

# **NEELAMALAI AGRO INDUSTRIES LIMITED**

**70th Annual Report  
2012 - 2013**

## SEVENTIETH ANNUAL GENERAL MEETING

Day : Monday  
Date : 2nd September, 2013  
Time : 3.30 p.m.  
Venue : Katary Estate  
Katary Post, Coonoor  
The Nilgiris - 643 213

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## NEELAMALAI AGRO INDUSTRIES LIMITED

### **BOARD OF DIRECTORS**

Mr. Ajit Thomas *Chairman*  
Mrs. Shanthi Thomas  
Mr. A.D. Bopana  
Mr. S. Rajasekar  
Mr. M. M. Karunakaran  
Mr. B.B. Medaiah *(w.e.f. 31.01.2013)*

### **AUDITORS**

M/s. Suri & Co.  
Chartered Accountants

### **BANKERS**

Corporation Bank

### **REGISTERED OFFICE**

Katary Estate  
Katary Post - 643 213  
Coonoor, The Nilgiris

## NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the SEVENTIETH ANNUAL GENERAL MEETING of the Company will be held at the Registered Office at Katary Estate, Katary Post - 643 213 at 3.30 P.M on Monday, the 2<sup>nd</sup> day of September, 2013 to transact the following business:-

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2013 and the Audited Profit and Loss Account for the year ended 31<sup>st</sup> March, 2013 and the Reports of Directors and Auditors thereon.
2. To declare final dividend on Equity Shares.
3. To appoint a Director in place of Mr. A.D. Bopana, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. S.Rajasekar, who retires by rotation and is eligible for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to fix their remuneration.

### **SPECIAL BUSINESS**

#### **6. Appointment of Mr. B.B.Medaiah as Director**

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

RESOLVED THAT Mr. B.B.Medaiah who was co-opted as an Additional Director of the Company on 31<sup>st</sup> January, 2013 and who holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

On Behalf of the Board

Place : Chennai  
Date : 29.05.2013

**Ajit Thomas**  
Chairman

### **NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXY FORMS COMPLETE IN ALL RESPECTS, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. FORM OF PROXY IS ENCLOSED.**

2. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 in respect of the above resolutions, is annexed.
3. The Register of Members and Share Transfer Books of the Company will remain closed from August 27, 2013 to September 02, 2013 (both days inclusive).
4. The dividend as recommended by the Board, if approved at the meeting, will be payable to those members, whose name appear in the Register of Members as on September 02, 2013.
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 31<sup>st</sup> March, 2013, 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 September 02, 2013 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 26, 2013.
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. 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.

9. 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.
10. 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.
11. Company's shares are listed at Bombay Stock Exchange Limited, Corporate Relationship Dept., 1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001; and Madras Stock Exchange Limited, Exchange Building, Post Box No.183, 11, Second Line Beach, Chennai – 600 001. The Annual listing fee, as prescribed, has been paid to the above Stock Exchanges. The Company's shares were listed on Coimbatore Stock Exchange Ltd. also, which has been ceased to be a Recognized Stock Exchange in terms of SEBI order no. WTM/RKA/MRD/12/2013 dated 03.04.2013. In view of this, the company has been advised to comply with all listing agreement requirements with the other two Stock exchanges where its shares are listed.
12. The Unpaid Dividend amounting to Rs. 1,40,830/- for the year 2004-2005 had been transferred to the Investor Education & Protection Fund as per Section 205C(2) of the Companies Act, 1956. Dividend declared for the year 2005-2006 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.
13. 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

On Behalf of the Board

Place : Chennai  
Date : 29.05.2013

**Ajit Thomas**  
Chairman

## **EXPLANATORY STATEMENT**

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

*Item No. 6*

### **Appointment of Mr. B.B.Medaiah as Director**

Mr. B.B.Medaiah was co-opted as an additional director pursuant to Article 108 of the Articles of Association of the Company by the Board of Directors at its meeting held on 31<sup>st</sup> January 2013.

As per the provisions of the said Article and Section 260 of the Companies Act, 1956, Mr. B.B.Medaiah holds office up to the date of this Annual General Meeting. The Company has received a notice along with the requisite amount of deposit from a member signifying his intention to propose the appointment of Mr. B.B.Medaiah as Director of the Company, liable to retire by rotation.

Mr. B.B.Medaiah is a B.Sc (Agriculture) and has vast experience in the area of Plantation, Finance & Business Management. Mr. B.B.Medaiah is also holding Directorships in The Midland Rubber & Produce Company Ltd. and The Nelliampathy Tea & Produce Company Ltd.

The Board of Directors is of the opinion that it would be in the best interest of the Company to avail of the experience of Mr. B.B.Medaiah and that his continuance will be of immense benefit to the Company.

None of the Directors except Mr. B.B.Medaiah is concerned or interested in the resolution.

Your Directors recommend the Resolution as set out under item no. 6 for approval of the shareholders.

On Behalf of the Board

Place : Chennai  
Date : 29.05.2013

**Ajit Thomas**  
Chairman

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

*(Pursuant to Clause 49 of the Listing Agreement)*

Name : Mr. A. D. Bopana  
 Age : 72 years  
 Qualifications : Sr. Cambridge  
 Expertise : Mr. A.D.Bopana has rich experience in Plantation industry, Administrative matters, Finance and Business Management

**Other directorships**

Name of the Company	Position held
The Midland Rubber & Produce Co. Ltd.	: Director
A. V. Thomas & Co. Ltd.	: Director

Name : Mr. S. Rajasekar  
 Age : 59 years  
 Qualifications : Bsc, PGDM  
 Expertise : Mr.S.Rajasekar has rich experience in Plantation Industry, Marketing, Finance and General Management

**Other directorships**

Name of the Company	Position held
Teleflex Medical Pvt. Ltd.	: Managing Director
AVT Holdings Pvt. Ltd.	: Director
Sermatech Pvt. Ltd.	: Director
The Midland Rubber & Produce Company Ltd.	: Managing Director
The Nelliampathy Tea & Produce Ltd.:	Director
IQ Tech Pvt. Ltd.	: Director
Midland Natural Pte. Ltd.	: Director
A & A Dukaan Financial Services Pvt. Ltd.	: Director

## DIRECTORS' REPORT

Your Directors have pleasure in presenting the SEVENTIETH ANNUAL REPORT, with the Audited Accounts for the year ended March 31, 2013.

### FINANCIAL RESULTS

	Rs.
Income from operations & other Income	30,01,01,360
Profit before Depreciation and Taxation	6,97,91,446
Depreciation	56,85,599
Profit before Taxation	6,41,05,847
Provision for Taxation (including MAT credit utilisation of Rs. 10,00,000)	30,00,000
Profit after Taxation	6,11,05,847
Surplus carried from previous year	44,99,987
Amount available for appropriation	6,56,05,834
Which your Directors recommend to appropriate :	
Transfer to General Reserve	3,00,00,000
Interim Dividend on Equity Shares @ Rs. 20/- per share	1,25,47,000
Tax on Special Interim Dividend	20,35,437
Proposed Final Dividend on Equity Shares @ Rs. 20/- per share	1,25,47,000
Provision for tax on Final Dividend	21,32,363
Surplus carried to Balance Sheet	63,44,034
	<u>6,56,05,834</u>

### DIVIDEND

The company has paid an Interim Dividend of Rs. 20/- per share (200%) for the financial year 2012-2013. Your Directors have recommended a final dividend of Rs. 20/-per share (200%) on the Equity Shares out of the profits for the year. The aggregate Dividend for the year 2012-2013 amounts to Rs. 40/- per share (400 %) exclusive of Dividend Tax.

### OPERATIONS

Tea production during the year was 11.23 lacs Kgs with an average yield of 2146 kgs. per hectare against 13.54 lacs Kgs with an average yield of 2570 kgs. per hectare during last year. Apart from this there is also a production of 9.40 Lacs kgs of bought leaf as against 6.32 Lacs Kgs during the previous year. The sale average during the year was at Rs. 107.42/- per Kg as against the last year's sale average of Rs. 94.73 /- per Kg.

### DIRECTORATE

Mr. B.B.Medaiah was co-opted as additional director of the company on January 31, 2013. He holds office upto the date of the ensuing Annual General Meeting under Section 260 of The Companies Act, 1956. The company has received a notice under Section 257 of The Companies Act, 1956 from a member intending to propose the appointment of Mr. B.B.Medaiah as Director.

Your Directors deeply regret to record the sad demise of Mr. Oliver L.D., Director on December 20, 2012. Your Directors also wish to place on record their appreciation for the services rendered by him during his tenure as Director of the company.

In accordance with the Articles of Association of the company, Mr. A.D.Bopana and Mr. S.Rajasekar, Directors retire by rotation and are eligible for re-election.

### AUDITORS

M/s Suri & Co, Chartered Accountants, auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment. They have confirmed that their re-appointment, if made will be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956.

### COST AUDITORS

The company is required to get its cost accounts maintained under Section 209(1)(d) of The Companies Act, 1956 in respect of plantation products audited in terms of an order issued by the Cost Audit Branch, Ministry of Company Affairs (MCA), New Delhi. The company has appointed M/s. Rajendran, Mani & Varrier, Practicing Cost Accountants, as Cost Auditors with the approval of MCA in the manner provided in the General Circular 15/2011 dated April 11, 2011 issued by MCA. Full particulars of the Cost Auditors alongwith other details pertaining to the Cost Audit are annexed.

