Education and Protection Fund Authority (Accounting Audit, Transfer and Refund) Rules, 2016, which now additionally mandate a transfer of the corresponding shares as well, to the IEPF regarding which adequate notice was also given by the Company through individual notices to the concerned shareholders at their registered address, newspaper advertisement and the information in the Company's website. Such shares shall be credited to the demat account of the IEPF Authority as and when notified by them. Anybody whose dividend or corresponding shares are thus involved, may immediately contact the Company / Share Transfer Agent.
14. Members are requested to note that in case of transfers, deletion of name of deceased shareholder(s), transmission and transposition of shares, in respect of shares held in physical form, submission of attested copy of PAN CARD of the transferee(s), surviving holder(s), legal

heir(s) and joint holder(s) respectively has been made mandatory by The Securities and Exchange Board of India (SEBI), along with necessary documents at the time of lodgement of request for transfer/transmission/transposition

15. Members may also note that the Notice of the 74<sup>th</sup> Annual General Meeting and the Annual Report for 2016-2017 will also be available on the Company's website: [www.neelamalaiagro.com](http://www.neelamalaiagro.com) for downloading. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's share transfer agent email ID: [investor@cameoindia.com](mailto:investor@cameoindia.com).

#### 16. Voting facilities

In compliance with 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 facility to exercise their right to vote at the 74<sup>th</sup> 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 facility for voting either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

#### 17. Instructions for members for voting electronically:

- (i) The voting period begins on August 14, 2017 (9 a.m.) ends on August 16, 2017 (5.00 p.m). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) August 10, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter

- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. 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](http://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"> <li>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 8 digits of the sequence number in the PAN field.</li> <li>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.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

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

- (ix) Members holding shares in physical form will then directly reach 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 for the relevant <Company Name-> on which you choose to vote.
- (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 votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The M-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - c. After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - d. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### General instructions

- i) Mr. V. Suresh, Practising Company Secretary (C.P. No. 6032) has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
- ii) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at



least two witnesses not in the employment of the Company and make, not later than 3 days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The resolutions will be deemed have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions.

- iii) The Voting results will be submitted to BSE Limited (BSE) within 48 hours of conclusion of the AGM in the format specified by SEBI.
- iv) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.neelamalaiagro.com](http://www.neelamalaiagro.com) and on the website of CDSL immediately after the declaration of the result.

- v) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on August 10, 2017. A person who is not a Member as on the cut off-date should treat this Notice for information purposes only.

On Behalf of the Board

**Ajit Thomas**

Chairman

DIN : 00018691

Chennai  
30.05.2017

Registered Office :

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## INFORMATION OF DIRECTORS RETIRING BY ROTATION SEEKING RE-ELECTION AT THIS ANNUAL GENERAL MEETING AND DIRECTORS TO BE APPOINTED

Name : Mr. W. D. Nelson  
Age : 81 years  
Qualifications : Intermediate and Diplomaholder in Accounting  
Expertise : Mr.W.D.Nelson has vast experience of over 54 years in the areas of Land and Labour matters in Plantation Industry and General Management with A.V.Thomas Group Companies.

### Other directorships

Name of the Company	Position held
The Highland Produce Company Limited	Director
L.J. International Limited	Director
A.V.Thomas Investments Company Limited	Director
DALP Trading & Manufacturing Company Limited	Director
The Nelliampathy Tea & Produce Company Ltd.	Director
The Midland Rubber & Produce Company Ltd.	Director

Shareholding in the company: Nil

His other Committee Memberships : Nil

## DIRECTORS' REPORT

Your Directors have pleasure in presenting the Seventy Fourth Annual Report, with the Audited Accounts for the year ended March 31, 2017.

### FINANCIAL RESULTS

The performance of the Company for the financial year ended March 31, 2017 is summarized below:

Amount Rs.		
Particulars	2016 - 2017	2015 - 2016
Income from Operations	29,18,11,837	32,84,50,017
Other Income	4,52,13,331	4,77,49,753
Total Income	33,70,25,168	37,61,99,770
Profit before tax for the year	1,94,47,064	4,00,48,555
Less : Provision for taxation (inclusive of MAT credit utilized)	10,56,000	55,00,000
Profit after tax	1,83,91,064	3,45,48,555
Add : Surplus brought forward from Previous year	1,18,25,701	74,79,532
Total Amount available for appropriation	3,02,16,765	4,20,28,087
LESS :		
First Interim Dividend paid on equity shares @ 200% (Rs. 20 per equity share on face value of Rs. 10/-)	---	1,25,47,000
Tax on First Interim Dividend	---	25,54,193
Second Interim Dividend paid on equity shares @ 200% (Rs. 20 per equity share on face value of Rs. 10/-)	---	1,25,47,000
Tax on Second Interim Dividend	---	25,54,193
Transfer to General Reserve	---	---
Final Dividend on Equity Shares	*	---
Provision for tax on Final Dividend	*	---
Surplus carried to Balance Sheet	3,02,16,765	1,18,25,701
Total	3,02,16,765	4,20,28,087

\*Proposed dividend on equity shares and tax on dividend has not been recognised as a distribution of profit in the current year's accounts in accordance with the revised accounting standard-4 'Contingencies and Events occurring after the Balance Sheet Date' (effective from 01.04.2016)

### OPERATIONS REVIEW

Total income dropped from Rs37.62 Crores in 2015-16 to Rs. 33.70Crores in 2016-17 resulting in a drop of 10 %. Profit after Tax was Rs. 1.84Crores (previous year :Rs. 3.46 Crores).

Tea production during the year was 8.21lacsKgs with an average yield of 1539 kgs. per hectare as against 12.39lacsKgs with an average yield of 2330kgs. per hectare during last year. Apart from this there is also a production of

11.41LacsKgs of bought leaf as against 11.02LacsKgs during the previous year. The sale average during the year was at Rs. 133.46 per Kg as against the last year's sale average of Rs. 126.59/- per Kg.

### DIVIDEND

Your Directors are pleased to recommend a dividend of 200% (Rs. 20 per share) on Equity Share Capital, for the year ended 31.03.2017, amounting to Rs. 1,25,47,000, excluding dividend tax.

## LISTING OF SECURITIES ON BSE LTD

The equity shares of the company continued to be listed on BSE Ltd.

## BOARD MEETINGS

The Board of Directors consists of Mr. Ajit Thomas, Chairman, Mrs. Shanthi Thomas, Executive Director, Mr. A.D.Bopana, Mr. Raghu Bhale Rao( upto 30.05.2017) & Mr. F.S.Mohan Eddy, Independent Directors and Mr. W.D.Nelson, Director.

The Board of Directors met four times during this financial year. The details of the Board meetings are given in Corporate Governance report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

## AUDIT COMMITTEE MEETINGS

The constitution of Audit committee during the year was as follows:-

Mr.A.D.Bopana  
(Independent Director & Chairman of Audit Committee)  
Mr. Raghu Bhale Rao (Independent Director) (upto 30.05.2017)  
Mr. F.S.Mohan Eddy (Independent Director)

The terms of reference stipulated by the Board to the Audit Committee cover the matters specified for Audit Committee under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee met five times during this financial year. The details of the Committee meetings are given in Corporate Governance report.

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism / Whistle Blower Policy in place pursuant to Section 177 (9) of the Companies Act 2013 and as per Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available in the website of the company.

## NOMINATION & REMUNERATION COMMITTEE

The constitution of the Nomination & Remuneration Committee are given as follows:-

Mr. A.D.Bopana - Independent Director  
Mr. Raghu Bhale Rao - Independent Director  
(upto 30.05.2017)  
Mr. F.S.Mohan Eddy - Independent

## NOMINATION & REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management, Key Managerial Personnel and their remuneration.

## PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

The Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013.

The details of investments made by Company is given in the note nos. 7 & 8 to the financial statements.

## FIXED DEPOSITS

The Company is not accepting deposits and all deposits accepted earlier have been repaid. As such there are no unclaimed deposits in the books of the company as on March 31, 2017.

## PARTICIPATING AS PROMOTER IN THE EXIT OFFER OF THE NELLIAMPATHY TEA & PRODUCE COMPANY LTD.

SEBI, vide its circular No. SEBI/HO/MRD/DSA/ CIR/P/ 2016/110 dated October 10, 2016 issued for Exclusively Listed Companies (ELCs) in De-recognized / Non-operational / Exited Stock Exchanges placed on the Dissemination Board (DB) had stipulated the ELCs to indicate its intention regarding the listing on nationwide Stock Exchanges or to provide exit to the public shareholders of the Company and submit its plan of action to the designated Stock Exchange (NSE) within 3 months from the date of this Circular (i.e. on or before January 9, 2017). SEBI vide circular dated 5<sup>th</sup> January, 2017 had extended the timeline to comply with the above circular by 31<sup>st</sup> March, 2017 for submitting the plan of action.

The Nelliampathy Tea & Produce Company Limited, in which the Company is one of the Promoters is required to comply with the SEBI circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016. Your Board of Directors decided that the company shall participate as promoter in this Exit Offer to the public shareholders of The Nelliampathy Tea & Produce Company Limited. As on the date of the report, the Company has acquired 25,225 Equity Shares of The Nelliampathy Tea & Produce Company Limited @ Rs. 400/- equity shares through Exit Offer from the public shareholders of The Nelliampathy Tea & Produce Company Limited.

#### **IEPF (ACCOUNTING, AUDIT, TRANSFER AND REFUNDS) AMENDMENT RULES, 2017**

Pursuant to the applicable provisions of the Companies Act, 2013 read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), as amended from time to time, all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government after the completion of seven years. Further according to the Rules, the shares in respect of which dividend has not been paid or unclaimed by the shareholders for seven consecutive years or more shall also to be transferred to the demat account created by the IEPF Authority. Accordingly, the Company has transferred the unclaimed and unpaid dividends. Further, the corresponding shares will also be transferred as per the requirements of the IEPF rules, details of which are provided on our website.

In compliance to the above, the Company has sent the intimation to those shareholders whose dividend stand unclaimed for 7 years and given public notice in two newspapers. Also the details were uploaded in the website of the company.

#### **DIRECTORS & KEY MANAGERIAL PERSONNEL**

##### **1. Executive Director**

Mrs. Shanthi Thomas is the Executive Director of the Company. The provisions of the Companies Act, 2013 pertaining to appointment of Woman Director under Section 149(1) have been complied with.

##### **2. Independent Directors**

Mr. A.D. Bopana, & Mr. F.S. Mohan Eddy are the Independent Directors of the company.

Mr. Raghu Bhale Rao, Independent Director has resigned from the Board of Directors with effect from the close of business hours on May 30, 2017, due to personal reasons. Your Directors place on record, their appreciation for the valuable services rendered by Mr. Raghu Bhale Rao during his tenure as Independent Director of the company.

##### **3. Directors**

During the year, Mr. W. D. Nelson has been inducted as Director w.e.f 15.04.2016.

##### **4. Director retiring by rotation**

In accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, Mr. W.D. Nelson, Director retires by rotation at the 74<sup>th</sup> Annual General Meeting and being eligible, offer himself for re-appointment.

##### **5. Key Managerial Personnel**

Mrs. Shanthi Thomas has been appointed as the Executive Director of the Company and Mr. T.M. Harikumar has been appointed as Company Secretary & Chief Financial Officer of the company, in accordance with the provisions of Section 203 of the Companies Act, 2013.

##### **6. Declaration from Independent Directors on Annual Basis**

The Company has received necessary declaration from all the Independent Directors of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6) of the Companies Act, 2013.

#### **INFORMATION ABOUT THE FINANCIAL PERFORMANCE/FINANCIAL POSITION OF THE SUBSIDIARIES/ASSOCIATES/JOINT VENTURE**

The company has no subsidiary companies.

As required under Section 129(3) of the Companies Act, 2013, the Company has prepared a Consolidated Financial Statement in respect of its Associates/Joint Venture companies along with its own financial statements. Further, details of financial performance/financial position of the associate companies as required under first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 are annexed in Form AOC 1 (Annexure 1).

## CONSERVATION OF ENERGY

The company has taken adequate steps for conservation of energy by utilizing alternate sources and by investing on energy conservation equipments. The particulars prescribed by the Section 134 (3) (m) of the Companies Act 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 relating to Conservation of Energy and Technology Absorption are furnished in the Annexure 2 to this Report.

## FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, the Company's Foreign Exchange Earnings amounted to Rs. 20,06,28,223/-. The total outgo on Foreign Exchange amounted to Rs.18,37,841/-. Details are set out in Notes 23 & 24 of the Accounts. The Company has continued to maintain focus and avail of export opportunities based on economic considerations.

## STATUTORY INFORMATION

The information required under section 197 (12) of the Companies Act, 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the Company have been given in the Annexure - 3

The information under section 197 of Companies Act, 2013 and pursuant to Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not required, as none of the employees falls under this category.

The statement containing remuneration paid to employees and other details as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company during business hours on working days of the Company upto date of the forthcoming Annual General Meeting. Any member interested in obtaining a copy of the same may write to the Company Secretary & CFO and the same will be provided free of cost to the member.

## STATUTORY AUDITORS

M/s. Suri & Co., Chartered Accountants, Chennai - 600017 (Firm's Registration No. 004283S), the present Statutory Auditors of the Company have completed their term as per

Sec. 139 of the Companies Act, 2013. They will be holding the office of Statutory Auditors up to the conclusion of the forthcoming Annual General Meeting.

In their place, the Company is proposing to appoint M/s. PKF Sridhar & Santhanam LLP, Chartered Accountants, KRD Gee Gee Crystal, 7th Floor, 91-92, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600004, (Firm's Registration No. 003990S / S200018) as Statutory Auditors for a period of 5 years commencing from the conclusion of the 74<sup>th</sup> Annual General Meeting till the conclusion of the 79<sup>th</sup> Annual General Meeting. They have also consented to the said appointment and confirmed that their appointment, if made, would be within the limits mentioned under Section 141 (3) (g) of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014.

The Audit Committee and the Board of Directors recommended the appointment of M/s. PKF Sridhar & Santhanam LLP, Chartered Accountants, KRD Gee Gee Crystal, 7th Floor, 91-92, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600004, as Statutory Auditors of the Company from the conclusion of the 74<sup>th</sup> Annual General Meeting.

## AUDITORS' REPORT

There are no qualifications or adverse remarks mentioned in the Auditors' report. The notes to accounts forming part of financial statements are self-explanatory and needs no further clarification.

## SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed Mr. V. Suresh, Practising Company Secretary (C.P.No. 6032), Chennai to undertake the Secretarial Audit of the Company. The Secretarial Audit Report in Form MR-3 is annexed (Annexure 4) to this report.

There is no Secretarial Audit qualification for the year under review.

## COST AUDIT

The provisions of Cost Audit under Section 148 of the Companies Act, 2013 are not applicable to the Company.

## INTERNAL AUDITORS

During the year under review, M/s. PSDY& Associates, Chartered Accountants, Ernakulam carried out the internal audit of the company and submitted their reports.

## CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion & Analysis Report and Report on Corporate Governance with Certificate on compliance with conditions of Corporate Governance have been annexed to this report (Annexures 5 & 6).

## INSURANCE

The Company continues to carry adequate insurance coverage for all assets.

## RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Details of the transactions are provided in Form AOC – 2 which is attached as Annexure 7 to this report.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There were no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

## EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed (Annexure 8)

## INDUSTRIAL RELATIONS

During the year under review, your company enjoyed cordial relationship with workers and employees at all levels.

## CORPORATE SOCIAL RESPONSIBILITY

The company does not fall within the ambit of the provisions of Section 135 of the Companies Act 2013 regarding Corporate Social Responsibility and hence Annual Report on Corporate Social Responsibility (CSR) Activities is not annexed.

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board has constituted a Stakeholders Relationship Committee comprising of Mr.Ajit Thomas, as Chairperson and Mr.A.D.Bopana as Member of the Committee. The Board has designated Mr.T.M.Hari Kumar, Company Secretary & CFO of the Company as the Compliance Officer.

## RISK MANAGEMENT PLAN

Pursuant to Section 134 (3) (n) of the Companies Act, 2013 and as per Regulation 17 (9)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had laid down the procedures to inform Board members about the risk assessment and mitigation procedures.

Regarding the general risk, the company follows a minimal risk business strategy as given below:-

Particulars	Risk Minimizing steps
Fixed Assets and Current Assets	The company has taken adequate insurance coverage of its fixed assets and current assets which will minimize the impact of another event or development
Financial Risk	The company has a conservative debt policy. The debt component is very marginal
Foreign Exchange Risk	Whenever there is an export, the Foreign Exchange is covered at the time of confirmation of order so as to negate any fluctuation in the exchange rate
Credit risk on exports	The credit is insured through Export Credit and Guarantee Corporation Limited (ECGC)

Mr. T.M.Harikumar, Company Secretary & CFO has been assigned the task of informing the Board about the various risks and its mitigation by the Company from time to time.

At present the company has not identified any element of risk which may threaten the existence of the Company.

## BOARD EVALUATION

As per provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the evaluation process for the performance of the Board, its Committees and individual Directors were carried out internally. Each Board member completed a questionnaire providing feedback on the functioning and overall level of engagement of the Board and its committees on the parameters such as the composition, execution of specific duties, contribution of new ideas/insights, quality, quantity and timeliness of flow of information, deliberations at the meeting, independent approach in decision making etc.

The Independent Directors in their meeting held on February 10, 2017, reviewed the performance of the Board as a whole and noted that the Board has been meeting regularly as per requirements of the Companies Act, 2013 and has been fulfilling all functions and discharging the various requirements. The Board has also been ensuring compliance of the provisions of all laws and rules and regulations framed thereunder as applicable to the company.

The Independent Directors also reviewed and were satisfied with the performance of the Non- Independent Director. The performance of the Chairperson of the company, taking into account the views of Executive Director and Non-Executive Director was also reviewed by the Independent Directors and they were satisfied with the performance of the Chairperson under whose leadership and guidance, the company has made great progress over the years.

#### **DISCLOSURE OF ACCOUNTING TREATMENT**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Note 1 to the Financial Statements.

#### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Act and that an Internal Complaints Committee has been set up for redressal of complaints and that all employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year the company has not received any complaint under Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

#### **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:

1. In the preparation of the accounts for the financial year ended 31st March 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. The Directors have 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;

3. 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;
4. The Directors have prepared the accounts for the financial year ended 31st March 2017 on a 'going concern' basis.
5. The directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **INTERNAL CONTROL SYSTEMS**

The company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition, and those transactions are authorised, recorded and reported correctly. The Company has an extensive system of internal controls which ensures optimal utilization and protection of resources, IT security, accurate reporting of financial transactions and compliance with applicable laws and regulations as also internal policies and procedures. The internal control system is supplemented by extensive internal audits, regular reviews by management, and well documented policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data.

#### **ACKNOWLEDGEMENT**

The Directors sincerely acknowledge the contribution and support from customers, shareholders, Central and State Governments, Bankers, Securities Exchange Board of India, BSE Ltd, Cameo Corporate Services Ltd., Central Depository Services Ltd., Registrar of Companies, Tamil Nadu and other Government Authorities for the co-operation and assistance provided to the Company.

The Directors also place on record their gratitude to the employees for their continued support, commitment, dedication and co-operation.

For and on Behalf of the Board of Directors

Chennai  
30.05.2017

**Ajit Thomas**  
Chairman  
DIN : 00018691

## ANNEXURE - 1

## FORM AOC - 1

Amt. in Rs.

Sl. No.	Name of Associates / Joint Ventures	AVT Natural Products Ltd	Midland Corporate Advisory Services Pvt. Ltd.
1	Latest audited Balance Sheet Date	31st March 2017	31st March 2017
2.	Share of Associate / Joint Venture held by the Company on the year end		
	(i) No.	6,09,13,600	2,50,000
	(ii) Amount of Investment in Associates / Joint Venture	2,58,96,668	25,00,000
	(iii) Extend of Holding %	40.00%	32.89 %
3	Description of how there is significant influence	More than 20% of the Total Share Capital of the Associate Concern is held by Neelamalai Agro Industries Ltd.	
4	Reason why the associate / joint venture is not consolidated	The Account of Associates have been Consolidated	
5.	Networth attributable to shareholding as per latest audited Balance Sheet	88,95,58,570	7,15,681
6.	Profit / Loss for the year		
	i. Considered in Consolidation	8,91,96,576	(4,14,303)
	ii. Not Considered in Consolidation	---	---
Total Networth of the company		2,22,38,96,426	21,75,985



## **Conservation of Energy**

The information under Section 134 (3 (m)) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2017 is given here below and forms part of the Directors' Report.