Details of Cost Auditor : M/s. Rajendran, Mani & Varrier  
Practicing Cost Accountants  
XXXIX/5360, Alappat Building  
Alappat Road, Ravipuram  
Ernakulam - 682016  
Registration No. 00006

Due & actual date of filing of : January 31, 2013  
Cost Audit Report for the year  
ended March 31, 2012

Due date of filing Cost Audit : September 30, 2013  
Report for the year ended  
March 31, 2013

## DEPOSITS

No deposits remained unclaimed or unpaid during the year under report.

## PARTICULARS OF EMPLOYEES

The Company has not incurred expenditure on employees to the extent specified in Section 217 (2A) of the Companies Act 1956, and hence no statement is attached to this report.

## LISTING WITH STOCK EXCHANGES

As per the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, the Company confirms that the listing of its shares continued throughout the year with the following stock exchanges:

1. Bombay Stock Exchange Limited.
2. Madras Stock Exchange Limited.

The Company's shares were listed on Coimbatore Stock Exchange Ltd. also, which has been ceased to be a Recognized Stock Exchange in terms of SEBI order no. WTM/RKA/MRD/12/2013 dated 03.04.2013. In view of this, the company has been advised to comply with all listing agreement requirements with the other two Stock exchanges where its shares are listed.

## CONSERVATION OF ENERGY

The information required under Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, is set out in the Annexure.

## CORPORATE GOVERNANCE

The Code on Corporate Governance pursuant to revised Clause 49 of the Listing Agreement with the Stock Exchanges was made applicable to the Company with effect from 3<sup>rd</sup> November, 2011. Accordingly 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.

## FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, the Company's Foreign Exchange Earnings amounted to 15,40,51,129/-. The total outgo on Foreign Exchange amounted to Rs. 30,21,573/-. Details are set out in Notes 23 & 24 of the Notes on

Accounts. The Company has continued to maintain focus and avail of export opportunities based on economic considerations.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 217 (2AA) of The Companies Act, 1956 with respect to Directors' Responsibility Statement, your Directors report that :

- i) The annual accounts have been prepared by following the applicable accounting standards.
- ii) The accounting policies selected have been applied consistently and judgments and estimates that were reasonable and prudent, have been made so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for the financial year.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The annual accounts have been prepared on a going concern basis.

## SECRETARIAL COMPLIANCE

Pursuant to proviso to Section 383 A (1) of the Companies Act, 1956 Certificate to the effect that the Company has complied with all the provisions of the Companies Act, 1956 is obtained from a Secretary in Whole-time practice for filing with the Registrar of Companies and a copy of such Certificate is attached to this Report.

## GENERAL

The Directors take this opportunity to place on record their appreciation of the contribution made by the employees at all levels to the operations of the Company. The Directors also thank the Bankers of the Company for the co-operation and assistance extended to your Company.

On Behalf of the Board

Place : Chennai  
Date : 29.05.2013

**Ajit Thomas**  
Chairman



**ANNEXURE - I**  
*To the Directors' Report*

**FORM A**

(See Rule 2)

Form for disclosure of particulars with respect to conservation of energy

<b>A. POWER &amp; FUEL CONSUMPTION</b>	<b>Current Year 2012 - 2013</b>	<b>Previous Year 2011 - 2012</b>
1. Electricity		
(a) Purchased		
Unit	<b>8,78,869</b>	9,98,398
Total Amount (Rs.)	<b>63,68,533</b>	54,00,079
Rate/Unit (Rs.)	<b>7.25</b>	5.41
(b) Own Generation		
Unit	<b>57,874</b>	25,712
Unit/litre of HSD Oil	<b>2.18</b>	2.13
Cost/Unit (Rs.)	<b>23.09</b>	19.84
2. Coal / Coal Fines / Leco		
Quantity(Tons)	<b>1,490.19</b>	874
Total Cost	<b>93,95,987</b>	51,91,352
Average Rate (Rs.)	<b>6,305</b>	5,940
3. Firewood		
Quantity(Tons)	<b>719.01</b>	1,496
Total Cost	<b>22,31,676</b>	42,63,386
Average Rate (Rs.)	<b>3,104</b>	2,850
<b>B. CONSUMPTION PER UNIT OF PRODUCTION</b>		
Production - Tea	<b>20,63,380</b>	19,85,860
Unit (TNEB + Generator)	<b>9,36,743</b>	10,24,110
Electricity (KWH/kg of tea produced)	<b>0.45</b>	0.52
Coal / Coal Fines / Leco (Kgs/Kg of tea Produced)	<b>0.68</b>	0.62
Firewood (Kgs/Kg of tea Produced)	<b>2.01</b>	2.07

On Behalf of the Board

Chennai  
29.05.2013

**Ajit Thomas**  
Chairman

**A N N E X U R E - II**  
*To the Directors' Report*

**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 Trading and exports.

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.

**3) PERFORMANCE**

During the year under review, sales has increased by 21.17 %. The company has posted an operating profit of Rs. 641 lakhs, as against Rs. 1458 lakhs during the last year. The summary of the performance is given below:-

Particulars	31.03.2013 Rs. Lacs	31.03.2012 Rs. Lacs
Sales	2,421	1,998
Other Receipts	580	1,397
Total Income	3,001	3,395
Material Cost	652	333
Expenses	1,640	1,537
Profit before Interest and Depreciation	709	1,525
Interest	11	14
Depreciation	57	53
Operating Profit for the year	641	1,458

**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.

As regards 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.

## 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. 3001 Lacs as against Rs. 3395 Lacs during the previous year. Tea production including Bought Leaf during the year was 20.63 Lacs kgs as against 19.86 Lacs kgs. during the previous year. Other receipts have recorded an income of Rs. 580 Lacs as against Rs. 1397 Lacs during the previous 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 2013, the company has an employee strength of 1148 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 Clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the report on the matters mentioned in the said Clause, 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 5 Directors categorized as follows:-

Category	Name of the Directors
Promoter/Chairman	Mr. Ajit Thomas
Non-Executive Directors	Mrs. Shanthi Thomas Mr.S.Rajasekar
Non-Executive and Independent Directors	Mr. A. D. Bopana Mr. M. M. Karunakaran Mr. B.B.Medaiah (w.e.f January 31, 2013)

### Shareholdings of Non-executive Directors

Name of the Non-Executive Director	No. of Shares held
Mrs. Shanthi Thomas	4,06,853 equity shares jointly held with Mr. Ajit Thomas
Mr. A.D.Bopana	35
Mr. B.B. Medaiah	100
Mr. S.Rajasekar	1

## b. Board Meetings

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

During the year 2012-2013, the Board met four times. The dates on which the meetings were held are as follows:-

24.05.2012, 30.07.2012, 25.10.2012 and 31.01.2013

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 The Midland Rubber & Produce Co. Ltd.	No. of Memberships in Board Committee other than The Midland Rubber & Produce Co. Ltd.	Whether Chairman / Member
Mr. Ajit Thomas	Chairman	4	No	19	1	Member
Mrs. Shanthi Thomas	Non- Executive Director	1	No	3	None	N. A.
Mr. S. Rajasekar	Non- Executive Director	3	Yes	8	2	Member
Mr. A.D.Bopana	Non- Executive Director	2	No	2	3	2 as Chairman 1 as member
Mr. M.M. Karunakaran	Non- Executive Director	4	No	1	2	Member
Mr. Oliver L.D. (expired on December 20, 2012)	Non- Executive Director	3	No	2	None	N. A.
Mr. B.B. Medaiah (w.e.f January 31, 2013)	Non- Executive Director	0	No	2	1	Member

The Board meets at least once in a quarter and the interval between two meetings is normally not more than four months.

### 3. AUDIT COMMITTEE

The Audit Committee consists of four Directors out of which three are independent Directors.

Name of the Members:-

Mr.A.D.Bopana (Chairman)

Mr.S.Rajasekar

Mr.M.M.Karunakaran

Mr.B.B.Medaiah (w.e.f. January 31, 2013)

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 Clause 49 of the Listing Agreement with the Stock Exchanges.

During the year the Committee met four times on 24.05.2012, 30.07.2012, 25.10.2012 and 31.01.2013.

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

Member	No. of Audit Committee Meetings attended
Mr.A.D.Bopana	2
Mr. S.Rajasekar	3
Mr.Oliver L.D(expired on December 20, 2012)	3
Mr. M.M.Karunakaran	4

(Mr. B.B.Medaiah w.e.f January 31, 2013)

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

The Company pays sitting fees to all non- Executive Directors at the rate of Rs. 5,000/- for each meeting of the Board and Rs. 2,000/- for each Audit Committee meeting attended by them.