### **A. CONSERVATION OF ENERGY**

Neelamalai Agro Industries Ltd. is committed to conserve energy in all our activities. We have been adopting energy conservation measures for many years. The following energy saving measures have been adopted at Katary & Sutton Estates

1. Energy Efficient Motors have been installed in Withering Section & Rolling room
2. Dust collection system provided with Energy Efficient motors and variable speed drive in Tea Mec Drier & Jumbo Drier
3. Recycling, Drier Exhaust hot air for withering from dust collection systems in Tea Mec Drier & Jumbo Drier.
4. Dust collection system with energy efficient motor has been installed in sifting room
5. Hot water Generator of 10 Lakh Kcal has been installed for fuel efficiency
6. Energy Saving Lights of 28 wts have been provided in factory instead of 40 wts per fitting
7. Reduced usage of Diesel Generator (DG) by maintaining maximum demand with proper usage of automated maximum demand management system
8. 200 KVAR Harmonics filter panel has been installed to stabilize the power supply & improve power factor for savings on energy

### ANNEXURE - 3

Information pursuant to Section 197(12) of the Companies, Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014

- (1) Ratio of the remuneration of each Director / KMP to the median remuneration of all the employees of the Company for the financial year 2016-17

Median remuneration of all the employees of the Company for the Financial Year 2016-17 - Rs. Lacs	442.57
Percentage increase in the median remuneration of the employees in the Financial year 2016-17	3.57%
Number of permanent employees on the rolls of the Company as on 31 <sup>st</sup> March 2017	710

- (2) The percentage of increase in remuneration of Executive Director /Company Secretary &CFO during the financial year 2016-17

Sl. No.	Name of the Director / KMP	Designation	Remuneration during the FY 2016-17 (Rs. in Lakhs)	% increase in Remuneration during FY 2016-17
a	Mrs. Shanthi Thomas	Executive Director	28.17	Nil
b	Mr T M Hari Kumar	Company Secretary & CFO	24.46	41.67%

- (3) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration :-

There is a decrease of 6.89% in the salaries of employees other than managerial personnel (due to reduction in the number of personnel from 728 to 708) and there is an average increase of 15.84% in the salaries of managerial personnel during the year.

Justification for increase : The increase is in line with the industrial standards and the Company's performance

- (4) The remuneration is as per the remuneration policy of the Company.

*Note: The calculation for median remuneration and average increase in remuneration is arrived at based on permanent employees of the Company in the regular rolls.*

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
*For the Financial Year 2016-17*

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

M/s. NEELAMALAI AGRO INDUSTRIES LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. NEELAMALAI AGRO INDUSTRIES LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s. NEELAMALAI AGRO INDUSTRIES LIMITED books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31<sup>st</sup> March 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. NEELAMALAI AGRO INDUSTRIES LIMITED ("the Company") for the financial year ended on 31<sup>st</sup> March 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (NOT APPLICABLE)
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (NOT APPLICABLE)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (NOT APPLICABLE)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (NOT APPLICABLE)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (NOT APPLICABLE)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (NOT APPLICABLE)

Other Laws specifically applicable to this Company is as follows:

- (vi) Plantation Labour Act, 1951
- (vii) Food Safety and Standards Act, 2006
- (viii) Tea Act, 1953
- (ix) Tea (Marketing) Control Order 2003.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that the Board of Directors of the Company is constituted with Executive Director, Non-Executive Directors, Independent Directors and a Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, which is sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

V. SURESH  
PRACTISING COMPANY SECRETARY  
FCS No. 2969  
C.P. No. 6032

Place : Kochi  
Date : 25.05.2017

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The performance of Plantation Segment with regard to industry structure and development, opportunities and threats, segment wise performance, outlook, risks and concerns, internal control systems and its adequacy, discussion on financial performance with respect to operational performance and material developments in Human Resources/Industrial Relations Front, including number of people employed is analysed in detail below :-

### 1) BUSINESS PROFILE

The Company is engaged in Plantation activity and the crop dealt with by the Company is Tea and the main business being Tea cultivation, Tea manufacturing, sales and exports of Tea.

The Company has two estates i.e. Katary & Sutton Estates, located in the Nilgiris District in TamilNadu, spanning an area of 635.56 Hectares.

The factory has facilities to produce Orthodox and CTC teas. Good manufacturing practices and HACCP systems are followed in the Tea factory. Currently the company produces 90% Orthodox and 10% CTC tea.

### 2) INDUSTRY SCENARIO

The sale price has shown improvement when compared to the previous year for Orthodox Tea.

### 3) PERFORMANCE

During the year under review, sales has decreased by 11.14 %. The company has posted an operating profit of Rs. 194 lakhs, as against Rs. 400 lakhs during the last year. The summary of the performance is given below:-

Particulars	31.03.2017 Rs. Lacs	31.03.2016 Rs. Lacs
Sales	2,918	3,284
Other Receipts	452	477
Total Income	3,370	3,761
Material Cost	939	780
Expenses	2,139	2,470
Profit before Interest and Depreciation	293	511
Interest	3	4
Depreciation	96	107
Operating Profit for the year	194	400

### 4) OPPORTUNITIES AND THREATS

#### a. Opportunities

Market potential is there for Tea which however is constrained by stiff competition from global, national and local players.

#### b. Threats

Any recession in general economy may affect the plantation industry also. The major threat for plantation industry is the yearly increase in cost of production which is not at all proportionate with the increase in sale realization. Moreover, plantation crops are generally prone to vagaries of nature and erratic monsoon.

## 5) OUTLOOK

The outlook for the industry depends on (a) consistent demand for Plantation Crops throughout the year (b) a higher realization commensurate with the cost of production and (c) the growth of packet tea segment. The Company has been constantly endeavoring on this. Quality upgradation and attainment of cost efficiency are the prime missions of the Company. Plant modernization and field development have been undertaken with the above missions in mind.

## 6) RISKS AND CONCERNS

With regard to the business risk, the same has been dealt with under Opportunities and Threats stated above.

Regarding the general risk, the company follows a minimal risk business strategy as given below:-

Particulars	Risk minimising steps
Fixed Assets and Current Assets	The company has taken adequate insurance coverage of its fixed assets and current assets which will minimize the impact of another event or development
Financial Risk	The company has a conservative debt policy. The debt component is very marginal
Foreign Exchange Risk	Whenever there is an export, the Foreign Exchange is covered at the time of confirmation of order so as to negate any fluctuation in the exchange ratio
Credit risk on exports	The credit is insured through Export Credit and Guarantee Corporation Limited (ECGC)

## 7) INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has appropriate and adequate internal controls and also has appointed a leading firm of Chartered Accountants as Internal Auditors to cover Internal Audit of the Company. The Internal Audit coverage is adequate to ensure that the assets of the company are safeguarded and protected and there is regular review by Management on policies, internal controls and procedures and also internal audit reports.

## 8) FINANCIAL PERFORMANCE ANALYSIS

During the year under review, total revenue of the Company was Rs. 3370 Lacs as against Rs. 3761 Lacs during the previous year. Tea production including Bought Leaf during the year was 19.62 Lacs kgs as against 23.41 Lacs kgs. during the previous year. Other receipts have recorded an income of Rs. 452 Lacs during the year.

## 9) INFORMATION TECHNOLOGY

The company has upgraded all its information systems resources and review of the same is done on a periodic basis.

## 10) HUMAN RESOURCES

The company attaches significant importance to continuous up gradation of Human Resources for improving the productivity of employees at all levels leading to improvement in quality of the produce, which will ensure a better customer satisfaction and a higher growth. As a part of HR strategy, training programmes are organised for employees at all levels. As on 31<sup>st</sup> March 2017, the company has an employee strength of 1055 nos

## 11) CAUTIONARY STATEMENT

The analysis given above may contain certain statements which are futuristic in nature. Such statements represents the intention of the Management and the efforts put in by them to realise certain goals. The success in realising these goals depends on various factors, both internal and external. Therefore, the investors are requested to make their own independent judgements by taking into account all relevant factors before taking any investment decision.

## CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company submits the report on matters mentioned in the said Regulation and the practices followed by the Company.

### 1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The basic objective of the Corporate Governance Policies adopted by the Company is to attain the highest levels of transparency, accountability and integrity. Your Company believes that Good Corporate Governance enhances the trust and confidence of all the stake holders.

### 2. a. BOARD OF DIRECTORS

The Board of Directors of the Company consists of Chairman and other Directors categorized as follows:-

Category	Name of the Directors
Promoter/Chairman	Mr. Ajit Thomas
Executive Director	Mrs. Shanthi Thomas
Non-Executive Directors	Mr. W.D. Nelson
Non-Executive and Independent Directors	Mr. A. D. Bpana Mr. Raghu Bhale Rao ( <i>upto 30.05.2017</i> ) Mr. F.S. Mohan Eddy

### Shareholdings of Non-executive Directors

Name of the Non-Executive Director	No. of Shares held
Mr. Ajit Thomas (Promoter / Chairman)	4,13,103 equity shares jointly held with Mrs. Shanthi Thomas
Mr. A.D.Bopana	35

## b. Board Meetings

### Number of Board Meetings held and the dates on which they were held.

During the year 2016-2017, the Board met four times. The dates on which the meetings were held are as follows:-

30.05.2016, 09.08.2016, 11.11.2016, and 10.02.2017.

The attendance of each Director in the Board Meetings, Last Annual General Meeting and the Number of their Directorship and Chairmanship/Membership of Committee of each Director in other companies are as follows :-

Director	Category	No. of Board Meeting attended	Last AGM Attendance (Yes / No)	No. of Directorships other than Neelamalai Agro Industries Ltd., Pvt. Ltd. Companies & Foreign Companies	No. of Memberships in Board Committees other than Neelamalai Agro Industries Ltd.	Whether Chairman / Member
Mr. Ajit Thomas	Chairman	4	No	9	9	4 as Chairman 5 as Member
Mrs. Shanthi Thomas	Executive Director	2	No	2	1	Member
Mr. A.D.Bopana	Non- Executive Director Independent Director	4	Yes	4	4	Member
Mr. Raghu Bhale Rao (upto 30.05.2017)	Non- Executive Director Independent Director	3	N.A.	1	1	Member
Mr. F.S. Mohan Eddy Independent Director	Non- Executive Director	4	N.A.	1	None	N.A.
Mr. W.D. Nelson	Non- Executive Director	3	N.A.	6	None	N.A.

*Note : for calculation of number of Committee Positions in other public limited companies, we have considered Audit Committee and Stakeholders relationship Committee alone.*

The Board meets at least once in a quarter and the interval between two meetings is normally not more than 120 days. Apart from the statutory requirements the role of the board includes setting annual business plan, periodic review of operations & considering proposals for diversification, investments and business re-organisation. The information periodically placed before the board includes status of statutory compliance, proceedings / minutes of all committees including the audit committee.

## 3. AUDIT COMMITTEE

The Audit Committee presently consists of the following Independent Directors.

Mr.A.D.Bopana (Chairman)

Mr. Raghu Bhale Rao (upto 30.05.2017)

Mr. F.S.Mohan Eddy

All members of the Audit Committee are financially literate. The terms of reference stipulated by the Board to the Audit Committee cover the matters specified for Audit Committee under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year the Committee met five times on 06.04.2016, 30.05.2016, 09.08.2016, 11.11.2016, and 10.02.2017.

The attendance of members in the Audit Committee meetings are as follows :-

Member	No. of Audit Committee Meetings attended
Mr. A.D.Bopana	5
Mr. Raghu Bhale Rao (upto 30.05.2017)	4
Mr. F. S. Mohan Eddy	5



#### 4. NOMINATION & REMUNERATION COMMITTEE

The constitution of the Nomination & Remuneration Committee are given as follows:-

Mr. A.D.Bopana	- Independent Director
Mr. Raghu Bhale Rao (upto 30.05.2017)	- Independent Director
Mr. F.S.Mohan Eddy	- Independent Director

Mr. A.D.Bopana is the Chairman of the Nomination & Remuneration Committee.

The Committee met on 10.02.2017 to formulate the criteria for evaluation of performance of Independent Directors & Board of Directors and the performance of every Director. All the members of the Committee attended the meeting.

##### **Role of Nomination & Remuneration Committee**

The role of the Committee shall inter alia include the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size etc.,
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

##### **NOMINATION & REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management, Key Managerial Personnel and their remuneration.

##### **Contents of Nomination & Remuneration Policy**

Executive Directors including Managing Director (MD) and Whole time Director (WTD) shall be paid remuneration comprising of several components (including fixed as well as variable), as may be decided and approved by the Board from time to time, on the recommendation of the Committee and also approved by the shareholders and the Central Government, if so required.

Such remuneration will be determined according to industry standards, experience, laws and regulations, prevailing market conditions and scale of Company's business relating to the position. The policy also contains the scope and criteria for evaluation of independent directors and the Board as a whole. Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) shall be paid such remuneration as recommended by the Committee and approved by the Board from time to time. However, for all KMPs (except for the MD/WTD) and/or SMP or other employees the Committee / Board may also authorize the person in charge of day-to-day affairs of the company to decide their remuneration based on their qualification, experience, expertise and their performance.

Details of Payments made to Non-executive Directors – In order to retain seasoned professional on the Board & to receive their valuable guidance, the non-executive directors may be paid such remuneration as permissible under the applicable provisions of the Companies Act, 2013 as amended from time to time.

## 5. DETAILS OF REMUNERATION PAID TO ALL THE DIRECTORS

The Company pays sitting fees to all non- Executive Directors at the rate of Rs. 10,000/- for each meeting of the Board and Rs. 5,000/- for each Audit Committee meeting attended by them. The Company also pays sitting fee to Independent Directors at the rate of Rs. 5000/- for each meeting of the Independent Directors attended by them. Sitting Fee at the rate of Rs. 3000/- is paid to Directors for attending the meetings of Nomination & Remuneration Committee.

Name	Remuneration Rs.	Sitting Fees Rs.	Contribution to P.F. & Other Funds Rs.	Total Rs.
Mr.Ajit Thomas - Promoter / Chairman	N.A.	40,000	N.A.	40,000
Mrs. Shanthi Thomas - Executive Director	24,00,000	N.A.	4,16,800	28,16,800
Mr. A.D.Bopana	N.A.	73,000	N.A.	73,000
Mr. Raghu Bhale Rao (upto 30.05.2017)	N.A.	58,000	N.A.	58,000
Mr. F. S. Mohan Eddy	N.A.	73,000	N.A.	73,000
Mr. W. D. Nelson	N.A.	30,000	N.A.	30,000

## 6. STAKE-HOLDERS' RELATIONSHIP COMMITTEE

The Board has constituted a Stakeholders Relationship Committee comprising of Mr.Ajit Thomas, as Chairperson and Mr.A.D.Bopana as Member of the Committee. The Board has designated Mr.T.M.Hari Kumar, Company Secretary & CFO of the Company as the Compliance Officer.

There were no Investor Complaints pending as on 31<sup>st</sup> March 2017.

## 7. GENERAL BODY MEETINGS

a. Location and time of last three Annual General Meetings held.

Year	Venue	Date	Time
2013-14	Katary Estate, Katary Post, Coonoor, The Nilgiris - 643 213	10/09/2014	3.30 P.M
2014-15	Katary Estate, Katary Post, Coonoor, The Nilgiris - 643 213	09/09/2015	10.00 A.M
2015-16	Katary Estate, Katary Post, Coonoor, The Nilgiris - 643 213	08/08/2016	10.00 A.M

b. Special Resolutions:

No Special Resolution was passed in the Annual General Meetings in the last three years.

c. Postal Ballot

There were no resolutions requiring the approval through Postal Ballot during the year.

## 8. DISCLOSURES

- Related party transactions during the year have been disclosed in notes forming part of accounts as required under the Accounting Standard 18 issued by the Institute of Chartered Accountants of India. There were no materially significant related party transactions with Directors/Promoters/Management which had potential conflict with the interests of the Company at large.
- There are no non-compliances by the Company and no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital Markets during the last three years.

## 9. MEANS OF COMMUNICATION

The Unaudited quarterly and Audited Annual Financial results are sent to the BSE Ltd., where the shares of the Company are listed. The results are also published in Trinity Mirror in English and Makkal Kural in Tamil.

## 10. GENERAL SHAREHOLDER INFORMATION

(i)	Annual General Meeting -Date and Time -Venue		August 17, 2017 at 12 noon Katary Estate, Katary Post, Coonoor, The Nilgiris - 643213
(ii)	Financial Calendar (Tentative)	Unaudited Results for the quarter ending 30.06.2017 quarter ending 30.09.2017 quarter ending 31.12.2017 Audited Financial Results for the year ending 31.03.2018	Before 15.08.2017 Before 15.11.2017 Before 15.02.2018  Before end of May, 2018
(iii)	Dates of Book Closure		11.08.2017 to 17.08.2017 (both days inclusive)
(iv)	Dividend Payment Date		Within 25 days from the date of AGM
(v)	Listing on Stock Exchanges	BSE Ltd	The Annual Listing Fees prescribed has been paid to the above Stock Exchange.
(vi)	a) Stock Code b) Demat ISIN Number in CDSL for equity shares	BSE Ltd	NEAGI  INE 605D01012
(vii)	Stock Market Data	BSE Ltd	Rs. 1390 (last traded price - May 15, 2017)

## 11. TRANSFER AGENTS

M/s. CAMEO CORPORATE SERVICES LIMITED  
Subramanian Building, No.1, Club House Road  
Chennai – 600 002.

## 12. SHARE TRANSFER SYSTEM

The Company's shares are traded in the Bombay stock exchange in demat mode. The transfer of physical shares of the company are now handled by our Transfer Agent M/s Cameo Corporate Services Limited, Chennai. Shares in physical mode, which are lodged for transfer either with the Company or with the Share Transfer Agent, are processed and the share certificates are returned to the transferees within 15 days of lodgement in case of Transfer and within 21 days in case of Transmission, as per the listing agreement.

**a. Distribution of Shareholding as on 31.03.2017**

No. of Equity Shares	Shareholders		No. of Equity Shares	
	Number	%	Number	%
Upto 500	1,074	94.71	1,33,888	21.34
501-1000	42	3.71	33,436	5.33
1001-2000	9	0.79	11,806	1.88
2001-3000	4	0.35	9,950	1.58
3001-4000	2	0.18	7,000	1.12
4001-5000	0	0	0	0
5001-10000	0	0	0	0
10001 & above	3	0.26	4,31,270	68.75
TOTAL	1134	100	6,27,350	100

**b. Pattern of Shareholding as on 31.03.2017**

Category	No. of Equity Shares	Percentage
Promoters	4,14,303	66.04
Banks	4,250	0.68
NRI's	150	0.02
Bodies Corporate	7,640	1.22
Public	2,01,007	32.04
TOTAL	6,27,350	100

**c. Dematerialisation of Shares**

The shares of this Company are partially in demat form.

**13. The Company has not issued any Global Depository Receipts/ Warrants and Convertible Bonds**

**14. PRODUCTION CENTRES**

TEA	Katary & Sutton Estates, Katary Post Coonoor, The Nilgiris - 643 213
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## **15. ADDRESS FOR CORRESPONDENCE**

P.B. No. 4260, Panampilly Nagar P. O., Kochi - 682 036

Telephone : 0484 - 2315312

Fax : 0484 - 2312541

E mail : secneelamalai@vsnl.net

Website : www.neelamalaiagro.com

### **Declaration under Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct**

In accordance with Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them for the Financial Year ended 31st March 2017.

For Neelamalai Agro Industries Ltd.,

Chennai  
30.05.2017

AJITTHOMAS  
Chairman  
DIN : 00018691

## ANNEXURE - 6

### **CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

To the Members of

Neelamalai Agro Industries Limited

I have examined the compliance of Corporate Governance by Neelamalai Agro Industries Limited, for the year ended 31<sup>st</sup> March 2017, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me

I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by it.