Name	Remuneration Rs.	Sitting Fees Rs.	Contribution to P.F. & Other Funds Rs.	Total Rs.
Promoter / Chairman				
Mr.Ajit Thomas	N.A.	20,000	N.A.	20,000
Non- Executive Directors: The Company pays sitting fees to all non- Executive Directors at the rate of Rs. 5,000/- for each meeting of the Board and Rs. 2,000/- for each Audit Committee meeting attended by them.				
Mrs. Shanthi Thomas	N.A.	5,000	N.A.	5,000
Mr. A.D.Bopana	N.A.	14,000	N.A.	14,000
Mr. S.Rajasekar	N.A.	21,000	N.A.	21,000
Mr. Oliver L.D (expired on December 20, 2012)	N.A.	21,000	N.A.	21,000
Mr.M.M.Karunakaran	N.A.	28,000	N.A.	28,000

(Mr. B.B.Medaiah w.e.f January 31, 2013)

### 5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Board has constituted a Shareholders'/Investors' Grievance Committee comprising of Mr.A.D.Bopana, Mr.S.Rajasekar and Mr.M.M.Karunakaran as Members of the Committee. The Board has designated Mr.T.M.Hari Kumar, General Manager-Finance of the Company as the Compliance Officer.

There were no Investor Complaints pending as on 31<sup>st</sup> March 2013.

## 6. GENERAL BODY MEETINGS

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

Year	Venue	Date	Time
2009-10	Katary Estate, Katary Post, Coonoor, The Nilgiris - 643 213	14/09/2010	11.30 A.M
2010-11	Katary Estate, Katary Post, Coonoor, The Nilgiris - 643 213	24/08/2011	11.30 A.M
2011-12	Katary Estate, Katary Post, Coonoor, The Nilgiris - 643 213	12/09/2012	11.30 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 approval through Postal Ballot during the year.

## 7. DISCLOSURES

- (i) 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.
- (ii) 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.

## 8. MEANS OF COMMUNICATION

The Unaudited quarterly and Audited Annual Financial results are sent to the Bombay, Madras and Coimbatore Stock Exchanges. The results are also published in Trinity Mirror in English and Makkal Kural in Tamil.

## 9. GENERAL SHAREHOLDER INFORMATION

(i)	Annual General Meeting -Date and Time -Venue		September 02, 2013 at 3.30 p.m. Katary Estate, Katary Post, Coonoor, The Nilgiris - 643213
(ii)	Financial Calendar (Tentative)	Unaudited Results for the quarter ending 30.06.2013 quarter ending 30.09.2013 quarter ending 31.12.2013 Audited Financial Results for the year ending 31.03.2014	Last Week of July, 2013 Last Week of October, 2013 Last Week of January, 2014  Before end of May, 2014
(iii)	Dates of Book Closure		27.08.2013 to 02.09.2013 (both days inclusive)
(iv)	Dividend Payment Date		Within 25 days from the date of AGM
(v)	Listing on Stock Exchanges	Bombay, Madras and Coimbatore Stock Exchanges	The Annual Listing Fees prescribed has been paid to the above Stock Exchanges.
(vi)	a) Stock Code  b) Demat ISIN Number in CDSL for equity shares	Bombay Stock Exchange Madras Stock Exchange	NEAGI NEELAMALAI  INE 605D01012
(vii)	Stock Market Data	Bombay Stock Exchange	Rs. 1,210 (last traded price - February 21, 2013)

## 10 TRANSFER AGENTS

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

## 11. 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, as per the listing agreement.

### a. Distribution of Shareholding as on 31.03.2013

No. of Equity Shares	Shareholders		No. of Equity Shares	
	Number	%	Number	%
Upto 500	1,086	94.76	13,68,880	21.82
501-1000	41	3.58	3,30,360	5.27
1001-2000	9	0.79	1,18,060	1.88
2001-3000	5	0.44	1,24,500	1.98
3001-4000	2	0.17	70,000	1.12
4001-5000	0	0	0	0
5001-10000	1	0.09	77,300	1.23
10001 & above	2	0.17	41,84,400	66.70
TOTAL	1,146	100	62,73,500	100

### b. Pattern of Shareholding as on 31.03.2013

Category	No. of Equity Shares	Percentage
Promoters	4,14,203	66.02
Banks	4,250	0.68
NRI's	25	0.01
Bodies Corporate	8,056	1.28
Public	2,00,816	32.01
TOTAL	6,27,350	100

### c. Dematerialisation of Shares

The shares of this Company are partially in demat form.

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

## 13. PRODUCTION CENTRES

TEA	Katary & Sutton Estates, Katary Post Coonoor, The Nilgiris - 643 213
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## 14. 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 BY THE CHAIRMAN UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Clause 49 sub-clause I(D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with their respective Codes of Conduct, as applicable to them for the Financial Year ended 31<sup>st</sup> March 2013.

For Neelamalai Agro Industries Ltd.,

Chennai  
29.05.2013

AJIT THOMAS  
Chairman

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE  
GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

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 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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 above mentioned Listing Agreement.

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

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.

V. SURESH  
PRACTISING COMPANY SECRETARY  
Membership No: 6032

Place : Kochi  
Date : 29.05.2013



**A N N E X U R E - I I**  
*To the Directors' Report - Secretarial Compliance Certificate*

CIN	: L011171Z1943PLC000117
Paid-up Capital	: Rs. 62,73,500/-

To

The Members

Neelamalai Agro Industries Limited

I have examined the registers, records, books and papers of M/s. Neelamalai Agro Industries Limited (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31<sup>st</sup> March 2013. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company and its officers, I certify that in respect of the aforesaid period:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Coimbatore within the prescribed time under the Act and rules made there under.
3. The Company being Public Limited Company, comments are not required.
4. The Board of Directors met four times during the year under review on 24.05.2012, 30.07.2012, 25.10.2012 and 31.01.2013 in respect of which meetings proper notices were given and the proceedings have been properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 06.09.2012 to 12.09.2012 and necessary compliance of Section 154 has been made.
6. The Annual General Meeting for the financial year ended 31<sup>st</sup> March, 2013 was held on 12.09.2012 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year.
8. The company has not advanced any loans or given any guarantees or provided any securities to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has complied with the provisions of Section 297 of the Act in respect of the transactions specified in that section.
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate certificate during the financial year.
13. The Company has:
  - i. Delivered all the certificates on lodgment thereof for transfer/ transmission or any other purpose in accordance with the provisions of the Act.
  - ii. Deposited the amount of dividend declared for the year 2011-2012 and Interim Dividend for the year 2012-2013 in separate bank accounts within 5 days from the respective dates of declaration.
  - iii. Paid/posted warrants for dividends to all the members within a period of 30 (Thirty) days from the dates of declaration and that all/unclaimed/unpaid dividend have been transferred to Unpaid Dividend Accounts of the Company with the HDFC Bank Limited.
  - iv. Transferred the amounts in unpaid dividend account and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
  - v. Duly complied with the requirements of Section 217 of the Companies Act, 1956.
14. The Board of Directors of the Company is duly constituted and appointment of additional director has been made.

15. The company has not appointed any Managing Director/ Whole Time Director/ Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was required to make an application to the Central Government for appointment of Cost Auditor, which was duly made and the approval obtained. No application was required to be made to the Company Law Board, Regional Director, Registrar of Companies or such other authorities as may be prescribed under various provisions of the Act, during the financial year under review.
18. The directors have disclosed their interests in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any equity shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/ accepted any fresh deposits including any unsecured loans, falling within the purview of Section 58A during the financial year. However the Company has filed Return of Deposits with the Registrar of Companies for the existing deposits.
24. The amount borrowed by the company from financial institutions and banks during the financial year ending 31<sup>st</sup> March, 2013 are within the borrowing limits of the company.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose. However investments have been made and necessary entries in respect thereof have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act. However, show cause notices received in respect of remittance of unclaimed dividend for the year 2001-2002 have been replied and resolved.
32. The Company has not received any money as security from its employees during the financial year.
33. As per the information and explanation provided to me, the Company has deposited both employer's and employee's contribution towards Provident Fund with the prescribed authorities.

**V. Suresh**

Place : Kochi  
Date : 29.05.2013

Practising Company Secretary  
C P No. 6032

## A N N E X U R E - A

### *To the Secretarial Compliance Certificate - Contd.*

#### *Registers as maintained by the company*

- |  |   |
|--|---|
| <ol style="list-style-type: none"><li>1. Register of Deposits under Rule 7 of the Companies (Acceptance of Deposits) Rules, 1975.</li><li>2. Register of Charges under Section 143.</li><li>3. Register of Members under Section 150.</li><li>4. Minutes Book of meetings of the Board/ Shareholders.</li><li>5. Register of particulars of Contracts in which Directors are interested under Section 301.</li></ol> | <ol style="list-style-type: none"><li>6. Register of Directors, Managing Director, Manager and Secretary under Section 303.</li><li>7. Register of Directors' Shareholdings under Section 307.</li><li>8. Register of Investments/ Loans made, guarantee given or security provided under Section 372A.</li></ol> |
|--|---|

## A N N E X U R E - B

### *To the Secretarial Compliance Certificate*

Returns, Documents and Forms filed with the Registrar of Companies, Tamil Nadu during the year 01.04.2012 to 31.03.2013.

- |  |  |
|--|--|
| <ol style="list-style-type: none"><li>1. Form 1 in respect of statement of amount credited to Investor Education &amp; Protection Fund was filed on 08.05.2012.</li><li>2. Form 23C in respect of application to Central Government for appointment of Cost Auditor for the year ended 31.03.2013 was filed on 26.06.2012.</li><li>3. Form 62 in respect of Return of Fixed Deposits for the existing deposits for the year ended 31.03.2012 was filed on 28.06.2012.</li><li>4. Form 32 in respect of change in designation of Mr. Oliver L.D and Mr. M.M. Karunakaran was filed on 09.10.2012</li><li>5. Compliance Certificate under Section 383A of the Companies Act, 1956 for the year 2011-2012 was filed on 18.10.2012.</li><li>6. Form 5INV for statement of unclaimed and unpaid amounts was filed on 27.10.2012.</li><li>7. Form 1 in respect of statement of amount credited to Investor Education &amp; Protection Fund, the Unpaid/ unclaimed dividend amounting to Rs. 1,40,830/- pertaining to the year 2004-05 was filed on 05.11.2012.</li></ol> | <ol style="list-style-type: none"><li>8. Annual Return (Schedule V) under Section 159 for the Annual General Meeting held on 12.09.2012 was filed on 19.11.2012.</li><li>9. Balance Sheet (Form 23ACXBRL), Profit &amp; Loss Account (Form 23 ACAXBRL), Directors' Report and Auditors' Report under Section 220 of the Companies Act, 1956 for the financial year ended 31.03.2012 was filed on 12.01.2013.</li><li>10. Form 32 in respect of cessation of Directorship of Mr. Oliver L.D consequent to death was filed on 15.01.2013.</li><li>11. Form IXBRL in respect of Cost Audit Report was filed on 31.01.2013.</li><li>12. Form 32 in respect of resolution passed by the Board of Directors for appointment of Mr. B.B.Medaiah as Additional Director was filed on 14.03.2013.</li><li>13. Form 17 in respect of satisfaction of a charge was filed on 26.03.2013.</li></ol> |
|--|--|
- V. Suresh**  
Practising Company Secretary  
C P No. 6032
- Place : Kochi  
Date : 29.05.2013

# INDEPENDENT AUDITORS' REPORT

*To the members of Neelamalai Agro Industries Limited*

## Report on the Financial Statements

We have audited the accompanying financial statements of Neelamalai Agro Industries Limited (the Company) which comprise the Balance Sheet as at 31-Mar-2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31-Mar-2013;
- (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date and ;
- (c) in the case of the Cash Flow Statement, of the 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account ;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e. on the basis of written representations received from the directors as on 31-Mar-2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31-Mar-2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956,
  - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

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

**G. Rengarajan**  
Partner

Chennai  
29.05.2013

Membership No. 219922

**A N N E X U R E**  
*To the Auditors' Report*

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (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.
- (c) No substantial part of Fixed Assets of the company has been disposed off during the year.
- ii) (a) Physical verification of Inventory has been conducted by the Management at reasonable intervals.
- (b) The procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventory and no material discrepancies have been noticed on physical verification of inventory as compared to book records.
- iii) (a) The Company has not granted any loans, secured or unsecured, to Companies, firms or other parties, covered in the register maintained under Section 301 of the Companies Act, 1956 and hence the clauses (iii) (a), (b), (c) & (d) of the Order are not applicable.
- (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and hence the clauses (iii) (e), (f) & (g) of the Order are not applicable.
- iv) The Company has adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services.
- v) (a) The particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices, which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or other provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
- vii) The Company has an Internal Audit system commensurate with its size and nature of its business.
- viii) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income tax, Sales tax, Wealth tax, Service Tax, Customs duty, Excise duty, 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.
- (b) There are no disputed statutory dues.
- x) The Company has no accumulated losses. The Company has not incurred any cash loss in the current financial year and in the immediately preceding financial year.
- xi) The Company has not defaulted in repayment of dues to banks.

- xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The Company is not a Chit Fund or a Nidhi/Mutual Benefit Fund/Society.
- xiv) The Company is not dealing or trading in shares, securities, debentures or other investments.
- xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) The Company has applied the term loans for the purpose for which they were obtained
- xvii) According to the information and explanations given to us, no funds raised on short-term basis have been used for long-term investment.

- xviii) The company has not made any preferential allotment of shares during the year.
- xix) The company has not issued any debentures.
- xx) The company has not raised any money by public issues during the year.
- xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

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

Chennai  
29.05.2013

**S. Ganesan**  
Partner  
Membership No. 18525

## BALANCE SHEET

*As at 31 st March 2013*

Particulars	Notes	Figures as at the end of 31.03.2013 Rs.	Figures as at the end of 31.03.2012 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	62,73,500	62,73,500
(b) Reserves and Surplus	3	<u>32,02,11,334</u>	<u>28,83,67,287</u>
		<u>32,64,84,834</u>	<u>29,46,40,787</u>
<b>(2) Non - Current Liabilities</b>			
(a) Long - Term Borrowings	4	Nil	32,14,000
(b) Long Term Provisions		<u>33,183</u>	<u>6,12,566</u>
		<u>33,183</u>	<u>38,26,566</u>
<b>(3) Current Liabilities</b>			
(a) Short - Term Borrowings	5	1,01,89,668	39,60,392
(b) Trade Payables		18,82,943	5,66,660
(c) Other Current Liabilities		2,72,22,167	2,14,52,167
(d) Short - Term Provisions		<u>2,05,99,482</u>	<u>3,26,06,462</u>
		<u>5,98,94,260</u>	<u>5,85,85,681</u>
TOTAL		<u>38,64,12,277</u>	<u>35,70,53,034</u>
<b>II. ASSETS</b>			
<b>(1) Non - Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	6	6,30,70,375	6,41,69,412
(ii) Capital work in progress		<u>2,56,730</u>	Nil
		<u>6,33,27,105</u>	<u>6,41,69,412</u>
(b) Non - Current Investments	7	9,58,98,786	10,59,05,075
<b>(2) Current Assets</b>			
(a) Current Investments	8	13,15,08,679	8,29,37,185
(b) Inventories	9	2,19,87,493	1,42,42,783
(c) Trade Receivables	10	2,95,74,986	2,54,46,616
(d) Cash and Cash equivalents	11	1,23,55,466	1,14,05,668
(e) Short - Term Loans and Advances	12	3,13,25,202	5,24,71,606
(f) Other Current Assets		<u>4,34,560</u>	<u>4,74,689</u>
		<u>22,71,86,386</u>	<u>18,69,78,547</u>
Significant Accounting Policies	1		
TOTAL		<u>38,64,12,277</u>	<u>35,70,53,034</u>

Notes 1 to 12 and 22 to 32 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

For and on behalf of the Board

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

**Ajit Thomas**  
Chairman

**S. Rajasekar**  
Director

Place: Chennai  
Date: 29.05.2013

## STATEMENT OF PROFIT AND LOSS

*For the Year Ended 31st March 2013*

Particulars	Notes	Figures for the year ended 31.03.2013 Rs.	Figures for the year ended 31.03.2012 Rs.
I Revenue from Operations	13	24,20,90,406	19,98,10,646
II Other Income	14	5,80,10,954	13,97,41,177
III Total Revenue	(I + II)	30,01,01,360	33,95,51,823
<b>IV Expenses</b>			
Cost of Material Consumed	15	6,52,01,385	3,32,64,862
Purchase of Stock - in - Trade	16	1,78,999	1,09,682
Increase (-) / Decrease (+) in Inventory	17	(-) 31,27,000	(+) 16,000
Other Manufacturing Expenses	18	3,98,73,361	3,62,21,177
Employee Benefits Expenses	19	8,00,49,659	7,70,37,556
Finance Cost	20	11,09,406	13,61,234
Depreciation and Amortisation Expense		56,85,599	52,77,408
Other Expenditure	21	4,70,24,104	4,04,02,283
Total Expense		23,59,95,513	19,36,90,202
V Profit before exceptional and extraordinary items and tax	(III - IV)	6,41,05,847	14,58,61,621
VI Exceptional / extraordinary items		Nil	Nil
VII Profit Before Tax	(V - VI)	6,41,05,847	14,58,61,621
<b>VIII TAX EXPENSES</b>			
Current Tax	20,00,000		
Add : MAT Credit Utilisation	10,00,000	30,00,000	32,00,000
Deferred Tax		Nil	Nil
IX Profit After Tax	(VII - VIII)	6,11,05,847	14,26,61,621
X Earnings per Share	26		
(1) Basic		97.40	227.40
(2) Diluted		97.40	227.40

Note 1, 13 to 32 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 : 29.05.2013

Partner  
Membership No. 219922

For and on behalf of the Board

**Ajit Thomas**  
Chairman

**S. Rajasekar**  
Director



## **NOTES ON ACCOUNTS**

*for the year ended 31st March, 2013*

### **NOTE : 1**

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

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

The financial statements have been prepared on the historical cost convention in accordance with the generally accepted accounting principles and comply in all material respects with the notified accounting standards by Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

##### **II. FIXED ASSETS AND DEPRECIATION**

- a) Fixed Assets are stated at historical cost less depreciation. 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) Depreciation is provided at the rates specified in Schedule XIV to the Companies Act, 1956, on written down value method. Assets costing individually less than Rs. 5,000/-are depreciated at 100 %. On additions to and deductions from Fixed Assets, depreciation is provided on pro-rata basis

##### **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 & 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.

##### **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.

##### **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.

## **NOTES ON ACCOUNTS**

*for the year ended 31st March, 2013*

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

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

##### **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.

##### **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.

**NOTES ON ACCOUNTS**  
*for the year ended 31st March, 2013*

**NOTE : 1 (contd.)**

**A. ACCOUNTING POLICIES**

**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**

Direct Expenditure on replanting of Tea including upkeep and maintenance expenditure on immature plants is charged to the Statement of Profit and Loss with credit as to Subsidy on replanting of Tea as Revenue.