I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kochi

Date : 25.05.2017

**V. Suresh**

Practising Company Secretary

C.P.No: 6032

**Form AOC - 2**

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis:

Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2016 - 2017

2. Details of material contracts or arrangement or transactions at arm's length basis:

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:  
(Details are given in Annexure 7A )

For and on behalf of the Board of Directors

Chennai  
30.05.2017

**AJIT THOMAS**  
Chairman  
DIN : 00018691

ANNEXURE 7 A

FORM AOC - 2

Name of the Company	Nature of Relationship	Nature of Transaction	Duration of Transactions	Amount Rs.	Salient Terms	Date of Approval by the Board	Amount Paid as Advance if any
AVT Natural Products Ltd	Common Control through constitution of Board / Share holding	Sale of Tea	On going transactions	20,13,225.00	Market Rate	Not Applicable	Nil
The Nelliampathy Tea & Produce Co. Ltd.	Common Control through constitution of Board / Share holding	Sale of Spares	On going transactions	1,26,000.00	Market Rate	Not Applicable	Nil
The Nelliampathy Tea & Produce Co. Ltd.	Common Control through constitution of Board / Share holding	Purchase of Spares	On going transactions	1,15,500.00	Market Rate	Not Applicable	Nil
A. V. Thomas & Co. Ltd.	Common Control through constitution of Board / Share holding	Sale of Tea	On going transactions	96,118.00	Market Rate	Not Applicable	Nil
A. V. Thomas & Co. Ltd.	Common Control through constitution of Board / Share holding	C & F Charge	On going transactions	2,50,414.00	Market Rate	Not Applicable	Nil
A. V. Thomas & Co. Ltd.	Common Control through constitution of Board / Share holding	Investment in Equity shares	On going transactions	4,50,000.00	Market Rate	Not Applicable	Nil
The Midland Rubber & Produce Co. Ltd.	Common Control through constitution of Board / Share holding	Investment in Equity shares	On going transactions	1,21,675.00	Market Rate	Not Applicable	Nil
The Nelliampathy Tea & Produce Co. Ltd.	Common Control through constitution of Board / Share holding	Investment in Equity shares	On going transactions	62,000.00	Market Rate	Not Applicable	Nil
Midland Corporate Advisory Service Pvt. Ltd.	Common Control through constitution of Board / Share holding	Professional charges	On going transactions	3,45,000.00	Market Rate	Not Applicable	Nil



**FORM MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company  
(Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L01117TZ1943PLC000117
2.	Registration Date	21/04/1943
3.	Name of the Company	Neelamalai Agro Industries Ltd.
4.	Category/Sub-category of the Company	Public Limited
5.	Address of the Registered office & contact details	Katary Estate, Katary Post Coonoor, The Nilgiris - 643213
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Cameo Corporate Services Ltd. Subramanian Building, 1, Club House Road, Chennai – 600 002

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Tea	01271	87

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary Associate	% of Shares held	Application Section
1	AVT Natural Products Ltd	L15142TN1986PLC012780	ASSOCIATECOMPANY	40.00	2(6)
2	Midland Corporate Advisory Services Pvt.Ltd	U65993TN2005PTC055807	ASSOCIATECOMPANY	32.89	2(6)

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### A) Category - wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individuals / HUF	1,100	4,13,203	4,14,303	66.04	4,10,453	3,850	4,14,303	66.04	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1)	1,100	4,13,203	4,14,303	66.04	4,10,453	3,850	4,14,303	66.04	0
<b>(2) Foreign</b>									
NRIs -Individuals	0	0	0	0	0	0	0	0	0
Other -Individuals	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other	0	0	0	0	0	0	0	0	0
Sub-total(A) (2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter(A) =(A)(1)+(A)(2)	1,100	4,13,203	4,14,303	66.04	4,10,453	3,850	4,14,303	66.04	0
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	500	3,750	4,250	0.68	500	3,750	4,250	0.68	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>500</b>	<b>3,750</b>	<b>4,250</b>	<b>0.68</b>	<b>500</b>	<b>3,750</b>	<b>4,250</b>	<b>0.68</b>	<b>0</b>

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.	2,550	5,506	8,056	1.28	2,200	5,440	7,640	1.22	(0.06)
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	22,552	1,55,122	1,77,674	28.32	25,514	1,51,876	1,77,390	28.28	(0.04)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	20,817	0	20,817	3.32	20,817	0	20,817	3.32	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Clearing Members	100	0	100	0.02	800	0	800	0.13	0.11
Foreign Nationals	0	400	400	0.06	0	400	400	0.06	0
HUF's	1,200	0	1,200	0.19	600	0	600	0.09	(0.10)
Non Resident Indians	50	0	50	0.01	150	0	150	0.02	0.01
Trusts	0	500	500	0.08	0	1,000	1,000	0.16	0.08
<b>Sub-total (B)(2):-</b>	47,269	1,61,528	2,08,797	33.28	50,081	1,58,716	2,08,797	33.28	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	47,769	1,65,278	2,13,047	33.96	50,581	1,62,466	2,13,047	33.96	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	48,869	5,78,481	6,27,350	100.0	4,61,034	1,66,316	6,27,350	100.0	0

**B) Shareholding of Promoters-**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of shares Pledged / encumbered to total shares	
1	Mr. Ajit Thomas	4,10,453	65.43	Nil	4,13,103	65.85	Nil	0.42
2	Mr. Dilip Thomas	2,650	0.42	Nil	Nil	Nil	Nil	(0.42)
3	Mrs. Lily Thomas	1,200	0.19	Nil	1,200	0.19	Nil	Nil
	Total	4,14,303	66.04	Nil	4,14,303	66.04	Nil	Nil

**C) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	MR. AJIT THOMAS JT. 1 MRS. SHANTHI THOMAS				
	At the beginning of the year 01-Apr-2016	4,10,453	65.43	4,10,453	65.43
	Purchase 23-Mar-2017	2,650	0.42	4,13,103	65.85
	At the end of the Year 31-Mar-2017	4,13,103	65.85	4,13,103	65.85
2	MR. DILIP THOMAS				
	At the beginning of the year 01-Apr-2016	2,650	0.42	2,650	0.42
	At the end of the Year 31-Mar-2017	0	(0.42)	0	(0.42)
3	MRS. LILY THOMAS				
	At the beginning of the year 01-Apr-2016	1,200	0.19	1,200	0.19
	At the end of the Year 31-Mar-2017	1,200	0.19	1,200	0.19

**D) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	MR. MAHENDRA GIRDHARILAL WADHAWANI				
	At the beginning of the year 01-Apr-2016	10,787	1.71	10,787	1.71
	At the end of the Year 31-Mar-2017	10,787	1.71	10,787	1.71
2	MR. PANDICHERRIL PATHROSE ZIBI JOSE (DPID/CLID 1204810000021936)				
	At the beginning of the year 01-Apr-2016	10,030	1.60	10,030	1.60
	At the end of the Year 31-Mar-2017	10,030	1.60	10,030	1.60
3	MR. ALAGAPPAN S (Folio Nos.00001215 & 00002011)				
	At the beginning of the year 01-Apr-2016	4,266	0.68	4,266	0.68
	At the end of the Year 31-Mar-2017	4,266	0.68	4,266	0.68
4	MR. VEERIAH REDDIAR S				
	At the beginning of the year 01-Apr-2016	3,600	0.57	3,600	0.57
	At the end of the Year 31-Mar-2017	3,600	0.57	3,600	0.57
5	MR. NAWAB SIR LIAQUAT HYAT KHAN				
	At the beginning of the year 01-Apr-2016	2,500	0.40	2,500	0.40
	At the end of the Year 31-Mar-2017	2,500	0.40	2,500	0.40
6	COASTLINE STOCKS & SHARES PVT. LTD.				
	At the beginning of the year 01-Apr-2016	2,500	0.40	2,500	0.40
	At the end of the Year 31-Mar-2017	2,500	0.40	2,500	0.40
7	STATE BANK OF INDIA				
	At the beginning of the year 01-Apr-2016	2,300	0.37	2,300	0.37
	At the end of the Year 31-Mar-2017	2,300	0.37	2,300	0.37

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
8	<b>MR. RAMACHANDRA IYER P N</b>				
	At the beginning of the year 01-Apr-2016	2,000	0.32	2,000	0.32
	At the end of the Year 31-Mar-2017	2,000	0.32	2,000	0.32
9	<b>MR. LAKSHMANAN S</b> (Folio Nos.00001246 & 00002013)				
	At the beginning of the year 01-Apr-2016	1,968	0.31	1,968	0.31
	At the end of the Year 31-Mar-2017	1,968	0.31	1,968	0.31
10	<b>HIS HIGHNESS MARTHANDA VARMA</b>				
	At the beginning of the year 01-Apr-2016	1,600	0.26	1,600	0.26
	At the end of the Year 31-Mar-2017	1,600	0.26	1,600	0.26

**E) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Shareholding of each Directors and each key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	<b>MR. AJIT THOMAS</b> <b>JT. 1. MRS. SHANTHI THOMAS</b>				
	At the beginning of the year 01-Apr-2016	4,10,453	65.43	4,10,453	65.43
	At the end of the Year 31-Mar-2017	4,13,103	65.85	4,13,103	65.85
2	<b>MR. A.D.BOPANA</b>				
	At the beginning of the year 01-Apr-2016	35	0.01	35	0.01
	At the end of the Year 31-Mar-2017	35	0.01	35	0.01
3	<b>MR. W. D. NELSON</b>				
	At the beginning of the year 01-Apr-2016	100	0.02	100	0.02
	At the end of the Year 31-Mar-2017	0	(0.02)	0	(0.02)
4	<b>MR. T.M.HARIKUMAR</b>				
	At the beginning of the year 01-Apr-2016	3	0.0004	3	0.0004
	At the end of the Year 31-Mar-2017	3	0.0004	3	0.0004

F) **INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Amt. in Rs.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil
<b>Change in Indebtedness during the financial year</b>				
* Addition				
* Reduction	Nil	Nil	Nil	Nil
<b>Net Change</b>	Nil	Nil	Nil	Nil
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil

V. **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager - Mrs. Shanthi Thomas Executive Director	Total Amount Rs.
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		24,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 - Company Car		28,800
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		Nil
2	Stock Option		Nil
3	Sweat Equity		Nil
4	Commission - as % of profit - others, specify		Nil
5	Others, please specify - P.F & Gratuity		3,88,000
	Total (A)		28,16,800
	Ceiling as per the Act		30,00,000

B. Remuneration to other directors

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. A.D. Bopana			Mr. Raghu Bhale Rao	Mr. E.S. Mohan Eddy	
1	<b>Independent Directors</b>						
	Fee for attending board & committee meetings	68,000			53,000	68,000	1,89,000
	Commission	0			0	0	0
	Others, please specify Fee for attending Independent Director's Meetings	5,000			5,000	5,000	15,000
	Total (2)	73,000			58,000	73,000	2,04,000
2	<b>Other Non-Executive Directors</b>	Mr. Ajit Thomas	Mrs. Shanthi Thomas Executive Director	Mr. W. D. Nelson			
	Fee for attending board & committee meetings	40,000	Nil	30,000			70,000
	Commission	0	0	0			0
	Others, please specify	0	0	0			
	Total (2)	40,000	Nil	30,000			70,000
	Total (B)=(1+2)						2,74,000
	Total Managerial Remuneration A + B						30,90,800
	Overall Ceiling as per the Act	NOT APPLICABLE					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager - Mr. T.M. Harikumar - CS & CFO	Total Amount Rs.
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		14,93,400
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		6,53,851
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		Nil
2	Stock Option		Nil
3	Sweat Equity		Nil
4	Commission - as % of profit - others, specify		Nil
5	Others, please specify - P.F & Gratuity		2,99,200
	Total		24,46,451

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2017

# INDEPENDENT AUDITORS' REPORT

*To the members of Neelamalai Agro Industries Limited*

## Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Neelamalai Agro Industries limited ('the Company') which comprise the Balance Sheet as at 31-March-2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder .

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31-March-2017, and its Profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ('the Order'), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:



- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ;
- c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. on the basis of the written representations received from the directors as on 31-March-2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31-Mar-2017 from being appointed as a director in terms of Section 164 (2) of the Act.;
- f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer our separate report in Annexure B; and
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The company does not have any pending litigations which would impact its financial position
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
- iv) The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30 December, 2016. Based on the audit procedures and relying on the management representation, we report that the disclosure are in accordance with books of accounts maintained by the company and as produced to us by the management. Refer Note No. 32 to the standalone financial statements.

For **SURI & CO.**  
Chartered Accountants  
Firm No.004283S

**G. Rengarajan**  
Partner

Chennai  
30.05.2017

Membership No. 219922

## ANNEXURE A

*To the members of Neelamalai Agro Industries Limited*

- |   |  |
|---|--|
| <p>i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.</p> <p>(b) Physical verification of major items of these assets has been conducted by the Management during the financial year and no material discrepancies were noticed on such verification. In our opinion, procedures followed by the management is reasonable having regards to the size of the Company and the nature of its assets.</p> <p>(c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the company.</p> <p>ii) The Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.</p> <p>iii) The Company has not granted any loans, secured or unsecured to the Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly Para 3 (iii) (a), (b) &amp; (c) of the Order are not applicable.</p> <p>iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the investments made and no guarantee has been given</p> <p>v) The company has not accepted any deposits from the public during the year.</p> <p>vi) The Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government for the maintenance of cost records under section 148 (1) (d) of the Companies Act, 2013 is not applicable to the company for the current year.</p> <p>vii) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales tax, Service Tax, Customs duty, Excise duty, Value Added Tax, Cess and other statutory dues applicable to it. No undisputed statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.</p> | <p>b) There are no disputed statutory dues.</p> <p>viii) The company has not defaulted in repayment of dues to banks.</p> <p>xi) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly Para 3 (xi) of the Order is not applicable.</p> <p>x) According to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.</p> <p>xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.</p> <p>xii) The Company is not a Nidhi Company. Accordingly Para 3 (xii) of the Order is not applicable.</p> <p>xiii) According to the information and explanation given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.</p> <p>xiv) According to the information and explanation given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.</p> <p>xv) According to the information and explanation given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him.</p> <p>xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.</p> |
|---|--|

For **SURI & CO.**  
Chartered Accountants  
Firm No.004283S

**G. Rengarajan**  
Partner  
Membership No. 219922

Chennai  
30.05.2017

## ANNEXURE B

*To the members of Neelamalai Agro Industries Limited*

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of NEELAMALAI AGRO INDUSTRIES LIMITED ('the Company') as of 31-March-2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31-Mar-2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SURI & CO.**  
Chartered Accountants  
Firm No.004283S

**G. Rengarajan**  
Partner

Chennai  
30.05.2017

Membership No. 219922

# BALANCE SHEET

*As at 31 st March 2017*

Particulars	Notes	Figures as at the end of 31.03.2017 Rs.	Figures as at the end of 31.03.2016 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
(1) <i>Shareholders' Funds</i>			
(a) Share Capital	2	62,73,500	62,73,500
(b) Reserves and Surplus	3	38,40,84,065	36,56,93,001
		<u>39,03,57,565</u>	<u>37,19,66,501</u>
(2) <i>Non - Current Liabilities</i>	4		
(a) Long - Term Provisions		40,045	16,052
		<u>40,045</u>	<u>16,052</u>
(3) <i>Current Liabilities</i>	5		
(a) Short - Term Borrowings		Nil	Nil
(b) Trade Payables			
- Total outstanding dues of Micro Enterprises and Small Enterprises	47,778		1,73,036
- Total outstanding dues of Creditors Other than Micro Enterprises and Small Enterprises	2,20,47,025	2,20,94,803	2,83,55,614
(c) Other Current Liabilities		1,57,38,150	1,87,03,032
(d) Short - Term Provisions		73,19,934	62,97,573
		<u>4,51,52,887</u>	<u>5,35,29,255</u>
TOTAL		<u>43,55,50,497</u>	<u>42,55,11,808</u>
<b>II. ASSETS</b>			
(1) <i>Non - Current Assets</i>			
(a) Property, Plant and Equipment			
(i) Tangible Assets	6	6,98,75,798	6,54,26,444
(ii) Capital Work in Progress			
(a) Bearer Plants		38,41,669	Nil
(b) Others		1,51,790	Nil
		<u>7,38,69,257</u>	<u>6,54,26,444</u>
(b) Non - Current Investments	7	11,64,88,455	8,68,78,786
(2) <i>Current Assets</i>			
(a) Current Investments	8	15,65,88,663	16,11,03,291
(b) Inventories	9	2,87,40,208	3,00,25,115
(c) Trade Receivables	10	1,22,43,579	3,33,11,955
(d) Cash and Cash equivalents	11	2,58,71,467	2,30,27,700
(e) Short - Term Loans and Advances	12	1,89,23,996	2,34,16,335
(f) Other Current Assets		28,24,872	23,22,182
		<u>24,51,92,785</u>	<u>27,32,06,578</u>
Significant Accounting Policies	1		
TOTAL		<u>43,55,50,497</u>	<u>42,55,11,808</u>

Notes 1 to 12 and 22 to 35 and Cash Flow Statement form part of this Balance Sheet

Vide our report of date attached

For SURI & CO.  
Chartered Accountants  
Firm's Registration No. 004283S

G. Rengarajan

Place : Chennai

Date : 30.05.2017

Partner  
Membership No. 219922

For and on behalf of the Board

Shanthi Thomas  
Executive Director

Ajit Thomas  
Chairman

T. M. Harikumar  
Company Secretary & CFO

## STATEMENT OF PROFIT AND LOSS

*For the Year Ended 31st March 2017*

Particulars	Notes	Figures for the year ended 31.03.2017 Rs.	Figures for the year ended 31.03.2016 Rs.
I Revenue from Operations	13	29,18,11,837	32,84,50,017
II Other Income	14	4,52,13,331	4,77,49,753
III Total Revenue	(I + II)	<u>33,70,25,168</u>	<u>37,61,99,770</u>
IV Expenses			
Cost of Material Consumed	15	9,39,04,541	7,79,68,915
Purchase of Stock - in - Trade	16	87,185	1,08,603
Increase (-) / Decrease (+) in Inventory	17	18,10,000	(+ ) 21,85,000
Other Manufacturing Expenses	18	3,57,22,972	4,87,01,771
Employee Benefits Expenses	19	12,22,22,620	13,12,81,871
Finance Cost	20	2,50,641	3,88,480
Depreciation and Amortisation Expense		95,50,774	1,07,44,818
Other Expenditure	21	5,40,29,371	6,47,71,757
Total Expense		<u>31,75,78,104</u>	<u>33,61,51,215</u>
V Profit before exceptional and extraordinary items and tax	(III - IV)	1,94,47,064	4,00,48,555
VI Exceptional / extraordinary items		Nil	Nil
VII Profit Before Tax	(V - VI)	<u>1,94,47,064</u>	<u>4,00,48,555</u>
VIII TAX EXPENSES			
Current Tax	4,30,000		
Add : MAT Credit Utilisation	<u>6,26,000</u>	10,56,000	55,00,000
Deferred Tax		Nil	Nil
IX Profit After Tax	(VII - VIII)	<u>1,83,91,064</u>	<u>3,45,48,555</u>
X Earnings per Share	26		
(1) Basic		29.32	55.07
(2) Diluted		29.32	55.07

Notes 1, 13 to 35 and Cash Flow Statement form part of this Statement of Profit and Loss.

Vide our report of date attached

For SURI & CO.  
Chartered Accountants  
Firm's Registration No. 004283S  
G. Rengarajan

Partner  
Membership No. 219922

For and on behalf of the Board

Shanthi Thomas  
Executive Director

Ajit Thomas  
Chairman

T. M. Harikumar  
Company Secretary & CFO

Place : Chennai

Date : 30.05.2017

## **NOTES ON ACCOUNTS**

*for the year ended 31st March, 2017*

### **NOTE : 1**

#### **A. ACCOUNTING POLICIES**

##### **I. ACCOUNTING CONVENTION**

The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis of accounting in accordance with the generally accepted accounting principles, accounting standards notified under section 133 of the Companies Act 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.

##### **II. PROPERTY, PLANT AND EQUIPMENT**

- a) Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment loss based on cost model.