**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.

**NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2013*

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
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**NOTE : 2**

**SHARE CAPITAL**

*a. Authorised*

9,00,000 - Equity Shares of Rs.10/- each	90,00,000	90,00,000
3,50,000 - 5 % Preference Shares of Rs.10/- each	35,00,000	35,00,000
	<b>1,25,00,000</b>	<b>1,25,00,000</b>

*b. Issued, Subscribed and Paid - up*

6,27,350 - Equity Shares of Rs.10/- each.	62,73,500	62,73,500
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*c. Number of Shares at the beginning of the year*

Add / Less : Shares Issued / buyback etc	Nil	Nil
Number of shares at the end of the year	<b>6,27,350</b>	<b>6,27,350</b>

*d. Details of Shareholders holding more than 5% of equity shares as on 31.03.2013*

Name of Shareholder	31.03.2013		31.03.2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Ajit Thomas	4,10,353	65.41%	4,10,353	65.41%

*No bonus shares / Buy back of shares in last 5 years*

**NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2013 (contd.)*

	As at 31.03.2013 Rs.	As at 31.03.2012 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	28,11,40,800	
Add : Transfer from Profit & Loss Account	<u>3,00,00,000</u>	
	31,11,40,800	28,11,40,800
<i>Surplus</i>		
Balance in Profit and Loss Account	6,11,05,847	14,26,61,621
Add : Surplus Brought forward from previous year	<u>44,99,987</u>	<u>20,41,770</u>
	<u>6,56,05,834</u>	<u>14,47,03,391</u>
<i>Appropriations</i>		
Transfer to General Reserve	3,00,00,000	6,00,00,000
200% Interim dividend paid on Equity shares (Previous year - 100/- per share)	1,25,47,000	6,27,35,000
Tax on Interim dividend	20,35,437	1,01,77,185
Proposed Final Dividend on Equity shares @ Rs. 20/- per Share (Previous year @ Rs.10/- per share)	1,25,47,000	62,73,500
Provision for tax on final dividend	<u>21,32,363</u>	<u>10,17,719</u>
Net surplus in the statement of Profit & Loss	<u>63,44,034</u>	<u>44,99,987</u>
	<u>32,02,11,334</u>	<u>28,83,67,287</u>

**NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2013 (contd.)*

	<b>As at 31.03.2013 Rs.</b>	<b>As at 31.03.2012 Rs.</b>
<b>NOTE : 4</b>		
<b>NON CURRENT LIABILITIES</b>		
<i>a. Long - Term borrowings</i>		
<i>From Banks</i>	<b>Nil</b>	32,14,000
(The Company's borrowing facilities comprising Term Loan facility of Rs. 1,82,75,000/- at the interest rate of 11.25%, secured by hypothecation of Plant and machinery and other movable assets at Estate. The repayment shall be in 72 equal installments after initial repayment holiday of 48 months, commencing from 04.06.2013)		
<i>b. Long Term Provisions</i>		
<i>Provision for Employee benefits</i>		
For Gratuity	<b>Nil</b>	Nil
For Leave Encashment	<b>33,183</b>	6,12,566
	<b>33,183</b>	38,26,566
<b>NOTE : 5</b>		
<b>CURRENT LIABILITIES</b>		
<i>a. Short - Term borrowings</i>		
	<b>1,01,89,668</b>	39,60,392
(The Company's borrowing facilities comprising cash credit facility of Rs. 2,75,00,000 at the interest rate of 11.40%, secured by hypothecation of stock-in-Trade, Standing Crops, Book Debts, in Vehicles and also equitable mortgage of Katary Estate with Buildings thereon.)		
<i>b. Trade Payable</i>		
Sundry Creditors	<b>18,82,943</b>	5,66,660
(Refer note No. 25 for details of dues to micro and small enterprise.)		

**NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2013 (contd.)*

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
<b>c. Other Current Liabilities</b>		
Investor Education and Protection Fund		
- Unpaid Dividend	98,46,290	88,84,530
Unpaid Preference Capital	2,25,110	2,25,110
Other current liabilities	1,71,50,767	1,23,42,527
	<u>2,72,22,167</u>	<u>2,14,52,167</u>
<b>d. Short - Term Provisions</b>		
<i>Provision for Employee benefits</i>		
For Leave Encashment	1,195	19,252
For Gratuity	17,56,730	Nil
<i>Other Provisions</i>		
For Taxation	41,62,194	2,52,95,991
For Proposed Dividend on Equity Shares	1,25,47,000	62,73,500
For Tax on Dividend	21,32,363	10,17,719
	<u>2,05,99,482</u>	<u>3,26,06,462</u>

**NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2013 (contd.)*

**NOTE : 6**

**TANGIBLE ASSETS**

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01.04.2012 Rs.	Additions Rs.	Deductions Rs.	As at 31.03.2013 Rs.	Up to 31.03.2012 Rs.	For the year Rs.	Withdrawn Rs.	Upto 31.3.2013 Rs.	As at 31.3.2013 Rs.	As at 31.3.2012 Rs.
Freehold and Development	2,66,71,159	---	---	2,66,71,159	---	---	---	---	2,66,71,159	2,66,71,159
Buildings	3,81,03,184	---	---	3,81,03,184	1,60,35,277	11,40,204	---	1,71,75,481	2,09,27,703	2,20,67,907
Machinery	4,97,02,991	12,44,417	---	5,09,47,408	4,13,70,664	21,34,730	---	4,35,05,394	74,42,014	83,32,327
Furniture and Fittings	43,86,356	8,89,270	---	52,75,626	37,12,815	2,21,040	---	39,33,855	13,41,771	6,73,541
Vehicles	1,58,80,748	25,09,218	3,50,135	1,80,39,831	94,56,270	21,89,625	2,93,792	1,13,52,103	66,87,728	64,24,478
	13,47,44,438	46,42,905	3,50,135	13,90,37,208	7,05,75,026	56,85,599	2,93,792	7,59,66,833	6,30,70,375	6,41,69,412
Previous year	9,94,67,474	3,61,31,164	8,54,200	13,47,44,438	6,60,11,750	52,77,408	7,14,132	7,05,75,026	6,41,69,412	3,34,55,724



**NOTES FORMING PART**  
of the Balance Sheet as at 31st March 2013 (contd.)

**NOTE : 7**  
**Non Current Investments - At Cost**

Description	As on 01.04.2012			As on 31.03.2013		
	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 :						
L. J. International Ltd.	64	313			64	313
The Devshola (Nilgiri) Tea Estates Co. Ltd.	134	1,284	134	1,284	---	---
The Periakaramalai Tea & Produce Co. Ltd.	193	6,172	193	6,172	---	---
AVT Natural Products Ltd. (Face value Re.1/-)	30,45,680	2,58,96,668			3,04,56,800	2,58,96,668
		<u>2,59,04,437</u>		<u>7,456</u>	(***)	<u>2,58,96,981</u>
Less : Diminution in value		<u>6,167</u>		<u>7,456</u>		<u>---</u>
		<u>2,58,98,270</u>		<u>7,456</u>		<u>2,58,96,981</u>
(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
Tea Serve Ltd. (Rs. 5000 / Share)	1	5,000	1	5,000	---	---
Midland Natural Pte Ltd. (US \$ 1/Share) (*)	2,00,000	90,20,000			2,00,000	90,20,000
		<u>4,30,25,000</u>		<u>5,000</u>		<u>4,30,20,000</u>
<b>(B) REDEMABLE PREFERENCE SHARES (UNQUOTED):</b>						
AVT Infotech Private Limited (*)	10,00,000	1,00,00,000			10,00,000	1,00,00,000
(5% Cumulative Redeemable Preference Shares)						
		<u>2,69,81,805</u>				<u>2,69,81,805</u>
<b>2. IN IMMOVABLE PROPERTIES</b>		<b>10,59,05,075</b>		<b>1,00,12,456</b>		<b>9,58,98,786</b>
Value of Land						
(1) Aggregate amount of Quoted investments (Market Value - Rs. 80,10,18,480/- Previous year Rs. 1,09,46,56,550/-)		<u>31.03.2013</u>	<u>31.03.2012</u>			
(2) Aggregate amount of Unquoted investments		2,58,96,981	2,59,04,437			
(3) Aggregate amount of immovable properties		4,30,20,000	5,30,25,000			
		<u>2,69,81,805</u>	<u>2,69,81,805</u>			
Less : Aggregate provision of diminution in value of investments		9,58,98,786	10,59,11,242			
		<u>---</u>	<u>6,167</u>			
		<u>9,58,98,786</u>	<u>10,59,05,075</u>			
(*) The right to transfer shares is restricted under Section 3(iii) (a) of the Companies Act, 1956, being Private Limited Companies.						
(**) Subdivision / Stock split of Rs. 10/- per share of the company into the shares of Re. 1/- each wef 08th June, 2012.						
(#) Face value of Equity Shares is Rs. 10/- fully paid up unless otherwise stated.						