The cost of an item of property, plant and equipment is recognised as an asset when :

- i. It is probable that future economic benefits associated with the item will flow to the enterprise; and
- ii. the cost of the item can be measured reliably

Cost includes, taxes and duties (but does not include taxes and duties for which CENVAT / VAT credit is available), freight and other direct or allocated expenses during construction period, net of any income earned. Assets acquired on Hire Purchase are capitalized at principal value.

- b) Direct Expenditure on replanting of Tea attributable to bringing the bearer plant to the condition necessary for it to be capable of operating in the manner intended by management less Subsidy on replanting of Tea are capitalised as Bearer Plants.
- c) Depreciation on property plant and equipment has been charged as per the useful life specified in Schedule II of Companies Act 2013, except Assets costing individually less than Rs. 5,000/- which are depreciated at 100%. The residual value is considered at 5% of the original cost of Plant, Property and Equipment. Depreciation for assets purchased/ sold during the period is proportionately charged.
- d) Intangible assets amortized over their respective individual useful lives on straight line basis, commencing from the date the asset is available to the company for its use. Depreciation and Amortization methods, useful lives and residual value are reviewed periodically, including at each financial year end.

##### **III. IMPAIRMENT OF ASSETS**

The Company reviews the carrying amounts of its assets for any possible impairment at each balance sheet date. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount and the impairment loss, if any, is recognized in the Statement of Profit and Loss.

##### **IV. BORROWING COSTS**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of the asset, upto the date of acquisition/completion of construction. Other borrowing costs are recognised as expense as and when incurred. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use of sale.

##### **V. INVESTMENTS**

Long Term Investments are stated at cost. Decline in value of long term investments, other than temporary, is provided for. Current investments are stated at lower of cost and fair value. Investment in immovable properties is stated at cost less depreciation.

##### **VI. INVENTORIES**

Inventories are valued at lower of cost on weighted average and net realisable value, after providing for obsolescence wherever considered necessary. Cost includes taxes and duties (other than duties and taxes for which CENVAT / VAT credit is available), freight and other direct expenses.

## **NOTES ON ACCOUNTS**

*for the year ended 31st March, 2017*

**NOTE : 1** (contd.)

### **A. ACCOUNTING POLICIES**

#### **VII. REVENUE RECOGNITION**

Revenue is recognized on accrual and when no significant uncertainty on measurability or collectability exists. Expenditure is accounted for on their accrual.

##### **SALE OF GOODS**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

##### **INTEREST**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

##### **DIVIDENDS**

Dividend income is recognized when the company’s right to receive dividend is established by the reporting date.

#### **VIII. EMPLOYEE BENEFITS**

Gratuity Liability which is a defined benefit scheme and provision for Leave Encashment is accrued and provided for on the basis of independent actuarial valuation based on projected unit credit method made at the end of each financial year. Actuarial gains and losses are recognised in the Statement of Profit & Loss and are not deferred.

Retirement benefits in the form of Provident Fund, Family Pension Fund and Super Annuation Schemes, which are defined contribution schemes are charged to the Statement of Profit & Loss of the year when the contribution to the respective funds accrues.

#### **IX. FOREIGN CURRENCY TRANSACTIONS**

Foreign Currency Transactions are recorded at the rates of exchange in force at the time transactions are effected. In the case of forward contracts, the difference between forward rate and exchange rate on the date of transaction is dealt with in the Statement of Profit and Loss on the Completion of the transaction. Monetary items denominated in foreign currency and outstanding at the Balance Sheet date are converted at the year end exchange rate and the resultant loss or gain is dealt with in the Statement of Profit & Loss.

#### **X. GOVERNMENT GRANTS**

Subsidies from Government in respect of fixed assets are deducted from the cost of respective assets as and when they accrue. Subsidies related to revenue are recognised in the Statement of Profit and Loss to match them with the related costs which they are intended to compensate.

#### **XI. TAXES ON INCOME**

Provision for Income-Tax is made for both current and deferred tax. Provision for current income tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred tax is accounted for by computing the tax effect of the timing difference which arise during the year and reverse out in the subsequent periods. Deferred tax is calculated at the tax rates substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only if there is a virtual certainty that they will be realized.

## NOTES ON ACCOUNTS

*for the year ended 31st March, 2017*

NOTE : 1 (contd.)

### A. ACCOUNTING POLICIES

#### XII. EARNINGS PER SHARE

Basic Earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### XIII. PROVISIONS

A Provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and determined based on the best estimate required to settle the obligation at the reporting date. These estimate are reviews at each reporting date and adjusted to reflect the current best estimates.

#### XIV. CONTINGENT LIABILITIES

A Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

#### XV. CONTINGENT ASSETS

Contingent Assets are neither recognised nor disclosed.

#### XVI. EXPENDITURE ON NEW PLANTING

Direct Expenditure on new planting of different crops (other than Minor Produce) including upkeep and maintenance expenditure on immature plants are capitalised under "Development".

#### XVII. EXPENDITURE ON REPLANTING

The upkeep and maintenance expenditure on immature plants is charged to the Statement of Profit and Loss.

#### XVIII. DIVIDEND

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

#### XIX. CASH FLOW STATEMENT

Cash Flow Statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of

- (i) Transactions of a non-cash nature.
- (ii) Any deferrals or accruals of past or future operating cash receipts or payments and
- (iii) Items of income or expense associated with investing or financing cash flows.

Cash and Cash equivalents (including bank balances) are reflected as such in Cash Flow Statement.



**NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2017*

	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
<b>NOTE : 2</b>		
<b>SHARE CAPITAL</b>		
<i>a. Authorised</i>		
9,00,000- Equity Shares of Rs.10/- each	<b>90,00,000</b>	90,00,000
3,50,000- 5 % Preference Shares of Rs.10/- each	<b>35,00,000</b>	35,00,000
	<b><u>1,25,00,000</u></b>	<b><u>1,25,00,000</u></b>
<i>b. Issued, Subscribed and Paid - up</i>		
6,27,350 - Equity Shares of Rs.10/- each.	<b><u>62,73,500</u></b>	<b><u>62,73,500</u></b>
<i>c. Number of Shares at the beginning of the year</i>		
	<b>6,27,350</b>	6,27,350
Add / Less : Shares Issued / buyback etc	<b>Nil</b>	Nil
Number of shares at the end of the year	<b>6,27,350</b>	6,27,350
<i>d. Details of Shareholders holding more than 5% of equity shares as on 31.03.2017</i>		
	31.03.2017	31.03.2016
Name of Shareholder	No. of Shares held      % of Holding	No. of Shares held      % of Holding
Mr. Ajit Thomas	4,13,103                  65.85	4,10,453                  65.43
<i>No bonus shares / Buy back of shares in last 5 years</i>		

**NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2017 (contd.)*

	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
<b>NOTE : 3</b>		
<b>RESERVES AND SURPLUS</b>		
<i>Capital Redemption Reserve</i>		
As per last Balance Sheet	27,26,500	27,26,500
<i>General Reserve</i>		
As per last Balance Sheet	35,11,40,800	
Add : Transfer from Profit & Loss Account	Nil	
	35,11,40,800	35,11,40,800
<i>Surplus</i>		
Balance in Profit and Loss Account	1,83,91,064	3,45,48,555
Add : Surplus Brought forward from previous year	1,18,25,701	74,79,532
	3,02,16,765	4,20,28,087
<i>Appropriations</i>		
Transfer to General Reserve	Nil	Nil
Interim dividend - I - paid on Equity shares (Previous year - Rs. 20/- per Share)	Nil	1,25,47,000
Tax on Interim dividend - I	Nil	25,54,193
Interim dividend - II - paid on Equity shares (Previous year - Rs. 20/- per Share)	Nil	1,25,47,000
Tax on Interim dividend - II	Nil	25,54,193
Net surplus in the statement of Profit & Loss	3,02,16,765	1,18,25,701
	38,40,84,065	36,56,93,001

**NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2017 (contd.)*

	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
<b>NOTE : 4</b>		
<b>NON CURRENT LIABILITIES</b>		
<i>a. Long Term Provisions</i>		
<i>Provision for Employee benefits</i>		
For Gratuity	Nil	Nil
For Leave Encashment	40,045	16,052
	<u>40,045</u>	<u>16,052</u>
<b>NOTE : 5</b>		
<b>CURRENT LIABILITIES</b>		
<i>a. Short - Term borrowings</i>		
Cash Credit	Nil	Nil
(The Company's borrowing facilities comprising cash credit facility of Rs. 2,75,00,000 - Cash Credit at the interest rate of 1.35%, above base rate, Present base rate being @ 10.10%, Export Packing Credit in foreign currency at the rate of 2.50% above the LIBOR -secured by hypothecation of stock-in-Trade, Standing Crops, Book Debts, Vehicles and also equitable mortgage of Katary Estate with Buildings thereon.)		
<i>b. Trade payable</i>		
(Refer Note No. 25 for Details of dues to micro and small enterprises)		
Total outstanding dues of Micro Enterprises and Small Enterprises and	47,778	1,73,036
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	2,20,47,025	2,83,55,614

**NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2017 (contd.)*

	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
<i>c. Other Current Liabilities</i>		
Investor Education and Protection Fund		
- Unpaid Dividend	1,48,05,230	1,71,73,997
Unpaid Preference Capital	2,24,110	2,24,110
Other current liabilities	7,08,810	13,04,925
	<u>1,57,38,150</u>	<u>1,87,03,032</u>
<i>d. Short - Term Provisions</i>		
<i>Provision for Employee benefits</i>		
For Leave Encashment	8,24,588	5,84,564
For Gratuity	60,65,346	15,56,268
<i>Other Provisions</i>		
For Taxation	4,30,000	41,56,741
	<u>73,19,934</u>	<u>62,97,573</u>

**NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2017 (contd.)*

**NOTE : 6**

**Property, Plant and Equipment**

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at	Additions	Deductions	As at	Up to	For	Withdrawn	Upto	As at	As at
	01.04.2016 Rs.	Rs.	Rs.	31.03.2017 Rs.	31.03.2016 Rs.	the year Rs.	Rs.	31.3.2017 Rs.	31.3.2017 Rs.	31.3.2016 Rs.
Freehold and Development	2,66,71,159	Nil	Nil	2,66,71,159	Nil	Nil	Nil	Nil	2,66,71,159	2,66,71,159
Buildings	3,81,03,184	Nil	Nil	3,81,03,184	2,24,75,399	17,36,663	Nil	2,42,12,062	1,38,91,122	1,56,27,785
Plant and Machinery	6,99,71,448	8,48,986	Nil	7,08,20,434	5,79,21,312	35,11,548	Nil	6,14,32,860	93,87,574	1,20,50,136
Furniture and Fittings	63,65,513	1,78,725	Nil	65,44,238	53,13,810	3,38,750	Nil	56,52,560	8,91,678	10,51,703
Vehicles	2,39,27,008	1,31,29,220	8,35,494	3,62,20,734	1,39,01,347	39,63,813	6,78,691	1,71,86,469	1,90,34,265	1,00,25,661
	16,50,38,312	1,41,56,931	8,35,494	17,83,59,749	9,96,11,868	95,50,774	6,78,691	10,84,83,951	6,98,75,798	6,54,26,444
Previous year	16,14,40,235	1,03,56,525	67,58,448	16,50,38,312	9,47,50,450	1,07,44,818	58,83,400	9,96,11,868	6,54,26,444	6,66,89,785

Note : The Company does not have any lease hold property.

# **NOTES FORMING PART** *of the Balance Sheet as at 31st March 2017 (contd.)*

## **NOTE : 7**

### **Non Current Investments - At Cost**

Description	As on 01.04.2016			Additions			Deductions			As on 31.03.2017		
	No.of shares/Units	Amount Rs.		No.of shares/Units	Amount Rs.		No.of shares/Units	Amount Rs.		No.of shares/Units	Amount Rs.	
<b>1. SHARES IN COMPANIES - LONG TERM - AT COST : (#)</b>												
(A) EQUITY SHARES (FULLY PAID):												
(i) QUOTED :												
AVT Natural Products Ltd. (Face value Re.1/-) (@)	6,09,13,600	2,58,96,668								6,09,13,600	2,58,96,668	
(ii) UNQUOTED :												
AVT McCormick Ingredients Pvt. Ltd. * (@)	31,50,000	3,15,00,000								31,50,000	3,15,00,000	
Midland Corporate Advisory Services Pvt Ltd. * (@)	2,50,000	25,00,000								2,50,000	25,00,000	
L.J. International Ltd. (@)	64	313								64	313	
A.V.Thomas & Co. Ltd (@)				100	4,50,000					100	4,50,000	
The Nelliampathy Tea & Produce Co. Ltd. (@)				155	62,000					155	62,000	
The Midland Rubber & Produce Co. Ltd. (@)				157	1,21,675					157	1,21,675	
Verna Global Holding Ltd (Face Value - ₹ 0.01 p/Share)				8,543	1,89,75,353					8,543	1,89,75,353	
		3,40,00,313			1,96,09,028						5,36,09,341	
(B) PREFERENCE SHARES (FULLY PAID):												
Vogo Automotive Service (P) Ltd (Face Value Rs. 1000/- per share)				5559	1,00,00,641					5559	1,00,00,641	
		2,69,81,805									2,69,81,805	
<b>2. IN IMMOVABLE PROPERTIES</b>		<b>8,68,78,786</b>			<b>2,96,09,669</b>						<b>11,64,88,455</b>	
Value of Land												
(1) Aggregate amount of Quoted investments (Market Value - Rs. 2,39,69,50,160/- Previous year Rs. 1,70,55,80,800/-)												
(2) Aggregate amount of Unquoted investments												
(3) Aggregate amount of immovable properties												
(*) The right to transfer shares is restricted under Section 2 (68) (i) of the Companies Act, 2013, being Private Limited Companies.												
(#) Face value of Equity Shares is Rs. 10/- fully paid up unless otherwise stated.												
(@) Associate Companies												

# NOTES FORMING PART of the Balance Sheet as at 31st March 2017 (contd.)

## NOTE : 8

### Current Investments - Lower of Cost and Fair Value

Description	As on 01.04.2016			Additions			Deductions			As on 31.03.2017		
	No. of shares/Units	Amount Rs.		No. of shares/Units	Amount Rs.		No. of shares/Units	Amount Rs.		No. of shares/Units	Amount Rs.	
<b>1. SHARES IN COMPANIES - SHORT TERM - AT COST : (#)</b>												
(A) EQUITY SHARES - QUOTED:												
Tata Consultancy Services Ltd. (Re. 1/- share)	2,432	5,16,800								2,432	5,16,800	
Great Eastern Shipping Co. Ltd.	1,800	4,95,347					1,800	4,95,347		---	---	
IL & FS Investment Managers Ltd.												
(Formerly IL & FS Venture Corporation Ltd)	24,150	5,04,566					24,150	5,04,566		---	---	
IL & FS Transportation Networks Ltd.	1,000	2,25,883								1,000	2,25,883	
MOIL Limited	1,840	6,03,461								1,840	6,03,461	
Piramal Enterprises Ltd.												
(Formerly Piramal Healthcare Ltd)	1,720	6,95,173					1,720	6,95,173		---	---	
E.L.D Parry (India) Ltd.	1,080	1,98,556								1,080	1,98,556	
Gateway Distriparks Ltd.	335	34,454					335	34,454		---	---	
Engineers India Ltd.	680	1,00,383		680						1,360	1,00,383	
Nesco Ltd.	110	88,001								110	88,001	
Bajaj Fin Service Ltd.	50	46,151					50	46,151		---	---	
Infosys Ltd.	120	98,315								120	98,315	
NMDC Ltd.	570	1,00,368								570	1,00,368	
Control Print Ltd.	855	49,812					855	49,812		---	---	
Bombay Stock Exchange Ltd.	18,445	39,20,000								9,222	39,20,000	
Catholic Syrian Bank Ltd.	8,065	12,50,000								8,065	12,50,000	
Tata Sponge Iron Ltd.	75	50,700								75	50,700	
Lakshmi Machines Works Ltd.	26	1,01,342								26	1,01,342	
Phoenix Lamps Ltd	1,555	1,50,920								1,555	1,50,920	
Ambika Cotton Mills Ltd	130	98,155								130	98,155	
Hero Motocorp Ltd	38	99,664								38	99,664	
IDFC Ltd	600	1,00,247								600	1,00,247	
IDFC Bank Ltd.	600	1								600	1	
Sriram Transport Finance Ltd.	380	3,01,397								380	3,01,397	
Tata Motors Ltd	300	1,01,344								300	1,01,344	
TVS Srichakra	17	47,799								17	47,799	
Sriram City Union Finance Ltd	83	1,24,747								83	1,24,747	
Gulf Oil Lubricants India Ltd.				185	99,743					185	99,743	
ICICI Lombard General Insurance Co. Ltd.				2,000	5,50,000					2,000	5,50,000	
Tamil Nadu Mercantile Bank Ltd.				8,000	20,40,000					8,000	20,40,000	
		<b>1,01,03,586</b>			<b>26,89,743</b>			<b>18,25,503</b>			<b>1,09,67,826</b>	

# **NOTES FORMING PART** *of the Balance Sheet as at 31st March 2017 (contd.)*

## **NOTE : 8**

### **Current Investments - Lower of Cost and Fair Value (Contd...)**

Description	As on 01.04.2016			Additions			Deductions			As on 31.03.2017		
	No. of shares/Units	Amount Rs.	No. of shares/Units	Amount Rs.	No. of shares/Units	Amount Rs.	No. of shares/Units	Amount Rs.	No. of shares/Units	Amount Rs.	No. of shares/Units	Amount Rs.
<b>B. MUTUAL FUNDS (QUOTED)</b>												
BSL MNC - D	18,755	20,00,000			18,755	20,00,000						
ICICI Prudential Recovery - D	79,711	20,00,000			79,711	20,00,000						
ICICI Prudential top 100 - D	1,22,699	20,00,000			1,22,699	20,00,000						
IDFC Sterling Equity Fund	1,27,697	20,00,000			1,27,697	20,00,000						
Reliance Equity Opportunities	67,501	20,00,000			67,501	20,00,000						
ICICI Pru Short Term Growth	20,90,633	5,00,00,000							20,90,633	5,00,00,000		
ICICI Pru Equity Arbitrage Fund	5,84,536	80,44,058	1,88,236	25,92,821	6,19,598	85,25,576			1,53,174	21,11,303		
IDFC Arbitrage Fund	12,72,456	1,58,16,223	74,659	9,42,774					13,47,114	1,67,58,997		
Kotak Equity Arbitrage Fund	7,48,503	80,33,459	47,385	5,08,380					7,95,888	85,41,839		
ICICI Prudential Flexible Income Regular Plan - Growth	57,273	1,62,29,321	3,46,809	10,54,00,000	2,68,274	7,96,87,124			1,35,809	4,19,42,197		
IDFC Ultra Short Term Fund - Growth	20,30,101	4,11,70,238			9,15,713	1,85,70,572			11,14,387	2,25,99,666		
Goldman Sachs Liquid Exchange Traded Scheme	1,760	17,06,406	3,780	37,81,049	1,870	18,20,620			3,670	36,66,835		
Taurus Bonanza Fund - Direct Plan - Dividend	---	---	2,77,694	1,85,00,000	2,77,694	1,85,00,000			---	---		
		<b>15,09,99,705</b>		<b>13,17,25,024</b>		<b>13,71,03,892</b>				<b>14,56,20,837</b>		
		<b>16,11,03,291</b>		<b>13,44,14,767</b>		<b>13,89,29,395</b>				<b>15,65,88,663</b>		

**31.03.2017      31.03.2016**

- (1) Aggregate amount of Quoted investments  
(Market Value - Rs. 18,42,54,677/- Previous year Rs. 18,54,39,616/-)
- (#) Face value of Equity Shares is Rs. 10/- fully paid up unless otherwise stated.
- (##) Increase in share represents Bonus issue in the ratio of 1:1 received during the year.
- (###) Increase in share represents Bonus issue in the ratio of 2:1 received during the year.



**NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2017 (contd.)*

	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
<b>NOTE : 9</b>		
<b>INVENTORIES</b>		
(Valued at lower of cost and net realisable value)		
Stores and Spares	56,15,208	50,90,115
Stock in Trade	2,31,25,000	2,49,35,000
	<u>2,87,40,208</u>	<u>3,00,25,115</u>
<b>NOTE : 10</b>		
<b>TRADE RECEIVABLES</b>		
Considered good - Unsecured:		
(a) Trade receivable outstanding for more than six months from the date they become due for payment	Nil	Nil
(b) Other receivable	1,22,43,579	3,33,11,955
	<u>1,22,43,579</u>	<u>3,33,11,955</u>
<b>NOTE : 11</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and stamps on hand	85,320	73,034
Bank balances with Scheduled Banks		
In Current Account	26,31,504	55,56,559
In Deposit Account (Ref : Note No. 31)	81,25,303	Nil
	<u>1,08,42,127</u>	<u>56,29,593</u>
In Dividend / Capital Refund Account	1,50,29,340	1,73,98,107
	<u>1,50,29,340</u>	<u>1,73,98,107</u>
	<u>2,58,71,467</u>	<u>2,30,27,700</u>
Bank deposit with more than 12 months Maturity	81,25,303	Nil
<b>NOTE : 12</b>		
<b>SHORT - TERM LOANS AND ADVANCES</b>		
Considered good - Unsecured		
Advances recoverable in cash or in kind or for value to be received		
- Debts due by Officers of the Company	Nil	Nil
- Others	50,61,745	48,77,808
Deposits:		
(a) With NABARD under Tea Development Scheme	54,650	13,32,650
(b) Other Deposits	18,51,713	14,38,238
Other Loans and Advances		
Tax payments pending adjustment	15,81,888	47,67,639
MAT Credit Entitlement	1,03,74,000	1,10,00,000
	<u>1,89,23,996</u>	<u>2,34,16,335</u>

**NOTES FORMING PART OF THE STATEMENT**  
*of Profit and Loss for the year ended 31st March 2017*

	For year ended 31.03.2017 Rs.	For year ended 31.03.2016 Rs.
<b>NOTE : 13</b>		
<b>REVENUE FROM OPERATIONS</b>		
a) Sale of Products		
Tea	26,66,58,292	30,38,83,362
Tea Waste	1,11,89,000	65,15,500
Tea Subsidy	55,71,758	1,01,94,465
Exchange Fluctuations	6,13,887	5,64,966
b) Other Operating Revenue		
Sale of Import Entitlements	55,74,362	50,49,083
Duty Drawback	22,04,538	22,42,641
	<u>29,18,11,837</u>	<u>32,84,50,017</u>
<b>NOTE : 14</b>		
<b>OTHER INCOME</b>		
Income from Investments		
(i) Long Term	2,90,94,365	3,36,06,864
(ii) Current	77,81,209	50,25,422
Interest Received	3,96,143	1,07,101
Profit on Sales of Current Investments	77,87,621	20,66,344
Profit on Liquidation of Associates	Nil	40,03,222
Profit on Sale of Assets	5,673	Nil
Insurance Claim Received	Nil	28,98,000
Miscellaneous Receipts	1,48,320	42,800
	<u>4,52,13,331</u>	<u>4,77,49,753</u>

**NOTES FORMING PART OF THE STATEMENT**  
*of Profit and Loss for the year ended 31st March 2017 (contd..)*

	For year ended 31.03.2017 Rs.	For year ended 31.03.2016 Rs.
<b>NOTE : 15</b>		
<b>COST OF MATERIAL CONSUMED</b>		
Consumption of Raw material - Bought Leaf	9,39,04,541	7,79,68,915
<b>NOTE : 16</b>		
<b>PURCHASE OF TRADED GOODS</b>		
Tea	87,185	1,08,603
<b>NOTE : 17</b>		
<b>INCREASE / DECREASE IN INVENTORY</b>		
<i>Inventory at the beginning of the year :</i>		
Tea	2,49,35,000	2,71,20,000
<i>Inventory at the end of the year :</i>		
Tea	2,31,25,000	2,49,35,000
	(+) <u>18,10,000</u>	(+) <u>21,85,000</u>
<b>NOTE : 18</b>		
<b>OTHER MANUFACTURING EXPENSES</b>		
Consumption of Stores and Spares	1,54,63,468	2,13,29,323
Power and Fuel	1,85,59,940	2,44,82,832
Repairs and Maintenance	16,99,564	28,89,616
	<u>3,57,22,972</u>	<u>4,87,01,771</u>
<b>NOTE : 19</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries Wages and Bonus	10,03,97,848	11,53,51,813
Contribution to Provident and Other Funds	1,01,16,980	98,74,601
Provision for Gratuity (Refer Note 33)	60,65,346	15,56,268
Provision for Leave Encashment (Refer Note 33)	2,64,017	3,24,492
Welfare Expenses	53,78,429	41,74,697
	<u>12,22,22,620</u>	<u>13,12,81,871</u>
<b>NOTE : 20</b>		
<b>FINANCE COST</b>		
Interest	<u>2,50,641</u>	<u>3,88,480</u>

**NOTES FORMING PART OF THE STATEMENT**  
*of Profit and Loss for the year ended 31st March 2017 (contd..)*

	For year ended 31.03.2017 Rs.	For year ended 31.03.2016 Rs.
<b>NOTE : 21</b>		
<b>OTHER EXPENSES</b>		
Rent and Amenities	21,45,900	20,47,200
Repairs and Maintenance:		
Roads and Buildings	52,00,294	1,32,42,320
Vehicles	51,04,670	58,20,045
Others	2,43,863	3,17,983
Insurance	9,16,954	8,94,777
Rates and Taxes	13,16,796	14,14,684
Payment to Auditors		
For Audit	7,00,000	7,00,000
For Certification / Tax Audit	1,73,000	1,52,500
For Tax Representation	2,00,000	1,90,000
For Travelling and other Expenses	1,20,000	1,10,000
For Other Service	1,66,000	11,500
For Service Tax	2,07,352	1,62,547
Transport and warehousing	1,04,89,854	1,15,10,620
Brokerage and Commission	81,69,235	87,60,839
Travelling Expenses	60,39,277	56,91,270
Legal and Professional Expenses	32,40,956	53,43,823
Postage and Telephones	9,45,063	9,56,028
Printing and Stationery	8,06,927	6,70,084
Bank Charges	2,44,875	1,95,918
Directors' Sitting Fees	2,74,000	2,46,000
Advertisement and Sales Promotion	94,165	1,22,831
Loss on sale of Asset	Nil	8,68,291
Loss on sale of Current Investment	50,53,647	Nil
Miscellaneous Expenses	21,76,543	53,42,497
	<u>5,40,29,371</u>	<u>6,47,71,757</u>

**N O T E S   O N   A C C O U N T S**  
*for the year ended 31st March 2017 (contd.)*

	Year ended 31.03.2017 Rs.	Year ended 31.03.2016 Rs.
--	---------------------------------	---------------------------------

**NOTE : 22**

**PARTICULARS OF CONSUMPTION (In Rupees)**

	Value in Rs.	%	Value in Rs.	%
(a) Rawmaterials - Bought Leaf Indigenous	9,39,04,541	100	7,79,68,915	100
(b) Stores and Spares: Indigenous	1,54,63,468	100	2,12,80,381	100
Imported	Nil		48,942	
	1,54,63,468	100	2,13,29,323	100

**NOTE : 23**

**EARNINGS AND EXPENDITURE IN FOREIGN CURRENCY**

a) Earnings FOB Value of Exports	20,06,28,223	21,70,87,298
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**NOTE : 24**

**EXPENDITURE IN FOREIGN CURRENCY**

a) Testing Fee	82,177	23,890
b) Travelling Expenses	15,29,652	17,55,533
c) Registration Fee etc	2,26,012	1,75,824

**NOTE : 25**

**DUE TO MICRO AND SMALL ENTERPRISES**

Based on the information available with the Company, the Principal amount due to Micro and Small enterprises as on 31.03.2017 is Rs. 47,778/- (Previous year Rs. 1,73,036/-). There are no overdue principal amounts and therefore no interest is paid or payable.

**NOTE : 26**

**DIVIDEND**

The Board of Directors in its meeting on 30 May 2017 have proposed a final dividend of Rs. 20/- per Equity Share for financial year ended 31.03.2017. The proposal is subject to the approval of Share holder at the Annual General Meeting to be held on August 2017 and if approved, would result in a cash Out flow of approximately Rs. 151 Lacs including corporate dividend tax.

**NOTE : 27**

**EARNINGS PER SHARE**

Profit after Taxation	1,83,91,064	3,45,48,555
Number of Equity Shares outstanding at the end of the year	6,27,350	6,27,350
Basic EPS	29.32	55.07
Diluted EPS	29.32	55.07

## N O T E S   O N   A C C O U N T S

*for the year ended 31st March 2017 (contd.)*

### NOTE : 28

#### CONTINGENT LIABILITY

Contracts remaining to be executed on Capital Account	1,32,440	2,80,000
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The retrospective effect from 01.04.2014 of the operations and implementations of the Payment of Bonus (Amendment) Act, 2015 has been stayed by Hon. High Court of Madras. Considering the same, the Company has not provided for the additional liability.

### NOTE : 29

#### SEGMENT REPORTING

The Company's operations relate only to Plantation Crops in the domestic as well as export market and accordingly primary segment reporting disclosure for business segments, as envisaged in Accounting Standard 17 on "Segment Reporting (AS 17)" issued by The Institute of Chartered Accountants of India, are not applicable.

The Company's operations relating to Secondary segment reporting has been confined to sales in India and exports outside India.

Fixed Assets used in the Company's business and liabilities contracted in respect of its sole manufacturing facilities are not identifiable in line with the following reportable segments as the fixed assets and liabilities contracted are used interchangeably between two segments. Accordingly only figures for debtors have been given

#### Secondary Segment Reporting

Particulars	Domestic Rs.	Export Rs.	Total Rs.
Revenue by Geographical Segment	6,42,24,900 (8,52,93,132)	20,24,33,392 (21,85,90,230)	26,66,58,292 (30,38,83,362)
Sundry Debtors	14,22,554 (37,98,328)	1,08,21,025 (2,95,13,627)	1,22,43,579 (3,33,11,955)

### NOTE : 30

#### ACCOUNTING FOR TAXES ON INCOME

The impact of Deferred Tax on Income for the year is considered not material and hence not recognised.

## N O T E S   O N   A C C O U N T S

*for the year ended 31st March 2017 (contd.)*

### NOTE : 31

#### EXIT OFFER FROM DISSEMINATION BOARD OF NSE

The Board of Directors the Company in its meeting held on 10 February 2017 has decided to participate as promoter in the Exit Offer as per SEBI Circular Number SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016 of certain Group Companies namely A. V. Thomas & Co. Ltd., The Midland Rubber & Produce Co. Ltd and The Nelliampathy Tea & Produce Co. Ltd., The cost incurred till 31-March-2017 towards the same will be capitalised along with the purchase of shares. The cost till 31-March-2017 amounts to Rs. 6,85,868/- which has been shown under the head "Short Term Loans and Advances". Further the company is maintaining a margin money deposit of Rs. 81,25,303/- for the said purpose. In addition to that company has given a bank guarantee for Rs. 8,09,58,400/- to National Stock Exchange of India Ltd.

### NOTE : 32

#### DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the company had specified bank notes or other denomination note as defined in the MCA notification GSR 308 (E) dated March 31, 2017 on the details of Specified Bank Notes (SBNs) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per the said notification is given below.

Particulars	SBNs*	Other denomination notes	Total
Closing Cash in hand on November 8, 2016	2,01,500	11,590	2,13,090
(+) Permitted receipts		10,27,100	10,27,100
(-) Permitted payments		(9,43,803)	(9,43,803)
(-) Amount deposited in banks	(2,01,500)		(2,01,500)
Closing Cash in hand as on December 30, 2016		94,887	94,887

\* For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance. Department of Economic Affairs number SO 340E, dated the 8th November, 2016.

**N O T E S   O N   A C C O U N T S**  
*for the year ended 31st March 2017 (contd.)*

**NOTE : 33**

**EMPLOYEE BENEFITS**

i) Defined Benefit Plans

a) Description of the Company's defined benefit plan :

i) Gratuity Scheme

This is a funded defined benefit plan for qualifying employees for which, the Company makes contribution to the Gratuity Fund managed by the Life Insurance Corporation of India. The Scheme provides for a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

ii) Leave Encashment

The company also operates a non funded leave encashment scheme for its employees.

b) Reconciliation of changes in the Present Value of Obligations :

	As on 31.03.2017		As on 31.03.2016	
	Gratuity	Leave	Gratuity	Leave
	(Funded Plan)	Encashment (Non Funded Plan)	(Funded Plan)	Encashment (Non Funded Plan)
Present Value of the Obligation as on 01.04.2016	4,10,55,796	6,00,616	3,83,73,911	2,76,124
Current Service Cost	38,05,087	2,19,820	37,66,906	1,85,280
Interest Cost	31,27,169	39,476	29,00,852	16,880
Benefits Paid	(39,32,356)	(2,14,343)	(23,67,007)	(1,19,433)
Actuarial loss / (gain)	22,27,091	2,19,064	(16,18,866)	2,41,765
Present Value of the Obligation as on 31.03.2017	4,62,82,787	8,64,633	4,10,55,796	6,00,616

c) Reconciliation of changes in the fair value of Plan Assets

Fair Value of Plan Assets as on 01.04.2016	3,94,99,528	Nil	3,40,71,770	Nil
Expected return on plan assets	33,52,700	Nil	30,91,200	Nil
Contribution by the Company	15,66,411	2,14,343	48,80,388	1,19,433
Benefits Paid	(39,32,356)	(2,14,343)	(23,67,007)	(1,19,433)
Actuarial gain / (Loss)	(2,68,842)	Nil	(1,76,823)	Nil
Fair Value of Plan Assets as on 31.03.2017	4,02,17,441	Nil	3,94,99,528	Nil

d) The total expense recognised in the Profit and Loss Account is as follows

Current Service Cost	38,05,087	2,19,820	37,66,906	1,85,280
Interest Cost	31,27,169	39,476	29,00,852	16,880
Expected return on plan assets	(33,52,700)	Nil	(30,91,200)	Nil
Net Actuarial (gain) / loss recognised in the year	24,95,933	2,19,064	(14,42,043)	2,41,765
	60,75,489	4,78,360	21,34,515	4,43,925



**NOTES ON ACCOUNTS**  
*for the year ended 31st March 2017 (contd.)*

**NOTE : 33**

**EMPLOYEE BENEFITS (Contd.)**

	As on 31.03.2017		As on 31.03.2016	
	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)
e) Reconciliation of Net Liability recognised in the Balance Sheet				
Net Liability as at the beginning of the year	15,56,268	6,00,616	43,02,141	2,76,124
Add : Expense as (d) above	60,75,489	4,78,360	21,34,515	4,43,925
Less : Employer's Contribution / Payment	(15,66,411)	(2,14,343)	(48,80,388)	(1,19,433)
Net Liability as at the end of the year	60,65,346	8,64,633	15,56,268	6,00,616
f) Constitution of Plan Assets				
Investments in LIC Group Gratuity Scheme	4,02,17,441	N.A.	3,94,99,528	N.A.
g) Principal actuarial assumptions used as at the Balance Sheet Date				
Discount Rate	6.8 %	6.8 %	8.0 %	8.0%
Salary Escalation Rate	3 %	3 %	2 %	2 %
Attrition Rate	1 %	1 %	1 %	1 %
Expected rate of return on plan assets	8.15 %	N.A.	8.75 %	N.A.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

h) The amount pertaining to defined benefit plan are as follows:

	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Gratuity funded plan					
Defined Benefit Obligation	4,62,82,787	4,10,55,796	3,83,73,911	3,28,13,327	2,68,26,684
Plan Assets	4,02,17,441	3,94,99,528	3,40,71,770	2,66,89,984	2,50,69,954
Surplus / (Deficit)	(60,65,346)	(15,56,268)	(43,02,141)	(61,23,343)	(17,56,730)
Experience adjustment - Plan Liability	22,27,091	(16,18,866)	8,57,991	31,31,863	(2,28,759)
Experience adjustment - Plan Assets	(2,68,842)	(1,76,823)	(76,532)	Nil	Nil

The Company expects to fund Rs. 72/- lakhs towards its Gratuity Plan during the year 2017 - 2018.

i) Defined Contribution Plans:

The Company makes contribution towards employees' provident fund, family pension fund, super annuation fund and employees' state insurance scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognised Rs. 97,51,980/- as expense towards contributions to these plans.

# NOTES ON ACCOUNTS

*for the year ended 31st March 2017 (contd.)*

## NOTE : 34

### RELATED PARTY TRANSACTIONS

Following associate companies are related to the Company on account of common control through Constitution of Board / Shareholdings

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>- A. V. Thomas &amp; Co. Ltd.</li> <li>- A. V. Thomas International Ltd.</li> <li>- L. J. International Ltd.</li> <li>- A. V. Thomas Investments Company Ltd.</li> <li>- The Nelliampathy Tea &amp; Produce Co. Ltd.</li> <li>- The Midland Rubber &amp; Produce Co. Ltd.</li> <li>- A V T Natural Products Ltd.</li> <li>- AVT McCormick Ingredients Private Ltd.</li> <li>- J. Thomas Educational &amp; Benevolent Trust</li> <li>- AVT Tea Service North America LLC, USA</li> <li>- Madura Micro Finance Ltd.</li> </ul> | <ul style="list-style-type: none"> <li>- AVT Holdings Private Ltd.</li> <li>- A. V. Thomas Leather and Allied Products Pvt. Ltd.</li> <li>- A. V. Thomas Exports Ltd.</li> <li>- Midland Latex Products Ltd.</li> <li>- Sermatech Private Ltd.</li> <li>- Aspera Logistics Private Ltd.</li> <li>- Midland Corporate Advisory Services (P) Ltd.</li> <li>- AVT Gavia Foods Private Ltd.</li> <li>- Midland Charitable Trust</li> <li>- AVT Tea Services Ltd. UK</li> </ul> |
|---|--|

Key Management Personnel :

Mr. Ajit Thomas, Chairman  
Mrs. Shanthi Thomas, Executive Director  
Mr. T. M. Harikumar, Company Secretary & CFO

Details of Transaction	Year ended 31.3.2017		Year ended 31.3.2016	
	Associates	Key Management Personnel (including relatives)	Associates	Key Management Personnel (including relatives)
<b>INCOME</b>				
Sales	22,35,343		1,87,103	
Dividend Received	2,90,94,365		3,36,06,864	
Profit on Liquidation of Associates	Nil		40,03,222	
<b>EXPENDITURE</b>				
Warehousing / Purchase / C&F Charges	3,65,914		2,42,892	
Sitting Fees		40,000		95,000
Professional Charges	5,75,000		11,62,080	
Dividend paid				2,46,25,180
Donations Paid	Nil		25,00,000	
Remuneration		52,12,851		44,93,326
<b>OTHERS</b>				
Purchase of Investment (Shares)	6,33,675		Nil	
<b>BALANCE AS ON 31.3.2017</b>				
Debit Balances	96,118		79,115	
Credit Balances	Nil		Nil	