**NOTES FORMING PART**  
of the Balance Sheet as at 31st March 2013 (contd.)

**NOTE : 8**

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

Description	As on 01.04.2012			Additions			Deductions			As on 31.03.2013		
	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>1. SHARES IN COMPANIES - SHORT TERM - AT COST : #</b>												
(A) EQUITY SHARES - QUOTED:												
Aban Lloyd Chiles Offshore Ltd.	3,000	32,83,242							3,000	32,83,242		
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)	12,600	4,08,272		96,294					16,100	5,04,566		
IL & FS Transportation Networks Ltd.	1,000	2,25,883							1,000	2,25,883		
Nava Bharat Ventures Ltd. (Rs 2/- Share)	750	1,52,908							750	1,52,908		
NHPC Ltd.	2,000	49,367		49,757					4,600	99,124		
Noida Toll Bridge Co. Ltd.	18,400	4,75,961							18,400	4,75,961		
Escorts Ltd.	11,150	10,40,559		2,01,592					14,100	12,42,151		
MOIL Limited	1,270	4,54,078		1,49,383					1,840	6,03,461		
Piramal Enterprises Ltd.												
(Formerly Piramal Healthcare Ltd)	1,720	6,95,173							1,720	6,95,173		
JK Paper Ltd.	3,200	1,50,903							3,200	1,50,903		
Zodiac Clothing Co. Ltd.	300	63,489							300	63,489		
Navin Flourine International Ltd	260	99,960					260	99,960	---	---		
Amitek Auto Ltd	550	49,120							550	49,120		
E.I.D Parry (India) Ltd.				1,98,556					1,080	1,98,556		
Sonata Software Ltd				1,08,205					5,000	1,08,205		
SRF Ltd				99,500					460	99,500		
		81,61,062		9,03,287				99,960		89,64,389		
		16,45,161								22,95,051		
		65,15,901		9,03,287				99,960		66,69,338		
Less : Diminution in value												

**NOTES FORMING PART**  
of the Balance Sheet as at 31st March 2013 (contd.)

**NOTE : 8**  
**Current Investments - Lower of Cost and Fair Value (Contd...)**

Description	As on 01.04.2012			Additions			Deductions			As on 31.03.2013		
	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>												
Sundaram BNP Paribas Energy Opportunities Fund	2,50,000	25,00,000		6,52,16,209	3,94,151	4,16,56,530	2,50,000	25,00,000				
ICICI Prudential Flexible Income	1,97,444	2,08,58,135	6,16,794	41,49,935	48,14,776	5,00,00,000	4,20,086	4,44,17,814				
Templeton India Low duration - DM	50,21,766	5,19,40,346	3,82,072	3,57,38,990	29,31,253	2,93,49,199	5,89,063	60,90,281				
Templeton India Ultra short Bond	1,00,882	10,09,885	35,69,068	14,847	696	6,96,195	7,38,697	73,99,676				
Goldman Sachs Liquid Exchange Traded Scheme	687	6,87,193	11,278	10,00,000			6	5,845				
BSL MNC - D			48,876	10,00,000			11,278	10,00,000				
ICICI Prudential Recovery - D			69,881	10,00,000			48,876	10,00,000				
ICICI Prudential top 100 - D			72,921	10,00,000			69,881	10,00,000				
IDFC Sterling Equity Fund			39,835	10,00,000			72,921	10,00,000				
Reliance Equity Opportunities			10,00,000	1,00,00,000			39,835	10,00,000				
ICICI Pru Series 66-405D Plan			20,90,633	5,00,00,000			10,00,000	1,00,00,000				
ICICI Pru Short Term Growth			7,69,95,559	17,01,19,981			20,90,633	5,00,00,000				
Less : Diminution in value			5,74,275	---				12,17,01,924				
			7,64,21,284	17,01,19,981				12,17,01,924				
			8,29,37,185	17,10,23,268				12,18,01,884				
				<b>31.03.2013</b>				<b>31.03.2012</b>				
(1) Aggregate amount of Quoted investments			13,43,78,005	8,51,56,621								
(Market Value - Rs. 13,34,61,579/- Previous year Rs. 8,47,34,023/-)												
Less : Aggregate provision for diminution in value of investments			28,69,326	22,19,436								
			<b>13,15,08,679</b>	<b>8,29,37,185</b>								

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

**NOTES FORMING PART**  
*of the Balance Sheet as at 31st March 2013 (contd.)*

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
<b>NOTE : 9</b>		
<b>INVENTORIES</b>		
(Value at lower of cost and net realisable value)		
Stores and Spares	68,71,493	22,53,783
Stock in Trade	1,51,16,000	1,19,89,000
	<u>2,19,87,493</u>	<u>1,42,42,783</u>
<b>NOTE : 10</b>		
<b>TRADE RECEIVABLES</b>		
Considered good - Unsecured:		
(a) Trade receivable outstanding for more than six month from the date they become due for payment	Nil	Nil
(b) Other receivable	2,95,74,986	2,54,46,616
	<u>2,95,74,986</u>	<u>2,54,46,616</u>
<b>NOTE : 11</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and stamps on hand	96,078	91,164
Bank balances with Scheduled Banks		
In Current Account	21,87,988	20,97,157
In Deposit Account	Nil	1,07,707
	<u>22,84,066</u>	<u>22,96,028</u>
In Dividend / Capital Refund Account	1,00,71,400	91,09,640
	<u>1,00,71,400</u>	<u>91,09,640</u>
	<u>1,23,55,466</u>	<u>1,14,05,668</u>
Bank deposit with more than 12 months Maturity	Nil	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	64,24,151	33,73,231
Deposits:		
(a) With NABARD under Tea Development Scheme	37,14,650	92,55,650
(b) Other Deposits	8,12,887	8,25,792
Other Loans and Advances		
Tax payments pending adjustment	17,73,514	1,94,16,933
MAT Credit Entitlement	1,86,00,000	1,96,00,000
	<u>3,13,25,202</u>	<u>5,24,71,606</u>

## **NOTES FORMING PART OF THE STATEMENT**

*of Profit and Loss for the year ended 31st March 2013*

	<b>For year ended 31.03.2013 Rs.</b>	<b>For year ended 31.03.2012 Rs.</b>
<b>NOTE : 13</b>		
<b>REVENUE FROM OPERATIONS</b>		
Sale of Products		
Tea	22,28,94,248	18,72,64,725
Tea Waste	21,15,000	19,35,000
Tea Subsidy	1,02,39,281	35,98,254
Exchange Fluctuations	1,12,260	(19,15,431)
Sale of Import Entitlements	53,98,707	84,19,887
Duty Drawback	13,30,910	5,08,211
	<u>24,20,90,406</u>	<u>19,98,10,646</u>
<b>NOTE : 14</b>		
<b>OTHER INCOME</b>		
Income from Investments		
(i) Long Term	4,98,32,887	2,87,10,650
(ii) Current	74,92,629	83,35,637
Interest Received	4,85,674	5,46,667
Profit / (Loss) on Sales of Non Current Investment	11,471	10,12,73,238
Profit / (Loss) on Sales of Current Investments	225	7,68,734
Profit on Sale of Assets	25,674	17,624
Miscellaneous Receipts	1,62,394	88,627
	<u>5,80,10,954</u>	<u>13,97,41,177</u>

## NOTES FORMING PART OF THE STATEMENT

*of Profit and Loss for the year ended 31st March 2013 (contd..)*

	For year ended 31.03.2013 Rs.	For year ended 31.03.2012 Rs.
<b>NOTE : 15</b>		
<b>COST OF MATERIAL CONSUMED</b>		
Consumption of Raw material - Bought Leaf	6,52,01,385	3,32,64,862
<b>NOTE : 16</b>		
<b>PURCHASE OF TRADED GOODS</b>		
Tea	1,78,999	1,09,682
<b>NOTE : 17</b>		
<b>INCREASE / DECREASE IN INVENTORY</b>		
<i>Inventory at the beginning of the year :</i>		
Tea	1,19,89,000	1,20,05,000
<i>Inventory at the end of the year :</i>		
Tea	1,51,16,000	1,19,89,000
(-)	31,27,000	(+)
		16,000
<b>NOTE : 18</b>		
<b>OTHER MANUFACTURING EXPENSES</b>		
Consumption of Stores and Spares	1,80,55,498	1,62,67,740
Power and Fuel	1,93,63,833	1,70,17,855
Repairs and Maintenance	24,54,030	29,35,582
	3,98,73,361	3,62,21,177
<b>NOTE : 19</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries Wages and Bonus	6,99,98,449	6,59,07,413
Contribution to Provident and Other Funds	59,49,404	1,08,13,474
Provision for Gratuity (Refer Note 30)	17,56,730	(24,28,664)
Provision for Leave Encashment (Refer Note 30)	(5,97,440)	1,97,626
Welfare Expenses	29,42,516	25,47,707
	8,00,49,659	7,70,37,556
<b>NOTE : 20</b>		
<b>FINANCE COST</b>		
Interest	11,09,406	13,61,234