## NOTE : 35

Previous Year's figures have been re-grouped wherever necessary

Vide our report of date attached

For **SURI & CO.**  
Chartered Accountants  
Firm's Registration No. 004283S

**G. Rengarajan**

Partner

Place : Chennai  
Date : 30.05.2017

Membership No. 219922

For and on behalf of the Board

**Shanthi Thomas**  
Executive Director

**Ajit Thomas**  
Chairman

**T. M. Harikumar**  
Company Secretary & CFO

**CASH FLOW STATEMENT**  
*For the year ended 31st March 2017*

	Year ended 31.03.2017 Rs	Year ended 31.03.2016 Rs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extraordinary items	1,94,47,064	4,00,48,555
Adjustments for:		
Depreciation	95,50,774	1,07,44,818
Profit / Loss on sale of Investments	(27,33,974)	(20,66,344)
Profit / Loss on sale of Assets	(5,673)	8,68,291
Profit / Loss on Liquidation of Associates	Nil	(40,03,222)
Provision for Gratuity	60,65,346	15,56,268
Provision for Leave Encashment	8,64,633	6,00,616
Interest / Dividend Received	(3,72,71,717)	(3,87,39,387)
Insurance claim Received	Nil	(28,98,000)
Interest Paid	<u>2,50,641</u>	3,88,480
	<u>(2,32,79,970)</u>	
Operating Profit before working capital changes	<u>(38,32,906)</u>	<u>65,00,075</u>
Adjustments for:		
Trade and other Receivables	2,10,68,376	(11,26,664)
Inventories	12,84,907	32,70,742
Trade Payables	(91,86,846)	(22,35,218)
Other Current Assets	<u>6,80,588</u>	(8,61,557)
	<u>1,38,47,025</u>	
Cash generated from operations	<u>1,00,14,119</u>	<u>55,47,378</u>
Direct Taxes Paid	<u>(9,70,990)</u>	<u>(55,75,826)</u>
Cash Flow before Extraordinary items	<u>90,43,129</u>	<u>(28,448)</u>
Extraordinary Items	Nil	Nil
Net Cash From Operating Activities	<u>90,43,129</u>	<u>(28,448)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(1,81,50,390)	(1,03,56,525)
Purchase of Investments	(16,40,24,435)	(13,53,64,635)
Sale of Investments	14,16,63,368	14,44,50,594
Sale of Fixed Assets	1,62,476	29,04,757
Liquidation of Investments in Associates	Nil	1,30,23,222
Interest Received	(1,06,547)	(1,42,333)
Dividend Received	3,68,75,574	3,86,32,286
Net Cash from / (used in) Investing Activities	<u>(35,79,954)</u>	<u>5,31,47,366</u>

**CASH FLOW STATEMENT**  
*For the year ended 31st March 2017 (contd.)*

	Year ended 31.03.2017 Rs	Year ended 31.03.2016 Rs
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Cash Credit	Nil	(24,54,149)
Interest Paid	(2,50,641)	(3,88,480)
Dividend Paid	Nil	(4,53,03,579)
Net Cash used in Financing Activities	(2,50,641)	(4,81,46,208)
	52,12,534	49,72,710
Net Decrease in cash and cash equivalents		
Cash and cash equivalents as at 01.04.2016 (Opening Balance)	56,29,593	6,56,883
Cash and cash equivalents as at 31.03.2017 (Closing Balance)	1,08,42,127	56,29,593
	52,12,534	49,72,710

Vide our report of date attached

For **SURI & CO.**  
Chartered Accountants  
Firm's Registration No. 004283S  
**G. Rengarajan**

Place : Chennai Partner  
Date : 30.05.2017 Membership No. 219922

For and on behalf of the Board

**Shanthi Thomas**                      **Ajit Thomas**  
Executive Director                      Chairman

**T. M. Harikumar**  
Company Secretary & CFO

## **CONSOLIDATED STATEMENTS**

## INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

*To the members of Neelamalai Agro Industries Limited*

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Neelamalai Agro Industries Limited ('the Holding Company') and its associates (collectively referred to as 'the Group'), comprising of the Consolidated Balance Sheet as at 31-March-2017, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company and of its associates included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting

the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31-March-2017, and its Consolidated Profit and their cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d. in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. on the basis of the written representations received from the directors of the Holding Company as on 31-March-2017, and taken on record by the Board of Directors of the Holding Company and it's associate companies incorporated in India none of the directors of the Group and it's associate companies is disqualified as on 31-March-2017 from being appointed as a director in terms of Section 164 (2) of the Act.;
- f. with respect to the adequacy of the internal financial controls over financial reporting of the Group, it's associates and the operating effectiveness of such controls, refer our separate report in Annexure A and
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The company does not have any pending litigations which would impact its consolidated financial position
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
  - iv) The Company has provided requisite disclosures in its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes by the holding company during the period from 8th November, 2016 to 30th December, 2016 of the Holding company. Based on the audit procedures and relying on the management representation, we report that the disclosure are in accordance with books of account maintained by the company and as produced to us by the management. Refer Note No.32 to the consolidated financial statements.

For **SURI & CO.**  
Chartered Accountants  
Firm No.004283S

**G. Rengarajan**  
Partner  
Membership No. 219922

Chennai  
30.05.2017

## ANNEXURE A

*To the members of Neelamalai Agro Industries Limited*

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended 31-March-2017 we have audited the internal financial controls over financial reporting of NEELAMALAI AGRO INDUSTRIES LIMITED (hereinafter referred to as ‘The Holding Company’) and its associate companies which are incorporated in India as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the holding company and its associates which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Holding Company and its associate companies, which are companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31-Mar-2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SURI & CO.  
Chartered Accountants  
Firm No.004283S

G. Rengarajan  
Partner  
Membership No. 219922

Chennai  
30.05.2017



# CONSOLIDATED BALANCE SHEET

*As at 31 st March 2017*

Particulars	Notes	Figures as at the end of 31.03.2017 Rs.	Figures as at the end of 31.03.2016 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
(1) <i>Shareholders' Funds</i>			
(a) Share Capital	2	62,73,500	62,73,500
(b) Reserves and Surplus	3	<u>1,17,49,80,308</u>	<u>1,09,21,72,411</u>
		<u>1,18,12,53,808</u>	<u>1,09,84,45,911</u>
(2) <i>Non - Current Liabilities</i>	4		
(a) Long - Term Provisions		<u>40,045</u>	<u>16,052</u>
		<u>40,045</u>	<u>16,052</u>
(3) <i>Current Liabilities</i>	5		
(a) Short - Term Borrowings		Nil	Nil
(b) Trade Payables			
- Total outstanding dues of Micro Enterprises and Small Enterprises	47,778		1,73,036
- Total outstanding dues of Creditors Other than Micro Enterprises and Small Enterprises	<u>2,20,47,025</u>	<u>2,20,94,803</u>	<u>2,83,55,614</u>
(c) Other Current Liabilities		<u>1,57,38,150</u>	<u>1,87,03,032</u>
(d) Short - Term Provisions		<u>73,19,934</u>	<u>62,97,573</u>
		<u>4,51,52,887</u>	<u>5,35,29,255</u>
TOTAL		<u>1,22,64,46,740</u>	<u>1,15,19,91,218</u>
<b>II. ASSETS</b>			
(1) <i>Non - Current Assets</i>			
(a) Property, Plant and Equipment			
(i) Tangible Assets	6	6,98,75,798	6,54,26,444
(ii) Capital Work in Progress			
(a) Bearer Plants		38,41,669	Nil
(b) Others		<u>1,51,790</u>	<u>Nil</u>
		<u>7,38,69,257</u>	<u>6,54,26,444</u>
(b) Non - Current Investments	7	<u>90,73,84,698</u>	<u>81,33,58,196</u>
(2) <i>Current Assets</i>			
(a) Current Investments	8	15,65,88,663	16,11,03,291
(b) Inventories	9	2,87,40,208	3,00,25,115
(c) Trade Receivables	10	1,22,43,579	3,33,11,955
(d) Cash and Cash equivalents	11	2,58,71,467	2,30,27,700
(e) Short - Term Loans and Advances	12	1,89,23,996	2,34,16,335
(f) Other Current Assets		<u>28,24,872</u>	<u>23,22,182</u>
		<u>24,51,92,785</u>	<u>27,32,06,578</u>
Significant Accounting Policies	1		
TOTAL		<u>1,22,64,46,740</u>	<u>1,15,19,91,218</u>

Notes 1 to 12 and 22 to 35 and Cash Flow Statement form part of this Balance Sheet

Vide our report of date attached

For SURI & CO.  
Chartered Accountants  
Firm's Registration No. 004283S

G. Rengarajan

Place : Chennai

Date : 30.05.2016

Partner  
Membership No. 219922

For and on behalf of the Board

Shanthi Thomas  
Executive Director

Ajit Thomas  
Chairman

T. M. Harikumar  
Company Secretary & CFO

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS

*For the Year Ended 31st March 2017*

Particulars	Notes	Figures for the year ended 31.03.2017 Rs.	Figures for the year ended 31.03.2017 Rs.
I Revenue from Operations	13	29,18,11,837	32,84,50,017
II Other Income	14	2,08,47,891	1,72,92,953
III Total Revenue	(I + II)	<u>31,26,59,728</u>	<u>34,57,42,970</u>
IV Expenses			
Cost of Material Consumed	15	9,39,04,541	7,79,68,915
Purchase of Stock - in - Trade	16	87,185	1,08,603
Increase (-) / Decrease (+) in Inventory	17	(+ 18,10,000	(+ 21,85,000
Other Manufacturing Expenses	18	3,57,22,972	4,87,01,771
Employee Benefits Expenses	19	12,22,22,620	13,12,81,871
Finance Cost	20	2,50,641	3,88,480
Depreciation and Amortisation Expense		95,50,774	1,07,44,818
Other Expenditure	21	5,40,29,371	6,47,71,757
Total Expense		<u>31,75,78,104</u>	<u>33,61,51,215</u>
V Profit before exceptional and extraordinary items and tax	(III - IV)	(49,18,376)	95,91,755
VI Exceptional / extraordinary items		Nil	Nil
VII Profit Before Tax	(V - VI)	<u>(49,18,376)</u>	<u>95,91,755</u>
VIII TAX EXPENSES			
Current Tax	4,30,000		
Add : MAT Credit Utilisation	<u>6,26,000</u>	10,56,000	55,00,000
Deferred Tax		Nil	Nil
Share of Profit / (Loss) of Associate Companies		8,87,82,273	8,53,04,457
IX Profit After Tax	(VII - VIII)	<u>8,28,07,897</u>	<u>8,93,96,212</u>
X Earnings per Share	26		
(1) Basic		132.00	142.50
(2) Diluted		132.00	142.50

Notes 1, 13 to 35 and Cash Flow Statement form part of this Statement of Profit and Loss.

Vide our report of date attached

For SURI & CO.  
Chartered Accountants  
Firm's Registration No. 004283S

G. Rengarajan

Place : Chennai  
Date : 30.05.2017

Partner  
Membership No. 219922

For and on behalf of the Board

Shanthi Thomas  
Executive Director

Ajit Thomas  
Chairman

T. M. Harikumar  
Company Secretary & CFO

## **CONSOLIDATED NOTES ON ACCOUNTS**

*for the year ended 31st March, 2017*

### **NOTE : 1**

#### **A. ACCOUNTING POLICIES**

##### **I. ACCOUNTING CONVENTION**

The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis of accounting in accordance with the generally accepted accounting principles, accounting standards notified under section 133 of the Companies Act 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.

##### **II. PROPERTY, PLANT AND EQUIPMENT**

- a) Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment loss based on cost model.

The cost of an item of property, plant and equipment is recognised as an asset when :

- i. It is probable that future economic benefits associated with the item will flow to the enterprise; and
- ii. the cost of the item can be measured reliably

Cost includes, taxes and duties (but does not include taxes and duties for which CENVAT / VAT credit is available), freight and other direct or allocated expenses during construction period, net of any income earned. Assets acquired on Hire Purchase are capitalized at principal value.

- b) Direct Expenditure on replanting of Tea attributable to bringing the bearer plant to the condition necessary for it to be capable of operating in the manner intended by management less Subsidy on replanting of Tea are capitalised as Bearer Plants.
- c) Depreciation on property plant and equipment has been charged as per the useful life specified in Schedule II of Companies Act 2013, except Assets costing individually less than Rs. 5,000/- which are depreciated at 100%. The residual value is considered at 5% of the original cost of Plant, Property and Equipment. Depreciation for assets purchased/sold during the period is proportionately charged.
- d) Intangible assets amortized over their respective individual useful lives on straight line basis, commencing from the date the asset is available to the company for its use. Depreciation and Amortization methods, useful lives and residual value are reviewed periodically, including at each financial year end.

##### **III. IMPAIRMENT OF ASSETS**

The Company reviews the carrying amounts of its assets for any possible impairment at each balance sheet date. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount and the impairment loss, if any, is recognized in the Statement of Profit and Loss.

##### **IV. BORROWING COSTS**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of the asset, upto the date of acquisition/completion of construction. Other borrowing costs are recognised as expense as and when incurred. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use of sale.

##### **V. INVESTMENTS**

Long Term Investments are stated at cost. Decline in value of long term investments, other than temporary, is provided for. Current investments are stated at lower of cost and fair value. Investment in immovable properties is stated at cost less depreciation.

##### **VI. INVENTORIES**

Inventories are valued at lower of cost on weighted average and net realisable value, after providing for obsolescence wherever considered necessary. Cost includes taxes and duties (other than duties and taxes for which CENVAT / VAT credit is available), freight and other direct expenses.

## **CONSOLIDATED NOTES ON ACCOUNTS**

*for the year ended 31st March, 2017*

**NOTE : 1 (contd.)**

### **A. ACCOUNTING POLICIES**

#### **VII. REVENUE RECOGNITION**

Revenue is recognized on accrual and when no significant uncertainty on measurability or collectability exists. Expenditure is accounted for on their accrual.

##### **SALE OF GOODS**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

##### **INTEREST**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

##### **DIVIDENDS**

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

#### **VIII. EMPLOYEE BENEFITS**

Gratuity Liability which is a defined benefit scheme and provision for Leave Encashment is accrued and provided for on the basis of independent actuarial valuation based on projected unit credit method made at the end of each financial year. Actuarial gains and losses are recognised in the Statement of Profit & Loss and are not deferred.

Retirement benefits in the form of Provident Fund, Family Pension Fund and Super Annuation Schemes, which are defined contribution schemes are charged to the Statement of Profit & Loss of the year when the contribution to the respective funds accrues.

#### **IX. FOREIGN CURRENCY TRANSACTIONS**

Foreign Currency Transactions are recorded at the rates of exchange in force at the time transactions are effected. In the case of forward contracts, the difference between forward rate and exchange rate on the date of transaction is dealt with in the Statement of Profit and Loss on the Completion of the transaction. Monetary items denominated in foreign currency and outstanding at the Balance Sheet date are converted at the year end exchange rate and the resultant loss or gain is dealt with in the Statement of Profit & Loss.

#### **X. GOVERNMENT GRANTS**

Subsidies from Government in respect of fixed assets are deducted from the cost of respective assets as and when they accrue. Subsidies related to revenue are recognised in the Statement of Profit and Loss to match them with the related costs which they are intended to compensate.

#### **XI. TAXES ON INCOME**

Provision for Income-Tax is made for both current and deferred tax. Provision for current income tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred tax is accounted for by computing the tax effect of the timing difference which arise during the year and reverse out in the subsequent periods. Deferred tax is calculated at the tax rates substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only if there is a virtual certainty that they will be realized.

## **CONSOLIDATED NOTES ON ACCOUNTS**

*for the year ended 31st March, 2017*

### **NOTE : 1 (contd.)**

#### **A. ACCOUNTING POLICIES**

##### **XII. EARNINGS PER SHARE**

Basic Earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

##### **XIII. PROVISIONS**

A Provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviews at each reporting date and adjusted to reflect the current best estimates.

##### **XIV. CONTINGENT LIABILITIES**

A Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

##### **XV. CONTINGENT ASSETS**

Contingent Assets are neither recognised nor disclosed.

##### **XVI. EXPENDITURE ON NEW PLANTING**

Direct Expenditure on new planting of different crops (other than Minor Produce) including upkeep and maintenance expenditure on immature plants are capitalised under "Development".

##### **XVII. EXPENDITURE ON REPLANTING**

The upkeep and maintenance expenditure on immature plants is charged to the Statement of Profit and Loss.

##### **XVIII. DIVIDEND**

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

##### **XVIII. CASH FLOW STATEMENT**

Cash Flow Statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of

- (i) Transactions of a non-cash nature.
- (ii) Any deferrals or accruals of past or future operating cash receipts or payments and
- (iii) Items of income or expense associated with investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in Cash Flow Statement.

**CONSOLIDATED NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2017*

	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
<b>NOTE : 2</b>		
<b>SHARE CAPITAL</b>		
<i>a. Authorised</i>		
9,00,000- Equity Shares of Rs.10/- each	<b>90,00,000</b>	90,00,000
3,50,000- 5 % Preference Shares of Rs.10/- each	<b>35,00,000</b>	35,00,000
	<b>1,25,00,000</b>	1,25,00,000
<i>b. Issued, Subscribed and Paid - up</i>		
6,27,350 - Equity Shares of Rs.10/- each.	<b>62,73,500</b>	62,73,500
<i>c. Number of Shares at the beginning of the year</i>		
Add / Less : Shares Issued / buyback etc	Nil	Nil
Number of shares at the end of the year	<b>6,27,350</b>	6,27,350
<i>d. Details of Shareholders holding more than 5% of equity shares as on 31.03.2017</i>		
	31.03.2017	31.03.2016
Name of Shareholder	No. of Shares held      % of Holding	No. of Shares held      % of Holding
Mr. Ajit Thomas	4,13,103                  65.85	4,10,453                  65.43
<i>No bonus shares / Buy back of shares in last 5 years</i>		

**CONSOLIDATED NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2017 (contd.)*

	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
<b>NOTE : 3</b>		
<b>RESERVES AND SURPLUS</b>		
<i>Capital Redemption Reserve</i>		
As per last Balance Sheet	27,26,500	27,26,500
Capital Reserve	14,000	14,000
<i>General Reserve</i>		
As per last Balance Sheet	86,25,24,021	
Add : Transfer from Profit & Loss Account	<u>Nil</u>	
	86,25,24,021	86,25,24,021
<i>Surplus</i>		
Balance in Profit and Loss Account	8,28,07,897	8,93,96,212
Add : Surplus Brought forward from previous year	<u>22,69,07,890</u>	<u>16,77,14,064</u>
	<u>30,97,15,787</u>	<u>25,71,10,276</u>
<i>Appropriations</i>		
Transfer to General Reserve	Nil	Nil
Interim dividend - I - paid on Equity shares (Previous year - Rs. 20/- per Share)	Nil	1,25,47,000
Tax on Interim dividend - I	Nil	25,54,193
Interim dividend - II - paid on Equity shares (Previous year - Rs. 20/- per Share)	Nil	1,25,47,000
Tax on Interim dividend - II	<u>Nil</u>	<u>25,54,193</u>
Net surplus in the statement of Profit & Loss	<u>30,97,15,787</u>	<u>22,69,07,890</u>
	<u>1,17,49,80,308</u>	<u>1,09,21,72,411</u>

**CONSOLIDATED NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2017 (contd.)*

	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
<b>NOTE : 4</b>		
<b>NON CURRENT LIABILITIES</b>		
<i>b. Long Term Provisions</i>		
<i>Provision for Employee benefits</i>		
For Gratuity	Nil	Nil
For Leave Encashment	40,045	16,052
	<u>40,045</u>	<u>16,052</u>
<b>NOTE : 5</b>		
<b>CURRENT LIABILITIES</b>		
<i>a. Short - Term borrowings</i>		
Cash Credit	Nil	Nil
(The Company's borrowing facilities comprising cash credit facility of Rs. 2,75,00,000 - Cash Credit at the interest rate of 1.35%, above base rate, Present base rate being @ 10.10%, Export Packing Credit in foreign currency at the rate of 2.50% above the LIBOR -secured by hypothecation of stock-in-Trade, Standing Crops, Book Debts, Vehicles and also equitable mortgage of Katary Estate with Buildings thereon.)		
<i>b. Trade Payable</i>		
(Refer Note No. 25 for Details of dues to micro and small enterprises)		
Total outstanding dues of Micro Enterprises and Small Enterprises and	47,778	1,73,036
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	2,20,47,025	2,83,55,614



**CONSOLIDATED NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2017 (contd.)*

	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
<i>c. Other Current Liabilities</i>		
Investor Education and Protection Fund		
- Unpaid Dividend	1,48,05,230	1,71,73,997
Unpaid Preference Capital	2,24,110	2,24,110
Other current liabilities	7,08,810	13,04,925
	<u>1,57,38,150</u>	<u>1,87,03,032</u>
<i>d. Short - Term Provisions</i>		
<i>Provision for Employee benefits</i>		
For Leave Encashment	8,24,588	5,84,564
For Gratuity	60,65,346	15,56,268
<i>Other Provisions</i>		
For Taxation	4,30,000	41,56,741
	<u>73,19,934</u>	<u>62,97,573</u>

# **CONSOLIDATED NOTES FORMING PART** *of the Balance Sheet as at 31st March 2017 (contd.)*

## **NOTE : 6**

### **Property, Plant and Equipment**

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2016 Rs.	Additions Rs.	Deductions Rs.	As at 31.03.2017 Rs.	Up to 31.03.2016 Rs.	For the year Rs.	Upto 31.3.2017 Rs.	As at 31.3.2017 Rs.
Freehold Land and Development	2,66,71,159	Nil	Nil	2,66,71,159	Nil	Nil	Nil	2,66,71,159
Buildings	3,81,03,184	Nil	Nil	3,81,03,184	2,24,75,399	17,36,663	2,42,12,062	1,38,91,122
Plant and Machinery	6,99,71,448	8,48,986	Nil	7,08,20,434	5,79,21,312	35,11,548	6,14,32,860	93,87,574
Furniture and Fittings	63,65,513	1,78,725	Nil	65,44,238	53,13,810	3,38,750	56,52,560	8,91,678
Vehicles	2,39,27,008	1,31,29,220	8,35,494	3,62,20,734	1,39,01,347	39,63,813	1,71,86,469	1,90,34,265
	16,50,38,312	1,41,56,931	8,35,494	17,83,59,749	9,96,11,868	95,50,774	10,84,83,951	6,98,75,798
Previous year	16,14,40,235	1,03,56,525	67,58,448	16,50,38,312	9,47,50,450	1,07,44,818	9,96,11,868	6,54,26,444

Note : The Company does not have any lease hold property.