## **NOTES FORMING PART OF THE STATEMENT**

*of Profit and Loss for the year ended 31st March 2013 (contd..)*

	<b>For year ended 31.03.2013 Rs.</b>	<b>For year ended 31.03.2012 Rs.</b>
<b>NOTE : 21</b>		
<b>OTHER EXPENSES</b>		
Rent and Amenities	---	1,72,000
Repairs and Maintenance:		
Roads and Buildings	1,12,67,561	1,32,34,107
Vehicles	40,40,009	33,24,606
Others	10,53,858	1,37,449
Insurance	8,19,238	7,21,521
Rates and Taxes	18,59,541	15,11,052
Payment to Auditors		
For Audit	4,50,000	4,50,000
For Certification / Tax Audit	1,40,000	1,40,000
For Tax Representation	1,72,500	1,95,000
For Travelling and other Expenses	1,38,000	95,500
For Service Tax	1,11,302	99,962
Transport and warehousing	80,64,726	56,69,847
Brokerage and Commission	51,62,251	40,31,469
Travelling Expenses	44,34,209	32,29,033
Legal and Professional Expenses	30,19,598	23,48,391
Postage and Telephones	6,24,372	4,89,235
Printing and Stationery	3,63,429	3,96,422
Bank Charges	1,43,144	2,67,679
Directors' Sitting Fees	1,09,000	1,21,000
Advertisement and Sales Promotion	1,00,223	56,404
Miscellaneous Expenses	49,51,143	37,11,606
	<b>4,70,28,104</b>	<b>4,04,02,283</b>

**NOTES ON ACCOUNTS**  
*for the year ended 31st March 2013 (contd.)*

	Year ended 31.03.2013 Rs.	Year ended 31.03.2012 Rs.
--	---------------------------------	---------------------------------

**NOTE : 22**

**PARTICULARS OF CONSUMPTION (in Rupees)**

	Value in Rs.	%	Value in Rs.	%
(a) Rawmaterials - Bought Leaf				
Indigenous	<b>6,52,01,385</b>	<b>100</b>	3,32,64,862	100
(b) Stores and Spares:				
Indigenous	1,69,34,861	94	1,48,35,289	91
Imported	11,20,637	6	14,32,451	9
	<b>1,80,55,498</b>	<b>100</b>	1,62,67,740	100

**NOTE : 23**

**EARNINGS AND EXPENDITURE IN FOREIGN CURRENCY**

a) Earnings			
FOB Value of Exports	15,40,51,129		12,38,22,669
b) CIF Value of Imports			
Stores & Spares	9,69,141		6,61,985

**NOTE : 24**

**EXPENDITURE IN FOREIGN CURRENCY**

a) Testing Fee	8,96,488	7,05,698
b) Travelling Expenses	11,10,647	7,78,147
c) Registration Fee	45,297	9,852

**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 31.03.2013 is Nil (Previous year Rs. Nil). There are no overdue principal amounts and therefore no interest is paid or payable.

**NOTE : 26**

**EARNINGS PER SHARE**

Profit after Taxation	6,11,05,847	14,26,61,621
Number of Equity Shares outstanding at the end of the year	6,27,350	6,27,350
Basic EPS	97.40	227.40
Diluted EPS	97.40	227.40

**NOTE : 27**

**CONTINGENT LIABILITY**

Contracts remaining to be executed on Capital Account	15,52,315	Nil
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**NOTES ON ACCOUNTS**  
*for the year ended 31st March 2013 (contd.)*

**NOTE : 28**

**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 export 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	7,26,68,062 (6,15,93,415)	15,02,26,186 (12,56,71,310)	22,28,94,248 (18,72,64,725)
Sundry Debtors	84,88,230 (63,17,759)	2,10,86,756 (1,91,28,857)	2,95,74,986 (2,54,46,616)

**NOTE : 29**

**ACCOUNTING FOR TAXES ON INCOME**

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

**NOTE : 30**

**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.

**NOTES ON ACCOUNTS**  
*for the year ended 31st March 2013 (contd.)*

**NOTE : 30**

**EMPLOYEE BENEFITS (Contd.)**

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

	As on 31.03.2013		As on 31.03.2012	
	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)
Present Value of the Obligation as on 01.04.2012	<b>2,55,64,412</b>	6,31,818	2,28,19,446	4,34,192
Current Service Cost	<b>24,80,479</b>	11,430	22,38,093	55,035
Interest Cost	<b>20,46,203</b>	34,821	18,02,808	33,629
Benefits Paid	<b>(30,35,651)</b>	(4,44,317)	(21,97,735)	(58,053)
Actuarial loss / (gain)	<b>(2,28,759)</b>	(1,99,374)	9,01,800	1,67,015
Present Value of the Obligation as on 31.03.2013	<b>2,68,26,684</b>	34,378	2,55,64,412	6,31,818
c) Reconciliation of changes in the fair value of Plan Assets				
Fair Value of Plan Assets as on 01.04.2012	<b>2,58,68,440</b>	Nil	2,03,90,782	Nil
Expected return on plan assets	<b>22,37,165</b>	Nil	20,01,400	Nil
Contribution by the Company	<b>Nil</b>	4,44,317	58,91,001	58,053
Benefits Paid	<b>(30,35,651)</b>	(4,44,317)	(21,97,735)	(58,053)
Actuarial gain / (Loss)	<b>Nil</b>	Nil	(2,17,008)	Nil
Fair Value of Plan Assets as on 31.03.2013	<b>2,50,69,954</b>	Nil	2,58,68,440	Nil
d) The total expense recognised in the Profit and Loss Account is as follows				
Current Service Cost	<b>24,80,479</b>	11,430	22,38,093	55,035
Interest Cost	<b>20,46,203</b>	34,821	18,02,808	33,629
Expected return on plan assets	<b>(22,37,165)</b>	NA	(20,01,400)	NA
Net Actuarial (gain) / loss recognised in the year	<b>(2,28,759)</b>	(1,99,374)	11,18,808	1,67,015
	<b>20,60,758</b>	(1,53,123)	31,58,309	2,55,679
e) Reconciliation of Net Liability recognised in the Balance Sheet				
Net Liability as at the beginning of the year	<b>(3,04,028)</b>	6,31,818	24,28,664	4,34,192
Add : Expense as (d) above	<b>20,60,758</b>	(1,53,123)	31,58,309	2,55,679
Less : Employer's Contribution / Payment	<b>---</b>	(4,44,317)	58,91,001	(58,053)
Net Liability as at the end of the year	<b>17,56,730</b>	34,378	(3,04,028)	6,31,818

**NOTES ON ACCOUNTS**  
*for the year ended 31st March 2013 (contd.)*

**NOTE : 30**

**EMPLOYEE BENEFITS (Contd.)**

	As on 31.03.2013		As on 31.03.2012	
	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)	Gratuity (Funded Plan)	Leave Encashment (Non Funded Plan)
f) Constitution of Plan Assets				
Investments in LIC Group Gratuity Scheme	<b>2,50,69,954</b>	N.A.	2,58,68,440	N.A.
g) Principal actuarial assumptions used as at the Balance Sheet Date				
Discount Rate	<b>8.50 %</b>	8.50 %	8.50 %	8.50 %
Salary Escalation Rate	<b>5 %</b>	3 %	5 %	5 %
Attrition Rate	<b>2 %</b>	2 %	2 %	2 %
Expected rate of return on plan assets	<b>9.25 %</b>	N.A.	9.25 %	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:

	<u>31.03.2013</u>	<u>31.03.2012</u>	<u>31.03.2011</u>	<u>31.03.2010</u>	<u>31.03.2009</u>
Gratuity funded plan					
Defined Benefit Obligation	2,68,26,684	2,55,64,412	2,28,19,446	2,33,97,416	2,02,45,132
Plan Assets	2,50,69,954	2,58,68,440	2,03,90,752	2,07,13,359	1,79,56,538
Surplus / (Deficit)	(17,56,730)	3,04,028	(24,28,664)	(26,84,057)	(22,88,594)
Experience adjustment - Plan Liability	(2,28,759)	9,01,800	(14,06,763)	15,49,801	29,26,053
Experience adjustment - Plan Assets	---	(2,17,008)	(12,820)	(2,55,108)	(2,78,865)

The Company expects to fund Rs. 82/- lakhs towards its Gratuity Plan during the year 2013 - 2014.

ii) 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. 54,45,050/- as expense towards contributions to these plans.