# CONSOLIDATED NOTES FORMING PART

## NOTE : 7

of the Balance Sheet as at 31st March 2017 (contd.)

### Non Current Investments - At Cost

Description	As on 01.04.2016			Additions			Deductions			As on 31.03.2017		
	No.of shares/Units	Amount Rs.		No.of shares/Units	Amount Rs.		No.of shares/Units	Amount Rs.		No.of shares/Units	Amount Rs.	
<b>1. SHARES IN COMPANIES - LONG TERM - AT COST : (#)</b>												
(A) EQUITY SHARES (FULLY PAID):												
(i) QUOTED :												
AT Natural Products Ltd. (Face value Re.1/-) - Carrying Value	6,09,13,600	69,76,91,271								6,09,13,600	75,37,45,765	
Share of Profit for the year		8,65,11,294									8,91,96,576	
Less : Dividend Income		(3,04,56,800)									(2,43,65,440)	
		75,37,45,765									81,85,76,901	
(ii) UNQUOTED :												
AT McCormick Ingredients Pvt. Ltd. * (@)	31,50,000	3,15,00,000								31,50,000	3,15,00,000	
Midland Corporate Advisory Services Pvt Ltd. - Carrying Value	2,50,000	16,57,925								2,50,000	11,30,313	
Share of Profit for the year		(5,27,612)									(4,14,303)	
		11,30,313									7,16,010	
L. J. International Ltd (@)	64	313								64	313	
A. V. Thomas & Co. Ltd. (@)				100	4,50,000					100	4,50,000	
The Nelliampathy Tea & Produce Co. Ltd (@)				155	62,000					155	62,000	
The Midland Rubber & Produce Co. Ltd (@)				157	1,21,675					157	1,21,675	
Verna Global Holdings Ltd (Face value £ 0.01 p/ Share)				8,543	1,89,75,353					8,543	1,89,75,353	
		313			1,96,09,028						1,96,09,341	
		78,63,76,391									87,04,02,252	
(B) PREFERENCE SHARE (FULLY PAID):												
Vogo Automotive Service (P) Ltd (Face Value Rs. 1000/- Per share)				5,559	1,00,00,641					5,559	1,00,00,641	
<b>2. IN IMMOWABLE PROPERTIES</b>												
Value of Land		2,69,81,805									2,69,81,805	
		<b>81,33,58,196</b>			<b>2,96,09,669</b>						<b>90,73,84,698</b>	
(1) Aggregate amount of Quoted investments				<b>31.03.2017</b>						<b>31.03.2016</b>		
(Market Value - Rs. 2,39,69,50,160/- Previous year Rs. 1,70,55,80,800/-)				81,85,76,901						75,37,45,765		
(2) Aggregate amount of Unquoted investments				6,18,25,992						3,26,30,626		
(3) Aggregate amount of immovable properties				2,69,81,805						2,69,81,805		
				90,73,84,698						81,33,58,196		
(*) The right to transfer shares is restricted under Section 2 (68) (i) of the Companies Act, 2013, being Private Limited Companies.												
(#) Face value of Equity Shares is Rs. 10/- fully paid up unless otherwise stated.												
(@) Associate Companies												

# CONSOLIDATED NOTES FORMING PART

of the Balance Sheet as at 31st March 2017 (contd.)

## NOTE : 8

### Current Investments - Lower of Cost and Fair Value

Description	As on 01.04.2016			Additions			Deductions			As on 31.03.2017		
	No. of shares/Units	Amount Rs.		No. of shares/Units	Amount Rs.		No. of shares/Units	Amount Rs.		No. of shares/Units	Amount Rs.	
<b>1. SHARES IN COMPANIES - SHORT TERM - AT COST : (#)</b>												
(A) EQUITY SHARES - QUOTED:												
Tata Consultancy Services Ltd. (Re. 1/- share)	2,432	5,16,800								2,432	5,16,800	
Great Eastern Shipping Co. Ltd.	1,800	4,95,347					1,800	4,95,347		---	---	
IL & FS Investment Managers Ltd.												
(Formerly IL & FS Venture Corporation Ltd)	24,150	5,04,566					24,150	5,04,566		---	---	
IL & FS Transportation Networks Ltd.	1,000	2,25,883								1,000	2,25,883	
MOIL Limited	1,840	6,03,461								1,840	6,03,461	
Piramal Enterprises Ltd.												
(Formerly Piramal Healthcare Ltd)	1,720	6,95,173					1,720	6,95,173		---	---	
E.ID Parry (India) Ltd.	1,080	1,98,556								1,080	1,98,556	
Gateway Distriparks Ltd.	335	34,454					335	34,454		---	---	
Engineers India Ltd.	680	1,00,383		680						1,360	1,00,383	
Nesco Ltd.	110	88,001								110	88,001	
Bajaj Fin Service Ltd.	50	46,151					50	46,151		---	---	
Infosys Ltd.	120	98,315								120	98,315	
NMDC Ltd.	570	1,00,368								570	1,00,368	
Control Print Ltd.	855	49,812					855	49,812		---	---	
Bombay Stock Exchange Ltd.	18,445	39,20,000					9,223			9,222	39,20,000	
Catholic Syrian Bank Ltd.	8,065	12,50,000								8,065	12,50,000	
Tata Sponge Iron Ltd.	75	50,700								75	50,700	
Lakshmi Machines Ltd.	26	1,01,342								26	1,01,342	
Phoenix Lamps Ltd	1,555	1,50,920								1,555	1,50,920	
Ambika Cotton Mills Ltd	130	98,155								130	98,155	
Hero Motocorp Ltd	38	99,664								38	99,664	
IDFC Ltd	600	1,00,247								600	1,00,247	
IDFC Bank Ltd.	600	1								600	1	
Sriram Transport Finance Ltd.	380	3,01,397								380	3,01,397	
Tata Motors Ltd	300	1,01,344								300	1,01,344	
TVS Srichakra	17	47,799								17	47,799	
Sriram City Union Finance Ltd	83	1,24,747								83	1,24,747	
Gulf Oil Union India Ltd.			185		99,743					185	99,743	
ICICI Lombard General Insurance Co. Ltd.			2,000		5,50,000					2,000	5,50,000	
Tamil Nadu Mercantile Bank Ltd.			8,000		20,40,000					8,000	20,40,000	
		<b>1,01,03,586</b>			<b>26,89,743</b>			<b>18,25,503</b>			<b>1,09,67,826</b>	

# CONSOLIDATED NOTES FORMING PART

of the Balance Sheet as at 31st March 2017 (contd.)

## NOTE : 8

### Current Investments - Lower of Cost and Fair Value (Contd...)

Description	As on 01.04.2016			Additions			Deductions			As on 31.03.2017		
	No. of shares/Units	Amount Rs.	No. of shares/Units	Amount Rs.	No. of shares/Units	Amount Rs.	No. of shares/Units	Amount Rs.	No. of shares/Units	Amount Rs.	No. of shares/Units	Amount Rs.
<b>B. MUTUAL FUNDS (QUOTED)</b>												
BSL MNC - D	18,755	20,00,000					18,755	20,00,000				
ICICI Prudential Recovery - D	79,711	20,00,000					79,711	20,00,000				
ICICI Prudential top 100 - D	1,22,699	20,00,000					1,22,699	20,00,000				
IDFC Sterling Equity Fund	1,27,697	20,00,000					1,27,697	20,00,000				
Reliance Equity Opportunities	67,501	20,00,000					67,501	20,00,000				
ICICI Pru Short Term Growth	20,90,633	5,00,00,000							20,90,633	5,00,00,000		
ICICI Pru Equity Arbitrage Fund	5,84,536	80,44,058	1,88,236	25,92,821			6,19,598	85,25,576	1,53,174	21,11,303		
IDFC Arbitrage Fund	12,72,456	1,58,16,223	74,659	9,42,774					13,47,114	1,67,58,997		
Kotak Equity Arbitrage Fund	7,48,503	80,33,459	47,385	5,08,380					7,95,888	85,41,839		
ICICI Prudential Flexible Income Regular Plan - Growth	57,273	1,62,29,321	3,46,809	10,54,00,000			2,68,274	7,96,87,124	1,35,809	4,19,42,197		
IDFC Ultra Short Term Fund - Growth	20,30,101	4,11,70,238					9,15,713	1,85,70,572	11,14,387	2,25,99,666		
Goldman Sachs Liquid Exchange Traded Scheme	1,760	17,06,406	3,780	37,81,049			1,870	18,20,620	3,670	36,66,835		
Taurus Bonanza Fund - Direct Plan - Dividend	---	---	2,77,694	1,85,00,000			2,77,694	1,85,00,000	---	---		
		<b>15,09,99,705</b>		<b>13,17,25,024</b>				<b>13,71,03,892</b>		<b>14,56,20,837</b>		
		<b>16,11,03,291</b>		<b>13,44,14,767</b>				<b>13,89,29,395</b>		<b>15,65,88,663</b>		

31.03.2017 31.03.2016

(1) Aggregate amount of Quoted investments

(Market Value - Rs. 18,42,54,677/- Previous year Rs. 18,54,39,616/-)

(#) Face value of Equity Shares is Rs. 10/- fully paid up unless otherwise stated.

(##) Increase in share represents Bonus issue in the ratio of 1:1 received during the year.

(###) Increase in share represents Bonus issue in the ratio of 2:1 received during the year.

**CONSOLIDATED NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2017 (contd.)*

	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
<b>NOTE : 9</b>		
<b>INVENTORIES</b>		
(Valued at lower of cost and net realisable value)		
Stores and Spares	56,15,208	50,90,115
Stock in Trade	2,31,25,000	2,49,35,000
	<u>2,87,40,208</u>	<u>3,00,25,115</u>
<b>NOTE : 10</b>		
<b>TRADE RECEIVABLES</b>		
Considered good - Unsecured:		
(a) Trade receivable outstanding for more than six months from the date they become due for payment	Nil	Nil
(b) Other receivable	1,22,43,579	3,33,11,955
	<u>1,22,43,579</u>	<u>3,33,11,955</u>
<b>NOTE : 11</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and stamps on hand	85,320	73,034
Bank balances with Scheduled Banks		
In Current Account	26,31,504	55,56,559
In Deposit Account (Ref : Note No. 31)	81,25,303	Nil
	<u>1,08,42,127</u>	<u>56,29,593</u>
In Dividend / Capital Refund Account	1,50,29,340	1,73,98,107
	<u>1,50,29,340</u>	<u>1,73,98,107</u>
	<u>2,58,71,467</u>	<u>2,30,27,700</u>
Bank deposit with more than 12 months Maturity	81,25,303	Nil
<b>NOTE : 12</b>		
<b>SHORT - TERM LOANS AND ADVANCES</b>		
Considered good - Unsecured		
Advances recoverable in cash or in kind or for value to be received		
- Debts due by Officers of the Company	Nil	Nil
- Others	50,61,745	48,77,808
Deposits:		
(a) With NABARD under Tea Development Scheme	54,650	13,32,650
(b) Other Deposits	18,51,713	14,38,238
Other Loans and Advances		
Tax payments pending adjustment	15,81,888	47,67,639
MAT Credit Entitlement	1,03,74,000	1,10,00,000
	<u>1,89,23,996</u>	<u>2,34,16,335</u>

**CONSOLIDATED NOTES FORMING PART OF THE STATEMENT**  
*of Profit and Loss for the year ended 31st March 2017*

	For year ended 31.03.2017 Rs.	For year ended 31.03.2016 Rs.
<b>NOTE : 13</b>		
<b>REVENUE FROM OPERATIONS</b>		
a) Sale of Products		
Tea	26,66,58,292	30,38,83,362
Tea Waste	1,11,89,000	65,15,500
Tea Subsidy	55,71,758	1,01,94,465
Exchange Fluctuations	6,13,887	5,64,966
b) Other Operating Revenue		
Sale of Import Entitlements	55,74,362	50,49,083
Duty Drawback	22,04,538	22,42,641
	<u>29,18,11,837</u>	<u>32,84,50,017</u>
<b>NOTE : 14</b>		
<b>OTHER INCOME</b>		
Income from Investments		
(i) Long Term	47,28,925	31,50,064
(ii) Current	77,81,209	50,25,422
Interest Received	3,96,143	1,07,101
Profit on Sales of Current Investments	77,87,621	20,66,344
Profit on Liquidation of Associates	Nil	40,03,222
Profit on Sale of Assets	Nil	28,98,000
Insurance Claim Received	5,673	Nil
Miscellaneous Receipts	1,48,320	42,800
	<u>2,08,47,891</u>	<u>1,72,92,953</u>

**CONSOLIDATED NOTES FORMING PART OF THE STATEMENT**  
*of Profit and Loss for the year ended 31st March 2017*

	For year ended 31.03.2017 Rs.	For year ended 31.03.2016 Rs.
<b>NOTE : 15</b>		
<b>COST OF MATERIAL CONSUMED</b>		
Consumption of Raw material - Bought Leaf	9,39,04,541	7,79,68,915
<b>NOTE : 16</b>		
<b>PURCHASE OF TRADED GOODS</b>		
Tea	87,185	1,08,603
<b>NOTE : 17</b>		
<b>INCREASE / DECREASE IN INVENTORY</b>		
<i>Inventory at the beginning of the year :</i>		
Tea	2,49,35,000	2,71,20,000
<i>Inventory at the end of the year :</i>		
Tea	2,31,25,000	2,49,35,000
	(+) <u>18,10,000</u>	(+) <u>21,85,000</u>
<b>NOTE : 18</b>		
<b>OTHER MANUFACTURING EXPENSES</b>		
Consumption of Stores and Spares	1,54,63,468	2,13,29,323
Power and Fuel	1,85,59,940	2,44,82,832
Repairs and Maintenance	16,99,564	28,89,616
	<u>3,57,22,972</u>	<u>4,87,01,771</u>
<b>NOTE : 19</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries Wages and Bonus	10,03,97,848	11,53,51,813
Contribution to Provident and Other Funds	1,01,16,980	98,74,601
Provision for Gratuity (Refer Note 33)	60,65,346	15,56,268
Provision for Leave Encashment (Refer Note 33)	2,64,017	3,24,492
Welfare Expenses	53,78,429	41,74,697
	<u>12,22,22,620</u>	<u>13,12,81,871</u>
<b>NOTE : 20</b>		
<b>FINANCE COST</b>		
Interest	<u>2,50,641</u>	<u>3,88,480</u>



**CONSOLIDATED NOTES FORMING PART OF THE STATEMENT**  
*of Profit and Loss for the year ended 31st March 2017*

	For year ended 31.03.2017 Rs.	For year ended 31.03.2016 Rs.
<b>NOTE : 21</b>		
<b>OTHER EXPENSES</b>		
Rent and Amenities	21,45,900	20,47,200
Repairs and Maintenance:		
Roads and Buildings	52,00,294	1,32,42,320
Vehicles	51,04,670	58,20,045
Others	2,43,863	3,17,983
Insurance	9,16,954	8,94,777
Rates and Taxes	13,16,796	14,14,684
Payment to Auditors		
For Audit	7,00,000	7,00,000
For Certification / Tax Audit	1,73,000	1,52,500
For Tax Representation	2,00,000	1,90,000
For Travelling and other Expenses	1,20,000	1,10,000
For Other Service	1,66,000	11,500
For Service Tax	2,07,352	1,62,547
Transport and warehousing	1,04,89,854	1,15,10,620
Brokerage and Commission	81,69,235	87,60,839
Travelling Expenses	60,39,277	56,91,270
Legal and Professional Expenses	32,40,956	53,43,823
Postage and Telephones	9,45,063	9,56,028
Printing and Stationery	8,06,927	6,70,084
Bank Charges	2,44,875	1,95,918
Directors' Sitting Fees	2,74,000	2,46,000
Advertisement and Sales Promotion	94,165	1,22,831
Loss on sale of Asset	Nil	8,68,291
Loss on sale of Current Investment	50,53,647	Nil
Miscellaneous Expenses	21,76,543	53,42,497
	<u>5,40,29,371</u>	<u>6,47,71,757</u>

## CONSOLIDATED NOTES ON ACCOUNT

*For the year ended 31st March 2017 (contd.)*

	Year ended 31.03.2017 Rs.	Year ended 31.03.2016 Rs.
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### NOTE : 22

#### PARTICULARS OF CONSUMPTION (in Rupees)

	Value in Rs.	%	Value in Rs.	%
(a) Rawmaterials - Bought Leaf Indigenous	9,39,04,541	100	7,79,68,915	100
(b) Stores and Spares: Indigenous	1,54,63,468	100	2,12,80,381	100
Imported	Nil		48,942	
	1,54,63,468	100	2,13,29,323	100

### NOTE : 23

#### EARNINGS AND EXPENDITURE IN FOREIGN CURRENCY

a) Earnings FOB Value of Exports	20,06,28,223	21,70,87,298
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### NOTE : 24

#### EXPENDITURE IN FOREIGN CURRENCY

a) Testing Fee	82,177	23,890
b) Travelling Expenses	15,29,652	17,55,533
c) Registration Fee etc	2,26,012	1,75,824

### NOTE : 25

#### DUE TO MICRO AND SMALL ENTERPRISES

Based on the information available with the Company, the Principal amount due to Micro and Small enterprises as on 31.03.2017 is Rs. 47,778/- (Previous year Rs. 1,73,036/-). There are no overdue principal amounts and therefore no interest is paid or payable.

### NOTE : 26

#### DIVIDEND

The Board of Directors in its meeting on 30 May 2017 have proposed a final dividend of Rs. 20/- per Equity Share for financial year ended 31.03.2017. The proposal is subject to the approval of Share holders at the Annual General Meeting to be held on August 2017 and if approved, would result in a cash Out flow of approximately Rs. 151 lacs including corporate dividend tax.

### NOTE : 27

#### EARNINGS PER SHARE

Profit after Taxation	8,28,07,897	8,93,96,212
Number of Equity Shares outstanding at the end of the year	6,27,350	6,27,350
Basic EPS	132.00	142.50
Diluted EPS	132.00	142.50

## **CONSOLIDATED NOTES ON ACCOUNT**

*For the year ended 31st March 2017 (contd.)*

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### **NOTE : 28**

#### **CONTINGENT LIABILITY**

Contracts remaining to be executed on Capital Account	1,32,440	2,80,000
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The retrospective effect from 01.04.2014 of the operations and implementations of the Payment of Bonus (Amendment) Act, 2015 has been stayed by Hon. High Court of Madras. Considering the same, the Company has not provided for the additional liability.

### **NOTE : 29**

#### **SEGMENT REPORTING**

The Company's operations relate only to Plantation Crops in the domestic as well as export market and accordingly primary segment reporting disclosure for business segments, as envisaged in Accounting Standard 17 on "Segment Reporting (AS 17)" issued by The Institute of Chartered Accountants of India, are not applicable.

The Company's operations relating to Secondary segment reporting has been confined to sales in India and exports outside India.

Fixed Assets used in the Company's business and liabilities contracted in respect of its sole manufacturing facilities are not identifiable in line with the following reportable segments as the fixed assets and liabilities contracted are used interchangeably between two segments. Accordingly only figures for debtors have been given

##### **Secondary Segment Reporting**

Particulars	Domestic Rs.	Export Rs.	Total Rs.
Revenue by Geographical Segment	6,42,24,900 (8,52,93,132)	20,24,33,392 (21,85,90,230)	26,66,58,292 (30,38,83,362)
Sundry Debtors	14,22,554 (37,98,328)	1,08,21,025 (2,95,13,627)	1,22,43,579 (3,33,11,955)

### **NOTE : 30**

#### **ACCOUNTING FOR TAXES ON INCOME**

The impact of Deferred Tax on Income for the year is considered not material and hence not recognised.

## CONSOLIDATED NOTES ON ACCOUNT

*For the year ended 31st March 2017 (contd.)*

### NOTE : 31

#### EXIT OFFER FROM DISSEMINATION BOARD OF NSE

The Board of Directors, the Company in its meeting held on 10 February 2017 has decided to participate as promoter in the Exit Offer as per SEBI Circular Number SEBI/HO/MRD/DSA/P/CIR/2016/110 dated October 10, 2016 of certain Group Companies namely A. V. Thomas & Co. Ltd., The Midland Rubber & Produce Co. Ltd and The Nelliampathy Tea & Produce Co. Ltd., The cost incurred till 31-March-2017 towards the same will be capitalised along with the purchase of shares. The cost till 31-March-2017 amounts to Rs. 6,85,868/- which has been shown under the head "Short Term Loans and Advances". Further the company is maintaining a margin money deposit of Rs. 81,25,303/- for the said purpose. In addition to that company has given a bank guarantee for Rs. 8,09,58,400/- to National Stock Exchange of India Ltd.

### NOTE : 32

#### DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the company had specified bank notes or other denomination note as defined in the MCA notification GSR 308 (E) dated March 31, 2017 on the details of Specified Bank Notes (SBNs) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per the said notification is given below.

Particulars	SBNs*	Other denomination notes	Total
Closing Cash in hand on November 8, 2016	2,01,500	11,590	2,13,090
(+) Permitted receipts		10,27,100	10,27,100
(-) Permitted payments		(9,43,803)	(9,43,803)
(-) Amount deposited in banks	(2,01,500)		(2,01,500)
Closing Cash in hand as on December 30, 2016		94,887	94,887

\* For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance. Department of Economic Affairs number SO 340E, dated the 8th November, 2016.

# CONSOLIDATED NOTES ON ACCOUNT

*For the year ended 31st March 2017 (contd.)*

## NOTE : 33

### EMPLOYEE BENEFITS

i) Defined Benefit Plans

a) Description of the Company's defined benefit plan :

i) Gratuity Scheme

This is a funded defined benefit plan for qualifying employees for which, the Company makes contribution to the Gratuity Fund managed by the Life Insurance Corporation of India. The Scheme provides for a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

ii) Leave Encashment

The company also operates a non funded leave encashment scheme for its employees.

b) Reconciliation of changes in the Present Value of Obligations :

	As on 31.03.2017		As on 31.03.2016	
	Gratuity	Leave	Gratuity	Leave
	(Funded Plan)	Encashment (Non Funded Plan)	(Funded Plan)	Encashment (Non Funded Plan)
Present Value of the Obligation as on 01.04.2016	4,10,55,796	6,00,616	3,83,73,911	2,76,124
Current Service Cost	38,05,087	2,19,820	37,66,906	1,85,280
Interest Cost	31,27,169	39,476	29,00,852	16,880
Benefits Paid	(39,32,356)	(2,14,343)	(23,67,007)	(1,19,433)
Actuarial loss / (gain)	22,27,091	2,19,064	(16,18,866)	2,41,765
Present Value of the Obligation as on 31.03.2017	4,62,82,787	8,64,633	4,10,55,796	6,00,616

c) Reconciliation of changes in the fair value of Plan Assets

Fair Value of Plan Assets as on 01.04.2016	3,94,99,528	Nil	3,40,71,770	Nil
Expected return on plan assets	33,52,700	Nil	30,91,200	Nil
Contribution by the Company	15,66,411	2,14,343	48,80,388	1,19,433
Benefits Paid	(39,32,356)	(2,14,343)	(23,67,007)	(1,19,433)
Actuarial gain / (Loss)	(2,68,842)	Nil	(1,76,823)	Nil
Fair Value of Plan Assets as on 31.03.2017	4,02,17,441	Nil	3,94,99,528	Nil

d) The total expense recognised in the Profit and Loss Account is as follows

Current Service Cost	38,05,087	2,19,820	37,66,906	1,85,280
Interest Cost	31,27,169	39,476	29,00,852	16,880
Expected return on plan assets	(33,52,700)	Nil	(30,91,200)	Nil
Net Actuarial (gain) / loss recognised in the year	24,95,933	2,19,064	(14,42,043)	2,41,765
	60,75,489	4,78,360	21,34,515	4,43,925

# CONSOLIDATED NOTES ON ACCOUNT

*For the year ended 31st March 2017 (contd.)*

## NOTE : 33

### EMPLOYEE BENEFITS (Contd.)

	As on 31.03.2017		As on 31.03.2016	
	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)
e) Reconciliation of Net Liability recognised in the Balance Sheet				
Net Liability as at the beginning of the year	15,56,268	6,00,616	43,02,141	2,76,124
Add : Expense as (d) above	60,75,489	4,78,360	21,34,515	4,43,925
Less : Employer's Contribution / Payment	(15,66,411)	(2,14,343)	(48,80,388)	(1,19,433)
Net Liability as at the end of the year	60,65,346	8,64,633	15,56,268	6,00,616
f) Constitution of Plan Assets				
Investments in LIC Group Gratuity Scheme	4,02,17,441	N.A.	3,94,99,528	N.A.
g) Principal actuarial assumptions used as at the Balance Sheet Date				
Discount Rate	6.8 %	6.8 %	8.0 %	8.0%
Salary Escalation Rate	3 %	3 %	2 %	2 %
Attrition Rate	1 %	1 %	1 %	1 %
Expected rate of return on plan assets	8.15 %	N.A.	8.75 %	N.A.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

h) The amount pertaining to defined benefit plan are as follows:

	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Gratuity funded plan					
Defined Benefit Obligation	4,62,82,787	4,10,55,796	3,83,73,911	3,28,13,327	2,68,26,684
Plan Assets	4,02,17,441	3,94,99,528	3,40,71,770	2,66,89,984	2,50,69,954
Surplus / (Deficit)	(60,65,346)	(15,56,268)	(43,02,141)	(61,23,343)	(17,56,730)
Experience adjustment - Plan Liability	22,27,091	(16,18,866)	8,57,991	31,31,863	(2,28,759)
Experience adjustment - Plan Assets	(2,68,842)	(1,76,823)	(76,532)	Nil	Nil

The Company expects to fund Rs. 72/- lakhs towards its Gratuity Plan during the year 2017 - 2018.

i) Defined Contribution Plans:

The Company makes contribution towards employees' provident fund, family pension fund, super annuation fund and employees' state insurance scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognised Rs. 97,51,980/- as expense towards contributions to these plans.

# CONSOLIDATED NOTES ON ACCOUNT

*For the year ended 31st March 2017 (contd.)*

## NOTE : 34

### RELATED PARTY TRANSACTIONS

Following associate companies are related to the Company on account of common control through Constitution of Board / Shareholdings

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>- A. V. Thomas &amp; Co. Ltd.</li> <li>- A. V. Thomas International Ltd.</li> <li>- L. J. International Ltd.</li> <li>- A. V. Thomas Investments Company Ltd.</li> <li>- The Nelliampathy Tea &amp; Produce Co. Ltd.</li> <li>- The Midland Rubber &amp; Produce Co. Ltd.</li> <li>- A V T Natural Products Ltd.</li> <li>- AVT McCormick Ingredients Private Ltd.</li> <li>- J. Thomas Educational &amp; Benevolent Trust</li> <li>- AVT Tea Service North America LLC, US</li> <li>- Madura Micro Finance Ltd.</li> </ul> | <ul style="list-style-type: none"> <li>- AVT Holdings Private Ltd.</li> <li>- A. V. Thomas Leather and Allied Products Pvt. Ltd.</li> <li>- A. V. Thomas Exports Ltd.</li> <li>- Midland Latex Products Ltd.</li> <li>- Sermatech Private Ltd.</li> <li>- Aspera Logistics Private Ltd.</li> <li>- Midland Corporate Advisory Services (P) Ltd.</li> <li>- AVT Gavia Foods Private Ltd.</li> <li>- Midland Charitable Trust</li> <li>- AVT Tea Services Ltd. UK</li> </ul> |
|--|--|

Key Management Personnel :

Mr. Ajit Thomas, Chairman  
Mrs. Shanthi Thomas, Executive Director  
Mr. T. M. Hairkumar, Company Secretary & CFO

Details of Transaction	Year ended 31.3.2017		Year ended 31.3.2016	
	Associates	Key Management Personnel (including relatives)	Associates	Key Management Personnel (including relatives)
<b>INCOME</b>				
Sales	22,35,343		1,87,103	
Dividend Received	2,90,94,365		3,36,06,864	
Repatriation of Investment	Nil		40,03,222	
<b>EXPENDITURE</b>				
Warehousing/Purchase/C&F Charges	3,65,914		2,42,892	
Sitting Fees		40,000		95,000
Professional Charges	5,75,000		11,62,080	
Dividend paid				2,46,25,180
Donations Paid	Nil		25,00,000	
Remuneration		52,12,851		44,93,326
<b>OTHERS</b>				
Purchase of Investments (Shares)	6,33,675		Nil	
<b>BALANCE AS ON 31.3.2017</b>				
Debit Balances	96,118		79,115	
Credit Balances	Nil		Nil	

## NOTE : 35

Previous Year's figures have been re-grouped wherever necessary

Vide our report of date attached

For **SURI & CO.**  
Chartered Accountants  
Firm's Registration No. 004283S

**G. Rengarajan**

Partner

Place : Chennai  
Date : 30.05.2017

Membership No. 219922

For and on behalf of the Board

**Shanthi Thomas**  
Executive Director

**Ajit Thomas**  
Chairman

**T. M. Harikumar**  
Company Secretary & CFO

## **CONSOLIDATED CASH FLOW STATEMENT**

*For the year ended 31st March 2017*

	Year ended 31.03.2017 Rs	Year ended 31.03.2016 Rs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extraordinary items	8,38,63,897	9,48,96,212
Adjustments for:		
Depreciation	95,50,774	1,07,44,818
Profit / Loss on sale of Investments	(27,33,974)	(20,66,344)
Profit / Loss on sale of Assets	(5,673)	8,68,291
Profit / Loss on Liquidation of Associates	Nil	(40,03,222)
Provision for Gratuity	60,65,346	15,56,268
Provision for Leave Encashment	8,64,633	6,00,616
Interest / Dividend Received	(1,29,06,277)	(82,82,587)
Insurance claim Received	Nil	(28,98,000)
Interest Paid	<u>2,50,641</u>	3,88,480
	<u>10,85,470</u>	
Operating Profit before working capital changes	<u>8,49,49,367</u>	<u>9,18,04,532</u>
Adjustments for:		
Trade and other Receivables	2,10,68,376	(11,26,664)
Inventories	12,84,907	32,70,742
Trade Payables	(91,86,846)	(22,35,218)
Other Current Assets	<u>6,80,588</u>	(8,61,557)
	<u>1,38,47,025</u>	
Cash generated from operations	<u>9,87,96,392</u>	<u>9,08,51,835</u>
Direct Taxes Paid	<u>(9,70,990)</u>	<u>(55,75,826)</u>
Cash Flow before Extraordinary items	<u>9,78,25,402</u>	<u>8,52,76,009</u>
Extraordinary Items	Nil	Nil
Net Cash From Operating Activities	<u>9,78,25,402</u>	<u>8,52,76,009</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(1,81,50,390)	(1,03,56,525)
Purchase of Investments	(22,84,41,268)	(19,08,91,517)
Sale of Investments	14,16,63,368	14,44,50,594
Sale of Fixed Assets	1,62,476	29,04,757
Liquidation of Investments in Associates	Nil	1,37,02,447
Interest Received	(1,06,547)	(1,42,333)
Dividend Received	1,25,10,134	81,75,486
Net Cash from / (used in) Investing Activities	<u>(9,23,62,227)</u>	<u>(3,21,57,091)</u>



*For the year ended 31st March 2017*

Vide our report of date attached		For and on behalf of the Board	
For <b>SURI &amp; CO.</b>		<b>Shanthi Thomas</b>	<b>Ajit Thomas</b>
Chartered Accountants		Executive Director	Chairman
Firm's Registration No. 004283S			
<b>G. Rengarajan</b>		<b>T. M. Harikumar</b>	
Place : Chennai	Partner	Company Secretary & CFO	
Date : 30.05.2017	Membership No. 219922		

## PARTICULARS OF PROFITS, PROVISIONS, DIVIDENDS PAID ETC.

*F o r t h e l a s t t e n y e a r s*

Season	Net Profit before taxation Rs.	Depreciation Rs.	Provision for Taxation Rs.	Allocation to Reserve Funds Rs.	Dividend on Equity shares. Rs. %	
2007/2008	2,42,05,871	31,58,553	14,25,000	1,50,00,000	62,73,500	100
2008/2009	2,56,19,110	35,58,028	16,10,000	1,50,00,000	62,73,500	100
2009/2010	3,54,16,401	43,82,159	46,00,000	2,50,00,000	62,73,500	100
2010/2011	3,21,93,459	51,99,773	37,00,000	2,00,00,000	94,10,250	150
2011/2012	14,58,61,621	52,77,408	32,00,000	6,00,00,000	6,27,35,000	1000
			(Net of MAT credit entitlement of Rs. 1,96,00,000)		(Special Interim Dividend) 62,73,500 (Final Dividend)	100
2012/2013	6,41,05,847	56,85,599	30,00,000	3,00,00,000	1,25,47,000	200
			(Net of MAT credit utilisation of Rs. 10,00,000)		(Interim Dividend) 1,25,47,000 (Final Dividend)	200
2013/2014	5,25,95,746	69,24,099	50,00,000	2,00,00,000	2,50,94,000	400
			(Net of MAT credit utilisation of Rs. 23,00,000)			
2014/2015	6,13,00,983	1,16,13,867	80,00,000	2,00,00,000	1,25,47,000	200
			(Net of MAT credit utilisation of Rs. 32,00,000)		(Interim Dividend) 1,25,47,000 (Final Dividend)	200
2015/2016	4,00,48,555	1,07,44,818	55,00,000	Nil	1,25,47,000	200
			(Net of MAT credit utilisation of Rs. 21,00,000)		(Interim Divided I) 1,25,47,000 (Interim Divided II)	200
2016/2017	1,94,47,064	95,50,774	10,56,000	Nil	1,25,47,000	200*
			(Net of MAT credit utilisation of Rs. 6,26,000)			

\* Recommended

Area as on 01-04-2017	A R E A P A R T I C U L A R S		
	KATARY Hectares	SUTTON Hectares	TOTAL Hectares
TEA:			
In bearing	229.72	304.05	533.77
Immature	25.65	10.00	36.21
Buildings, Roads, etc.	26.39	39.75	66.14
TOTAL	281.76	353.80	635.56

## NATIONAL ELECTRONIC CLEARING SERVICE (NECS) MANDATE FORM

To be submitted to the following address :-

To the following address if shares are held in physical form

OR

To your Depository Participant (DP) if shares are held in demat form

Cameo Corporate Services Ltd.  
Subramanian Building,  
1, Club House Road, Chennai - 600 002  
Tel: 044 - 28461173

Dear Sirs,

**Sub: Equity Shares of Neelamalai Agro Industries Limited. - payment of Dividend through NECS**

I/We hold..... number/s equity shares of **Neelamalai Agro Industries Limited.**

I/We request you to arrange for payment of my/our dividend through NECS and credit the same to my/our bank account as per particulars given below:-

1. First / Sole Shareholder's Name (in Block Letters)			
2. Folio No/s., Share Certificate No/s. & Distinctive No/s.	Folio No/s.	Share Certificate No/s.	Distinctive No/s.
3. DPID / Client ID (if shares are dematerialized)			
4. Name of Bank			
5. Branch Name and Address with City PIN Code			
6. Account No. (as appearing on Cheque Book) PLEASE ATTACH A BLANK CANCELLED CHEQUE OR PHOTOCOPY OF A CHEQUE ISSUED BY YOUR BANK FOR VERIFICATION OF THE BANK ACCOUNT DETAILS			
7. Account type (Savings Bank A/c / Current A/c or Cash Credit A/c with code 10/11/13)	10 - S. B.	11 - Current	13 - Cash Credit
8. 9 - digit code No. of Bank & Branch appearing on MICR Cheque issued by the Bank			
9. 11 - digit NEFT (IFSC) code * - can be obtained from your Banker			

I, hereby, declare that the particulars given above are correct and complete.

Yours faithfully

Date:

(Signature of First/Sole Shareholder)

Address : .....  
.....  
.....  
Phone No. : .....  
Email Id : .....

\*The company, its Registrar and Bankers will make best endeavors to remit dividend through NECS. However, for non-CBS branches of the banks, the IFSC Code will be utilized to remit the dividend either by National Electronic Funds Transfer (NEFT) or Real Time Gross Settlement (RTGS). The branch where you operate your Bank account will assist you to provide the IFSC Code, a 11-digit code to enable the remittance through NEFT or RTGS. In cases where either the bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code), etc. that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank, the company reserves the right to use physical payment instruments for payment of dividend.

# NEELAMALAI AGRO INDUSTRIES LTD.

Registered. Office : Katary Estate, Katary Post, Coonoor, The Nilgiris - 643 213

Corporate Identity Number (CIN): L01117TZ1943PLC000117 Telephone : 0423 - 2284235, Fax: 0423 - 2284080

E-mail: secneelamalai@vsnl.net Website : www.neelamalaiagro.com

## ATTENDANCE SLIP

I hereby record my presence at the 74th Annual General Meeting of the Company at 12 noon on Thursday, the 17th August, 2017 at the Registered Office of the Company at Katary Estate, Katary Post, Coonoor, The Nilgiris - 643213

Folio No. / DP-IP & Client ID No.																			
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Full Name of the \*Shareholder/proxy (in block letters)

Signature of \*Shareholder/proxy

\* Strike out whichever is not applicable

E-mail ID.....

NOTE: Shareholders attending the meeting in Person / Proxy are requested to complete the Attendance Slip and handover at the entrance of the Meeting Hall.

## Form No. MGT-11

### Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Corporate Identity Number (CIN) : L01117TZ1943PLC000117

Name of the Company : NEELAMALAI AGRO INDUSTRIES LTD.

Registered Office : Katary Estate, Katary Post, Coonoor, The Nilgiris - 643 213

Name of the member(s)	:	
Registered address	:	
E-mail ID	:	
Folio No / Client ID	:	
DP ID	:	

I / We, being the member(s) holding ..... shares of the above named Company, hereby appoint

1.Name.....

Address.....

E-mail Id : .....Signature : ..... or failing him

2.Name.....

Address.....

E-mail Id : .....Signature : ..... or failing him

3.Name.....

Address.....

E-mail Id : .....Signature : .....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 74<sup>th</sup> Annual General Meeting of the Company, to be held on Thursday, the 17th August, 2017 at 12 noon at the Registered Office of the Company at Katary Estate, Katary Post, Coonoor, The Nilgiris – 643213 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Item Nos.

1. Adoption of financial statements (including consolidated financial statements) for the year ended 31.03.2017
2. Declaration of Dividend
3. Re-appointment of Mr. W.D. Nelson as Director
4. Appointment of Auditors of the Company

Signed this ..... day of ..... 2017

Signature of shareholder

Signature of Proxy holder(s)

Revenue  
Stamp of  
Re 1/-

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.