**NOTES ON ACCOUNTS**  
*for the year ended 31st March 2013 (contd.)*

**NOTE : 31**

**RELATED PARTY TRANSACTIONS**

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

- |  |  |
|--|--|
| - A. V. Thomas & Company Ltd.              | - AVT Holdings Private Ltd.                          |
| - A. V. Thomas International Ltd.          | - A. V. Thomas Leather and Allied Products Pvt. Ltd. |
| - L. J. International Ltd.                 | - A. V. Thomas Exports Ltd.                          |
| - A. V. Thomas Investments Company Ltd.    | - Midland Latex Products Ltd.                        |
| - The Nelliampathy Tea & Produce Co. Ltd.  | - Sermatech Private Ltd.                             |
| - The Midland Rubber & Produce Co. Ltd.    | - Ajit Thomas Holdings Private Limited               |
| - A V T Natural Products Ltd.              | - Midland Corporate Advisory Services (P) Ltd.       |
| - AVT McCormick Ingredients Private Ltd.   | - AVT Natural Pte. Ltd.                              |
| - IQ Tech Private Ltd.                     | - Heilongjiang AVT Bio Products Ltd.                 |
| - Teleflex Medical Private Ltd.            | - AVT Gavia Foods Private Ltd.                       |
| - J. Thomas Educational & Benevolent Trust | - Midland Charitable Trust                           |
| - Midland Natural Pte. Ltd.                | - AVT Tea Services Ltd.                              |

Key Management Personnel :

Mr. Ajit Thomas, Chairman  
Mr. S. Rajasekar, Director

Details of Transaction	Year ended 31.3.2013		Year ended 31.3.2012	
	Associates	Key Management Personnel (including relatives)	Associates	Key Management Personnel (including relatives)
<b>INCOME</b>				
Sales	2,10,06,217		43,98,283	
Dividend Received	4,96,18,306		2,85,68,240	
<b>EXPENDITURE</b>				
Purchases / C&F Charges	2,01,380		95,538	
Sitting Fees		46,000		57,000
Professional Charges	10,11,240		6,61,800	
Dividend paid		1,23,10,590		4,71,90,595
Donations Paid	10,00,000		9,00,000	
<b>OTHERS</b>				
Investments made				2,47,52,000
Sale of investments	Nil		10,77,47,405	
<b>BALANCE AS ON 31.3.2013</b>				
Debit Balances	41,75,563		9,03,365	
Credit Balances	40,000		Nil	

Note : 32 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

For and on behalf of the Board

**G. Rengarajan**

Place : Chennai  
Date : 29.05.2013

Partner  
Membership No. 219922

**Ajit Thomas**  
Chairman

**S. Rajasekar**  
Director

## CASH FLOW STATEMENT

*For the year ended 31st March 2013*

	<b>Year ended 31.03.2013 Rs</b>	Year ended 31.03.2012 Rs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extraordinary items	6,41,05,847	14,58,61,621
Adjustments for:		
Depreciation	56,85,599	52,77,408
Profit on sale of Assets	(25,674)	(17,624)
Profit on sale of Investments	(11,696)	(10,20,29,173)
Provision for Gratuity	17,56,730	(24,28,664)
Provision for Leave Encashment	(5,97,440)	1,97,626
Interest / Dividend Received	(5,78,11,190)	(3,75,92,954)
Interest Paid	11,09,406	13,61,234
	<u>(4,98,94,265)</u>	
Operating Profit before working capital changes	1,42,11,582	1,06,29,474
Adjustments for:		
Trade and other Receivables	(41,28,370)	7,71,435
Inventories	(77,44,710)	16,87,145
Trade Payables	70,86,283	1,05,54,898
Other Current Assets	15,41,225	(1,06,29,445)
	<u>(32,45,572)</u>	
Cash generated from operations	1,09,66,010	1,30,13,507
Direct Taxes Paid	(54,90,378)	(2,10,98,308)
Cash Flow before Extraordinary items	54,75,632	(80,84,801)
Extraordinary Items	Nil	Nil
Net Cash From Operating Activities	<u>54,75,632</u>	<u>(80,84,801)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(48,99,635)	(3,61,31,164)
Sale of Fixed Assets	82,017	1,57,692
Purchase of Investments	(17,10,23,268)	(33,98,96,367)
Sale of Investments	13,18,13,580	41,41,17,170
Diminution of Investments	6,56,179	Nil
Interest Received	5,25,803	3,42,779
Dividend Received	5,73,25,516	3,70,46,287
Net Cash from / (used in) Investing Activities	<u>1,44,80,192</u>	<u>7,56,36,397</u>

## CASH FLOW STATEMENT

*For the year ended 31st March 2013 (contd.)*

	Year ended 31.03.2013 Rs	Year ended 31.03.2012 Rs
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Fixed Deposits	Nil	(1,01,000)
Proceeds from long term borrowings	(32,14,000)	Nil
Cash Credit	62,29,276	(52,70,445)
Interest Paid	(11,09,406)	(14,04,462)
Dividend Paid	(2,18,73,656)	(8,38,49,013)
Net Cash used in Financing Activities	<u>(1,99,67,786)</u>	<u>(9,06,24,920)</u>
	<u>(11,962)</u>	<u>(2,30,73,324)</u>
Net Decrease in cash and cash equivalents		
Cash and cash equivalents as at 01.04.2012 (Opening Balance)	22,96,028	2,53,69,352
Cash and cash equivalents as at 31.03.2013 (Closing Balance)	22,84,066	22,96,028
	<u>(11,962)</u>	<u>(2,30,73,324)</u>

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

**Ajit Thomas**  
Chairman

**S. Rajasekar**  
Director

Place : Chennai  
Date : 29.05.2013

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

*For the last ten years*

Season	Net Profit before taxation Rs.	Depreciation Rs.	Provision for Taxation Rs.	Allocation to Reserve Funds Rs.	Dividend on Equity shares.	
					Rs.	%
2003/2004	6,13,617	40,43,749	4,00,000	Nil	6,27,350	10
2004/2005	72,79,331	37,89,902	7,00,000	75,00,000	15,68,375	25
2005/2006	1,06,03,332	41,48,576	6,25,000	75,00,000	31,36,750	50
2006/2007	2,57,13,527	31,94,836	13,00,000	1,50,00,000	62,73,500	100
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 Divided) 62,73,500 (Final Dividend)	100
<b>2012/2013</b>	<b>6,41,05,847</b>	<b>56,85,599</b>	<b>30,00,000</b> (Net of MAT credit utilisation of Rs. 10,00,000)	<b>3,00,00,000</b>	<b>1,25,47,000</b> (Interim Divided) <b>1,25,47,000</b> (Final Dividend)	<b>200</b> <b>200*</b>

\* Recommended

**AREA PARTICULARS**

Area as on 01-04-2013

	KATARY Hectares	SUTTON Hectares	TOTAL Hectares
<b>TEA:</b>			
In bearing	225.39	298.24	523.63
Immature	29.98	15.81	45.79
Buildings, Roads, etc.	26.39	39.75	66.14
<b>TOTAL</b>	<b>281.76</b>	<b>353.80</b>	<b>635.56</b>

## 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:-

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

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.**

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

**PROXY FORM  
ANNUAL GENERAL MEETING**



I/We.....

of.....in the district of.....

being a member / members of the above named Company hereby appoint.....

of.....in the district of.....

or failing him.....

and vote for me/us on my/our behalf at the Seventieth Annual General Meeting of the Company to be held on Monday, 2nd September, 2013 and at any adjournment thereof.

Signed this..... day of ..... 2013

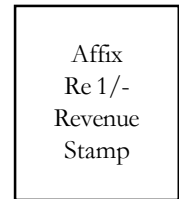
Signature .....

Full Name of the Share holder  
(in block letters)

Folio No. ....

Address .....

.....



Note : The proxy form duly signed across the revenue stamp of Re 1/- should reach the Company's Registered Office at least 48 hours before the time of the meeting.

**NEELAMALAI AGRO INDUSTRIES LTD.**

**ATTENDANCE SLIP**

I hereby record my presence at the SEVENTIETH ANNUAL GENERAL MEETING of the Company at 3.30 p.m. at Katary Estate, Katary Post - 643 213, Coonoor, The Nilgiris on Monday, 2nd September, 2013.



.....

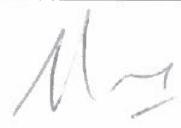
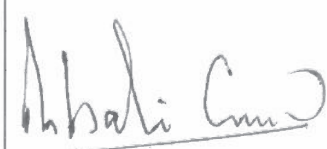

Full name of the Shareholder ..... Signature

Folio No.: .....  
.....

Full name of Proxy ..... Signature  
(in block letters)

Note: Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting Hall.

**FORM A**  
**Format of covering letter of the Annual Audit Report**  
**to be filed with the Stock Exchanges**

1.	Name of the Company		Neelamalai Agro Industries Ltd. Katary Estate, Katary Post Coonoor, The Nilgiris Tamil Nadu - 643213
2.	Annual financial statements for the year ended		31 <sup>st</sup> March 2013
3.	Type of Audit observation		Un-qualified
4.	Frequency of observation		No observation
5.	To be signed by:-		
	CEO/Managing Director	Mr. S Rajasekar Director	
	CFO	Mr.T.M.Harikumar General Manager- Finance	
	Auditor of the company	<b>For SURI &amp; CO.</b> Chartered Accountants Firm's Registration No.004283S <b>G. RENGARAJAN</b> Partner Membership No.219922	
	Audit Committee Chairman	Mr. A.D.Bopana	